



LEGISLATIVE BULLETIN

Issue 1 – January 17, 2020

Legislative Update

Today is day five of the second session of the 54th Legislature, which convened on Monday to hear Governor Ducey's State of the State address. During his speech, he highlighted the state's successes in building a robust economy that is attracting new residents and investments in the manufacturing, science and technology industries. The governor touted the "Arizona Way" of policy-making as the reason for the state's accomplishments, including the adoption of universal recognition of occupational licensing, cutting red tape, investments in the rainy-day fund and in infrastructure, among others. He renewed his pledge to not increase taxes to the crowd of lawmakers and guests; "no new taxes; not this session, not next session; not here in this chamber, not at the ballot box, not on my watch."

His speech prefaced the initiatives he will focus on this year, which are included in the executive budget that was released to the public today. The budget prioritizes new investments, including expedited replacement of the Gila River Bridge on the I-10 between Casa Grande and Phoenix to three lanes in both directions, additional funding for rural broadband deployment, state parks, tourism, and a rural jobs initiative to strengthen small business and grow the economies outside of Maricopa County.

Executive Budget

The executive budget includes the following items of interest to cities and towns:

- Elimination of the income tax on public service pension pay, retroactive to tax year 2020, will reduce General Fund revenues by \$45.5M (this includes a \$6.875M reduction to Urban Revenue Sharing)
- Targeted transportation investment of \$28M to widen the Gila River Bridge in both directions on I-10; the bridge will have capacity of 4 lanes in each direction but will not open additional lanes until construction of other portions of the I-10 are complete

- Expansion of the Arizona Advanced Technology Corridor where \$4.1M will be provided to the Arizona Commerce Authority to establish technology programs at community colleges in rural areas of Arizona
- \$500k to the Arizona Office of Tourism to expand programs promoting rural tourism
- An expansion of the grant program established for rural broadband from \$3M last year to \$10M in the FY2021 budget
- Nearly \$49.7M invested in a Smart Highways Corridor where 514 miles of conduit for future broadband infrastructure will be installed along all I-40, I-19 from Nogales to Tucson, and I-17 from Anthem to Flagstaff
- Adding \$7.5M to the DUI Abatement Fund where local jurisdictions can apply for grants to fulfill the objectives of the program
- Full funding for the Water Quality Assurance Revolving Fund (WQARF) for a total of \$15M
- Future closure of the Florence Prison with staff ultimately moving to Eyman Prison

Transportation

Earlier this week, League Executive Director Tom Belshe presented to the House Transportation Committee on the transportation needs of Arizona cities and towns, along with representatives from the County Supervisors Association and the Arizona Department of Transportation.

Last year, the League collected information from our cities and towns on deferred maintenance and transportation projects. We received responses from approximately two-thirds of municipalities, totaling \$5.4 billion in both deferred maintenance and transportation project funding needs:

- \$3.1 billion in deferred maintenance needs
- \$2.3 billion in transportation projects

House Transportation Committee Chairman, Representative Noel Campbell (R-Prescott), has been working with stakeholders over the past few sessions to find a revenue source to address the state's backlog of deferred maintenance. Arizona's fuel tax is 18 cents per gallon and has not been increased since 1991 – this tax partially funds the Highway User Revenue Fund (HURF). Municipalities receive a portion of HURF to maintain local streets, roads, and traffic control systems.

The League will continue to work with stakeholders in continued discussions related to HURF and the gas tax.

Session Deadlines

Every session has deadlines pertaining to bill submissions and hearings. This year, the schedule is as follows:

January

1/13 – First day of session

1/16 – House 7-bill Introduction Limit Begins (5 p.m.)

February

2/4 – Senate Bill Introduction Deadline (5 p.m.)

2/10 – House Bill Introduction Deadline (5 p.m.)

2/17 - 2/21 – Last week to hear bills in the chamber of origin

March

3/23 – 3/27 – Last week to hear bills in the opposing chamber

April

4/17 – Last Day for Conference Committees

4/25 – 100th Day of Session

Monday Legislative Update Calls

The League will continue to host a weekly conference call to report on the status and impact of various bills in the 2020 session. The calls are scheduled for Monday mornings at 10:00 a.m. However, because of Opening Day and State of the State Address, and the Martin Luther King, Jr. holiday, the first call will be held at **10:00 a.m. on Tuesday, January 21**. Mayors, councilmembers, managers and other city or town staff who are interested in legislative activities are invited to participate. Call-in numbers and a brief agenda will be sent out prior to the calls. If you would like to receive the Monday agendas, please contact league@azleague.org and request to be added to the distribution list for the Monday conference call.

Legislative Intern

The League is pleased to welcome Maya Perez as the 2020 APS Legislative Intern. She is a junior at Arizona State University studying political science and global studies with a minor in public service and public policy and two certificates in international studies and political entrepreneurship through leadership. Her interest in politics and government made her a strong candidate for the position, and we are proud to have her on the legislative affairs team this session.

She participated in the McCain Institute Policy Design Studio program while living and interning in Washington D.C. during the Fall. She is extremely happy to have been placed in this position and to be working with so many people who can help her understand the role of local government and how the League advocates for local decision-making at the state legislature.

Your Voice at the Capitol

The 2020 edition of [Your Voice at the Capitol](#), our listing of state senators and representatives, is available here. Please use this document to access contact information for your delegation. Early contact with your legislators is strongly recommended to establish a relationship with the elected officials representing your district. Maintaining good communications with your legislators provides them with valuable insight as to how proposed legislation may impact the communities in their districts.

Additionally, you can contact our legislative division at (602) 258-5786 or email using the information below:

Nick Ponder, legislative director: nponder@azleague.org

Tom Savage, senior legislative associate: tsavage@azleague.org

Roxanna Pitones, legislative associate: rpitones@azleague.org

Maya Perez, legislative intern: mperez@azleague.org

Legislative Bill Monitoring

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