

Legislative Committee
Chair: Butch Leiber

Status of Bills Reviewed by the Legislative Committee
August 07, 2020

2020 Master Bill Digest

HB2001: ONLINE HOME SHARING; REPEAL

Repeals statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and limiting the restrictions that municipalities and counties may place on those rentals to a list of specified purposes. Repeals the online lodging marketplace transaction privilege tax classification, and the requirement for online lodging marketplaces to register with the Department of Revenue for payment of transaction privilege taxes on online lodging transactions. Repeals the requirement for online lodging operators to have a current transaction privilege tax license and related civil penalties for noncompliance. Repeals the Joint Legislative Study Committee on Transient Lodging.

First sponsor: Rep. Blanc (D - Dist 26)
Arizona REALTOR® Position:
Oppose

Last Action: 5/19 referred to House rules only.

H2054: GRRC; PETITION TO REQUEST REVIEW

A person is permitted to petition the Governor's Regulator Review Council (GRRC) to request a review of an existing agency practice that involves interpreting a rule adopted by the agency, substantive policy statement, or final rule of an agency established under statute governing campaign finance, including the Citizens Clean Elections Act, based on the person's belief that the practice, policy, or rule does not meet the requirements of the Administrative Procedures Act, exceeds the agency's statutory authority or violates the state Constitution or the U.S. Constitution. If, after a public hearing, GRRC determines that the practice, policy, action or rule does not meet these requirements, GRRC is authorized to modify, revise or declare void any practice, policy, or rule.

First sponsor: Rep. Biasiucci (R - Dist 5)
Arizona REALTOR® Position:
Monitor

Last Action 3/17 from Senate rules okay.

H2058: DELINQUENT PROPERTY TAX; INTEREST; WAIVER

The county treasurer is authorized to waive the interest that accrues on delinquent property taxes, and any other penalties, for a delinquency that occurs during the one-year period after a mortgage or deed of trust is satisfied or otherwise released on the property. A taxpayer may receive this waiver only once per property.

First sponsor: Rep. Kavanagh (R - Dist 23)
Arizona REALTOR® Position:
Oppose

Last Action: 2/24 referred to Senate fin.

H2059: HOMEOWNERS' ASSOCIATIONS; BILLING STATEMENTS; WAIVER

If there is no amount due or if a unit owner or member provides written notice to a condo association or homeowners' association (HOA) that the unit owner or member waives the right to receive account statements, the HOA is not required to provide statements. A unit owner or member may reinstate the right to receive statements by providing written notice to the HOA.

First sponsor: Rep. Kavanagh (R - Dist 23)
Arizona REALTOR® Position:
Monitor

Last Action: 2/20 House gov failed 5-6

H2065: RECORDER; RECORDING FEES; LIEN FEES

Establishes a fee of \$9 for the county recorder to record liens.

First sponsor: Rep. Kavanagh (R - Dist 23)
Arizona REALTOR® Position:
Support

Last Action: 3/4 FAILED House 8-52

H2076: APPROPRIATION; DWR; ADDITIONAL STAFF

Makes a supplemental appropriation of \$6.1 million from the general fund in FY2020-21 to the Department of Water Resources to hire additional hydrologists,

groundwater flow modelers and support staff members.

First sponsor: Rep. Gabaldon (D - Dist 2)

Arizona REALTOR® Position:

Monitor

Last Action: 5/19 referred to House rules only.

H2077: TELEPHONE SOLICITATIONS CALLS; DO-NOT-CALL LIST

Expands the list of information that a seller or solicitor is required to disclose to the consumer before beginning a solicitation or sales presentation over the telephone, to include that the consumer may request that the consumer's telephone number be added to the seller's or solicitor's entity specific do-not-call list. If the consumer makes this request, the seller or solicitor is required to immediately end the call and add the number to the list. A seller or solicitor who violates these requirements is subject to a civil penalty of up to \$1,000 for each violation.

First sponsor: Rep. Kavanagh (R - Dist 23)

Arizona REALTOR® Position:

Oppose

Last Action: 5/19 referred to House rules only

H2084: INTERNATIONAL BOUNDARY WALL; BUILDING PERMITS

Establishes a presumption that permission for the construction of an international boundary wall on state-owned land will be granted by the state. Counties and municipalities are prohibited from requiring a nonprofit corporation or property owner to obtain a building or construction permit for construction of an international boundary wall that is on or adjacent to the international boundary line when the land owner has provided written consent for the construction. Within two months after the construction of the international boundary wall is complete, the property owner is required to provide the county or municipality with an affidavit of completion signed and sealed by a registered professional engineer certifying that the wall was built according to the plan and safety requirements. AS PASSED HOUSE.

First sponsor: Rep. Petersen (R - Dist 12)

Arizona REALTOR® Position:

Monitor

Last Action: 3/17 from Senate rules okay.

H2092: FEDERAL GOVERNMENT; LAND ACQUISITION; CONSENT

The consent of the state of Arizona to the acquisition, sale, gift or grant or any other transfer of an ownership interest in any privately owned real property within Arizona that is not in possession of any federal agency as of the effective date of this legislation, and that would remove the real property from state, county and municipal property tax rolls is prohibited from being given without the express, affirmative consent of the Legislature and the Governor through the signing of a joint resolution. On the opening of escrow for the sale of private real property to the federal government or a federal agency, the escrow agent or property owner is required to notify the Legislature and request approval of the sale. The state has the right of first refusal to purchase private real property that the federal government is contracting to acquire. Contains legislative findings. AS PASSED HOUSE.

First sponsor: Rep. Finchem (R - Dist 11)
Arizona REALTOR® Position:
Oppose

Last Action: 5/8 referred to Senate rules only

H2099: PROPERTY TAX; MOBILE HOMES; DELINQUENCY

For a mobile home for which an affidavit of affixture has not been recorded, that is not placed on the real property roll and that is used as the owner's primary residence, the delinquent taxes may be collected only after the tax is delinquent for one year and the person liable for paying the tax has not redeemed the property within six months after the end of the one-year period. AS PASSED HOUSE.

First sponsor: Rep. Griffin (R - Dist 14)
Arizona REALTOR® Position:
Support

Last Action: 3/10 from Senate rules okay.

H2101: APPROPRIATION; ARIZONA WATER PROTECTION FUND

Appropriates \$1 million from the general fund in FY2020-21 to the Arizona Water Protection Fund.

First sponsor: Rep. Griffin (R - Dist 14)
Arizona REALTOR® Position:
Support

Last Action: 3/4 from Senate appro do pass.

H2115: JLAC; AUDITOR GENERAL

Various changes relating to government audits. All officers of any state agency, board, commission, department, program or committee or any political subdivision and all contractors that contract with the state are required to afford reasonable and needed facilities for Auditor General staff and make records available in the form and at the time prescribed. The Attorney General is required to supervise the prosecution of all offenders of this requirement. Any officer or person who knowingly obstructs or misleads the Auditor General in the execution of his/her duties is guilty of a class 2 (mid-level) misdemeanor. Modifies the list of factors a committee of reference considers when determining the need for continuation or termination of an agency. Based on information provided by the Auditor General, for any legislative measure that requires the Auditor General to perform a special audit, the Joint Legislative Budget Committee staff is required to notify all members of the Legislature as soon as practicable of the cost to conduct a special audit. The Auditor General is required to conduct a performance audit of transportation excise tax revenues in the fifth year, instead of the tenth year, in which the tax is in effect in a county. The Auditor General is no longer required to prepare an annual written report to the Governor and the Joint Legislative Audit Committee. Deletes the requirements for community college district expenditure reporting to be done by fund and to include a reconciliation of expenditures to the expenditure limitation report.

First sponsor: Rep. Kern (R - Dist 20)
Arizona REALTOR® Position:
Oppose

Last Action: 3/2 Senate gov held.

H2126: MOBILE HOMES; PROPERTY TAX; COLLECTION

Taxes due on mobile homes must be collected pursuant to mobile home property tax statutes instead of by seizure and sale in the same manner as taxes due on personal property.

First sponsor: Rep. Thorpe (R - Dist 6)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2151: MOBILE HOMES; TAXATION; DELINQUENCY

For a mobile home for which an affidavit of affixture has not been recorded and that is not placed on the real property roll, a process is established for the county treasurer to issue a tax bill warrant giving the county sheriff authority to seize the property, which the county treasurer must sell at public auction. The owner of the mobile home is permitted to redeem the property at any time before the actual sale by paying to the county treasurer the taxes, interest and costs or by making a partial payment and entering into a payment plan with the county treasurer. The right to redeem terminates after the property is sold, unless the mobile home was wrongfully seized or sold. If the county treasurer issues a tax bill warrant for a mobile home that is in the possession of a person other than the person listed on the tax bill warrant and who presents evidence of having purchased the mobile home from the person listed on the tax bill warrant after the taxes became delinquent, the sheriff is prohibited from seizing the property to collect the previous owner's delinquent taxes on the mobile home. The county treasurer may continue to collect the delinquent taxes on the mobile home from the previous owner as provided by law.

First sponsor: Rep. Thorpe (R - Dist 6)
Arizona REALTOR® Position:
Monitor

Last Action: 2/27 House COW approved with floor amend #4578.

