



# 2014 NEW LAWS REPORT

## ***Introduction***

Welcome to the *2014 New Laws Report* of the League of Arizona Cities and Towns. The *Report* is designed to serve as a guide to those enactments of the second regular session of the 51st Arizona Legislature that have direct impacts on municipalities.

During the past session, 1,205 bills and 103 memorials/resolutions were introduced in the House and Senate. Of these, 303 passed the Legislature and were sent to the Governor, and 278 were signed into law. More than one-fourth of these enactments affect cities and towns and are summarized in the *Report*.

## ***Scope and Use***

This digest is intended only to identify and summarize new laws with significant impact on Arizona municipalities. It does not describe every provision of every law in detail, but it does provide a hyperlink to the chaptered version of each law summarized. For a fuller understanding of new laws, readers are encouraged to review the exact language of their provisions, as well as relevant legislative history.

For new enactments that modify current law, the *Report* makes no effort to describe the underlying law, other than to provide sufficient context for an understanding of the statutory modification. Furthermore, the *Report* focuses only on new laws that have broad statewide applicability to cities and towns.

## ***Effective Dates***

Unless otherwise noted, the effective date of the new laws described in the *Report* is July 24, 2014. This date – 90 days after the conclusion of the legislative session – is the general effective date for all enactments that are passed without an emergency clause or alternative effective date.

The *Report* does endeavor to identify effective dates that vary from the general effective date. Where appropriate, it also includes other statutory dates, such as repeal dates, implementation dates and deadlines.

## ***Disclaimers***

The *Report*, published as a service to the members of the League of Arizona Cities and Towns, does not necessarily identify every law with impacts on municipalities. It is neither designed nor intended to provide legal advice or counsel. It should be relied upon only as a reference tool and not as a comprehensive guidance document. In certain limited instances, the *Report* does highlight action items that should be considered by cities and towns. In no case, however, should the *Report* substitute the independent judgment of your city or town manager or attorney.

## **TABLE OF CONTENTS**

[Part 1](#)      [Courts, Criminal and Civil Justice and Law Enforcement](#)

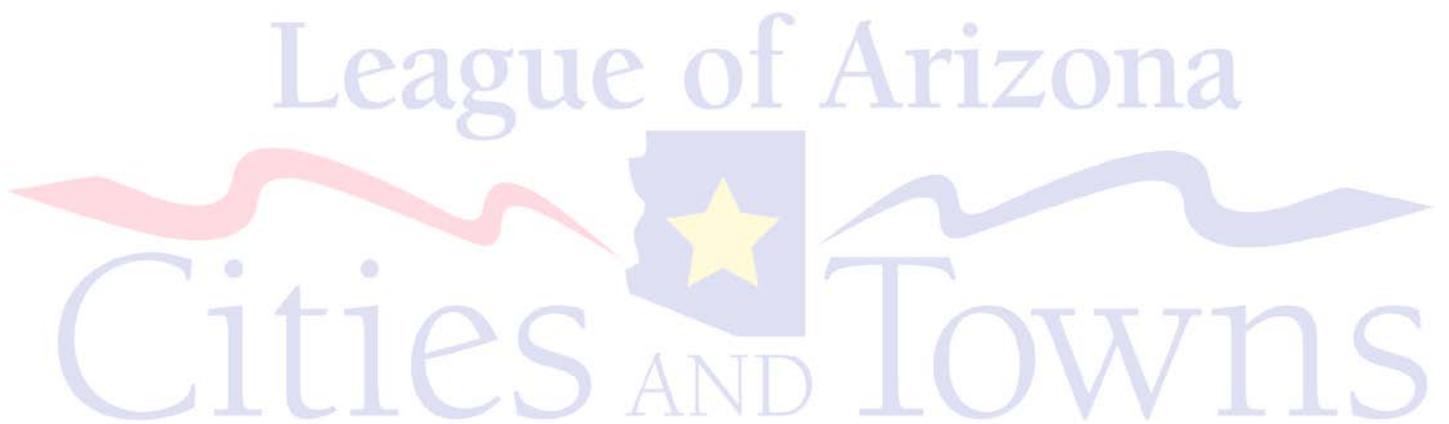
[Part 2](#)      [Campaigns, Elections and Recordkeeping](#)

[Part 3](#)      [Taxes, Budget and Finance](#)

[Part 4](#)      [General Government](#)

[Part 5](#)      [Transportation and Traffic Enforcement](#)

[Part 6](#)      [Labor, Employment, Retirement and Benefits](#)



## **Part 1 – Courts, Criminal and Civil Justice, and Law Enforcement**

### **HB 2002 (correctional officers; arrest; unlawful imprisonment)**

#### **[Chapter 40](#)**

The measure allows a detention officer who is acting in their official capacity to arrest a person who is in custody at a correctional facility, or a person that surrenders to that facility.

**Effective Date:** July 24, 2014

### **HB 2003 (watercraft; civil and criminal penalties)**

#### **[Chapter 127](#)**

The bill establishes penalties for operating watercraft under the influence of intoxicants and creates new distributions for assessments collected.

**Effective Date:** July 24, 2014

### **HB 2103 (concealed carry permit; qualifications)**

#### **[Chapter 85](#)**

HB 2103 allows a person who is currently in the military or honorably discharged to obtain a concealed weapon permit if at least 19 years of age.

**Effective Date:** July 24, 2014

### **HB 2105 (court-ordered evaluations; peace officers)**

#### **[Chapter 197](#)**

Peace officers may detain a person believed to be a danger to self or others based on probable cause, rather than observed behavior.

