

NEW LAWS

ENACTED BY THE 2007 ARIZONA LEGISLATURE

New Laws Report

Welcome to the 2007 New Laws Report. We hope this document will assist you in understanding this year's enacted legislation.

The Legislature introduced 1,434 bills this session, 318 of which were sent to Governor Napolitano. She signed 295 of the bills, vetoed 22 others and allowed one to become law without her signature. The League of Arizona Cities and Towns reviews all of the new laws passed during the legislative session and checks each law for potential impact to municipalities. The laws identified as having a potential impact to local governments are summarized and compiled into an annual publication, the New Laws Report.

Besides providing a brief summary of each law, we try to outline any other pertinent information in each bill. We organize the bills by subject and within each subject divide them into two categories – “significant impact” and “of interest.” Although we make every attempt to ensure the accuracy of the summaries, we suggest a review of the full law before enforcement or implementation.

Obtaining copies of new laws

To obtain a copy of a new law, please visit the state's legislative website at <http://www.azleg.gov>. Click on the link on the left side of the page titled “Session Laws.” The laws can be accessed by chapter number or bill number (both numbers are included in each summary) or you can search for a new law by key phrase. You can also call the League if you would like a copy of a chaptered bill.

General effective date

The general effective date for bills is 90 days after the Legislature adjourns. This year's general effective date is September 19th, 2007. Some new laws include an emergency clause, which means the law becomes effective when the Governor signs the bill. Bills that contain appropriations and tax or fee increases also become effective upon signature. Bills can also specify a special effective date, which can be later or earlier than the general effective date. The summaries indicate the effective date when a bill contains an emergency clause or other special effective date.

As always, please call the League if you have any questions about the information contained in this report, or any other legislative matter.

Bills with Significant Impacts on Cities and Towns

Contractors; Violations; Sales Tax - Requires a contractor who is guilty of a contracting license violation to pay all state and local sales and use taxes associated with the act or omission that constituted the violation. The license violations include committing a wrongful or fraudulent act that results in another person being substantially injured; aiding or abetting a licensed or unlicensed contractor to evade licensing requirements or acting as a contractor without a license. Amends Title 32, Professions and Occupations. S. 1592. Chapter 174.

Cable Television; Licensing - Excludes in-kind services or payments from the list of taxes, rents, fees and charges that a licensing authority is prohibited from charging a cable operator. Outlines the costs and expenses a licensing authority may require a cable operator to incur as part of or as a condition of issuing a license to provide cable services. Contains a legislative findings section. Amends Title 9, Cities and Towns. S. 2069. Chapter 179.

Open Meetings; Minutes; Recordings - Allows a municipality 10 working days to post on their website either a statement of legal action or record of a subcommittee, advisory committee, board or commission meeting. Amends Title 38, Public Officers and Employees. H. 2208. Chapter 71.

Construction Contract Bids; Civil Penalty - Establishes a process of agreement between cities/towns, counties and the Arizona General Contractors Association (AGC) to examine city, town and county construction contract bid procedures. Calls for the selection of 15 cities and towns and 15 counties who will voluntarily collect, assemble and study data examining the dollars spent on chip seals, slurry seals, fog seals, overlay and reconstruction projects. Provides for review of the selected cities' and counties' specified capital budgets in relation to the above items. Specifies the dates that data collection and review must occur and allows for access to the AGC's website to post contract bid notifications. Stipulates that the cities/towns, counties and the AGC may come back with legislative recommendations during the 2010 legislative session. Increases the penalty for a city/town or county who knowingly violates statutes related to bidding out contracts as follows: \$10,000 for a first violation, \$25,000 for a second violation and \$75,000 for a third violation. Specifies that the penalties remain at these levels until July 1, 2009 at which time the penalty will revert back to the current \$5,000 level. Amends Title 34, Public Buildings and Improvements. H. 2065. Chapter 40.

(Note: The 15 cities and towns have been selected and will begin the process of tracking maintenance activities on July 1, 2007.)

Bills of Interest to Cities and Towns

Antifreeze; Aversive or Bittering Agent - Requires engine coolant or antifreeze that is manufactured on or after September 1, 2007 and sold in Arizona on or after January 1, 2008 and that contains more than 10% ethylene glycol to contain denatonium benzoate at a concentration between 30 parts per million and 50 parts per million to render it unpalatable. Prohibits any political subdivision of this state from changing these requirements, preventing, or limiting inclusion of an aversive or bittering agent in retail containers of less than 55 gallons of engine coolant or antifreeze. Amends Title 41, State Government. S. 1323. Chapter 162.

State Plumbing Code - Repeals the language in statute mandating that cities, towns and counties enact the state plumbing code as put forth by the Arizona Uniform Plumbing Code Commission. (The Arizona Uniform Plumbing Code Commission will automatically sunset on July 1, 2007.) Amends Title 9, Cities and Towns and Title 11, Counties. H. 2252. Chapter 15.

State Ombudsman; Access to Records - Specifies that the State Ombudsman Citizens Aide does not have access to documents protected by Section 214 of the Critical Infrastructure Information Act of 2002 (6 United States Code Section 133 a), 49 Code of Federal Regulations Part 1520, and critical infrastructure information as defined by A.R.S. § 41-1801. Amends Title 41, State Government. H. 2563. Chapter 92.

FINANCE

Bills with Significant Impacts on Cities and Towns

Municipal Sales Tax Incentives; Prohibition - Prohibits municipalities located entirely within Maricopa and Pinal Counties, from offering tax incentives to retail business facilities as an inducement or in exchange for locating or relocating to their city or town. Penalizes municipalities that offer retail incentives by reducing their state shared revenues. Exempts any agreements entered into by July 1, 2007 (or referred to a ballot by the same date). Also exempts the following:

- Services and benefits generally afforded to all new businesses and that do not affect municipal tax levies.
- Incentives already afforded to retail businesses currently located in the city or town.
- Incentives given to retail businesses locating in redevelopment areas where the residents earn less than the average household income in the city as determined by the U.S. Census Bureau.
- Incentives for public infrastructure features that are controlled and owned by a city, town, county or state or a private utility where no other political subdivision provides the utility.
- Incentives offered for preserving historical buildings and other structures.

- Incentives offered for the cleanup or other remediation activities at a brownfields site defined in statute.

Amends Title 42, Taxation. H. 2515. Chapter 276.

General Appropriations; 2007-2008; 2008-2009 - Transfers \$62 million from the State Highway Fund to the Statewide Transportation Acceleration Needs (STAN) account. Also contains an \$850,000 appropriation for the six smallest cities and towns. Effective June 25, 2007, upon Governor's signature. H. 2781. Chapter 255.

Certificates of Deposit; Government Investments - Permits the governing body of a municipality to invest its surplus or idle funds in certificates of deposit under certain conditions. Amends Title 9, Cities and Towns, and Title 35, Public Finances. S. 1216. Chapter 53.

Expenditure Limitation Election - Authorizes a city or town with a population of 350,000 or more that must hold an expenditure limitation election in 2007 or 2008 to hold the election in the spring or fall election cycle. Amends Laws 2007. H. 2392. Chapter 241.

Bills of Interest to Cities and Towns

Government Property Tax Exemption; Retroactivity - Repeals, retroactively to September 18, 2003, the tax on improvements constructed on land owned by and leased from an agricultural improvement district. **Contains an emergency clause**, causing the provisions of section 42-11102 (D) to have no legal effect for any time period. Amends Title 42, Taxation. H. 2476. Chapter 106.

2007 Tax Reduction Package - Establishes a new Military Families Relief Fund income tax credit (estimated total revenue impact \$1 million beginning in FY 2008). Provides an income tax subtraction for § 529 college savings contributions (estimated total revenue impact of \$2.5 million in FY 2008). Provides a sales tax exemption for tickets to the 2009 NBA All-Star Game. Has property tax relief for business Class 1 and business personal property. (Overall, this bill has a very small impact on shared revenues and city revenues in general.) Effective June 25, 2007, upon Governor's signature. Amends Title 41, State Government, Title 42, Taxation, and Title 43, Taxation of Income. H. 2784. Chapter 258.

WATER

Bills with Significant Impacts on Cities and Towns

Water; Municipal Conservation Requirements – Requires the Director of the Arizona Department of Water Resources (ADWR) to modify the Third Management Plan by January 1, 2008, to replace the current municipal Non-Per-Capita Conservation Program (NPCCP) with a municipal Modified Non-Per-Capita Conservation Program (MNPCCP). Requires municipal water providers under the Modified Plan to:

- Comply with individual user requirements;
- Execute a public education conservation program;
- Implement meter service area connections;
- Employ new conservation measures based on the number of service connections; and
- Report water rate structures to ADWR.