H2158: WATER; WELL METERING; NONEXEMPT WELLS

A person who withdraws groundwater from any nonexempt well, instead of only those in active management areas, is required to use a water measuring device approved by the Department of Water Resources, unless another statutory exemption applies.

First sponsor: Rep. Engel (D - Dist 10)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2159: WATER ADEQUACY REQUIREMENTS; STATEWIDE APPLICABILITY

County boards of supervisors are required, instead of permitted, to adopt regulations requiring all subdivisions to either have a determination of an adequate water supply from the Department of Water Resources or obtain a written commitment of water service for the subdivision from a municipal or private water company designated as having an adequate water supply by the Dept.

First sponsor: Rep. Engel (D - Dist 10)
Arizona REALTOR® Position:

Monitor

Last Action: 5/19 referred to House rules only.

H2161: IRRIGATION NON-EXPANSION AREAS; WATER SUPPLIES

Modifies the circumstances under which the Director of the Department of Water Resources is authorized to designate an area that is not in an active management area as a subsequent irrigation non-expansion area to require the Director to consider future demand for irrigation and non-irrigation uses of water and its effect on water supplies for currently irrigated lands and other uses.

First sponsor: Rep. Engel (D - Dist 10)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2162: ENERGY MEASURING; REPORTING; PROHIBITION; REPEAL

Repeals statutes prohibiting counties and municipalities from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption.

First sponsor: Rep. Engel (D - Dist 10)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2176: VACATION RENTALS; SHORT-TERM RENTALS; REGULATION

The list of purposes for which counties and municipalities are permitted to regulate vacation rentals and short-term rentals is expanded to include to prohibit, or restrict to commercial zones, "investor-owned properties" (defined).

First sponsor: Rep. Blanc (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2184: OCCUPATIONAL AND PROFESSIONAL LICENSURE; NOTICE

A regulating entity under Title 32 (Professions and Occupations) is required to prominently print a specified notice regarding reciprocity on all license and certificate applications and regulating entity websites. AS PASSED HOUSE.

First sponsor: Rep. Petersen (R - Dist 12)
Arizona REALTOR® Position:
Monitor

Last Action: 3/17 from Senate rules okay.

H2220: PROPERTY TAX EXEMPTION; VETERANS' ORGANIZATIONS

Property owned by a U.S. veterans' organization that qualifies as a charitable organization and that is recognized under section 501(c)(4) of the Internal Revenue Code is exempt from taxation if the property is used predominantly for those purposes and is not used or held for profit. Effective January 1, 2021.

First sponsor: Rep. Griffin (R - Dist 14)
Arizona REALTOR® Position:
Monitor

Last Action: 1/16 referred to ways-means

H2226: WATER MEASURING DEVICES; REPORT

If the Director of the Department of Water Resources determines it necessary for water management purposes, in areas outside of an active management area and for a well that has a pump with a maximum capacity of more than 35 gallons per minute, the Director is authorized to require the use of a water measuring device and to require an annual report that includes the quantity of groundwater delivered during the calendar year. The Director is required to provide 60 days' notice of any water measuring device requirement and for good cause may extend the time for compliance. The director is authorized to enforce these requirements by issuing a cease and desist order at an administrative hearing, except that civil penalties cannot be awarded. In any action to enforce these requirements, the prevailing party must be awarded attorney fees and costs.

First sponsor: Rep. Kavanagh (R - Dist 23)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2288: STATE LICENSING; FEE WAIVER

The list of persons that state agencies are required to waive any initial license fee charged for, with some exceptions, is expanded to include any active duty military service member and the member's spouse and any veteran.

First sponsor: Rep. Barto (R - Dist 15)

Arizona REALTOR® Position:

Monitor

Last Action: 2/24 referred to Senate com.

H2313: FIRE SPRINKLERS; EXISTING BUILDINGS; PROHIBITION

A municipality is prohibited from adopting a code or ordinance that requires a person or entity to install fire sprinklers in an existing building that was not required to have fire sprinklers when the building was originally constructed. A municipality is prohibited from imposing any fine, penalty or other requirement on a person or entity for choosing not to install or equip fire sprinklers in such a building. Municipalities are authorized to require the installation of fire sprinklers in an existing building if the owner undertakes a "major renovation or remodel" (defined).

First sponsor: Rep. Grantham (R - Dist 12)

Arizona REALTOR® Position:

Monitor

Last Action: 3/2 referred to Senate gov.

H2348: MUNICIPAL TPT; RESIDENTIAL RENTALS; LIMIT

Municipalities are prohibited from imposing or increasing transaction privilege taxes on renting residential property unless the new or increased rate of tax is approved by the voters at a regular, municipal election and is not more than five percent.

First sponsor: Rep. Chavez (D - Dist 29)

Arizona REALTOR® Position:

Monitor

Last Action: 1/29 from House ways-means do pass.

H2351: REAL ESTATE; EMPLOYEE; RENT COLLECTION

A person who is not a real estate licensee is permitted to collect in-person rent for the use of real estate and related fees as part of the person's clerical duties if the person works for a real estate broker or real estate salesperson, the rent collection is on behalf of the licensee, and the person provides a receipt upon payment. AS PASSED HOUSE.

First sponsor: Rep. Toma (R - Dist 22)
Arizona REALTOR® Position:
Support

Last Action: 3/10 from Senate rules okay.

H2359: LICENSE DENIAL PROHIBITED; DRUG CONVICTIONS

State agencies are prohibited from denying a regular or provisional "occupational license" (defined) to an otherwise qualified applicant who has been convicted of a drug offense. Does not apply to teacher certification, health profession regulatory boards, the Department of Health Services for the purposes of the Arizona Medical Marijuana Act, law enforcement agencies, and the Arizona Peace Officer Standards and Training Board. AS PASSED HOUSE.

First sponsor: Rep. Toma (R - Dist 22)
Arizona REALTOR® Position:
Monitor

Last Action: 3/17 from Senate rules okay.

H2363: HOME SOLICITATION SALES; DEFINITION

For the purpose of statute regulating home solicitation sale, the definition of "home solicitation sale" is modified to include any sale of goods or services in which the seller or the seller's representative personally solicits the sale and the buyer's agreement or offer to purchase is made at a home other than that of the person soliciting the sale, instead of only those where all or any part of the purchase price, or a debt incurred for payment of the purchase price, is payable in installments.

First sponsor: Rep. Toma (R - Dist 22)
Arizona REALTOR® Position:
Monitor

Last Action: 2/24 referred to Senate com.

H2373: FACTORY-BUILT BUILDING; DEFINITION

For the purpose of manufactured housing regulations, the definition of "factory-built building" is modified to remove the stipulation that the building be manufactured using closed construction.

First sponsor: Rep. Weninger (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 3/17 from Senate rules okay.

H2399: UNMANNED AIRCRAFT OPERATION; PUBLIC VENUES

For the purpose of the prohibition on operating or using an unmanned aircraft or unmanned aircraft system to intentionally photograph or loiter over or near a "critical facility" in the furtherance of any criminal offense, a class 6 (lowest) felony, the definition of "critical facility" is expanded to include a "multipurpose facility" (defined elsewhere in statute) or a public sports arena or stadium. This prohibition does not apply to a person who receives prior written permission from the critical facility owner or operator to use or operate an unmanned aircraft or unmanned aircraft system. It is a class 6 (lowest) felony for a person to operate or use an unmanned aircraft or unmanned aircraft system in the commission of any criminal offense.

First sponsor: Rep. Weninger (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 2/27 referred to Senate jud.

H2405: COLORADO RIVER FOURTH PRIORITY WATER

A person with a claim for rights to use any amount of the fourth priority Colorado River water that is subject to the federal Boulder Canyon Project Act and that was allocated by the U.S. Bureau of Reclamation for agricultural, municipal and industrial uses for Colorado River communities is prohibited from transferring or otherwise conveying that claim for use of that water to any location or use other than an agricultural, municipal or industrial use in a Colorado River community.

First sponsor: Rep. Cobb (R - Dist 5)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2445: RIGHT TO REDEEM; LIEN; SALE

A real property tax lien cannot be redeemed after the entry of a judgment of foreclosing the right to redeem. When the court enters judgment foreclosing the right to redeem, the court must direct the county treasurer to sell the property and deliver the deed to the purchaser after the purchaser pays, instead of to deliver the deed to the party in whose favor the judgment was entered. The foreclosure of the right to redeem does not extinguish the property owner's or another lienholder's interest in the surplus proceeds from the sale of the property. The treasurer is required to sell the property at public auction. An auction must be held within 6 months after the entry of a judgment foreclosing the right to redeem. Requirements for notice of the auction and conducting the auction are established, including requiring the county treasurer to set the minimum bid at the property's limited cash value. After deducting and distributing interest, penalties, fees and costs charged against the parcel, the county treasurer is required to post a public list of the remaining monies that any party that had a legal interest in the property before the judgment foreclosing the right to redeem or the issuance of the tax deed to this state may claim. The county treasurer is required to continuously post a list of properties sold in the past five years in the treasurer's office and on the treasurer's official website. After receiving full payment for the property, the county treasurer is required to notify by mail the former property owner and any person with a recorded interest in the property, and information that must be included in the notice is listed. Any portion of the surplus monies that remains unclaimed after five years must be treated as unclaimed property. More. Emergency clause.

First sponsor: Rep. Kern (R - Dist 20)
Arizona REALTOR® Position:
Monitor

Last Action: 3/3 House COW approved.