**Effective Date:** April 23, 2014

## **HB 2164 (laser pointer; aircraft; violation)**

### [Chapter 257](#)

The measure establishes the crime of laser pointing at an occupied aircraft; which is classified as a class 1 misdemeanor. If the pilot of the aircraft is rendered unable to safely operate the aircraft, or if a person aboard the aircraft is seriously injured, the crime is one of assault.

**Effective Date:** July 24, 2014

## **HB 2268 (scrap metal dealers)**

### [Chapter 90](#)

The bill makes a variety of changes to scrap metal statutes including payment systems, licensure, municipal property and penalties for certain metal theft.

**Effective Date:** July 24, 2014

## **HB 2269 (civil liability; damages; metal theft)**

### [Chapter 138](#)

The measure provides an affirmative defense in a civil proceeding if the defendant did not act intentionally, and proves that a claimant violated scrap metal theft laws.

**Effective Date:** July 24, 2014

## **HB 2274 (dealer tank wagon prices)**

### [Chapter 53](#)

The attorney general is no longer required to collect and compile data showing the average dealer tank wagon prices for Phoenix and Tucson on a weekly basis.

**Effective Date:** July 24, 2014

## **HB 2306 (fingerprint clearance cards; periodic checks)**

### [Chapter 56](#)

HB 2306 expands the list of offenses that preclude a person from receiving a fingerprint clearance card. The bill also requires the Department of Public Safety to do periodic background checks on card holders.

**Effective Date:** July 24, 2014

## **HB 2312 (tampering with a witness)**

### **[Chapter 144](#)**

The measure expands the definition of tampering with a witness. It also precludes the interviewing of a minor in a criminal case by the defendant or the defendant's attorney unless the prosecutor has been notified at least five days in advance.

**Effective Date:** July 24, 2014

## **HB 2336 (firearms; law enforcement officers)**

### **[Chapter 147](#)**

HB 2336 states that a peace officer may not carry a firearm while consuming liquor at any licensed liquor establishment unless authorized by the officer's agency.

**Effective Date:** July 24, 2014

## **HB 2453 (synthetic drugs; reporting)**

### **[Chapter 36](#)**

Among other technical and conforming changes, this law expands the definitions of "dangerous" and "narcotic" drugs. It also eliminates a reporting requirement by entities that sell these drugs or otherwise furnish any precursor chemical or regulated chemical. Instead of reporting sales to both the Drug Enforcement Administration and the Department of Public Safety, the new law requires submittal to only the Drug Enforcement Administration.

**Effective Date:** April 15, 2014

## **HB 2483 (firearms; private land; lawful discharge)**

### **[Chapter 62](#)**

A person may now discharge a firearm within a quarter mile of an occupied structure if the person has the permission of the property owner for the taking of wildlife as authorized by the Department of Game and Fish. The bill also prohibits political su firearms, air rifles or archery equipment on land that is not open to the public or commercially used.

**Effective Date:** July 24, 2014

## **HB 2505 (leaving accident scene; alcohol; penalty)**

### **[Chapter 38](#)**

A court may order drug or alcohol screening on a driver if it is determined by a preponderance of the evidence that the accident was caused by drugs or alcohol. The Department of Transportation may conduct drug or alcohol screening on a driver, as a condition of license reinstatement, if reasonable suspicion exists to believe that drugs or alcohol were a contributing factor to the accident. The bill also clarifies that the driver of a vehicle involved in an accident must render help to those injured at the scene of the accident. Failure to render assistance is a class 6 felony.

**Effective Date:** July 24, 2014

## **HB 2535 (certification of firearms transfers)**

### **[Chapter 173](#)**

A chief law enforcement officer has 60 days to certify or deny the transfer of certain types of firearms, as classified by the Bureau of Alcohol, Tobacco, Firearms and Explosives. This requirement is performed by the county sheriff if the city or town law enforcement agency has 15 or fewer officers.

**Effective Date:** July 24, 2014

## **HB 2563 (juvenile crime victims' rights)**

### **[Chapter 269](#)**

HB 2563 expands the rights of victims of juvenile crime to be more commensurate with the rights of victims of adult crime. The measure also requires investigating law enforcement agencies to provide free copies of a police report and additional supplements to a victim's immediate family if the victim is killed or incapacitated.

**Effective Date:** July 24, 2014

## **HB 2571 (criminal damage; economic costs)**

### **[Chapter 176](#)**

Victims of criminal damage, especially graffiti, can recover full economic costs from the perpetrator, including equipment costs, for the abatement of the damage.

**Effective Date:** July 24, 2014

## **HB 2625 (penalty assessment; victims' rights enforcement)**

### **[Chapter 158](#)**

HB 2625 establishes the Victims' Rights Enforcement Fund, and levies a two dollar assessment on a variety of offenses. The fund will go to agencies with a history of providing services to crime victims for that same purpose. The measure has a delayed effective date.

**Effective Date:** January 1, 2015

## **HB 2638 (CPS information; law enforcement; prosecutors)**

### **[Chapter 64](#)**

HB 2638 requires the Arizona Department of Economic Security or a person who receives Child Protective Services information, to provide information to the appropriate agency to help investigate and prosecute any violation involving domestic violence or violent sexual assault. (This measure may be altered by the enactment of legislation related to the creation of the new Department of Child Safety in special session.)

**Effective Date:** July 24, 2014

## **SB 1118 (hunting on private land; trespassing)**

### **[Chapter 182](#)**

The measure grants law enforcement officers the ability to enforce prohibitions against hunting, fishing or trapping at the request of private landowners. A person who remains on any property after a reasonable request to leave by a law enforcement officer, the owner or any other person having lawful control over such property is guilty of a class 3 misdemeanor.