Requires the Director to prepare a guidance document to assist municipal water providers entering into the non-per-capita conservation program and requires the Director to cooperate with municipal providers in developing the guidance document. Amends Title 45, Waters. S. 1557. Chapter 139.

Water Supply Development Revolving Fund - Creates a Water Supply Development Revolving Fund (Fund) to provide financial assistance to water providers for water supply development. Establishes a Water Supply Development Fund Committee (Committee) within the Water Infrastructure Finance Authority (WIFA) to evaluate applications and select projects to receive financial assistance. Limits the use of the Fund to water providers that are located within a county or municipality that has adopted Adequate Water Supply requirements for new subdivisions. The Committee membership consists of:

- Director of the Arizona Department of Water Resources (ADWR), Chair;
- Director of the Arizona Department of Environmental Quality (ADEQ), Vice Chair;
- Chair of the Arizona Corporation Commission (ACC);
- State Treasurer (who shall manage the Fund's monies);
- Nine members from counties and municipalities, based on population; and
- One tribal member.

Committee members are appointed by the Governor who serve staggered five-year terms.

The Fund monies may be used for:

- Loans for water supply development;
- Loans or grants (\$100,000 max.) for planning or designing water supply development projects;
- Purchasing or refinancing debt obligations for water supply developments at or below market rates;
- Providing financial assistance to water providers with bonding authority to purchase insurance for local bond obligations; and
- Paying the cost to administer the fund.

The Fund consists of monies from:

- The issuance and sale of water supply development bonds;
- Appropriations from the Legislature;
- The Federal Government for water supply development;
- The repayment, interest and penalties on loans;
- Interest and investment income on the Fund's monies; and

- Gifts, grants and donations from public or private sources.

Conditions the enactment on the enactment of water adequacy legislation, Senate Bill 1575, which was signed by the Governor on June 4, 2007. Amends Title 49, The Environment. H. 2692. Chapter 226.

Water Adequacy Amendments - Allows counties, cities and towns to require new subdivisions that are located outside an Active Management Area (AMA) to have an adequate water supply in order for the proposed development to be approved.

Authority to Adopt Adequate Water Supply Requirements

- Authorizes a county board of supervisors to adopt a provision, by unanimous vote, that requires a new subdivision, located outside an Active Management Area (AMA), to have an adequate water supply in order for the subdivision to be approved by the platting authority.
- Provides that if a county adopts an adequacy provision, cities and towns within the county may not approve a new subdivision, located outside an AMA, unless the subdivision has an adequate water supply.
- If a county does not adopt an adequacy provision, a city or town may adopt a local adequacy ordinance to require that a new subdivision, located outside an AMA, demonstrate that an adequate water supply exists before the final plat can be approved. A municipality that enacts a local adequacy ordinance must notify the Director of the Arizona Department of Water Resources (ADWR), the Department of Environmental Quality (ADEQ), the State Real Estate Commissioner and the Board of Supervisors of the county in which the city is located.
- Prohibits counties from rescinding the adequacy requirement.
- Provides that a water provider in a city, town or county that has adopted an adequate water supply requirement may be eligible for financial assistance.

Adequate Water Supply

- Defines adequate water supply as sufficient groundwater, surface water or effluent of adequate quality to satisfy the needs of the proposed use for at least 100 years. The supply must be continuously, legally and physically available. In addition, the financial capability to construct the water delivery, treatment and storage facilities must exist.

Exemptions from Adequacy Requirements

- Allows a city, town or county to provide an exemption for a subdivision if the water supply will be delivered by motor vehicle or train. The local governing body must determine there is no alternative water supply and the delivery will not cause significant risk to the residents of the subdivision. If the transported water will be taken from the service area of a municipal provider, the provider must consent to the withdrawal or diversion.
- Requires written notice and certified copy of approval of the hauled water exemption to be provided to the Director of ADWR, ADEQ and the State Real Estate Commissioner. Requires notice to the same parties if the exemption is rescinded. If

the exemption is rescinded it can not be readopted for at least five years after the rescission becomes effective.

- Provides an exemption for subdividers who have made a substantial capital investment toward construction of the project or received a final plat approval before the adequacy provision was adopted by the city, town or county. Requires ADWR to determine whether a development qualifies for this exemption.
- Provides an exemption from the adequacy requirement if the subdivision will be served by a water supply project that is under construction. The project must be completed within 20 years, the subdivision must have an adequate water supply when the project is completed and an interim water supply must provide enough water until the project is completed. Requires ADWR to determine whether a development qualifies for this exemption.

Real Estate Provisions

- Requires the Real Estate Commissioner to deny issuance of a public report for a subdivision or timeshare that is located in a city, town or county that has adopted a local adequacy requirement if the subdivision or timeshare does not have:
 - an adequate water supply;
 - an exemption from the adequacy requirements; or
 - final plat approval before the adequacy requirement has become effective.
- Requires specific information regarding adequacy of water supplies and any exemptions to be included in promotional material and contracts for the sale of the lot. This information must also be recorded on the face of the subdivision's plat.
- Requires information regarding any exemption from an adequate water supply requirement based on hauled water to be recorded with the plat.

AZ Department of Water Resources (ADWR)

- Requires the Director of ADWR to send a copy of an adequacy determination for a subdivision that is located outside an AMA to the city, town or county responsible for platting the subdivision. The Director is currently required to provide this information to the Real Estate Commissioner.
- Requires the Director to notify cities and towns that are located in a county that has adopted an adequate water supply provision. States that the city or town must comply with the provisions.
- Outlines the process for ADWR to provide notice and an opportunity for residents and landowners to file a written objection to an application for a water report or a designation of an adequate water supply.
- Authorizes the Director to conduct an administrative hearing on an application before making a decision. If a hearing is held, a notice of the hearing must be provided to the applicant and to anyone who filed an objection. The hearing must be held in the groundwater basin in which the use is located.
- Allows an applicant or a person who filed an objection to seek judicial review of the Director's final decision in superior court.
- Requires the Director to consider existing and projected uses when determining whether an adequate water supply exists.

- Requires the Director to adopt rules that incorporate the adequate water supply provisions included in this Act.

Amends Title 45, Waters. S. 1575. Chapter 240.

Bills of Interest to Cities and Towns

Adequate Water Supply; City Designation - Provides an alternative designation of adequate water supply for cities and towns that are outside of the Active Management Areas (AMAs) if the city or town has entered into a contract with the U.S. Secretary of the Interior or a county water authority for permanent supplies of Colorado River water for municipal and industrial uses. Amends Title 45, Waters. H. 2321. Chapter 75.

Well Water; Colorado River Water - Conforms the language in the Assured Water Supply Statutes to the Management Plan language of the Santa Cruz Active Management Area, pertaining the Notice of Intent to drill wells. Amends Title 45, Waters. H. 2485. Chapter 91.

Drought Emergency Groundwater Transfers - Provides for the transfer of groundwater across basin boundaries that are outside of an Active Management Area (AMA) for drought emergencies under certain prescribed conditions, including (but not limited to) approval of the Director of the Department of Water Resources, declaration of an emergency by the Governor and the consent of a city or town if the groundwater well is located within that city or town. **Retroactive to May 1, 2007** and is automatically repealed on April 30, 2008. Notwithstands Title 45, Waters. H. 2488. Chapter 149.

Water Storage Permits; Notice Requirements - Requires the Department of Water Resources (DWR) to post notice on its website within 15 days of receiving an application for an underground water storage facility permit and requires the notice to remain posted until the Director of DWR issues a decision on the permit. This notice is in addition to the notice by first-class mail from the DWR to cities and towns which are potentially affected by the impact of the stored water. Amends Title 45, Waters. S. 1312. Chapter 161.

Contamination; Well Impacts - Prohibits the drilling of a well if the proposed well location is within the boundaries of a remedial action site or within one mile of the boundaries of a remedial action site, if the Director of the Department of Water Resources (DWR), following statutory prescribed criteria and in consultation with the Director of the Department of Environmental Quality (DEQ), determines that the well will likely cause the migration of contaminated groundwater from the remedial action site to another well, resulting in unreasonably increasing damage to the owner of the well or persons using water from the well. Defines “contaminated groundwater” and “remedial action site.” Amends Title 45, Waters. H. 2484. Chapter 209.

Bills with Significant Impacts on Cities and Towns

Extreme DUI; Sentence - Removes the judge's discretion to suspend a portion of the jail time for a first offense conviction of an Extreme Driving Under the Influence (EDUI) violation. Allows the judge to order the person to not consume alcohol for a period of 30 days or more demonstrated through continuous alcohol monitoring or twice daily alcohol testing if the person is convicted of a first EDUI offense. Removes the judge's discretion to suspend a portion of the jail time for a second offense conviction of an EDUI violation if the person completes a court ordered alcohol or other drug screening, education or treatment program. Allows the judge to order the person to not consume alcohol for a period of 90 days or more demonstrated through continuous alcohol monitoring or twice daily alcohol testing if the person is convicted for a second EDUI offense. Amends Title 9, Cities and Towns; Title 11, Counties; and Title 28, Transportation. S. 1252. Chapter 195.