H2477: PURCHASER DWELLING ACTIONS

If a purchaser fails to comply with statutory requirements before bringing a dwelling action, the action must be stayed pending compliance, instead of dismissed. Modifies the factors the court may consider in determining whether attorney fees incurred are reasonable for the purpose of awarding attorney fees in a dwelling action.

First sponsor: Rep. Payne (R - Dist 21)

Lists: ADRE, Air Quality Environmental Regulations, Banking, Commercial Issues, Corporation
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2481: PROPERTY TAX OMNIBU

Various changes to statutes relating to property taxes. If a county treasurer determines that any of the circumstances for abating personal property taxes exist, the county treasurer is required to grant appropriate relief, and the relief is no longer subject to the approval of the county board of supervisors. A certificate of removal and abatement of tax is final and effective on the date the board of supervisors receives notice from the county treasurer. Taxes due on mobile homes must be collected pursuant to mobile home property tax statutes instead of by seizure and sale in the same manner as taxes due on personal property. For a mobile home for which an affidavit of affixture has not been recorded and that is not placed on the real property roll, a process is established for the county treasurer to issue a tax bill warrant giving the county sheriff authority to seize the property, which the county treasurer must sell at public auction. The owner of the mobile home is permitted to redeem the property at any time before the actual sale by paying to the county treasurer the taxes, interest and costs or by making a partial payment and entering into a payment plan with the county treasurer. The right to redeem terminates after the property is sold, unless the mobile home was wrongfully seized or sold. If the county treasurer issues a tax bill warrant for a mobile home that is in the possession of a person other than the person listed on the tax bill warrant and who presents evidence of having purchased the mobile home from the person listed on the tax bill warrant after the taxes became delinquent, the sheriff is prohibited from seizing the property to collect the previous owner's delinquent taxes on the mobile home. The county treasurer may continue to collect the delinquent taxes on the mobile home from the previous owner as provided by law.

First sponsor: Rep. Thorpe (R - Dist 6)

Arizona REALTOR® Position:

Monitor

Last Action: 5/19 referred to House rules only

H2482: ELDERLY HOMEOWNERS; CLASS SIX PROPERTY

The list of property classified as class six for property tax purposes is expanded to include real property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified. Does not apply to real property and improvements with a full cash value of \$600,000 or more unless the property qualified for valuation protection under the state Constitution as of December 31, 2020.

First sponsor: Rep. Thorpe (R - Dist 6)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2483: HOAS; MEETING TECHNOLOGY; VOTING RIGHTS

Various changes to statutes regulating meetings of the board of directors of a condo association or homeowners' association (HOA). A quorum of the HOA board of directors is permitted to meet by means of electronic or digital means if an electronic or digital device is available in the meeting room that allows board members and HOA members to hear all parties who are speaking during the meeting. Absentee ballots for HOA elections may be delivered and returned by electronic or digital means. If an online voting system is used, it must include specified capabilities, including authentication of the unit owner's identity and storage of electronic votes for recount, inspection and review. An HOA may suspend a member's voting rights or eligibility for membership on the board of directors only if the member has failed to pay one or more assessments.

First sponsor: Rep. Carroll (R - Dist 22)
Arizona REALTOR® Position:
Monitor

Last Action: 1/29 referred to House gov.

H2493: COMMUNITY FACILITIES DISTRICTS

Various changes to statutes relating to community facilities districts. The annual ad valorem tax levied by a district is prohibited from exceeding the amount necessary to meet annual payments of principal and interest on bonds issued by the district, projected payments of principal and interest on new debt planned for that year, a reasonable delinquency factor, including an amount necessary to correct prior year errors or shortages in the levy, if applicable, and any expenses and fees required. The levy is required to be the net of all cash in excess of ten percent of the annual payments of principal and interest in the current fiscal year from the previous year remaining in a segregated fund or funds for the levy. If a district sells general obligation bonds above par, the amount of "net premium" (defined) associated with a general obligation bond issue may be used only to pay costs incurred in issuing the bonds or as a deposit in a debt service fund and used only to pay interest on the issue of general obligation bonds. If used for any other purpose, and if the district has general obligation bond voter authorization and available capacity under its debt limitations, both the available aggregate indebtedness capacity of the district and the principal amount authorized at the general obligation bond election for the district must be reduced by the amount of net

premium used for that purpose. For districts that are formed after August 9, 2017 and before the effective date of this legislation and for which the district board consists of the governing body of the municipality or county with two additional district board members who were initially designated by an owner who owned the largest amount of privately owned acreage in the district at formation, at any time after receipt of a petition signed by the owners of a majority of the privately owned real property within the boundaries of the district as measured by square footage or acreage, the district board is authorized to adopt a resolution to permanently remove the two additional appointed district board members and their positions on the board. If a community facilities district will be governed by a governing body with two additional board members who are initially designated by the owner who owns the largest amount of privately-owned acreage in the district, the resolution ordering formation of the district is permitted to state, or the district board is permitted to adopt a resolution that provides, that those two additional members are permanently advisory nonvoting members. Emergency clause. AS PASSED HOUSE.

First sponsor: Rep. Toma (R - Dist 22)
Arizona REALTOR® Position:
Monitor

Last Action: 3/5 referred to Senate fin.

H2495: STATE JUDGMENTS; LIENS; HOMESTEAD; ENFORCEMENT

A civil judgment in favor of the state becomes a lien on the real property of the judgment debtor, including the judgment debtor's homestead property, that is located in the county in which the judgment is recorded, whether the property is then owned by the judgment debtor or is later acquired, from the time of recording until satisfied or lifted. Applies retroactively to all judgments in favor of the state without regard to when the judgment was recorded. Civil judgments obtained by the state that are entered on or after September 13, 2013, or that were entered before September 13, 2013 and that were current and collectible under the laws applicable on that date are exempt from statute allowing a writ of execution or other process to be issued to enforce a judgment. Previously, all civil judgments obtained by the state were exempt.

First sponsor: Rep. Toma (R - Dist 22)
Arizona REALTOR® Position:
Monitor

Last Action: 3/12 from Senate fin do pass.

H2496: AGRICULTURAL PROPERTY CLASSIFICATION; GUEST RANCHES

The list of property classified as agricultural real property for property tax purposes is

expanded to include land and improvements devoted to use as a "guest ranch" (defined). As a condition for agricultural valuation, the owner of a guest ranch is required to record a deed restriction with the county recorder that restricts the property to use as a guest ranch for at least ten years. The valuation of a guest ranch as agricultural property constitutes a covenant between the county assessor and the owner of the guest ranch that the use of the property will remain unchanged for the duration of the deed restriction. If the property is converted to a different use in violation of the covenant, the county assessor is required to add to the tax levied against the property on the next tax roll a penalty equal to the difference between the total amount of property taxes that would have been levied on the property for the preceding ten years or the period of time the property was valued as agricultural property, whichever period is shorter, if the property had not been valued as agricultural property and the property taxes that were actually paid for the same period. The penalty must be paid before completion of the next property tax roll and is enforceable and subject to the same penalties and interest as if the penalty were a tax levied against the property. AS PASSED HOUSE.

First sponsor: Rep. Dunn (R - Dist 13)
Arizona REALTOR® Position:
Monitor

Last Action: 3/9 referred to Senate fin.

H2499: EMINENT DOMAIN; EXISTING CONTRACTS

If a municipality exercises the right of eminent domain to acquire a public utility business or enterprise, the municipality is required to assume all existing assets and contractual liabilities associated with providing current and future utility service in the certificate of convenience and necessity that is being condemned unless all parties to the contractual obligations agree otherwise. AS PASSED HOUSE.

First sponsor: Rep. Weninger (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 3/5 from Senate com do pass.

H2589: LAND DIVISIONS; COUNTY REGULATION; SURVEYS

Counties are prohibited from requiring an applicant for a land division to conduct a survey as a condition of approving the land division or conveyance or the land or issuance of a building permit.

First sponsor: Rep. Griffin (R - Dist 14)
Arizona REALTOR® Position:

Monitor

Last Action: 3/2 referred to Senate gov.

H2597: RESIDENTIAL SALES; SEX OFFENDER DISCLOSURE

For a sale of a single-family residence and if known by the seller, the seller is required to disclose to the buyer that a person who is required to register as a sex offender resides within one-half mile of the single-family residence.

First sponsor: Rep. Lawrence (R - Dist 23)

Arizona REALTOR® Position:

Monitor

Last Action: 5/19 referred to House rules only.

H2615: MUNICIPALITIES; UTILITIES; VACANT BUILDINGS

Municipalities are prohibited from adopting an ordinance that requires a property owner to provide utilities to a "vacant building" (defined).

First sponsor: Rep. Griffin (R - Dist 14)

Arizona REALTOR® Position:

Monitor

Last Action: 2/26 retained on House COW calendar.

H2627: TIMESHARES; PUBLIC REPORTS; PURCHASE CONTRACTS

The amount of time after the prospective buyer receives a public report and proposed purchase agreement to enter into a contract to purchase a timeshare interest that the prospective buyer and prospective seller have to enter into the contract is increased to ten business days, from seven business days. The amount of time after execution of a timeshare purchase agreement that a purchaser may cancel is increased to ten calendar days, from seven calendar days.