**Effective Date:** July 24, 2014

## **SB 1158 (fireworks; permissible use)**

### **[Chapter 108](#)**

Cities and towns in Maricopa and Pima Counties now have extended periods of fireworks sales and use around the first of the year and the Fourth of July. Municipalities outside of those counties may now regulate sale and use of fireworks. In addition, the penalty for illegal use of permissible consumer fireworks is reduced to a civil penalty. The bill does include an emergency clause.

**Effective Date:** April 22, 2014

## **SB 1266 (misconduct involving weapons; judicial officers)**

### **[Chapter 189](#)**

Judicial officers may carry firearms in courthouses if they demonstrate competency with a firearm and are in compliance with the presiding judge of their court. The bill does not pertain to hearing officers and part-time judicial officer pro-tempores.

**Effective Date:** July 24, 2014

## **SB 1284 (public safety officers; omnibus)**

### **[Chapter 190](#)**

SB 1284 expands the Firefighter and Peace Officer Cancer Insurance Program to include corrections officers. It also allows a peace officer to request that the superior court redact court records which contain personal identifying information and allows the Arizona Department of Administration to establish an appeals process for the denial of public safety officer supplemental benefits for officers injured while on duty. The bill continues the voluntary supplemental benefit plan for units of government until October 1, 2017. The measure has a delayed effective date.

**Effective Date:** January 1, 2015

## **SB 1460 (used catalytic converter; purchase; sale)**

### **[Chapter 195](#)**

SB 1460 resolves a conflict in statute by allowing a scrap metal dealer to purchase or sell a used catalytic converter that is acquired in a transaction with an industrial account, with another scrap metal dealer or after the used catalytic converter is authorized for release by a peace officer of the jurisdiction in which the transaction occurs.

**Effective Date:** July 24, 2014

## **SB 1474 (used motor vehicle; definition)**

### **[Chapter 81](#)**

Under this law, a person is permitted to sell a maximum of six used motor vehicles in a contiguous 12-month period without being licensed as a used motor vehicle dealer. Previous law permitted three.

**Effective Date:** July 24, 2014

## Part 2 – Campaigns, Elections and Recordkeeping

### **HB 2100 (address confidentiality program)**

#### [Chapter 130](#)

This law allows participants in the Address Confidentiality Program (ACP) to attach a copy of their current and valid ACP card and a statement of certification from the Secretary of State to their affidavit request for confidentiality in documents maintained by the county recorder, county assessor, and county treasurer. The law also requires a person who ceases to participate in the program to notify any state, local government or business that uses the substitute address supplied through the ACP that he or she is no longer participating.

**Effective Date:** July 24, 2014

### **HB 2107 (elections; candidate, ballot measure signatures)**

#### [Chapter 45](#)

Most of the changes in this new law apply only to statewide elections. Of particular interest to cities and towns is the requirement that each referendum, initiative and recall petition sheet shall have printed on the top of each sheet the following statement: "It is unlawful to sign this petition before it has a serial number." Recall petitions now must carry a line indicating:

" \_\_\_\_\_ paid circulator \_\_\_\_\_ volunteer"

**Effective Date:** July 24, 2014

### **HB 2126 (2014 city/town elections; municipal annexation; size; exception)**

#### [Chapter 256](#)

This session law requires the majority of votes cast in a primary election for mayor or city council in 2014 to be determined as follows:

- Calculate the total number of actual votes cast for all candidates for that office whose names were lawfully on the ballot.
- Divide that sum by the number of seats to be filled for the office.
- Divide that number by two and round it to the highest whole number.

The candidates who receive a majority of votes cast, and who receive the highest number of votes equal to the number of seats to be filled for the office, are declared elected to that office. If, at the primary election, no candidate receives the majority of the votes cast or the number of seats to be filled for the office is more than the number of candidates

who receive a majority of votes cast, then the number of candidates who advance to the general or runoff election must be twice the number of seats to be filled for the office. Additionally, the candidates who received the highest number of votes for the office in the primary election must be the candidates at the general or runoff election. If more than one candidate received an equal number of votes and that number was the highest number of votes for that office, then all candidates receiving the equal number of votes shall be candidates at the general or runoff election. The candidates who receive the highest number of votes at the general or runoff election are elected to that office. If two or more candidates receive an equal number of votes cast for the same office and a higher number of votes than any other candidate, the elected candidate must be determined by lot in the presence of the candidates.

This new law also amends the municipal annexation statutes by modifying part of the definition of contiguous. The new definition states that a territory satisfies the width requirement if at least 95 percent of that territory is at least 200 feet in width, excluding rights-of-way and roadways. The provisions related to annexation are repealed on December 31, 2014.

**Effective Date:** July 24, 2104

## **HB 2145 (identifying information; peace officers spouses)**

### [Chapter 164](#)

The spouse of a peace officer may request that public records containing personal information remain confidential.

**Effective Date:** April 23, 2014

## **HB 2162 (city or town council; vacancy)**

### [Chapter 31](#)

This new law clarifies that if any member on a city or town council ceases to be a qualified elector or resident of that municipality at any time during the member's term of office, their council seat must be deemed vacant. The law directs the vacancy to be filled in the same manner as any other vacancy on the council. The county attorney for the county in which the municipality is located is required to investigate, on request, and determine whether a vacancy exists.

**Effective Date:** July 24, 2014

## **HB 2654 (government reporting; financial information)**

### **Chapter 178**

This law expands the information that must be included in the comprehensive web portal of local governments maintained by the Arizona Department of Administration to include the total taxes per capita of the local government and the total value of all outstanding debt obligations on a per capita basis.

