



LEGISLATIVE BULLETIN

Issue 17 - May 5, 2017

Legislative Overview

Today is the 117th day of the session and, while the chambers have officially amended the rules to allow them to go through next Thursday, it is expected they will complete their work early next week on the last remaining policy bills and adjourn sine die. The major work this week has been on the state budget, which was finished when the House took its final vote around 4:00 a.m. today after an all-night session.

To date, 294 bills have passed the legislature. The governor has signed 279 into law, vetoed 5 and the remaining bills are pending action.

State Budget

Early this morning, the Arizona legislature passed a \$9.8 billion budget. Cities and towns have been part of the budget discussions since the Arizona Board of Regents' bonding proposal that would have taken our shared revenue first surfaced as part of the Executive budget. Unfortunately, we have never been directly involved in the negotiations. Until recently, shared revenue was still an element of the mechanism to fund the debt service so we have been unable to assist the universities in their efforts.

Ultimately, there was so little support for the original proposal that the proponents had to concede and the mechanism was abandoned in favor of a more traditional appropriations process. Even that had trouble receiving enough support to pass so the "horse trading" began.

We learned early in the day that we were once again going to be pulled into the fray when we heard that the provisions of HB 2495 (consolidated election dates; tax authorization) were rumored to be added to one of the budget bills as a way to "buy" votes for the bonding bill.

As you will recall, this HB 2495 would have required all local sales tax questions to be put before the voters and limited the time these elections could occur to the fall cycle even-numbered years. We opposed this bill for a number of reasons, particularly as an

intrusion on the decision making of local governments and were able to defeat it in the Senate Judiciary committee.

Instead of jeopardizing one of the budget bills, a House Ways and Means committee was hastily called and the provisions of HB 2495 were stricken onto SB 1152. The bill barely passed out of the House on a 32-27-1 vote.

However, the bill failed on the Senate floor by a vote of 14-16 with Senators Kate Brophy McGee, Karen Fann and Gail Griffin voting no. Senator Griffin moved for reconsideration of the bill but that motion was defeated on a standing division of 11-14. While this procedural move means that SB 1152 cannot be resurrected, we anticipate another attempt to pass this bill will occur next week.

Based on past legal decisions, it seems there is a very strong likelihood that the courts would rule that charter cities have the authority to determine when these elections should be held. Regardless of whether you are a charter city or not, since statehood, elected city councils have had the authority to adjust tax rates unless they have a charter requirement to do otherwise.

We will not know what the path forward will be until next week and will keep you informed on any action on this issue.

SINE DIE

Now that the budget is finalized, the Legislature will address the remaining bills still moving through the process, including a few that we are still working on. We have heard that the plan is to adjourn *sine die* next Tuesday May 9th.

Legislative Bill Monitoring

All bills being actively monitored by the League [can be found here](#).