First sponsor: Rep. Bolick (R - Dist 20)

Arizona REALTOR® Position:

Monitor

Last Action: 3/10 from Senate rules okay.

H2651: HOA; RENTAL INFORMATION; VIOLATION; PENALTY

If a unit owner or member or their agent fails to disclose to a condo association or planned community association tenant information as required by statute, the tenancy is presumed to be in violation and the association is authorized to impose a monetary penalty on the unit owner or member in the full amount of the monies paid by the tenant. The prohibition on an association imposing a fee greater than \$15 for incomplete or late information is deleted.

First sponsor: Rep. Kavanagh (R - Dist 23)
Arizona REALTOR® Position:
Monitor

Last Action: 3/2 House COW approved with amend #4418; FAILED House 7-49.

H2653 COUNTY STADIUM DISTRICTS; ANNUAL BUDGET

The board of a county stadium district is required to hold a public hearing before amending the district's annual budget.

First sponsor: Rep. Thorpe (R - Dist 6)
Arizona REALTOR® Position:
Monitor

Last Action: 3/4 Senate finance held.

H2674: WATER; SUBSTITUTE ACREAGE

A person who owns acres of land that may be irrigated lawfully is authorized to permanently retire those acres from irrigation and substitute for those acres the same number of acres in the same contiguous farming unit if the owner demonstrates to the Department of Water Resources that the legally irrigated acres were damaged by "floodwaters" after being irrigated and that it is not economically feasible to restore the flood damaged acres to irrigation use. A person who owns contiguous acres of land that may be irrigated lawfully is authorized to apply to the Dept to permanently retire a portion of those acres from irrigation and substitute for the retired acres the same number of acres within the same farm unit. The Dept may approve the substitution of acres if the owner demonstrates that all of a list of specified conditions apply, including that a "limiting condition" associated with the acres to be retired from irrigation substantially impedes the implementation of efficient irrigation practices on the legally irrigated acres. Does not affect the person's existing or vested rights to the use of water.

First sponsor: Rep. Griffin (R - Dist 14)

Arizona REALTOR® Position:
Monitor

Last Action: 3/17 from Senate rules okay.

H2677: GROUNDWATER REPLENISHMENT RESERVES

Modifies the calculation for groundwater replenishment reserve targets for active management areas within a multi-county water conservation district. AS PASSED HOUSE.

First sponsor: Rep. Griffin (R - Dist 14)
Arizona REALTOR® Position:
Monitor

Last Action: 3/10 from Senate rules okay.

H2686: BUILDING PERMITS; UTILITIES; RESTRICTIONS; PROHIBITIONS

A county or municipality requiring the issuance of a building permit is prohibited from denying a permit application based on the utility provider proposed to provide utility service to the project. A county or municipality issuing a building permit is required to ensure that all applicable permits and fees contain requirements and amounts that do not exceed the requirements and amounts for use of other utility providers and do not have the effect of restricting a permit applicant's ability to use the services of a utility provider that is capable and authorized to provide utility service. Any code, ordinance, land use regulation or general or specific plan provision adopted by a county or municipality is prohibited from restricting a person's or entity's ability to use the services of a utility provider that is capable and authorized to provide utility service. Counties and municipalities are prohibited from imposing a fine, penalty or other requirement that has the effect of restricting a utility provider's authority to operate or serve customers. The regulation of a utility provider's authority to operate and serve customers is a matter of statewide concern. A person's or entity's ability to use the services of a utility provider that is capable and authorized to provide utility service is not subject to further regulation by a county or municipality. Does not affect any authority of a county or municipality to manage or operate a county owned or municipally owned utility. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: 2/21 signed by governor; Chap. no. awaited. Message

H2705: VACANT; ABANDONED BUILDINGS; ORDINANCES

Municipal governing bodies are authorized to adopt, implement and enforce an ordinance that establishes registration, inspection and maintenance requirements for a building that is "vacant" or "abandoned" (both defined) for more than 150 days. Provisions that must be included in the ordinance are specified, including an appeal process for the owner. Municipalities are authorized to charge fees for registration and inspection of a vacant or abandoned building, and to grant fee waivers for good cause shown.

First sponsor: Rep. Shope (R - Dist 8)
Arizona REALTOR® Position:
Monitor

Last Action: 2/13 from House gov do pass.

H2722: ADMINISTRATIVE LAW JUDGE DECISIONS; REVIEW

A state agency, board or commission is no longer authorized to review the decision of an administrative law judge and accept, reject or modify it, and the decision of the agency head is no longer the final administrative decision. A party may appeal the written decision of the administrative law judge, instead of a final administrative decision of the agency head. The court is required to affirm the written decision of the administrative law judge unless the court finds by clear and convincing evidence that the written decision is erroneous. Previously, the court was required to affirm the agency action unless the court concluded that the action was contrary to law, not supported by substantial evidence or was arbitrary and capricious.

First sponsor: Rep. Lawrence (R - Dist 23)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2729: PERSONAL DATA; PROCESSING; SECURITY STANDARDS

Adds a new article to Title 18 (Information Technology) relating to security standards for personal data. Establishes a list of consumer rights relating to the consumer's personal data. Requires a "controller" to disclose to each consumer the right to request the deletion of the consumer's personal data, and to correct inaccurate personal data or delete the consumer's data upon request. Some exceptions. A consumer is permitted to object to the processing of his/her personal data and request the controller to restrict processing of personal data in specified circumstances. The Attorney General is

authorized to bring an action in the name of the state or on behalf of state residents to enforce these requirements. Does not serve as the basis for a private right of action. Applies to a legal entity with an annual gross revenue of at least \$25 million that conducts business in Arizona or produces products or services that are intentionally targeted to Arizona residents and that either controls or processes data of at least 100,000 consumers or derives over 35 percent of gross revenue from the sale of personal information and processes or controls personal information of at least 25,000 consumers.

First sponsor: Rep. DeGrazia (D - Dist 10)
Arizona REALTOR® Position:
Monitor

Last Action: 2/19 from House tech do pass.

H2732: TAX CREDIT; AFFORDABLE HOUSING

Establishes a credit against individual and corporate income taxes and insurance premium taxes for projects that qualify for the federal low-income housing tax credit and that are placed in service from and after June 30, 2021. The credit is equal to the amount of the federal low-income housing credit for the qualified project. To claim the credit, a taxpayer is required to apply to the Arizona Department of Housing and receive an eligibility statement. If the amount of the credit exceeds taxes due, the taxpayer may carry the unused amount forward for up to five consecutive taxable years. The Department of Revenue is required to allocate a total of \$8 million of affordable housing tax credits in any calendar year. Establishes a 9-member Affordable Housing Tax Credit Review Committee to review the tax credits on the fifth year after the effective date of the credit and every five years thereafter and submit a report to the Governor and the Legislature. Effective January 1, 2021. Self-repeals January 1, 2028. AS PASSED HOUSE.

First sponsor: Rep. Weninger (R - Dist 17)
Arizona REALTOR® Position:
Support

Last Action: 3/11 from Senate appro do pass.

H2737: WATER EFFICIENT PLUMBING FIXTURES

Beginning January 1, 2021, a person is prohibited from distributing, selling or installing any plumbing fixture for use in Arizona in any new residential, commercial, industrial or public construction or for replacing plumbing fixtures in existing residential, commercial, industrial or public construction, unless the fixtures meet specified water saving performance standards. These requirements do not apply to any plumbing fixture that is documented to have been purchased by a plumbing wholesaler, retailer or end user and

that is actually located in Arizona before January 1, 2021. Effective January 1, 2021.
First sponsor: Rep. Engel (D - Dist 10)
Arizona REALTOR® Position:
Monitor

Last Action: 2/4 referred to House nat res-energy-water, com.

H2738: IRRIGATION NON-EXPANSION AREAS; WATER SUPPLIES

Modifies the circumstances under which the Director of the Department of Water Resources is authorized to designate an area that is not in an active management area as a subsequent irrigation non-expansion area to require the Director to consider future demand for irrigation and non-irrigation uses of water and its effect on water supplies for currently irrigated lands and other uses.

First sponsor: Rep. Engel (D - Dist 10)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

H2761: PROPERTY VALUE DETERMINATION; MODIFICATIONS; VERIFICATION

Before establishing the limited property value for property that has been modified by construction, destruction or demolition since the preceding valuation year such that the total value of the modification is equal to or greater than 15 percent of the full cash value, the county assessor is required to physically inspect and verify the total value of the modification to the property. For this purpose, physically inspect does not include aerial surveillance photography.

First sponsor: Rep. Shah (D - Dist 24)
Arizona REALTOR® Position:
Monitor

Last Action: 2/12 from House ways-means do pass.

H2770: WATER RIGHTS; GENERAL ADJUDICATIONS; FUNDING

Establishes the General Adjudication Personnel and Support Fund, to be administered by the Supreme Court. Monies in the Fund must be used by both the Supreme Court and the Department of Water Resources for full-time personnel and other support equipment and services related to general water rights adjudication. For FY2020-21, FY2021-22 and

FY2022-23, before any monies are spent from the Fund, the Joint Legislative Budget Committee is required to review the expenditure plan for the fiscal year in which the monies are to be spent. Appropriates the following amounts from the general fund in FY2020-21 to the Fund for the following purposes: \$124,610 for two full-time paralegals for the Special Water Master, \$109,710 for a full-time law clerk for the Special Water Master, \$133,920 to expand the court's electronic case management system, and \$2 million for the purposes of the Fund.