**Effective Date:** July 24, 2014

## **HB 2665 (campaign finance; election; candidate committees)**

### **Chapter 241**

This new law specifies that if a campaign committee receives contributions designated for use in the general election before the primary election, the committee must use an acceptable accounting method to distinguish between contributions received for the primary election and contributions received for the general election. The law allows a candidate's campaign committee to transfer or contribute monies in the aggregate from one committee to another if both committees have been designated for an election in the same year including to a committee for another office or in another jurisdiction. A contribution to a candidate's exploratory or campaign committee shall be applied to the primary election unless:

- The contributor has designated otherwise.
- The application would result in exceeding a contribution limit.
- The contribution was received after the primary election and the contribution was not being used to retire primary election debt.

Contributions made to the candidate's general election account are solely for influencing the general election. After the primary election, unexpended or unencumbered primary election account contributions may be transferred to the general election account if the candidate prevailed in the primary election. After the general election, contributions in either account may be combined into a primary election account or a general election account for use in a subsequent election.

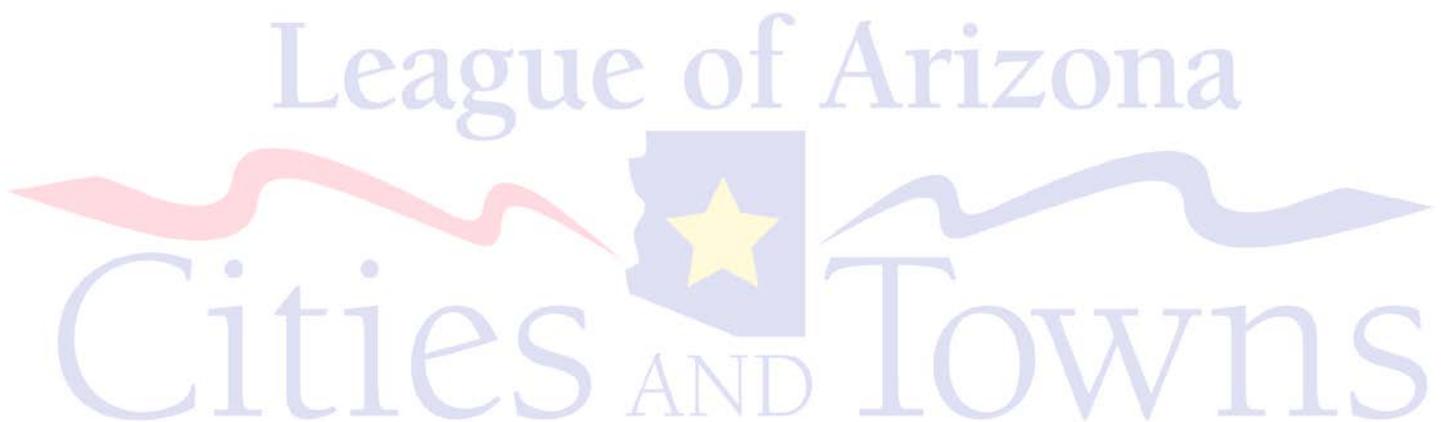
**Effective Date:** April 25, 2014

## SB 1344 (contribution limits; clean elections authority)

### [Chapter 225](#)

This law provides new guidelines for determining what constitutes an independent expenditure under state election laws including specifics regarding trade associations.

**Effective Date:** July 24, 2104



## **Part 3 – Taxes, Budget and Finance**

### **HB 2046 (disaster recovery; businesses; tax; regulation)**

#### **Chapter 43**

Under this law, out-of-state businesses and employees that are in Arizona on a temporary basis specifically to perform disaster recovery from a declared disaster within 60 calendar days after the disaster are exempt from any state or local registration, licensing or certification requirements and are not required to file, withhold or pay state or local income, use or property taxes.

**Effective Date:** January 1, 2015

### **HB 2283 (property taxes; postmark; filing by mail)**

#### **Chapter 139**

Under this law, any payment or other material dealing with taxation other than petitions or notices of appeal that is required to be filed with the state or any agency or political subdivision is considered timely if performed by the taxpayer within five business days after the due date if it does not contain a postmark or other official mark of the U.S. mail.

**Effective Date:** January 1, 2015

### **HB 2285 (refined coal transfer; tax exemptions)**

#### **Chapter 54**

This law creates a new exclusion from retail, mining, and use taxes by stating that the transfer of coal back and forth between the owner of a power plant and the refiner of the coal, when the transfer is for the purpose of refining the coal is not considered a sale. Municipalities are similarly preempted. These changes are retroactive effective from and after December 31, 2014.

**Effective Date:** July 24, 2014

## **HB 2288 (sales tax; reduced reporting requirements)**

### **[Chapter 141](#)**

This law allows taxpayers with annual transaction privilege tax (TPT) liability between \$2,000 and \$8,000 to pay TPT on a quarterly basis (instead of a monthly basis) and taxpayers with annual TPT liability of less than \$2,000 may pay on an annual basis.

**Effective Date:** January 1, 2015

## **HB 2389 (transaction privilege tax changes)**

### **[Chapter 263](#)**

This law makes numerous changes to the transaction privilege tax (TPT) statutes to facilitate the implementation of HB 2111 that passed in 2013. The law requires a person to apply to the Arizona Department of Revenue (ADOR) for an annual municipal privilege tax license if they do business within a municipality that imposes TPT. Licenses are valid only for the calendar year in which they are issued and the annual application will include a fee of up to \$50. The law requires ADOR to hold the fees in trust for the municipality and prohibits ADOR from using the monies for any other purpose. The renewal fee is due and payable on January 1 and is considered delinquent if not received by the last business day of January. Beginning January 1, 2015, if a taxpayer continues in business without timely renewing a municipal privilege tax license, a civil penalty of up to \$25 must be added to the renewal fee for each jurisdiction. The law also stipulates that a person engaged in business in two or more locations or under two or more business names is required to procure a municipal privilege tax license for each location or business name regardless of whether all locations or business names are reported on a consolidated return. A person who files a consolidated return is required to pay only a single municipal privilege tax renewal fee for each local jurisdiction.