Residency Restrictions; Schools; Child Care - Makes it unlawful for a person who is convicted of certain dangerous crimes against children, and a registered class three sex offender from living within 1000 feet of a school or child care facility. Does not apply to:

- Persons who have lived in a residence before a new facility or school is built;
- Minors;
- Persons on probation;
- Persons who have had their civil rights restored; and
- Persons who have not had a subsequent offense in the previous ten years.

Violations of this are a Class 1 misdemeanor. Cities and towns are prohibited from enacting ordinances more restrictive than this law. Amends Title 13, Criminal Code. S. 1555. Chapter 212.

DUI; .20 Concentration Enhancement - Makes the following changes to the requirements for a person convicted of Driving Under the Influence (DUI) with a .20 Blood Alcohol Content (BAC) or greater:

- Requires a person, on a first offense, to serve not less than forty-five consecutive days in jail and pay a fine of not less than five hundred dollars;
- Requires a person, on a second offense within eighty-four months, to serve not less than one hundred eighty days in jail with ninety days served consecutively and pay a fine of not less than one thousand dollars;
- Mandates the installation of a certified ignition interlock device for eighteen months;
- Mandates the installation of a certified ignition interlock device for twenty-four months if a person is found guilty of a second offense of driving with a BAC of 0.20 percent or greater;
- Mandates the installation of a certified ignition interlock device for twelve months if a person is found guilty of driving with a BAC of 0.08 or higher; and
- States that a person is not eligible for probation or suspension of execution of sentence unless the entire sentence has been served.

Amends Title 28, Transportation. S. 1029. Chapter 219.

Bailable offenses; Illegal Immigration - Requires the incarcerating law enforcement agency to inquire of the arrested person and determine the person's country of citizenship within 24 hours of bringing the person to the incarcerating agency. States that if a person is not a U.S. citizen, the incarcerating agency must transmit citizenship information to the court and the prosecuting agency for purposes of determining whether or not the person is bondable, what the amount of bond might be or any other lawful purpose. Establishes a probable cause standard for determining whether a person has entered or remained in the U.S. illegally when deciding bail eligibility. In order to hold the person non-bondable, the court must also determine that there is proof evident, or the presumption great to the present charge and the charge is a Class 1, Class 2, Class 3 or Class 4 felony. Provides a list of factors for the court to consider when making a determination that a person has entered or remained in the U.S. illegally. Requires the initial determination of whether an offense is bailable to be made by the magistrate or judicial officer at the time of the person's initial appearance. Requires the prosecutor to provide notice and an opportunity for victims and witnesses to be present at specific hearings related to bail. Amends Title 13, Criminal Code. S. 1265. Chapter 289.

Victims' Rights Omnibus - Requires the clerk of the court to notify the prosecutor, sentencing court and any person entitled to restitution monthly if the defendant has defaulted in the payment of restitution or any installment. Increases the amount of time the court may extend a person's probation if the person fails to satisfy restitution requirements as follows: from three years to five years for a felony and from one year to two years for a misdemeanor. Modifies language on orders of protection, beginning in January 2008, to state that a person who disobeys will be subject to arrest and prosecution. Requires the custodial agency to make reasonable efforts to contact the victim and other designated persons immediately upon releasing a person who has been arrested for violating an order of protection.

Requires the court to provide to a victim at no charge the minute entry or portion of the record of any proceeding if it is reasonably necessary for pursuing a claimed victim's right. Requires law enforcement agencies to redact a victim's contact and identifying information in publicly accessible records. Exempts from the redaction:

- The victim's name;
- Records transmitted between law enforcement agencies and prosecuting agencies;
- Records that the victim has consented to the release of information; and
- The address or location of the crime.

Requires the court, beginning on January 1, 2008, to give notice to a victim of any memorandum decision or opinion by the court concurrently with the decision or opinion being issued to the parties. Applies only if the decision is requested by the victim.

Authorizes a crime victim advocate to disclose information to professionals and administrative support personnel that the advocate works with to assist the advocate in providing services to the victim, if written or verbal consent is given by the victim. Amends Title 13, Criminal Code. S. 1286. Chapter 290.

Bills of Interest to Cities and Towns

Concealed Weapons; Petty Offense - Changes the penalty for carrying a concealed weapon without a permit from a Class 2 misdemeanor to a petty offense (a fine up to \$300). Clarifies that the penalty only applies to a person who has obtained a permit to carry a concealed weapon (CCW). Amends Title 13, Criminal Code. H. 2469. Chapter 45.

Sex Offenders; Registration; Electronic Identity - Requires persons convicted of certain sexual offenses to also provide their email or internet identifiers when registering as a sex offender. Amends Title 13, Criminal Code. H. 2734. Chapter 84.

Juvenile Graffiti; Monetary Assessment - Changes the fine for graffiti done by a juvenile to at least \$300.00 but not more than \$1000.00. Allows for the court to order the juvenile to perform community service in lieu of payment for all or part of the fine, at a rate of \$10.00 an hour. Amends Title 8, Children and Title 41, State Government. H. 2344. Chapter 124.

Criminal Justice Commission; Powers; Duties - Transfers responsibilities regarding the Criminal Justice Information System from the Arizona Criminal Justice Commission (ACJC) to the Department of Public Safety (DPS) including:

- Administrative duties;
- The responsibility to remove any agency, company or individual that fails to conform to the rules of A.R.S. Title 41, Chapter 17; and
- Exclusive authority to receive petitions for review of criminal history record information from certain persons, conduct hearings based on the information and amend the criminal history record if necessary.

Requires ACJC to facilitate coordinated statewide efforts to improve criminal justice information and data sharing and research among criminal justice agencies. Amends Title 41, State Government. S. 1331. Chapter 163.

Scrap Metal Dealers; Records - Increases penalties for the sale of stolen scrap metal and associated damage from the act of theft of the metal. Prescribes that dealers must deliver specific information regarding scrap metal transactions to the Department of Public Safety (DPS), instead of local law enforcement agencies. Amends Title 13, Criminal Code, and Title 44, Trade and Commerce. H. 2314. Chapter 186.

Victims' Rights; Free Police Reports - Provides for a victim of a crime, or the immediate family member of the victim if the victim is deceased or incapacitated, one free copy of the police report of the crime. Allows an employee of a company with 50 or

more employees to be granted unpaid time off of work to seek an order of protection, an injunction against harassment or other injunctive relief for the safety of themselves or their children. Amends Title 13, Criminal Code. H. 2756. Chapter 204.

Organized Retail Theft Task Force - Establishes the Organized Retail Theft Task Force (Task Force). Specifies that the Task Force shall consist of members from law enforcement, prosecution and the retail industry. Included are two police chiefs or their designees, appointed by the Arizona Chiefs' of Police Association, one from a city or town with a population of 100,000 or more and one from a city or town with a population of less than 100,000. The Task Force will make statutory recommendations. Repealed September 30, 2009. Laws 2007. S. 1547. Chapter 233.

Budget Reconciliation; Criminal Justice - Requires DNA testing of anyone arrested for certain Class 1 misdemeanors and various felony crimes, mostly involving sexual offenses. The Department of Public Safety provides all necessary supplies; therefore there will be no costs to cities and towns. Effective June 25, 2007, upon Governor's signature. Amends Title 13, Criminal Code. H. 2787. Chapter 261.

PERSONNEL

Bills with Significant Impacts on Cities and Towns

Firearms; Peace Officers - Prohibits a unit of government from not allowing a peace officer to carry a firearm. The officer must be in compliance with the firearm requirements of the Arizona Peace Officer Standards and Training Board. A peace officer may be prohibited from carrying a firearm:

- In a correctional facility;
- By the presiding judge when in court, unless the officer is providing security or responding to an emergency;
- When the officer is relieved of duties;
- When consuming alcohol except if the officer's agency authorizes consumption as a part of their duties;
- In a location prohibited by federal law;
- Pursuant to a court order;
- If the officer is a prohibited possessor; or
- If the officer is physically or mentally impaired.

This section creates no civil liability for acting or failing to act. Amends Title 38, Public Officers and Employees. H. 2457. Chapter 79.

Retirement Plans; Domestic Relations Orders - Allows for portions of a participant's benefits from certain retirement plans to be paid as a part of a domestic relations order. Applies to Public Safety Personnel Retirement System (PSPRS), Corrections Officer Retirement Plan (CORP), and Elected Officials' Retirement Plan (EORP). Amends Title 38, Public Officers and Employees. H. 2215. Chapter 87.