First sponsor: Rep. Campbell (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 2/6 referred to House nat res-energy-water, appro.

H2809: PROFESSIONAL LICENSURE FEES; WAIVER; REDUCTION

By September 1 of each year, each regulatory board and agency is required to review the costs it incurs, the monies it has in its funds and the fee revenues it collects to determine whether the regulatory board or agency expects ending balances in its licensing fund to exceed 50 percent of the appropriations from that fund in the current fiscal year. If so, the regulatory board or agency is required to provide a onetime waiver or reduction from licensure or certification renewal fees to reduce the balance in its licensing fund to below 50 percent of its appropriation from that fund in the upcoming fiscal year, or within the board's or agency's normal schedule for renewing licenses or certificates if longer than one year.

First sponsor: Rep. Grantham (R - Dist 12)
Arizona REALTOR® Position:
Monitor

Last Action: 3/16 from Senate com with amend #4860.

H2817: AIRPORT FEES PROHIBITED; RIDE SHARING

Public airport operators and public bodies operating a public airport are prohibited from imposing a tax, fee or assessment of any kind on transportation network companies for operating at the public airport. Retroactive to January 1, 2018.

First sponsor: Rep. Grantham (R - Dist 12)
Arizona REALTOR® Position:
Monitor

Last Action: 2/25 from House rules okay.

H2841: MUNICIPAL ZONING; HOUSING OVERLAY

By July 1, 2021, municipalities are required to adopt by ordinance a housing affordability zoning overlay district over at least 30 percent of all vacant land that is zoned for single-family residential use within the municipality as of the effective date of this legislation. The housing affordability zoning overlay district may allow a subdivider to construct a qualifying development of up to 15 dwelling units per acre for sale. Within the housing affordability zoning overlay district, a municipality is prohibited from denying a building permit or approval that is required as a condition of development or construction for failure to comply with and may not enforce any code, ordinance, or any other legal requirement relating to "dwelling design elements" (defined) or the location and size of open space. Some exceptions.

First sponsor: Rep. Kern (R - Dist 20)
Arizona REALTOR® Position:
Monitor

Last Action: 3/12 House COW approved with amend #4306 and floor amends #4857 and #4859.

H2875: REGULATION; SHORT-TERM RENTALS

Modifies the list of regulations that counties and municipalities are authorized to impose on vacation rentals or short-term rentals to include: requiring contact information for the owner of the rental to be posted on the front door or in another location on the property that is visible and accessible to the public; restricting the maximum number of adult occupants allowed on the property at one time to no more than 2 adults per bedroom, up to 4 bedrooms, plus 2 additional adults per 1,000 square feet of livable space in excess of 3,000 square feet of livable space; requiring the installation of safety and monitoring equipment that monitors and detects noise and notifies the owner if noise is unreasonable or in violation of a noise ordinance; prohibiting smoking outside within 100 feet of a residential structure; restricting occupants from checking in without the presence of the owner or the owner's designee; and prohibiting occupants from parking on public or private streets if on-property parking is available. Establishes penalties for violations.

First sponsor: Rep. Kavanagh (R - Dist 23)
Arizona REALTOR® Position:
Monitor

Last Action: 3/5 FAILED House 25-35.

H2900 BUDGET; BRB; CRIMINAL JUSTICE; 2020-2021 (CRIMINAL JUSTICE; BUDGET RECONCILIATION; 2020-2021)

Makes policy changes pertaining to criminal justice programs that affect the budget. The Department of Public Safety (DPS) is permanently authorized to use monies in the Concealed Weapons Permit Fund for DPS operating expenses, and to use monies in the Arizona Highway Patrol Fund for the Pharmaceutical Diversion And Drug Theft Task Force. DPS is authorized to use monies in the State Aid to Indigent Defense Fund for operating expenses in FY2020-21. In FY2020-21, of the monies deposited in the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Fund, after allocation of the first \$500,000 to the county sheriff of a county with a population of less than 500,000 persons but more than 300,000 persons (Pinal County), \$400,000 must be allocated to the county sheriff of a county with a population of less than 2 million persons but more than 800,000 persons (Pima County). Before DPS spends any monies appropriated from the GIITEM Border Security and Law Enforcement Subaccount, DPS is required to submit the Subaccount's entire expenditure plan to the Joint Legislative Budget Committee for review. Authorization for the Department of Emergency and Military Affairs to use up to \$1.23 million in the Military Installation Fund to construct a readiness center is extended through FY2021-22.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1683 on Third Reading

H2901 BUDGET; BRB; REVENUE; 2020-2021 (REVENUE; BUDGET RECONCILIATION; 2020-2021)

Makes various changes relating to general revenues for FY2020-21. The Department of Insurance and Financial Institutions (DIFI) is no longer required to revise fees or assessments for the purpose of recovering between 95 and 110 percent of DIFI's appropriated budget. In FY2020-21, the Department of Gaming is required to establish and collect a regulatory assessment of 0.5 percent of the amounts wagered from each commercial racing permittee. The Department of Agriculture is authorized to continue, increase or lower existing fees from FY2018-19 and FY2019-20 in FY2020-21 to generate up to \$218,000 to the general fund, \$113,000 to the Pesticide Trust Fund and \$26,000 to the Dangerous Plants, Pests and Diseases Trust Fund. For FY2020-21, counties with a population of less than 250,000 are authorized to meet any county fiscal obligation from any source of county revenue designated by the county, in an amount of up to \$1.25 million. It is the intent of the Legislature that Department of Revenue administrative fees for costs of tax administration for local governments cannot exceed \$20.76 million in aggregate and that the fees are also subject to a list of specified conditions.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1684 on Third Reading

H2902 (Chapter 49) BUDGET; BRB; K-12 EDUCATION; 2020-2021 (K-12 EDUCATION; BUDGET RECONCILIATION; 2020-2021)

Makes various policy changes pertaining to K-12 education that affect the budget. Increases the per student base level amount for basic state aid to \$4,305.73, from \$4,150.43, for FY2020-21. It is the intent of the Governor and the Legislature that school districts increase the total percentage of classroom spending over the previous year's percentages in the combined categories of instruction, student support and instructional support as prescribed by the Auditor General. Increases the transportation support level per route mile funding for FY2020-21. Increases the per student amount for charter additional assistance to \$1,875.21, from \$1,843.14, for preschool for children with disabilities and grades K-8, and to \$2,185.53, from \$2,128.15, for grades 9-12. The reduction amount of basic state aid for district additional assistance required by the FY2018-19 budget for FY2020-21 is lowered to \$64.37 million, from \$128.7 million. The reduction amount of charter additional assistance required by the FY2018-19 budget for FY2020-21 is lowered to \$3.4 million, from \$6.81 million. The reductions of basic state aid for district additional assistance and charter additional assistance for FY2021-22 are eliminated. The state equalization assistance property tax rate in tax year 2020 is \$0.4426, and the qualifying tax rates in tax year 2020 are modified. Establishes an allocation formula for monies in the Results-Based Funding Fund. Schools that perform in the top 13 percent of all schools statewide on statewide assessments and that have fewer than 60 percent of enrolled students qualifying for free and reduced-price lunches will receive \$225 per student. Schools that perform in the top 13 percent of all schools statewide on statewide assessments and that have 60 percent or more of enrolled students qualifying for free and reduced-price lunches will receive \$400 per student. Schools that perform in the top 27 percent but not in the top 13 percent of all schools statewide on statewide assessments and that have 60 percent or more of enrolled students qualifying for free and reduced-price lunches will receive \$225 per student. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 49, Laws 2020.

H2903 (Chapter 50) BUDGET; BRB; HIGHER EDUCATION; 2020-2021 (HIGHER EDUCATION; BUDGET RECONCILIATION; 2020-2021)

Makes policy changes in college and university programs that affect the state budget. For FY2020-21, each dollar raised by the surcharge on student registration assessed by the Arizona Board of Regents for the Financial Aid Trust Fund may be matched by less than \$2 appropriated by the Legislature. Operating state aid for community college districts for FY2020-21 and state

aid for science, technology, engineering and mathematics and workforce programs for community college districts for FY2020-21 are as specified in the general appropriations act. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 50, Laws 2020.