Session law requires ADOR to mail a single license renewal notice for state and municipal tax licenses to existing license holders beginning October 1, 2014. ADOR is authorized to enter into an agreement with municipalities that did not have an existing intergovernmental contract or agreement in effect as of January 1, 2013 to provide for a unified or coordinated licensing, collection and auditing program for those municipalities to contribute to the payment of the electronic system for transaction privilege and affiliated excise taxes through money or resources. The Municipal Tax Hearing Office will be repealed upon issuance of the final decision promulgated by the Office.

The law also expands the list of deductions from the tax base for the restaurant classification of TPT, the list of items exempt from use taxes and the list of items that municipalities are prohibited from levying a transaction privilege or

other similar tax on to include sales of food and drink at low or reduced prices to eligible elderly, disabled or homeless persons by a restaurant that contracts with the Department of Economic Security and that is approved by the U.S. Department of Agriculture if the purchases are made with the benefits issued under the Supplemental Nutrition Assistance Program.

**Effective Date:** December 31, 2014

## **HB 2377 (income tax brackets; inflation index)**

### [Chapter 10](#)

Beginning in tax year 2015, the Arizona Department of Revenue (ADOR) is required to adjust the income dollar amounts for each tax bracket in accordance with the average annual change in the Metropolitan Phoenix Consumer Price Index.

**Effective Date:** July 24, 2014

## **HB 2378 (municipal taxes and fees; prohibition)**

### [Chapter 169](#)

This law prohibits municipalities from levying or assessing a municipality-wide tax or fee against property owners based on the size or value of the real property or improvements for any public service provided by the municipality unless it was adopted in compliance with the statutes governing property taxes. Municipalities that adopted an ordinance before December 31, 2013 requiring property owners to obtain fire prevention and control services are grand-fathered.

**Effective Date:** January 1, 2014

## **HB 2415 (waste facility; prime contracting deduction)**

### [Chapter 228](#)

This law creates a new deduction from state transaction privilege taxes for the construction of a mixed waste processing facility located on a municipal solid waste landfill that is constructed for the purpose of recycling solid waste or producing energy from landfill waste. (Contains a retroactive effective date.)

**Effective Date:** December 31, 2012

## **HB 2546 (alarm business; alarm agents; regulation)**

### [Chapter 174](#)

Municipalities are prohibited from levying TPT on alarm monitoring businesses. HB 2546 also provides discretion for the Board of Technical Registration in denying license applicants based on good moral character.

**Effective Date:** July 24, 2014

## **HB 2703 (2014-2015; general appropriations)**

### [Chapter 18](#)

The measure provides the funding for the operation of state government for fiscal year 2014-15. Specifically, \$89,247,100 is diverted from the Highway User Revenue Fund to the Department of Public Safety for agency operations.

**Effective Date:** April 11, 2014

## **SB 1306 (government entities; credit card payments)**

### [Chapter 118](#)

Governmental entities may require vendors to accept specific methods of payment exclusively for any goods or services provided by the vendor to the entity, but the requirement must be disclosed during the bid process or the contract must be amended under mutual agreement with the vendor. If a governmental entity pays a vendor by credit card, the entity is required to disclose in its annual financial report the amount of any reward, discount, incentive or other financial consideration received by the entity resulting from the credit card payment.

**Effective Date:** July 24, 2014

## **SB 1331 (model city tax code; changes)**

### [Chapter 121](#)

The law stipulates that any changes to the model city tax code that are not reflected in the official copy on file with the Department of Revenue are void and have no effect. The definition of new or different tax rate includes any change that increases taxpayer liability. The provisions apply retroactively to taxable periods beginning July 2, 1988. Session law specifies that any claim for a refund of transaction privilege tax paid based on the retroactive application of this legislation must be submitted to the Department of Revenue or the appropriate city by December 31, 2014. The burden

is on the taxpayer to establish by competent evidence the amount of any such refund claim. The total amount of refunds issued based on the retroactive application cannot exceed \$10,000.

**Effective Date:** July 24, 2014

## **SB 1413 (taxes; manufacturers' electricity sales; exemption)**

### [Chapter 7](#)

This new law allows the deduction of the gross proceeds of sales of electricity or natural gas to a business that is principally engaged in manufacturing or smelting operations from the utility classification under transaction privilege tax statutes, as well as the exemption of the purchase price of electricity or natural gas by a business engaged in the same operations. Cities and towns have the option to either tax or exempt in whole the gross proceeds of sales or gross income from sales of electricity or natural gas to businesses that use at least 51 percent of the electricity in manufacturing or smelting operations.

**Effective Date:** July 24, 2104

## **SB 1487 (revenue; budget reconciliation; 2014-2015)**

### [Chapter 9](#)

Among other changes, \$30M is appropriated from the state general fund to the Highway User Revenue Fund (HURF) to be distributed according to the following breakdown:

- Counties, 33.23%.
- Incorporated cities and towns, 48.097%.
- Incorporated cities with a population of three hundred thousand or more persons, 5.247%.
- Counties with a population of more than eight hundred thousand persons, 13.425%.

After the distributions are made, money is dispensed according to the standard HURF provisions, meaning that compared to the current fiscal year, an additional \$14.43M will be distributed amongst all cities and towns.

