



Issue 16 – April 30, 2021

Legislative Update

Today is the 110th day of the legislative session. Earlier in the week, there were speculations of the Legislature recessing for a few weeks to solely focus on budget negotiations. Those rumors have been dispelled by members of the House who are hopeful to adjourn the session in mid-May. The Governor has signed 302 bills and vetoed 3 measures. There are currently 34 bills that have passed the Legislature and await consideration by the Executive.

The Legislature's floor calendars have been lighter in the past few weeks. There are currently 51 bills pending Committee of the Whole (COW) in the Senate, and 41 bills awaiting consideration in House COW. 13 House bills are ready for Third Read in the Senate, and 3 Senate bills await House Third Read.

State Budget

The Legislature continues to have budget discussions and it appears that Republican lawmakers are struggling to get support for a flat tax proposal. Cities and towns have been communicating to lawmakers the impacts of a flat tax on municipal budgets. This week, Senator Paul Boyer (R-Glendale) spoke to [PBS Horizon](#) host Ted Simon to discuss the revenue impacts a flat tax would have on cities and towns. Senator Boyer also noted his concerns over how these budget impacts would affect local police and fire departments.

Earlier this month, the Finance Advisory Meeting (FAC) met to discuss the latest on the condition of Arizona's economy. The FAC consists of private and public sector economists who provide their independent perspective on the state's revenue forecast. Preeminent Arizona economist Alan Maguire highlighted the need for caution as lawmakers discuss substantial cuts to income tax, stating "when we start cutting income taxes, we cut revenue not only for the state of Arizona, but to local governments as well." Economist

Jim Rounds also cited cities and towns' contributions to economic development by making investments in critical infrastructure. Footage of FAC's meeting is linked [here](#).

The League asks that you continue to engage with your legislators about the damaging impacts of a flat tax to their cities and towns, and ask they pursue other alternatives that would not cut municipal budgets.

Civil Asset Forfeiture

This week, the Senate passed [HB 2810 civil asset forfeiture; conviction; procedures](#), sponsored by Representative Travis Grantham (R-Gilbert) in Third Read. The measure makes substantial changes to forfeiture laws by requiring that prosecutors and law enforcement agencies make a conviction prior to seizing property connected to criminal activity. Property that is seized must be returned to the owner with 10 business days, unless the owner was arrested and charged with a criminal offense subject to forfeiture or if the property is evidence to a crime.

The League and a number of law enforcement agencies throughout the state, including sheriffs and county attorneys, opposed the measure because it will negatively impact law enforcement's ability to seize proceeds from criminal organizations that rely on their assets to continue their operations. HB 2810 passed the Senate with bipartisan support, 29-1 and was transmitted to the Governor on Thursday, where it currently awaits action.

Legislative Bill Monitoring

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