H2904 BUDGET; BRB; HUMAN SERVICES; 2020-2021 (HUMAN SERVICES; BUDGET RECONCILIATION; 2020-2021)

Makes various policy changes in the areas of human services that affect the budget. The Department of Economic Security (DES) is authorized to use monies in the Special Administration Fund to pay for domestic violence prevention and cost-effectiveness study client services. During FY2020-21, DES is required to screen and test each adult recipient of Temporary Assistance for Needy Families cash assistance who DES has reasonable cause to believe engages in the illegal use of controlled substances, and any recipient who tests positive for the use of a controlled substance that was not prescribed by a licensed health professional is ineligible to receive benefits for one year. By September 30, 2021, the Auditor General is required to provide to the Governor and the Legislature a report regarding the Department of Child Safety's practices for classifying and locating runaway or missing children. Information that must be included in the report is specified.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1687 on Third Reading

H2905 BUDGET; BRB; HEALTH; 2020-2021 (HEALTH; BUDGET RECONCILIATION; 2020-2021)

Makes various policy changes in the area of public health that affect the budget. For the contract year beginning October 1, 2020 and ending September 30, 2021, the Arizona Health Care Cost Containment System (AHCCCS) Administration is authorized to continue the risk contingency rate setting for all managed care organizations and the funding for all managed care organizations administrative funding levels that was imposed for the contract year beginning October 1, 2010 and ending September 30, 2011. By December 31, 2021, for FY2020-21, the AHCCCS Administration is required to transfer to the counties the portion, if any, as may be necessary to comply with the federal Patient Protection and Affordable Care Act. Specifies county contributions for ALTCS, and AHCCCS acute care and hospitalization and medical care for FY2020-21. County contributions for Proposition 204 administrative costs and for

competency restoration treatment are excluded from county expenditure limitations. The Department of Health Services is authorized to increase fees in FY2020-21 for services provided by the Bureau of Radiation Control in order to generate \$1.9 million for deposit in the Health Services Licensing Fund. Monies in the Health Services Lottery Monies Fund may be used for the purposes specified in the FY2020-21 general appropriations act. Disproportionate share hospitals (DSH) payments for FY2020-21 include \$113.8 million for a qualifying non-state operated public hospital, \$4.2 million of which must be distributed to the Maricopa County Special Health Care District, \$28.5 million for the Arizona State Hospital, and \$884,800 for private qualifying hospitals. After these DSH payments are made, the allocations of DSH payment must be made available first to qualifying private hospitals located outside of the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area before being made available to qualifying private hospitals within those areas.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1688 on Third Reading

H2906 BUDGET; BRB; ENVIRONMENT; 2020-2021 (ENVIRONMENT; BUDGET RECONCILIATION; 2020-2021)

Makes policy changes pertaining to environmental regulation that affect the state budget. The Arizona Water Protection Fund Commission is permitted to grant to the Department of Water Resources (DWR) up to \$336,000 of the unobligated balance in the Fund to pay for administrative costs of DWR in FY2020-21. DWR is authorized to increase fees in FY2019-20 for services in FY2019-20 to generate \$100,200. Allows monies appropriated to the Arizona Navigable Stream Adjudication Commission from the Arizona Water Banking Fund to be used in FY2020-21 to pay legal fees. Notwithstanding statutory requirements, the general fund appropriation to the Water Quality Assurance Revolving Fund (WQARF) for FY2020-21 is capped at \$10 million. Appropriates \$2.8 million from the Emissions Inspection Fund, \$1.1 million from the Air Quality Fund, and \$1.05 million from the Recycling Fund in FY2020-21 to the WQARF. The Department of Environmental Quality (DEQ) is required to charge the same fees in FY2020-21 that were charged in FY2019-20 for vehicle emissions testing conducted in Area A (Phoenix metropolitan). Allows DEQ to use up to \$6.53 million from the Underground Storage Tank Revolving Fund in FY2019-20 for administrative costs of DEQ and for remediating sewage discharge issues in Naco, Arizona and other border areas of Arizona.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1689 on Third Reading

H2907 BUDGET; BRB; BUDGET PROCEDURES; 2020-2021 (BUDGET PROCEDURES; BUDGET RECONCILIATION; 2020-2021)

Makes various changes that affect the budget across agencies. Requires any unrestricted federal monies received by Arizona in FY2020-21 to be deposited in the general fund. Maintains the Capital Outlay Stabilization Fund rental rates for state-owned buildings of \$17.87/square foot for office space and \$6.43/square foot for storage space. For FY2020-21, FY2021-22, and FY2022-23, the Legislature is not required to appropriate monies to or transfer monies from the Budget Stabilization Fund. Retroactive to July 1, 2020, the Motor Vehicle Pool Consolidation Fund start date is moved to July 1, 2021, from July 1, 2020. Reimbursement of expenses incurred by counties to administer the 2020 presidential preference election must be made as prescribed by the FY2020-21 general appropriations act.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1690 on Third Reading

H2908 BUDGET; CAPITAL OUTLAY; APPROPRIATIONS; 2020-2021 (CAPITAL OUTLAY; APPROPRIATIONS; 2020-2021)

Makes various appropriations for capital expenditures for FY2020-21. Appropriates \$378.7 million from the State Highway Fund to the Department of Transportation (DOT) for state highway construction. Appropriates \$30.9 million from the general fund in FY2020-21 to DOT for deposit in the State Aviation Fund to plan, construct develop and improve county and municipal airports as determined by the State Transportation Board. Appropriates \$11 million from the general fund and \$19 million from other funds in FY2020-21 to the Department of Corrections to replace locking, HVAC and fire suppression systems at the Lewis and Yuma state prison complexes. Also appropriates \$16 million from the Capital Outlay Stabilization Fund to the Department of Administration, \$5.46 million from the Department of Corrections Building Renewal Fund to the Department of Corrections, \$1.58 million from the Game and Fish Fund to the Game and Fish Department, and \$13 million from the State Highway Fund to DOT for building renewal projects and expenditures.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1691 on Third Reading

H2909 BUDGET; GENERAL APPROPRIATIONS ACT; 2020-2021 (GENERAL APPROPRIATIONS ACT; 2020-2021)

The "feed bill" for FY202021, containing appropriations for state agencies and programs. Provisions include: Appropriates \$4.037 billion in FY2020-21 for basic state aid to school districts for maintenance and operations funding, which includes an increase of \$124.5 million that the Legislature and Governor intend to be used for teacher salary increases and that are in addition to teacher salary increases provided for FY2019-20. Continues deferment of \$930.7 million in basic state aid payments to schools until FY2021-22. Makes a supplemental appropriation of \$28 million from the general fund in FY2019-20 to the School Facilities Board for building renewal grants. Appropriates \$11.7 million from the general fund in FY2021-22 for a onetime deposit in the New School Facilities Fund. Deposits \$15.49 million received in FY2020-21 from vehicle license taxes in the general fund instead of the State Highway Fund. Appropriates the following amounts from the general fund in FY2020-21 to the Department of Administration (DOA) for distribution to counties for maintenance of essential county services: \$7.15 million for distribution to counties with a population of less than 900,000, \$500,000 for distribution to a county with a population of more than 30,000 and less than 40,000 (Graham County), and \$3 million to supplement the normal cost plus an amount to amortize the unfunded accrued liability in the Elected Officials' Retirement Plan, which DOA is required to allocated equally among all counties with a population of less than 300,000 persons. Appropriates \$53.7 million from the general fund in FY2019-20 to DOA for debt service payments on the sale and leaseback of state buildings. On or after April 1, 2021, the Department of Economic Security is authorized to use up to \$25 million from the Budget Stabilization Fund to provide funding for reimbursement grants. This appropriation must be fully reimbursed by September 1, 2021. Makes a supplemental appropriation of \$2.62 million from the general fund in FY2019-20 to the Secretary of State to reimburse expenses incurred by counties to administer the 2020 presidential preference election, and establishes a formula for the Secretary of State to reimburse counties based on the number of active registered voters in that county on January 2, 2020. Makes a supplemental appropriation of \$6.69 million from the Election Systems Improvement Fund to the Secretary of State for election systems improvements, \$5.35 million of which must be distributed to counties. Requires various reports and makes various fund transfers.

First sponsor: Rep. Bowers (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: Substituted Senate Bill 1692 on Third Reading

HCR2031: EDUCATION; TPT; USE TAX

The 2020 general election ballot is to carry the question of whether to amend the state Constitution to levy a separate 1 percent transaction privilege tax beginning July 1, 2021 for the purpose of raising revenues for education. The net revenues derived from the tax are appropriated as follows: 75 percent for primary and secondary classroom education purposes, 20 percent for maintaining an in-state tuition rate that is consistent with the state Constitutional requirement for tuition to be as nearly free as possible, and 5 percent for community college trade and workforce development programs.

First sponsor: Rep. Campbell (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 5/19 referred to House rules only.

S1001: HOMEOWNERS' ASSOCIATIONS; PAYMENT COUPON BOOKS

Homeowners' associations and condominium associations with at least 50 lots that do not contract with a third party to perform management services are no longer required to provide a statement of account in lieu of a periodic payment book to association members. Beginning January 1, 2021, homeowners' associations and condominium associations are required to provide a statement of account to each unit owner or member at least twice a year, at the beginning and the midpoint of the association's fiscal year, and at least monthly if the unit owner or member has a delinquent account. Information that must be included in the statement is specified. If the association offers the statement of account by electronic means, a unit owner or member is allowed to opt to receive the statement electronically. AS PASSED SENATE.

First sponsor: Sen. D. Farnsworth (R - Dist 16)
Arizona REALTOR® Position:
Monitor

Last Action: 5/21 FAILED House gov 3-7.

S1021: DEPARTMENT OF REVENUE; ELECTRONIC SIGNATURES

An "electronic signature" (defined elsewhere in statute) is permitted to be used to sign a writing on a document that is submitted to the Department of Revenue, and has the same force and effect as a written signature. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Ugenti-Rita (R - Dist 23)
Arizona REALTOR® Position:
Support

Last Action: 6/10 signed by governor; Chap. 60, Laws 2020. Message

S1029: CONTRACTS; LICENSURE REQUIREMENTS; EXEMPTION; EXCLUSION

The list of state laws that a party to a contract between two or more private parties may be exempt from under specified conditions is modified to remove statutes governing private postsecondary education.