**Effective Date:** July 24, 2014

## **Part 4 – General Government**

### **HB 2148 (municipalities; counties; right-of-way)**

#### **Chapter 134**

HB 2148 clarifies that a transfer of property between the governing bodies of a county and a municipality must be treated as newly annexed territory. The bill also establishes a procedure for a county street light improvement district (SLID) to be converted to a municipal SLID if it is entirely annexed into a municipality. The adopting municipality must submit a resolution declaring the intent to assume jurisdiction over the SLID and submit the resolutions to the board of supervisors of the county SLID no later than July 1. It exempts governing bodies from complying with statutes relating to filing boundary change notices (A.R.S. § 42-17257) and directs the existing county governing body of the SLID to continue to operate the district and comply with any existing power or energy purchase agreements from after the date on which the municipality's governing body commences governance until July 1 immediately following adoption of the resolution. The law also requires the municipal governing body to have concurrent jurisdiction with the county governing body to take all actions that are reasonably necessary to provide for a tax assessment and levy for the next fiscal year for the maintenance, repair and replacement of a SLID's facilities and to purchase energy for street and public park lighting. This section of statute does not establish a new district or political subdivision of this state.

**Effective Date:** July 24, 2014

### **HB 2330 (municipalities; deannexation; public right-of-way)**

#### **Chapter 146**

This law allows a public right-of-way that is partially located in a municipality and partially located in a county to be deannexed and severed from the municipality and returned to the county under certain conditions.

**Effective Date:** July 24, 2014

## **HB 2343 (wildfire prevention; state trust land)**

### [Chapter 207](#)

The state land commissioner, in coordination with the state forester, is required to establish a program for the removal of vegetative natural products on or before January 1, 2016 for the purpose of fire suppression and forest management on state lands. The law stipulates that the forester and the commissioner must identify and prioritize state lands that would benefit the most from the program and enter into intergovernmental agreements with cities, counties, and special districts to share the cost of implementing the program. The program will sunset July 1, 2024.

**Effective Date:** July 24, 2014

## **HB 2528 (municipalities; regulation; sign walkers)**

### [Chapter 97](#)

This law clarifies that those municipalities that adopt reasonable time, place and manner regulations relating to sign walkers are prohibited from restricting a sign walker from using a public sidewalk, walkway or pedestrian thoroughfare.

**Effective Date:** July 24, 2014

## **HB 2694 (theme park districts; formation; bonds)**

### [Chapter 275](#)

The statutes governing the formation of a theme park district is modified to include combinations of cities and a county to form a district, including a combination of a county with a population of more than 125,000 but less than 150,000 and a city with a population of more than 300,000 but less than 500,000 that is located entirely in that county. The district may be established with a single site and additional sites may be added after the district is established. Similarly, the geographical boundaries of the site may be revised after the district is initially established.

**Effective Date:** July 24, 2014

## **SB 1150 (sewer connection; county islands; prohibition)**

### [Chapter 72](#)

This law prohibits a municipality from requiring a property owner in a municipality's planning area to connect to the sewer system if the property is located in a county island unless the Arizona Department of Environmental Quality has

determined that connection is necessary to abate an environmental nuisance or to eliminate a threat to a water quality standard.

**Effective Date:** July 24, 2014

## **SB 1183 (fire access roads; limitation; sprinklers)**

### **Chapter 73**

Current law prohibits municipalities from adopting new residential building codes that require the installation of fire sprinklers. This law updates that prohibition by also stipulating that municipalities and counties may not adopt any fire code or other legal requirement for an approved fire apparatus access road and/or road extension that directly or indirectly requires a one or two family residence to install fire sprinklers. However, fire code officials may increase or extend an approved fire apparatus access road and/or access road extension to comply with the law.

**Effective Date:** July 24, 2014

## **SB 1305 (semipublic swimming pool barrier gates)**

### **Chapter 78**

Beginning January 1, 2015, a code or ordinance adopted by a municipality or county applies to locking devices for pool barrier gates used for semipublic swimming pools, and any new construction or major renovation of a semipublic swimming pool must meet the requirements of the code or ordinance. If a pool barrier gate was installed before January 1, 2015 and the locking device meets the requirements of statute then the provisions of this act do not apply.

**Effective Date:** January 1, 2015

## **SB 1326 (state parks; donations; fund; transportation)**

### **Chapter 120**

The bill creates the Sustainable State Parks and Roads Fund (Fund) and allows taxpayers to make a voluntary contribution from their state tax refund to the Fund, as well as other voluntary donations whether a refund is applicable or not. The Fund is used to operate, maintain and make capital improvements to buildings, roads, parking lots, highway entrances and any related structure used to operate state parks.

**Effective Date:** July 24, 2014

## **SB 1351 (multipurpose facilities districts; rio nuevo)**

### **[Chapter 80](#)**

This law stipulates that the board of directors for a multipurpose facilities district formed by two or more municipalities must include residents of the county in which the district is located, at least four of whom must reside in the municipality in which the district is located. District boards are required to submit a report to the Legislature by October 1 of each year on the activities, operations, revenues and expenditures of the district for the immediately preceding fiscal year. For planned expenditures of \$500,000 or more, each board member must provide at least two weeks advance notice of the consideration of the expenditure to the person responsible for that member's appointment. The notice must include a written statement as to whether that member has any financial interest in the subject of the proposed expenditure. The provisions apply to persons appointed after the effective date of this legislation.

**Effective Date:** July 24, 2014

## **SB 1397 (liquor omnibus)**

### **[Chapter 253](#)**

SB 1397 makes numerous changes to statute regarding wineries, craft brewers and the powers of the Department of Liquor Licenses and Control (DLLC). For municipalities, special event licenses are now exempt from the approval process by the governing body of the city or town if the operator is an already licensed establishment, or the physical locations that are not licensed, but are owned, operated or otherwise managed by the federal or state government or any Arizona city, town or county. However, before the DLLC issues a temporary special event license for an otherwise unlicensed location, the municipal governing body does have approval authority. The bill also deems a transferrable license and a replacement of a hotel/motel license for a restaurant license to be presumed to be in the public interest, as when first issued.