Law Enforcement Officers; Misconduct Interviews - Requires an employer of a law enforcement or probation officer, before commencing an interview that could result in dismissal, demotion or suspension, to supply that officer with a written notice containing:

- The specific nature of the investigation;
- The officer's status in the investigation;
- All known allegations of misconduct that are the reason for the interview; and
- The officer's right to have a representative present at the interview.

Specifies that an employer shall not be required to stop an interview to issue another notice for allegations obtained during the interview or disclose any facts to the employee that would impede the investigation. Amends Title 38, Public Officers and Employees. H. 2209. Chapter 118.

Bills of Interest to Cities and Towns

Notaries; Citizenship Requirement - Requires notary publics to be citizens or legal permanent residents of the United States. Amends Title 41, State Government. S. 1639. Chapter 177.

Workers' Compensation; Lump Sum Payment - Increases to \$150,000, the lump sum payout for permanent partial disability or permanent total disability in workers' compensation claims. **Retroactive to July 1, 2007.** Amends Title 23, Workers' Compensation. H. 2185. Chapter 12.

Insurance; Wellness Programs; Discriminatory Practices - Permits health insurance providers to provide or offer rewards or incentives under wellness programs that comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) nondiscrimination requirements. Amends Title 20, Insurance. S. 1098. Chapter 48.

Public Supplemental Defined Contribution Plans - Removes the one percent floor for employee contributions to defined contribution plans and instead allows employees to contribute some definitive amount that may not be modified or revoked by the employee. Removes the requirement that employer matching monies be made to the plan in which the employee participates until the Internal Revenue Code limits are met. Requires the employee to determine whether the employer shall pay the matching contribution to the 401(a), 403(b) or 457 plan in which the employee participated. Amends Title 38, Public Officers and Employees. S. 1200. Chapter 98.

Insurance; Wellness Programs - Similar to Laws 2007, Chapter 48, allows group disability plans and individual disability plans to provide or offer rewards or incentives under wellness programs that comply with the Health Insurance Portability and Accountability Act (HIPAA) of 1996 nondiscrimination requirements. Amends Title 20, Insurance. H. 2139. Chapter 113.

ASRS; Long-Term Disability Amendments - Modifies the Social Security offsets from 64 percent of Social Security disability and 83 percent of Social Security retirement to 85

percent for a member who becomes disabled on or after July 1, 2008. Excludes offset amounts allowed by the Social Security Administration paid to an attorney to secure that benefit or any cost of living adjustment granted after the long-term disability (LTD) benefit is commenced. Precludes payment of LTD benefits, for employees who begin membership on or after July 1, 2008, for any pre-existing injury or sickness for which the member received medical treatment within six months before the date of the member's coverage. For current employees, that preclusion window is three months. Allows the Arizona State Retirement System (ASRS) to recover overpayments by reducing ASRS or LTD monthly benefits to any active, inactive, disabled or retirement member, survivor, contingent annuitant, beneficiary or alternate payee. Amends Title 38, Public Officers and Employees. H. 2145. Chapter 114.

Workers' Compensation; Third Person Liability - Permits an insurance carrier or self-insured employer to institute an action against a third party if an employee (or the employee's dependents) does not pursue a remedy against the third party within one year after the cause of action accrues; or if after instituting the action, the employee or the employee's dependents fail to fully prosecute the claim and the action is dismissed. Requires the employee or the employee's dependents to provide the insurance carrier or the self-insured employer with written notice of the intention to bring an action against a third party and timely and periodic notice of all pleadings and rulings concerning the status of the pending action. Permits compromise of any claim by the employee or the employee's dependents to occur only with written approval of the insurance carrier or the self-insured employer, as opposed to the State Compensation Fund (SCF) or the person liable to pay the claim. Gives the Industrial Commission of Arizona (ICA) the same rights as an insurance carrier or self-insured employer for the purposes of recovering compensation and benefits from a third party. Amends Title 23, Labor. H. 2194. Chapter 116.

Cancer Insurance; Firefighters; Peace Officers - Expands the Fire Fighter Cancer Insurance Policy Program to all peace officers participating in the Public Safety Personnel Retirement System (PSPRS), subject to the same requirements that exist for firefighters. **Retroactive to July 1, 2007.** Amends Title 38, Public Officers and Employees. H. 2268. Chapter 147.

Workers' Compensation; Premium Reduction - Allows a workers' compensation insurance carrier to reduce the premium amounts paid by a client employer if the employer has a written drug and alcohol policy and drug-tests prospective employees, drug-tests an employee after an injury, and allows the insurance carrier access to the results. Amends Title 23, Labor. H. 2405. Chapter 148.

Timely Medical Payments; Workers' Compensation - Establishes a new determination and payment timing structure for medical bill payments for workers' compensation claims and authorizes interest penalties for late payments. Amends Title 23, Labor. S. 1292. Chapter 217.

Public Records; Confidentiality - Adds corrections officers, detention officers, law enforcement and court support staff members to the list of persons eligible to have personal information maintained by governmental entities redacted. Amends Title 11, Counties; Title 16, Elections and Electors; Title 28, Transportation; and Title 39, Public Records, Printing and Notices. S. 1006. Chapter 141.

Workers' Compensation; Infectious Diseases; Exposure - Stipulates five criteria to establish a prima facie claim for a condition, infection, disease or disability involving methicillin-resistant staphylococcus aureus (MRSA), spinal meningitis, or tuberculosis (TB):

- The employee's regular course of employment involves the handling of or exposure to MRSA, meningitis, or TB.
- The employee reports in writing the details of the exposure to the employer within 10 calendar days after a possible significant exposure.
- The employee with a claim for MRSA is diagnosed with MRSA within 2-10 days of possible significant exposure.
- The employee with a claim for meningitis is diagnosed with meningitis within 2-18 days of possible significant exposure.
- The employee with a claim for TB is diagnosed with TB within 12 weeks of possible significant exposure.

Requires that a claim for a condition, infection, disease or disability related to MRSA, meningitis, or TB must include the occurrence of a significant exposure and be processed as a workers' compensation claim. Allows the employer to contest a significant exposure claim. Allows evidence of the alleged source's MRSA, meningitis, or TB status be introduced if the alleged source knowingly and willingly consents to the release of that information. Clarifies that for the purposes of understanding a case or determining the rights involved and except for in cases of communicable disease, information obtained by any physician or surgeon examining or treating an injured person is not considered a privileged communication. Requires the employer's insurance carrier or claims processor to pay the expenses of any prophylactic medical treatment for meningitis or TB. Defines "employee" as firefighters, law enforcement officers, corrections officers, probation officers, emergency medical technicians and paramedics who are not employed by a health care institution. Amends Title 23, Labor. S. 1127. Chapter 230.

ASRS; Active Military Service Credit - Extends the right of an Arizona State Retirement System (ASRS) member who is called to active military service to receive credited service if disability or death occurs during that service. Clarifies that the right extends to call-ups by officials other than the President and that contributions made shall be for the period of time beginning on the date the member starts active military service and ending one year after the date of the disability. Employer contributions shall be made in a lump sum at the time it is determined that the member cannot return to employment due to a disability that occurred during military service. Repeals the act starting fiscal year 2009-2010. Amends Title 38, Public Officers and Employees. H. 2148. Chapter 244.

Fair and Legal Employment Act - Prohibits employers from knowingly and intentionally hiring unauthorized aliens and sets up penalties for violations. Requires all employers in the state, after December 31, 2007, to use the Federal Employment Verification Basic Pilot Program (“Program”) to verify legal employment status of their employees.

Upon receipt of a complaint, the Attorney General or county attorney (where the alleged unauthorized alien is working) will investigate. If the complaint is not frivolous, the investigating agency will refer it to the Federal government, who will actually make the determination of the immigration or work authorization status of the person in question. If the employer is found to have knowingly or intentionally hired an unauthorized alien, their business licenses would be suspended for a three year probationary period. A second violation results in a revocation of a license. Transaction privilege tax licenses and articles of incorporation are just a couple of example of licenses possibly affected. Any license that a business holds is affected. Professional licenses and any license issued by the Department of Water Resources or the Arizona Department of Environmental Quality are exempt. Use of the Program creates a rebuttable presumption that the employer did not knowingly employ an unauthorized alien. The bill also sets up a commission to review employer sanctions and appropriates money to the Attorney General and the county attorneys (on a population-rated basis) for investigations.

Amends Title 13, Criminal Justice and Title 23, Labor. H. 2779. Chapter 279.

ELECTIONS

Bills of Interest to Cities and Towns

Elections; Primary Date; Early Voting - Moves the State primary election forward one week: the ninth Tuesday prior to a general or special election, instead of the eighth. Requires election officials to mail early ballots within 48 hours if a request is received within 26 days of the election, instead of those received within 33 days before the election. Requires nominating papers for a candidate for a presidential primary be filed at least 50 days prior to the election (formerly 40 days). Changes the date for early voting for a presidential primary election to begin 26 days prior to the election instead of 15 days. Implementation time contingent on approval by the Federal Election Commission. Amends Title 16, Elections and Electors. S. 1430. Chapter 168.