First sponsor: Sen. Carter (R - Dist 15)
Arizona REALTOR® Position:
Monitor

Last Action: 1/13 referred to Senate higher ed-work dev.

S1039: HOME SERVICE WARRANTY CONTRACTS

Various changes to statutes related to service warranties. Expands the definition of "consumer" to include lessees of residential property and the definition of "service contract" to include repair of roof leaks. Decreases the net worth that an issuing corporation must have and maintain in order to be exempt from service warranty regulations to \$25 million, from \$100 million. Service contracts are no longer prohibited from excluding preexisting conditions, and are instead required to disclose whether the contracts cover or exclude preexisting conditions. AS PASSED SENATE.

First sponsor: Sen. Livingston (R - Dist 22)
Arizona REALTOR® Position:
Monitor

Last Action: 3/2 House reg affairs held.

S1046: FEDERAL GOVERNMENT; LAND ACQUISITION; CONSENT

The consent of the state of Arizona to the acquisition, sale, gift or grant or any other transfer of an ownership interest in any privately owned real property within Arizona that is not in possession of any federal agency as of the effective date of this legislation, and that would remove the real property from state, county and municipal property tax rolls is prohibited from being given without the express, affirmative consent of the Legislature and the Governor through the signing of a joint resolution. Contains legislative findings.

First sponsor: Sen. Borrelli (R - Dist 5)
Arizona REALTOR® Position:
Monitor

Last Action: 1/13 referred to Senate nat res-energy.

S1059: TPT; USE TAX; EDUCATION

Establishes a required distribution formula for all monies collected from a new article in the state Constitution or from the additional transaction privilege tax rate increment of

0.6 percent imposed from July 1, 2022 through June 30, 2041. Requires monies generated from either tax to be paid in monthly installments as follows: 82 percent to the Classroom Site Fund, except that \$86.28 million annually must be paid in monthly installments to the Department of Education to fund Basic State Aid for additional school days and \$7.8 million annually must be paid in monthly installments to the Dept for school safety; 13.75 percent to the Arizona Board of Regents to be distributed proportionally to each university based on the number of students who receive in-state tuition to subsidize resident student tuition costs, with \$86.47 million of that 13.75 percent being distributed to the Technology and Research Initiative Fund; and 4.25 percent for community college trade and workforce development programs and provisional community colleges. These monies are prohibited from supplanting, replacing or causing a reduction in other school district, charter school, community college or university funding sources. Modifies the purposes for which monies from the Classroom Site Fund must be spent to remove teacher liability insurance premiums and add voluntary full-day kindergarten, "student support services" (defined), tutoring, character education, school safety, career and technical education, school improvement and transportation. Deletes the requirement for school districts and charter schools to allocate 40 percent of the monies received from the Classroom Site Fund for teacher compensation increases based on performance and employment related expenses, 20 percent of the monies for teacher base salary increases and employment related expenses, and 40 percent of the monies for maintenance and operation purposes. Repeals the additional transaction privilege tax rate increment of 0.6 percent imposed from July 1, 2022 through June 30, 2041 that would have been distributed for specified education purposes, and repeals statute specifying the distribution of those revenues. Sections applicable to monies collected from a new article in the state Constitution and repealing the additional TPT rate increment are conditionally enacted effective July 1, 2021 if the state Constitution is amended by a vote of the people at the 2020 general election by passage of Senate Concurrent Resolution 1002. Sections modifying the distribution of monies from the additional TPT rate increment are conditionally enacted effective July 1, 2021 if the state Constitution is not amended by a vote of the people at the 2020 general election by passage of Senate Concurrent Resolution 1002. AS PASSED SENATE.

First sponsor: Sen. S. Allen (R - Dist 6)

Arizona REALTOR® Position:

Monitor

Last Action: 5/19 House educ held.

S1096: PROPERTY MANAGEMENT RECORDS; RESIDENTIAL RECORDS

For the purpose of statute requiring property management firms to keep residential rental agreements and related documents for one year from the expiration of the rental agreement or until the rental agreement and related documents are given to the owner at the termination of any property management agreement, "related documents" is defined to include copies of rental applications with tenant-identifying information,

move-in forms, and default notices. If a broker keeps records at an "off-site storage location" (defined), the broker is required to provide to the State Real Estate Department prior written notification and the street address of the off-site storage location. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Pace (R - Dist 25)
Arizona REALTOR® Position:
Support

Last Action: 6/10 signed by governor; Chap. 69, Laws 2020. message

S1099: TAX DEED LAND SALES; PROCEEDS

When land held by the state under tax deed is sold, any balance of monies remaining with the county treasurer after payment of taxes, interest, penalties, fees and costs must be paid to the owner of the property who was dispossessed by the sale. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Mesnard (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 6/10 signed by governor; Chap. 70, Laws 2020. Message

S1113: MORTGAGED PROPERTY; TAX STATEMENTS; INFORMATION

The statement of taxes due that the county treasurer is required to mail to the mortgagor must separately list the amount of primary taxes and secondary taxes applicable to the property that is due to each taxing jurisdiction for the current and previous tax years. The county treasurer is required to mail the statement before November 1. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Leach (R - Dist 11)
Arizona REALTOR® Position:
Monitor

Last Action: 3/20 signed by governor; Chap. 11, Laws 2020. Message

S1121: MODEL CITY TAX CODE; PROCEDURES

Modifies procedures for the Municipal Tax Code Commission to adopt amendments to the model city tax code. A taxpayer or the Department of Revenue must submit a proposed amendment to the Commission at least 60 days before the Commission adopts it. The

Dept is required to post notice of the meeting and the proposed amendment on the Dept website at least 30 days prior to an informational public hearing and at least 60 days prior to the hearing to adopt the amendment. If the Commission adopts an amendment, the Dept is required to update the official copy of the model city tax code, and all municipalities are required to adopt the changes. Changes in rates of tax are not subject to review, but within 10 days after passage of an ordinance imposing a rate change, the municipality imposing a "new or different tax rate" (defined) is required to notify the Commission and the Dept. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Leach (R - Dist 11)

Arizona REALTOR® Position:

Monitor

Last Action: 6/10 signed by governor; Chap. 71, Laws 2020. Message

S1129: REAL ESTATE; EMPLOYEE; RENT COLLECTION

A person who is not a real estate licensee is permitted to collect in-person rent for the use of real estate and related fees as part of the person's clerical duties if the person works for a real estate broker or real estate salesperson, the rent collection is on behalf of the licensee, and the person provides a receipt upon payment. AS PASSED SENATE.

First sponsor: Sen. Pace (R - Dist 25)

Arizona REALTOR® Position:

Support

Last Action: 3/4 referred to House reg affairs.

S1142: NONHEALTH PROFESSIONS; OCCUPATIONS; REGULATIONS

The state may regulate a profession or occupation only if there is credible evidence of harm that the unregulated practice threatens the public health, safety or welfare. Regulation cannot be imposed for the exclusive purpose of protecting a profession or occupation from economic competition. Each committee of reference (COR) that reviews an agency that administers an "occupational regulation" (defined elsewhere in statute) is required to consider a specified list of factors in determining the need for continuation or termination of the agency, including the extent to which failure to regulate a profession or occupation will result in the loss of insurance, an impact to the ability to practice as required by federal law, or the loss of constitutionally afforded practices. The list of possible recommendations that the sunset review report from the COR is required to include is expanded to include recommendations that the Legislature repeal the occupational license, convert the license to a less restrictive regulation, or instruct the state agency to seek legislation or adopt rules to reflect the COR's recommendation to

impose less restrictive regulations, change the requisite personal qualifications, or redefine the scope of practice. AS PASSED SENATE.

First sponsor: Sen. Pace (R - Dist 25)
Arizona REALTOR® Position:
Monitor

Last Action: 3/9 from House reg affairs do pass.

S1172: SEX OFFENDER REGISTRATION; REQUIREMENTS; VEHICLES

If a person who is required to register as a sex offender owns or operates a motor vehicle, the person is required to include on the statement of registration the make, model, color, vehicle identification number and license plate number of the motor vehicle, and is required to notify the sheriff either in person or electronically within 72 hours, excluding weekends and legal holidays, after the person makes any change to that information. If a person who is required to register as a sex offender has more than one residence, the person is required to register in person and in writing every residence and address at least every 90 days with the sheriff in whose jurisdiction the person is physically present. A person who is required to register as a sex offender and who transitions from a permanent residence to a temporary residence or transient status is required to notify the sheriff in person and in writing within 72 hours, excluding weekends and legal holidays. For a juvenile who is required to register as a sex offender, the duty to register terminates automatically when the person reaches 25 years of age only if the person provides advance written notice to the sheriff in the jurisdiction in which the person is registered. AS PASSED SENATE.

First sponsor: Sen. Livingston (R - Dist 22)
Arizona REALTOR® Position:
Oppose

Last Action: 3/12 referred to House jud.

S1207: STATE LANDS; PARTIAL TRACTS; PATENTS

A patent is no longer prohibited from being issued for less than 1/4 of a tract of state land sold or less than 10 acres.

First sponsor: Sen. Pratt (R - Dist 8)
Arizona REALTOR® Position:
Monitor

Last Action: PATENTS 3/5 referred to House land-agri.