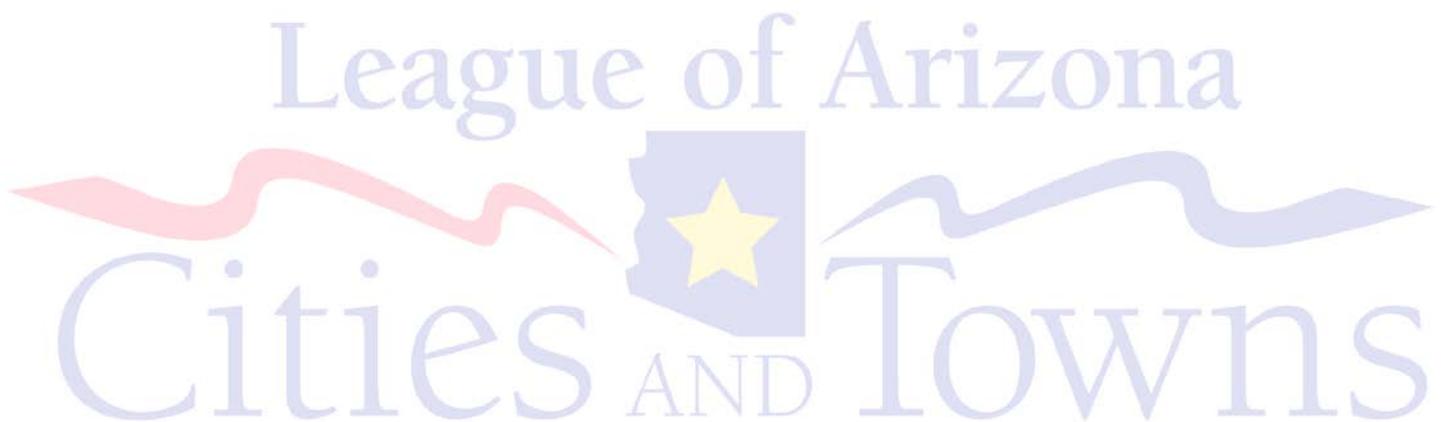
**Effective Date:** July 24, 2014

## SB 1482 (homeowners' associations amendments; omnibus)

### [Chapter 83](#)

The measure prohibits local governments from requiring that a developer construct or enact a planned community as part of a subdivision approval or zoning ordinance, except for the purpose of maintaining private improvements that are a part of the preliminary plat, final plat or specific plan. These provisions apply only to those established in plats recorded after the effective date of this act and must be limited in scope to the maintenance of community owned property.

**Effective Date:** July 24, 2104



## **Part 5 – Transportation and Traffic Enforcement**

### **HB 2114 (ADOT; land acquisition; conveyances; relocation)**

#### **Chapter 28**

This law updates the Arizona Department of Transportation’s (ADOT) payment and relocation standards to conform to federal standards established by Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21). Conforming updates include increasing the dollar amount available to help search for and/or re-establish a displaced farm, small business or non-profit. It also reduces the length of time that the person actually owned and occupied a property from 180 days to 90 days.

**Effective Date:** July 5, 2014

### **HB 2120 (motor vehicle sales)**

#### **Chapter 48**

This law prohibits motor vehicle dealers from displaying a vehicle for sale on a public street, highway, parking lot or other public property or on any private property where the public may lawfully drive (other than the dealer's lot). Peace officers are also required to cause the removal and either immobilization or impoundment of a vehicle that is displayed for sale with a vehicle identification number that has been destroyed, removed, covered or altered.

**Effective Date:** July 24, 2014

### **HB 2429 (towed vehicles; impoundment notification)**

#### **Chapter 266**

This law requires law enforcement to report information of any impoundment, removal or immobilization of vehicles pursuant to A.R.S. § 28-3511 into the Arizona Crime Information Center Database within three business days after impoundment, removal or immobilization. The new law also stipulates that a towing firm may only have one contractual agreement for towing or storage services with the Department of Public Safety, county, city or town per geographic towing area. If a towing firm with a contractual agreement acquires another towing firm with a contractual agreement, both agreements remain valid for one year after the date of the acquisition. An agency may allow a towing firm to use resources from another towing firm if the agency deems the use of those resources necessary for a traffic management incident.

**Effective Date:** July 24, 2014

## **HB 2580 (alternative fuel vehicles; registration; inspection)**

### **[Chapter 99](#)**

Under this law, alternative fuel vehicles are required to undergo an emissions test in the sixth registration year, rather than the fourth. The requirement that fleet vehicles must be inspected every year has been removed and, instead, the director of the Arizona Department of Environmental Quality is required to adopt new rules regarding testing fleet vehicles.

**Effective Date:** July 24, 2014

## **SB 1152 (transportation safety zones; passenger areas)**

### **[Chapter 184](#)**

This law authorizes municipalities to create a transportation safety zone if the governing body finds it necessary to preserve the public health, safety and general welfare. On establishment of a transportation safety zone, statute authorizes the municipality to place and maintain permanently affixed signs at the public vehicular access points leading into the zone. Except in the event of a public safety emergency, municipalities cannot prescribe the order in which a vehicle may load or unload passengers in a transportation safety zone. This law also authorizes municipalities to establish passenger convenience areas and vehicle-for-hire lanes within a transportation safety zone.