Ballots; Permanent Early Ballot Voting - Allows an elector to request to be placed on a list to automatically receive early ballots for all elections in which the county voter registration roll is used to prepare the election register. Allows an elector on the permanent early ballot list to ask to be removed from the list at any time. Requires a candidate for a presidential preference election (primary) to file nominating papers between 50 and 70 days prior to the election (formerly, between 40 and 70 days). Requires early ballots for a Presidential Preference Primary be requested no later than the 11th day preceding the election (formerly the Friday immediately prior to the election). Amends Title 16, Elections and Electors. S. 2106. Chapter 183.

Bills of Interest to Cities and Towns

Justices of the Peace; Jurisdiction - In counties with more than 2,000,000 persons, justices of the peace shall have jurisdiction over misdemeanors and civil traffic offenses unless the offense is filed by a municipal peace officer in a municipal court. Amends Title 22, Justices of the Peace and Other Courts Not of Record. H. 2750. Chapter 131.

Traffic Tickets; Collections; Civil Penalties - Prohibits the court from initiating collection procedures on unpaid civil penalties if all of the following apply:

- The unpaid civil penalty is for a violation that occurred more than thirty-six months before the court initiates collection proceedings;
- The court has no paper or electronic record of notification;
- The court has not notified the department to suspend the responsible person's driver license;
- The court has not notified the responsible person or the department about the request to refuse to renew vehicle registration; and
- The court has no record of extending the time for payment of the civil penalty.

This bill requires the court to cease its collection activities for a civil penalty and orders the Arizona Department of Transportation (ADOT) to immediately rescind suspension actions if the person responsible for the penalty presents evidence to the court that the penalty has been paid. It also requires ADOT to remove the violation from the driver's record if the court is prohibited from initiating collection procedures. Amends Title 28, Transportation. H. 2226. Chapter 185.

Juries; Commissioner Duties; Juror Selection - Defines jury manager as the person responsible for jury management in a municipal court. States that:

- If a jury manager denies a person's request to be excused from jury duty, the presiding judge may rule on this at the person's written request;
- If a jury manger permanently excuses a person from jury duty, the jury manger must issue a written statement to that effect;
- Only persons who reside within the city or town limits are eligible for service in a municipal court; and
- Presiding judges may ask jury managers to select additional potential jurors if the judge deems necessary.

This is effective after December 31, 2007. Amends Title 9, Cities and Towns, Title 12, Courts and Civil Proceedings, Title 21, Juries, and Title 22, Justices of the Peace and Other Courts Not of Record. S. 1434. Chapter 199.

Marriage Licenses; Local Court Clerks - Permits the clerk of the superior court of a jurisdiction to allow a municipal court clerk to issue marriage licenses, including covenant marriage licenses, and to process the conversion of existing marriages to covenant marriages in instances where the municipality is located more than four miles

from the county seat. Amends Title 25, Marital and Domestic Relations. S. 1056. Chapter 26.

Public Safety Radio Communications; Liability - Exempts entities participating in a public safety radio communications network or similar network from liability for civil damages that result from an act or omission in connection with developing, operating, implementing, maintaining or participating in a radio emergency system or similar network. Amends Title 12, Courts and Civil Proceedings. S. 1549. Chapter 172.

Defensive Driving Schools - Specifies the court must allow an eligible individual to attend any state certified defensive driving school beginning on January 1, 2009, if the court had a contract with a primary provider that expired or was renewed after July 1, 2007. Allows the court to specify means of information transmission subject to approval by the Defensive Driving School Board. Amends Title 28, Transportation. H. 2001. Chapter 182.

PLANNING AND ZONING

Bills with Significant Impacts on Cities and Towns

Municipal Development Fees; Procedures - Makes numerous changes to the adoption of development fees.

General Provisions

- Specifies that development fees may be charged for: infrastructure, improvements, real property, engineering and architectural services, financing, other capital costs and associated appurtenances, equipment, vehicles, furnishings and other personalty.
- Allows a municipality to modify, rather than only increase, its development fees.
- Requires development fees be used to provide the same service the fee was assessed for.
- Clarifies that credits must be provided for infrastructure provided by the developer if that infrastructure is included in the Infrastructure Improvements Plan (IIP) and fees were assessed.
- Requires that any action to collect a development fee be commenced within two years after the obligation to pay the fee accrues.
- Specifies these requirements do not apply to development fees duly adopted or amended before the general effective date.

Infrastructure Improvements Plan

- Defines Infrastructure Improvements Plan (IIP) as: one or more written plans that individually or collectively identify each public service that is proposed to be the subject of a development fee and otherwise complies with the requirements of this section, and may be the municipality's capital improvements plan.

- Requires a municipality to adopt or amend an IIP before the assessment of a new or modified development fee.
- Requires the IIP to estimate:
 - Any items for which development fees will be required
 - Forecast the costs of those improvements
 - Estimate the time required to finance and provide the service.
- Allows a municipality to amend the IIP without a public hearing if the amendment addresses only elements of necessary public services that are included in the existing document, with public notice of amendments at least 14 days in advance of their effective date.

Additional Reporting Requirements

- Requires a municipality's initial impact fee report that is required prior to adoption of the impact fee to:
 - Identify the methodology for calculating the amount of the fee.
 - Explain the relationship between the fee and the IIP.
 - Include documentation that supports the assessment of a new or modified fee.
 - Identify any index or indices to be used for automatic adjustment and the timing of those adjustments.

Procedural Timing Changes:

- Specifies that:
 - The IIP, and all public documents used to prepare it, must be made available to the public and at least 60 days notice must be given prior to the public hearing.
 - The municipality must conduct a public hearing on the IIP at least 30 days before adoption or amendment of the plan.
 - The IIP may be adopted concurrently with the report required and allows the municipality to provide for and schedule notices and hearings.
- Increases the number of days prior to the scheduled date of adoption of the fee that a municipality must hold the mandatory public hearing on proposed new or modified development fees from 14 to 30.
- Decreases the number of days after its formal adoption that a development fee becomes effective from 90 to 75.

Automatic Adjustments

- Allows a municipality to automatically adjust a development fee on an annual basis without a public hearing if the adjustment is based on a nationally recognized index applicable to the cost of the service and the adjustment mechanism is identified in the Report.
- Requires the municipality to provide public notice of those adjustments at least 30 days in advance of their effective date.

Fee Payment Deferral

- Allows residential development fees to be paid at a later time if specified in a development agreement but no later than 15 days after the issuance of the certificate of occupancy. Deferred fees must be supported by appropriate security, including a surety bond, letter of credit or cash bond.

Amends Title 9, Cities and Towns. S. 1423. Chapter 136.

Bills of Interest to Cities and Towns

Parcel Splits; Taxing Districts - Requires all new special taxing district boundaries to contain only entire parcels beginning November 1, 2007. Amends Title 48, Special Taxing Districts. H. 2091. Chapter 8.

Local Energy Plans - Requires counties with a population greater than 125,000 persons and cities with a population greater than 50,000 persons to include an energy element in their General Plans. Requires the energy element to:

- Include a component that identifies policies to encourage and provide incentives for efficient use of energy.
- Assess and identify methods for greater use of renewable energy sources.

Amends Title 9, Cities and Towns. H. 2638. Chapter 236.

PUBLIC HEALTH AND SAFETY

Bills with Significant Impacts on Cities and Towns

Noncontiguous County Island Fire Districts – Makes various changes to the establishment and implementation of county island fire districts.

Formation

- Allows persons in noncontiguous county islands in Maricopa County cities to form fire districts by petition and referral to the County Board of Supervisors.
- Limits the number of fire districts in each Municipal Planning Area to one and only to those noncontiguous county islands that are not being served by another fire district, a private provider or under contract with a municipal provider. Does not require all noncontiguous county islands to be included in a fire district.
- Stipulates that the fire district is formed 30 days after the County Board of Supervisors votes to form the district.

Governance

- Establishes an organizing board of directors consisting of the three members named on the petition to administer the affairs of the District until a duly constituted board of directors is elected. The members of the organizing board have all the powers and duties and responsibilities of an elected board and serve without compensation, but may be reimbursed for actual expenses incurred.

- Requires the County Board of Supervisors to appoint an initial board from among qualified electors in the District boundaries.
- Requires the initial board to schedule an election at the next general election to elect the five-member District Board.
- Outlines the mechanism for determining term lengths for the initial Board, so as to establish staggered four-year terms. Board members are not eligible for compensation, but may be reimbursed for actual expenses incurred.

Powers and Duties

Outlines the powers and duties the Board is required to perform, as follows:

- Hold public meetings and prepare an annual budget.
- Appoint a fire chief who is the chief of the surrounding municipality or private service provider.
- Adopt the fire code of the municipality whose municipal planning area includes the district and keep three copies of the fire code on file.
- Notify the county board of supervisors of the costs of providing fire protection service and emergency medical service for each household or structure in the fire district if the district contracts for services through an intergovernmental agreement (IGA) or a request for proposals (RFP) and assess and levy a secondary property tax to pay for the costs of the fire protection service or emergency medical service.
- Act within 60 days after the formation of the district to enter into an IGA, issue an RFP or require the surrounding municipality to provide fire and emergency medical services. *Cities desiring to enter into an IGA with the fire district must issue a notice of intent within 21 days of the district's formation.*
- Require an IGA or contract for fire services to include a term between three to five years, costs of services and acknowledgement of the right of the municipality to determine locations of future infrastructure.
- Defend, indemnify and hold harmless a municipal provider or any other provider of fire or emergency medical services from and against any claims from the death of any person or loss or damage to property directly attributable to the provision of services unless the services were provided in a grossly negligent manner.
- Secure insurance in an amount to be determined by the bidder to fully cover liability exposure.
- Noncontiguous fire districts may not:
 - Hire firefighting employees;
 - Assess impact fees.

Procedures for Obtaining Fire and Emergency Medical Service

The Board may obtain fire and emergency medical services for the district as follows:

- Enter into an IGA with a municipal provider for fire protection services for the District.
- Issue an RFP for private providers of fire protection and emergency medical services only if no municipal providers of fire protection services have made an expression of intent seeking to enter into a fire protection agreement with the district. Municipal annexation may not be undertaken during the term of any contract between a district and private provider except as outlined.

- If no IGA or RFP has been entered into and after an independent review of the IGA, RFP and any resulting bids by the county attorney certifying that the negotiations and proposal were based on commercially reasonable assumptions, the surrounding municipality must immediately provide fire and emergency medical services.
- Authorizes a municipality or other bidder intending to submit a response to an RFP to inspect the county island property, obtain reports from the Environmental Protection Agency (EPA) and obtain any other reports identifying hazardous materials. The bill does not authorize enforcement of local building codes or hazardous materials ordinances within the county island areas.
- Stipulates that if the surrounding municipality is required to provide fire and emergency services, a three-person board must set the secondary property tax rate. The three-member board will consist of an appointed representative of the District, an appointed representative of the municipality and a person appointed by those appointees.
- Specifies that there is no cap on the secondary property tax rate a District may charge for fire and emergency medical services.

Miscellaneous

- Prohibits the District from incurring any debt or liability in excess of taxes levied and collected.
- Authorizes the District to enter into an agreement with a private provider of fire and emergency services, if the District agrees to provide services in a county island where the private provider already has facilities, covering the roles and relationships regarding mutual aid or backup.
- Specifies that a municipality or fire district may enter into an IGA with another municipality, fire district or private provider to provide fire and emergency medical services to a District.
- Stipulates that a municipality or fire district that contracts with a District is liable only if the municipality or fire district is grossly negligent in providing fire or emergency medical services to the District.
- Prohibits a District from merging or consolidating with a traditional fire district.
- Prohibits a District from ordering an election for or issuing bonds.
- Authorizes the county attorney to advise and represent the District when, in the county attorney's judgment, such advice and representation are appropriate.
- Stipulates that a fire district, city or town is not required to provide protection to any portion of the county that is receiving services from a private provider except for by a mutual aid or backup agreement.
- Authorizes the County Treasurer to enter into an agreement with the city or town providing fire and emergency medical services for the treasurer to collect the services fees and additionally provide for the payment of the expenses of collecting the fees. That payment must be deposited in the Taxpayers' Information Fund to be used by the county treasurer as outlined in statute (only to defray the costs of converting or upgrading an automated public information system.)
- Requires a private provider of fire or emergency medical services in a county island to provide notice of termination of those services to the residents at least one year before the termination date.

- Adds legislative review if a municipality is required to provide fire and emergency medical services to a noncontiguous county island fire district.
- Becomes effective on the General Effective Date – September 19, 2007.

Amends Title 48, Special Taxing Districts. H. 2780. Chapter 242.

Air Quality Program - Makes the following changes to air quality control for Area A (currently refers to greater Phoenix metropolitan area, a portion of Apache Junction and a portion of Yavapai County), unless otherwise specified.

Unpaved Roads

- Requires a city or town in Area A and a county which contains any portion of Area A to develop and implement plans to stabilize unpaved roads, alleys and unpaved shoulders on targeted arterials by January 1, 2008.
- Specifies that the plans of a county which contains any portion of Area A must address the performance goals; the criteria for targeting the roads, alleys and shoulders; a schedule for implementation; funding options; and reporting requirements.
- Requires a city or town in Area A and a county which contains any portion of Area A to give priority to:
 1. Unpaved roads with more than 100 average daily trips; and
 2. Unpaved shoulders on arterial roads where vehicle use is evident or anticipated due to projected traffic volume.

Parking Areas

- Requires that no later than March 31, 2008, a city and town in Area A, Maricopa County and the Apache Junction portion of Area A, adopt or amend codes or ordinances and, no later than October 1, 2008, commence enforcement of those codes or ordinances as necessary to require dustproof paving methods for the following:
 1. Parking, maneuvering, ingress and egress areas at developments other than residential buildings with four or fewer units; and
 2. Parking, maneuvering, ingress and egress areas that are 3000 square feet or more in size at residential buildings with four or fewer units.

Vacant Lots

- Requires that no later than March 31, 2008, a city and town in Area A and a county which contains any portion of Area A, adopt or amend codes or ordinances as necessary to restrict vehicle parking and use on unpaved or unstabilized vacant lots.
- Requires that no later than March 31, 2008, Maricopa County and the Apache Junction portion of Area A, adopt rule provisions and enforce those rule provisions pertaining to the stabilization of disturbed surfaces of vacant lots no later than October 1, 2008.
- Stipulates that the county rules must include reasonable written notice to the property owner that the unpaved disturbed surface of a vacant lot is required to be stabilized and must also grant the county authority to enter the lot to stabilize the disturbed

surface at the expense of the owner if it has not been stabilized by the day set for compliance.

- Specifies that vacant lots do not include any site that has been issued a county dust control permit.
- Defines disturbed surface.

Leaf Blowers

- Stipulates that beginning on March 31, 2008, employees or contractors of a city or town in Area A or a county which contains any portion of Area A (beginning on the general effective date) are prohibited from operating leaf blowers, except in vacuum mode, on high pollution advisory days.
- Prohibits employees or contractors of a city or town in Area A or a county which contains any portion of Area A from blowing landscape debris into public roadways at any time.
- Exempts any site that has been issued a county dust control permit.
- Requires a city and town in Area A to adopt, implement and enforce an ordinance by March 31, 2008 that bans the blowing of landscape debris into public roadways at any time by any person.
- Prohibits any person from blowing landscape debris into public roadways in Maricopa County and the Apache Junction portion of Area A after March 31, 2008.
- Requires that by March 31, 2008, a county that contains any portion of Area A, Maricopa County and the Apache Junction portion of Area A, to adopt, implement and enforce an ordinance that prohibits the operation of leaf blowers, except on surfaces that have been stabilized.

In Maricopa County and the Apache Junction portion of Area A:

- Requires any person operating a leaf blower for remuneration to successfully complete training approved by the Arizona Department of Environmental Quality (ADEQ) on how to operate a leaf blower in a manner designed to minimize the generation of fugitive dust emissions at least every three years.
- Specifies that any person required to complete training must complete the initial training no later than December 31, 2008.
- Requires ADEQ to produce printed materials for persons who sell or rent equipment used for blowing landscape debris for the purpose of educating and informing the user of the equipment on the safe and efficient use of the equipment.
- Requires any person who rents or sells equipment that is used for blowing landscape debris to provide the buyer or renter of the equipment with the materials approved by ADEQ.

Street Sweepers

- Requires new or renewed contracts for street sweeping on city streets in a city or town in Area A and in a county which contains any portion of Area A, no later than

March 31, 2008, to specify that the street sweepers meet the South Coast Air Quality Management rule pertaining to pick-up efficiency and PM-10 emissions.

Off-Highway Vehicles

- Requires a city and town in Area A to adopt, implement and enforce an ordinance that prohibits the operation of any vehicle, including an off-highway vehicle (OHV), an all-terrain vehicle (ATV) or an off-road recreation motor vehicle (ORRMV), on an unpaved surface that is not a public or private road, street or lawful easement and that is closed by the landowner.
- Prohibits a person from operating an OHV, an ATV or an ORRMV on an unpaved surface during any HPA by ADEQ for particulate matter.
- Exempts the operation of vehicles used in the normal course of business or the normal course of government operations.
- Clarifies that this does not prohibit or preempt the enforcement of any similar ordinance that is adopted by a city or town in Area A before March 31, 2008 for purposes of dust abatement.
- Prescribes a Class 3 misdemeanor for a violation of a city or town ordinance prohibiting OHVs on unpaved surfaces.
- Allows a judge to order a person to perform at least 8-24 hours of community restitution or to complete an approved OHV safety course, or both, in lieu of a fine.