**Effective Date:** July 24, 2014

## **Part 6 – Labor, Employment, Retirement and Benefits**

### **HB 2050 (ASRS membership; section 218 requirements)**

#### **Chapter 44**

Arizona State Retirement System (ASRS) eligibility requirements are decoupled from the state's section 218 agreement with the Social Security Administration along with necessary statutory conforming changes. As a result of this change, public safety employees previously deemed ineligible for ASRS membership due to an exclusion included in the state's section 218 agreement will now be eligible to participate in ASRS.

In order to maintain system eligibility for most public employees, the following persons are designated in statute as ineligible for membership in ASRS:

- An inmate or patient of a hospital, home, or other institution who performs services there.
- A person who performs agricultural labor services as outlined in § 210 of the federal Social Security Act.
- A nonresident alien who holds an F-1, J-1, M-1, or Q-1 visa.
- A student of a school, college, or university who performs services there, subject to an appeals process if the student disagrees with the school, college, or university's designation of the student as ineligible.
- A person who performs services for a program designed to relieve the person from unemployment.

The 401(a) plan established last year for employees deemed ineligible for ASRS membership and all related statutes are repealed.

Session law requires ASRS to distribute the balance of an employee's account in the 401(a) or transfer the balance to another eligible retirement plan at the employee's election. If the employee does not make an election within 180 days of the effective date of the session law, ASRS will transfer the balance to an individual retirement account and designate the employee as the account holder.

Session law allows a member of the 401(a) who is receiving long term disability (LTD) benefits to continue receiving benefits until the earliest of the following:

- The date the member ceases to be fully disabled.
- The date the member:

- Ceases to be under the direct care of a doctor.
- Refuses to undergo any medical examination or participate in any work rehabilitation program treatment that is requested by the ASRS LTD insurance claims administrator.
- The later of the following:
  - The date the member reaches age 65.
  - The month following five years of payments if the disability began before the member reaches 65.
  - The month after the member reaches 70 if the disability began when the member was at least 65.
  - The month following one year of payment if the disability began when the member was at least 69.
- If the member was convicted of a criminal offense and sentenced to more than six months in a correctional institution, the first day of the month following the first 30 continuous days of the member's confinement for the remainder of the confinement.

Session law requires employers to enroll a newly eligible employee into ASRS at the employee's election. The employee may purchase his or her previous period of employment as credit towards ASRS if the employee both elects to purchase the service within 90 days and pays within 180 days of the effective date of these provisions. If an eligible employee does not meet the aforementioned requirements, service may still be purchased under the existing statutory framework.

Employees can purchase service equal to the amount that the employee would have paid as a member of ASRS plus interest equal to the rate approved by the ASRS board for actuarial equivalency. Employees may use the balance of their 401(a) plan to purchase service, but will either have to pay any shortfalls or accept a reduced credit. ASRS will proportionately reduce the credit for members who do not purchase the full amount, but members may still purchase the remaining credit at a later date.

The bill requires an employer to match the contributions of the employee for the period of service purchased and pay the same interest rate as an employee. Contributions must be made within one year after the employee elects to purchase the credit and employers may pay all or a portion of the interest due on the member's contributions.

**Effective Date:** July 24, 2014

## **HB 2122 (ASRS; election; EORP defined contribution)**

### **[Chapter 131](#)**

In order to comply with the Internal Revenue Service Code, an elected official who is or has already been a member of ASRS will maintain or resume membership in ASRS. A member of the new Elected Official Defined Contribution Retirement System must apply for disability benefits within one year of terminating office.

**Effective Date:** April 22, 2014

## **HB 2693 (PSPRS; employer liability; death benefits)**

### **[Chapter 274](#)**

The investment earnings of the PSPRS fund is used to pay catastrophic disability and death benefits for members rather than imposing costs on the individual employer account.

**Effective Date:** July 24, 2014

## **SB 1040 (NOW: auxiliary members; leave of absence)**

### **[Chapter 66](#)**

Public officers and employees, who serve as auxiliary members of the U.S. military, must be granted a leave of absence from their duties while under military orders, not to exceed 30 days in any two consecutive years. A public employer may grant the leave of absence without loss of time, pay or efficiency rating. Public employers are prohibited from charging a public officer or employee, who is under orders as prescribed above, military leave for days the individual was not scheduled to work.

**Effective Date:** July 24, 2014

## **SB 1082 (ASRS; employee background checks)**

### **[Chapter 218](#)**

The director of the Arizona State Retirement System is authorized to conduct background checks of current or prospective employees, including criminal records checks and credit checks for accounting, investment and other finance-related positions.

**Effective Date:** July 24, 2014

## **SB 1083 (ASRS; applicable interest rate; definition)**

### **[Chapter 180](#)**

In order to comply with the Internal Revenue Service Code, the following changes are enacted:

- The stability period during which the applicable interest rate remains constant in the plan year.
- The look-back month that is used to determine the applicable interest rate during the stability period is the third full calendar month preceding the first day of the stability period.
- *Applicable interest rate* is defined as the annual interest rate on 30-year treasury securities as specified by the commissioner of the Internal Revenue Service for a month in revenue rulings or notices or another guidance published by the commissioner in the Internal Revenue Bulletin.

**Effective Date:** July 24, 2014

## **SB 1084 (ASRS; long-term disability compensation)**

### **[Chapter 69](#)**

The current definition of *monthly compensation* is removed and is instead defined as the amount determined by taking the six pay periods immediately before the date of the member's disability, disregarding the highest two and lowest two compensation amounts, and deriving the median of the two remaining pay periods. If the member was employed for fewer than six pay periods, monthly compensation is determined by deriving the median of the number of pay periods the member worked in the fiscal year in which the member became disabled.

**Effective Date:** July 24, 2014