The following provisions apply in Area A:

- Prohibits a person from operating an OHV, an ATV or an ORRMV, on an unpaved surface that is not a public or private road, street or lawful easement during any high pollution advisory day forecast by ADEQ.
- Provides exemptions for:
 1. An event that is intended for an OHV, an ATV or an ORRMV and that is endorsed, authorized, permitted or sponsored by a public agency, occurs on a designated route or area and includes dust abatement measures at all staging areas, parking areas and entrances;
 2. An event that occurs at a facility where an admission or use fee is charged and includes dust abatement measures;
 3. A closed course that is maintained with dust abatement measures;
 4. An OHV, an ATV or an ORRMV used in the normal course of business or government operations; or
 5. Golf carts that are used as part of a private or public golf course.
- Allows the control officer or other enforcement officer to issue citations and prescribes the following penalties:
 1. A warning for the first violation;
 2. A civil penalty of \$50 for the second violation;
 3. A civil penalty of \$100 for the third violation; and
 4. A civil penalty of \$250 for the fourth or any subsequent violation.

In Maricopa County and the Apache Junction portion of Area A:

- Requires ADEQ to produce printed materials, make the material available on ADEQ's website and distribute the materials to persons who sell or rent OHVs, ATVs or ORRMVs.
- Specifies that the materials must be designed to educate and inform the user of the vehicle on methods for reducing the generation of dust and dust control ordinances and restrictions.
- Requires any person who rents or sells OHVs, ATVs or ORRMVs in the normal course of business, other than golf carts, to provide the buyer or renter of the vehicle printed materials that are approved by ADEQ.

Agricultural Best Management Practices

- Increases the number of agricultural Best Management Practices (BMPs) from one to two and requires that the BMPs be used to demonstrate compliance with the general permit no later than December 31, 2007.
- Requires the Director of the Agricultural Best Management Practices Committee (Committee) to submit the rule containing the two BMPs to the EPA no later than December 31, 2007.
- Specifies that the Committee adopt the rules as interim rules in order to comply with the December 2007 deadline imposed by the EPA for PM-10 compliance.
- Defines regulated area for the purposes of BMPs as Maricopa County.

Dust Control Training and Coordinators

The following provisions apply in Maricopa County and the Apache Junction portion of Area A:

- Requires that no later than January 1, 2008, the control officer develop and implement basic and comprehensive training programs for the suppression of PM-10 emissions from sources that are subject to a county dust control permit.
- Allows the county to adopt rules prescribing standards for training.
- Requires that by December 31, 2008 and at least once every three years thereafter, the following persons successfully complete basic dust control training:
 1. The site superintendent or other designated on-site representative of a county dust control permit holder if the site has more than one acre of disturbed surface; and
 2. Water truck and water pull drivers.
- Specifies that the requirements of site superintendents, water truck and water pull drivers do not apply to a permittee that has a single permit for multiple noncontiguous sites that are one acre or less.
- Specifies that no later than June 30, 2008, a site subject to a county dust control permit of five acres or more of disturbed surface area must have at least one trained dust control coordinator (coordinator) on site at all times during primary dust generating operations.
- Grants the coordinator full authority to ensure that dust control measures are implemented on site, including conducting inspections, deployment of dust

suppression resources and modification or shutdown of activities as needed to control dust.

- Stipulates that the coordinator must be responsible for managing dust prevention and dust control on the site.
- Requires that at least once every three years, the coordinator successfully complete a comprehensive dust control class conducted or approved by the appropriate control officer and that the coordinator have a valid coordinator certification on site.
- States that the requirement to have a coordinator for any site five acres or more and the ability for the coordinator to have full authority lapse if all of the following apply:
 1. The area of disturbed surface area is less than five acres;
 2. The previously disturbed areas are stabilized in accordance with the requirements of applicable rules; and
 3. The permittee provides notice of the acreage stabilized to the control officer.
- Stipulates that a permittee that has a single permit for multiple noncontiguous sites must have on sites greater than one acre of disturbed surface area at least one designated coordinator.

The following provisions apply in a designated PM-10 nonattainment area:

- Requires a subcontractor engaged in dust generating operations at a site that is subject to a county dust control permit to register with the control officer.
- Allows the control officer to establish and assess a fee for subcontractor registration.
- Requires that the subcontractor have the registration number readily accessible on site.

Voluntary Diesel Retrofit Program

- Requires a county with a population of more than 400,000 persons to operate and administer a voluntary diesel emissions retrofit program for the purpose of reducing particulate emissions from diesel equipment.
- Stipulates that the program must allow for extended hours of operation by a modification to an existing permit or provision in a new permit.
- Requires that the diesel retrofit demonstrate at least a 35 percent reduction in particulate pollution with no increase in the generation or emission of other regulated pollutants.

Covered Loads

- Exempts minor pieces of agricultural materials such as leaves and stems from agricultural loads and vehicles that drop sufficient sand for the purpose of securing traction or sprinkle water or another substance on a roadway to clean or maintain the roadway.
- Adds that the covered load requirements are for highway safety or air pollution prevention.

Open and Unlawful Burning

- Requires a county which contains any part of Area A, on or before October 31, 2007, to prescribe a no burn restriction for any HPA for particulate matter.
- Stipulates that a fourth or subsequent violation of the no burn restriction is a civil penalty of \$250.
- Prohibits any open outdoor fire in Area A, from May 1 through September 30 each year.
- Removes fires for recreational purposes from the exemptions of unlawful burning.
- Requires a county with a population in excess of 1.2 million persons to prohibit by ordinance the use of wood burning chimineas, outdoor fire pits and similar outdoor fires on those days for which the county has issued a No Burn Day Restriction.
- Increases the fine for open burning from \$25 to \$500 for the first violation.

Vehicle Emissions

- Adds the Liquid Fuel Leak Inspection to the Vehicle Emissions Inspection Program.
- Requires the Director of ADEQ to adopt rules prescribing procedures and standards for the Liquid Fuel Leak Inspection.

Area C

- Establishes Area C in western Pinal County and requires Area C to use clean burning gasoline (CBG) from May 31st to September 30th.
- Contains conditional enactments based on the EPA approving a revision to the SIP.

Construction Contracts with Public Entities

- Allows the state, an agency or political subdivision of this state that is party to a construction contract executed prior to the enactment of these air quality control measures to agree to a contract amendment to provide for supplement payments to reimburse the contractor for the costs incurred solely and directly as a result of new dust control standards.
- Requires that any invitation to bid or request for proposals for a construction project in Area A issued by this state, an agency or political subdivision of this state, address compliance with all dust control requirements applicable to the project.
- Includes a delayed repeal date of September 30, 2009.

Dust-Free Developments Program

- Requires ADEQ to develop the Dust-Free Developments Program (Program).
- Requires that the Program include a voluntary certification process based on criteria developed by ADEQ.
- Stipulates that any person or entity may apply for certification under the Program, and if approved, may lawfully use a certification, seal, logo or other similar indicator

established by ADEQ for promotional, civic, public relations or public involvement purposes.

- Stipulates that the Program does not include a specific expiration date.

Reporting Requirements

- Requires any city, town and county located in a PM-10 nonattainment area to submit reports on particulate enforcement to the Joint Legislative Budget Committee (JLBC) on June 1 and December 1 of 2008 and 2009.
- Specifies that the reports must include the following information:
 1. The number of notices of violation issued, fines or penalties assessed or other sanctions imposed for particulate violations.
 2. The number of inspectors or other enforcement personnel employed for purposes of enforcing statutes, rules or ordinances related to particulates.
 3. The number of miles of streets, roads, alleys, shoulders and vacant areas paved or otherwise stabilized.
 4. Any other information relevant to the enforcement of particulate measures.

State Air Quality Study Committee

- Creates the State Air Quality Study Committee consisting of 10 legislators and states that its purpose is to examine and make recommendations for current and future compliance with primary NAAQS.
- Outlines the duties of the State Air Quality Study Committee which include submitting a report to the Legislature.
- Contains a delayed repeal date from and after December 31, 2009.

Motor Fuels Emissions Studies

- Requires ADEQ to evaluate the Coordinating Research Council study E-74b and to receive comments from the Department of Weights and Measures, any trade organizations representing automobile manufacturing, ethanol producers and marketers, petroleum refiners, suppliers, distributors and marketers, and other interested parties.
- Stipulates that ADEQ must consider providing additional research and cooperating to design and conduct any additional studies.
- Specifies that if funding is made available and it is determined that additional research is necessary, ADEQ must work with the Department of Weights and Measures to develop and implement research that would complement and incorporate the Coordinating Research Council study E-74b regarding Reid vapor pressure and oxygen content effects on emissions.
- Stipulates that ADEQ must submit its evaluation of the Coordinating Research Council study E-74b to the Legislature by February 15, 2008.
- Requires that ADEQ submit a report of all of the findings and recommendations to the State Air Quality Study Committee by September 1, 2008.

Miscellaneous

- Adds that the work hours of municipal employees in a city or town with a population of 50,000 persons or more be adjusted in order to reduce ozone and particulate matter concentrations caused by vehicular travel.
- Stipulates that if the Director of ADEQ determines that progress or attainment will not be achieved in order to achieve or maintain NAAQS or other air quality standards applicable to ozone precursors, the county must adopt rules necessary to achieve progress or attainment.
- Requires emissions reductions for the 8-hour ozone standard be achieved by December 31, 2008.

Amends Title 9, Cities and Towns; Title 11, Counties; Title 28, Transportation; Title 41, State Government; Title 49, The Environment. S. 1552. Chapter 292.

Law Enforcement; Emergency Department Cooperation - Allows a law enforcement officer who reasonably believes a person violated certain Driving Under the Influence (DUI) statutes to request emergency department personnel of a health care institute to provide the officer with a copy of any written or electronic report of the person's blood alcohol concentration (BAC). Stipulates that prior to requesting the report the officer must receive permission from the director of the emergency department of a health care institute to speak with the personnel. This permission cannot be refused but can be delayed if it is believed that taking the personnel away from patient care duties could cause harm. Amends Title 28, Transportation. S. 1015. Chapter 19.

Critical Infrastructure; Information; Penalty - Makes knowingly revealing critical infrastructure information (CII) contained in and protected by the statewide CII system a class 5 felony for any state or local government employee. Amends Title 41, State Government. H. 2067. Chapter 223.

Bills of Interest to Cities and Towns

Drug and Gang Enforcement Account - Provides the following changes to how the Arizona Criminal Justice Commission distributes money from the Drug and Gang Enforcement Account:

- Up to 50% to fund law enforcement agencies to enhance both the investigation of drug and gang offenses and related criminal activity and drug and gang education and prevention programs;
- Up to 50% to fund programs and agencies to enhance the state, county, city or town prosecution of drug and gang offenses;
- Removes the allocation of up to 10% to fund programs and agencies to enhance city or town prosecution of drug and gang offenses;
- Up to 30% to fund programs by county sheriffs and the Arizona State Department of Corrections to enhance jail operations and facilities as well as drug offender treatment programs; and

- Up to 30% to fund programs and agencies to enhance the integration of criminal justice records related to drug and gang offenders and their criminal activities.

Amends Title 41, State Government. S. 1344. Chapter 135.

Public Safety Employees; Disease Testing – Expands the list of qualified persons to a public safety employee or volunteer who may petition the court to authorize testing for HIV, common blood borne diseases or other diseases if there are reasonable grounds to believe exposure occurred. Defines public safety employee or volunteer as a:

- Law enforcement officer;
- Any employee or volunteer of a state or local law enforcement agency;
- A probation officer;
- A surveillance officer;
- An adult or juvenile correctional service officer;
- A detention officer;
- A private prison security officer;
- A firefighter; and
- An emergency medical technician.

Amends Title 13, Criminal Code. S. 1170. Chapter 33.

Spirituos Liquor; Omnibus - Modifies the steps a liquor licensee and/or its employees must follow for obtaining and examining a potential customer’s identification (ID) to ensure the customer meets the legal age requirements. Redefines the premises or licensed premises to include a patio that is non-contiguous to the rest of the licensed premises if the patio is separated by a public or private walkway or driveway not to exceed 30 feet, subject to the director’s administrative rules for non-contiguous premises. Prohibits the Director of the Department of Liquor Licensing and Control (DLLC) from issuing an interim permit or a restaurant license for 12 months to a person that has surrendered the license because the establishment did not meet the statutory requirements pertaining to the required food sales. Clarifies that a surrendered license does not prevent the Director from revoking a license on other grounds or taking further action due to deliberate misrepresentations by the licensee. Directs DLLC to use generally accepted auditing standards. Prohibits municipal ordinances from “interfering” with a licensee’s ability to request a potential patron to produce a valid ID. Amends Title 4, Alcoholic Beverages. H. 2391. Chapter 187.

Toxic Fire Response - Establishes the Arizona Chemical Fire Response Coordination Task Force, to be made up of the Fire Chief, or the Chief’s designee, from municipalities over 75,000 persons. Requires the Task Force to do the following for municipalities over 75,000 persons by December 31, 2009:

- Establish a municipal hazardous material tracking process program for commercial and industrial buildings.
- Ensure the transfer of key information between municipal programs in an effective and efficient manner by allowing the hazardous material tracking process program to

be established as part of an existing municipal tracking system, but requiring it to be consistent with other tracking systems of municipalities with 75,000 or more persons.

- Use the hazardous material tracking process program to ensure that the building user is in compliance with applicable fire codes.
- Create an inventory procedure that provides quarterly updates and an annual report for buildings that are required to be tracked.
- Develop risk based inspection procedures for buildings that are required to be tracked.

Outlines numerous other requirements of the Task Force. Amends Title 26, Military Affairs and Emergency Management; Title 36, Public Health and Safety; and Title 49, The Environment. S. 1112. Chapter 153.

Amusement Rides; Safety - Establishes amusement ride inspection and insurance requirements, allows municipalities and counties to create reasonable and necessary fees for administration and allows counties and municipalities to enforce these requirements. Amends Title 44, Trade and Commerce. S. 1483. Chapter 232.

TRANSPORTATION

Bills with Significant Impacts on Cities and Towns

Budget Reconciliation; Transportation- Contains the sub-account of STAN for interest payments. Also contains both the Eligible Transit Capital Projects Account and the Roads of Significant Congestion Account, each with a \$10 million appropriation. The Capital Projects eligibility requirement is 50,000 or less in population. The Roads of Significant Congestion Account uses as an eligibility requirement the growth rate standard of 50% greater than average. Effective June 25, 2007, upon Governor's signature. Amends Title 9, Cities and Towns, Title 11, Counties, and Title 28, Transportation. H.2793. Chapter 267.

Vehicle Accidents; Minimum Reporting Requirement - Increases the penalties for drivers involved in a vehicle accident who fail to stop at the scene or who fail to give their personal information and assistance by making it:

- A Class 3 felony if the driver was involved in an accident resulting in death or serious physical injury;
- A Class 2 felony if the driver caused an accident resulting in death or serious physical injury of a person;
- A Class 5 felony if the driver was involved in an accident where injury other than death or serious physical injury occurred; and
- A Class 2 misdemeanor if the driver was involved in an accident that only caused vehicle damage.

Amends Title 28, Transportation. S. 1118. Chapter 154.

Traffic Violations; Statute of Limitations - Makes the following changes to the statute of limitations for traffic violations:

- Requires a case commenced by issuance to be issued within 60 days of the alleged violation;
- Requires a case commenced by filing to be filed within 60 days of the alleged violation and served within 90 days from the filing date; and
- Requires the commencement of a civil traffic violation case involving death within one year of the violation.

Amends Title 28, Transportation. S. 1131. Chapter 155.

Teenage Driver Safety Act - Creates curfew and passenger restrictions for persons under 18 years of age for the first six months of possessing a Class G driver's license. In addition, requires that a person at least twenty-one years of age and who holds a valid class of driver's license occupies the seat beside the Class D or Class G permittee while the permittee is operating the vehicle. Specifies several other teen driving restrictions and outlines certain exemptions. Amends Title 28, Transportation. H. 2033. Chapter 206.

Foreign Motor Carriers – Adds Chapters 5, 11, 14 and 15 of Title 28 to the jurisdiction of municipal courts and justice courts over all civil and misdemeanor criminal violations and over class 2 and 3 misdemeanor criminal violations of chapter 25 that are committed within their boundaries by persons eighteen years of age or older.

Law enforcement agencies may impound a vehicle operated in violation of United States Department of Transportation regulations, until the citation and all charges related to the impoundment are cleared. The impoundment charges are the responsibility of the vehicle's owner. Amends Title 28, Transportation. S. 1640. Chapter 296.

Bills of Interest to Cities and Towns

Pedestrian Control Signals - Allows the symbols of a walking person and an upraised hand to be used as pedestrian control signals. Allows currently posted signals using the words "Walk" and "Don't Walk" to be retained for the remainder of their useful service life. Amends Title 28, Transportation. S 1076. Chapter 29.