S1211: ADMINISTRATIVE RULES; EXPIRATION; LEGISLATIVE EXTENSION
[Oppose]

All "rules" (defined as a rule published in the Administrative Code) that were adopted before the effective date of this legislation expire on July 1, 2022. If an agency wishes to extend a rule that was adopted before the effective date of this legislation before the expiration of that rule, the agency is required to comply with the rulemaking procedures of the Administrative Procedures Act. Beginning July 1, 2023, the Administrative Code expires on July 1 of each year unless the Code is approved by the Legislature for a period of up to one year.

First sponsor: Sen. Leach (R - Dist 11)
Arizona REALTOR® Position:
Oppose

Last Action: 2/11 from Senate gov do pass.

S1212: BOARD LICENSURE; CERTIFICATION; RESIDENTS

Modifies the requirements for a person who is married to an active duty member of the U.S. armed forces who is accompanying the member to an official permanent change of station to a military installation in Arizona to be granted a reciprocal license to state that the person's licensure or certification by another state is proof that the person met the applicable requirements in that state, and to require the person to be a "resident" (defined) of Arizona instead of to "establish residence in Arizona." The requirement to be a resident applies without a minimum time required that the person must be present in Arizona, and applies even if the person is a resident before August 27, 2019. Retroactive to August 27, 2019.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/9 referred to House reg affairs.

S1222: BUILDING PERMITS; UTILITIES; RESTRICTIONS; PROHIBITIONS

A county or municipality is prohibited from denying a permit application based on the utility provider proposed to serve the project. A county or municipality issuing a building permit is required to ensure that all applicable permits and fees contain requirements and amounts that do not exceed the requirements and amounts for use of other utility providers and do not have the effect of restricting a permit applicant's ability to use the services of a utility provider that is authorized to provide service. Any code, ordinance,

land use regulation or general or specific plan provision adopted by a county or municipality is required to preserve a person's or entity's ability to use the services of a utility provider that is authorized to provide service. Counties and municipalities are prohibited from imposing a fine, penalty or other requirement that has the effect of restricting a utility provider's authority to operate or serve customers.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Support

Last Action: 2/13 Senate COW approved with amend #4218.

S1258: ENERGY MEASURING; CONTAINERS; PROHIBITION; REPEAL

Repeals statutes prohibiting counties and municipalities from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption, from imposing a tax, fee, assessment, charge or return deposit on a consumer or an owner, operator or tenant of a business, commercial building or multifamily housing property for "auxiliary containers" (defined as reusable bags, disposable bags, boxes, beverage cans, bottles, cups and containers that are made from specified materials and that are used for transporting merchandise), and from regulating the sale, use or disposition of auxiliary containers by an owner, operator or tenant of a business, commercial building or multifamily housing property.

First sponsor: Sen. Mendez (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 1/23 referred to Senate com.

S1274: PROFESSIONAL REGULATORY BOARDS; COMPOSITION

Modifies the membership of the State Board of Technical Registration, the Board of Barbers, the Board of Cosmetology, the State Board of Funeral Directors and Embalmers, and the Board of Massage Therapy. Session law allows current board members to continue to serve until the expiration of their normal terms. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Ugenti-Rita (R - Dist 23)
Arizona REALTOR® Position:
Monitor

Last Action: 6/10 signed by governor; Chap. 75, Laws 2020.Message

S1279: CONTRACTS; LICENSURE REQUIREMENTS; EXEMPTION; EXCLUSION

The list of state laws that a party to a contract between two or more private parties may be exempt from under specified conditions is modified to remove statutes governing private postsecondary education.

First sponsor: Sen. Mesnard (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 3/4 referred to House com.

S1299: CLASS NINE PROPERTY; NONPROFIT ORGANIZATIONS

Property, buildings and fixtures, or any portion thereof, that are leased to a nonprofit organization to operate a charter school or a residential treatment and education facility are no longer required to be recognized under section 502(c)(3) of the Internal Revenue Code in order to be classified as class 9 property for property tax purposes. Retroactive to tax years beginning with 2019.

First sponsor: Sen. S. Allen (R - Dist 6)
Arizona REALTOR® Position:
Monitor

Last Action: 1/28 referred to Senate fin.

S1385: WATER ADEQUACY REQUIREMENTS; STATEWIDE APPLICABILITY

County boards of supervisors are required, instead of permitted, to adopt regulations requiring all subdivisions to either have a determination of an adequate water supply from the Department of Water Resources or obtain a written commitment of water service for the subdivision from a municipal or private water company designated as having an adequate water supply by the Dept.

First sponsor: Sen. Mendez (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 1/29 referred to Senate water-agri.

S1394: UNCLAIMED PROPERTY; HOUSING TRUST FUND

Establishes a credit against individual and corporate income taxes and insurance premium taxes for projects that qualify for the federal low-income housing tax credit and that are placed in service from and after June 30, 2021. The credit is equal to at least 50 percent of the amount of the federal low-income housing credit for the qualified project. To claim the credit, a taxpayer is required to apply to the Arizona Department of Housing and receive an eligibility statement. The Dept is required to allocate a total of \$8 million of affordable housing tax credits in any calendar year. If the amount of the credit exceeds taxes due, the taxpayer may carry the unused amount forward for up to five consecutive taxable years. The Department of Revenue is required to allocate a total of \$8 million of affordable housing tax credits in any calendar year. Establishes a 9-member Affordable Housing Tax Credit Review Committee to review the tax credits on the fifth year after the effective date of the credit and every five years thereafter and submit a report to the Governor and the Legislature. The credits become effective January 1, 2021 and self-repeal January 1, 2028. Also, the amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent of the proceeds, instead of \$2.5 million. AS PASSED SENATE.

First sponsor: Sen. Carter (R - Dist 15)
Arizona REALTOR® Position:
Monitor

Last Action: 5/20 referred to House rules only.

S1398: TAX OMNIBUS

Various changes to statutes relating to taxes. The list of additions to Arizona gross income for the purpose of computing Arizona adjusted gross income for individual and corporate income tax purposes is modified to remove the amount of any depreciation allowance allowed by specified federal code. The list of subtractions from Arizona gross income for the purpose of computing Arizona adjusted gross income for income tax purposes is modified to include 50 percent of the net long-term capital gain included in federal adjusted gross income for the tax year that is derived from an investment in an asset acquired after December 31, 2019. Increases the dependent tax credit to \$120 for each dependent who is under 17 years of age, from \$100, and to \$30 for each dependent who is at least 17 years of age, from \$25. Lowers the state equalization assistance property tax rate to \$0.3520 in tax year 2021 and \$0.2776 in tax year 2022, from \$0.4566 in tax year 2019. Lowers the tax rate for class one property taxes to 17.5 percent for tax year 2021 and 17 percent for tax years beginning with 2022, from 18 percent in 2020. The maximum additional tax rate that a county fire district board may levy is increased to \$3.375 per \$100 of assessed valuation for tax year 2021 and \$3.50 per \$100 of assessed valuation for tax year 2022 and each tax year after, from \$3.25 per \$100 of assessed valuation. The general budget limit for a minimum qualifying tax rate school district that has a total attending average daily membership count of at least 5,000 students must be

increased by \$1.5 million above the amount that would otherwise be computed. Repeals the highway safety fee determined by the Director of the Department of Transportation, which is set to terminate on June 30, 2021. Establishes a tax on vehicles propelled only by electricity, natural gas or propane of \$110 per year, and a tax on hybrid vehicles of \$44 per year. Changes to motor fuel taxes and vehicle taxes become effective July 1, 2021. Income tax revisions are retroactive to tax years beginning January 1, 2020. AS PASSED SENATE.

First sponsor: Sen. Mesnard (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 3/9 referred to House ways-means.

S1405: WATER; WELL METERING; NONEXEMPT WELLS

A person who withdraws groundwater from any nonexempt well, instead of only those in active management areas, is required to use a water measuring device approved by the Department of Water Resources, unless another statutory exemption applies.

First sponsor: Sen. Mendez (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 1/29 referred to Senate water-agri.

S1412: HOMEOWNERS' ASSOCIATIONS; POLITICAL; COMMUNITY ACTIVITY

Condominium associations and planned community associations cannot prohibit or unreasonably restrict a unit owner or member's ability to peacefully assemble and use private or common elements of the community if done in compliance with reasonable restrictions for the use of that property adopted by the board of directors. An individual unit owner or member or a group of unit owners or members are permitted to organize to discuss or address association business, including board elections or recalls, potential or actual ballot issues or revisions to the community documents, property maintenance or safety issues or any other association business or actions. A unit owner or member is allowed to invite a political candidate or other non-unit owner guest to speak to an assembly of unit owners or members. For the purpose of the prohibition on condominium associations and planned community associations prohibiting the display of a political sign, the definition of "political sign" is expanded to include a sign regarding any activity to elect or remove association directors or to circulate or oppose petitions for actions in the association or in support of or opposition to association ballot measures or other questions.

First sponsor: Sen. D. Farnsworth (R - Dist 16)
Arizona REALTOR® Position:
Monitor

Last Action: 5/21 from House gov do pass.

S1470: ENERGY MEASURING; REPORTING; PROHIBITION; REPEAL

Repeals statutes prohibiting counties and municipalities from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption.

First sponsor: Sen. Dalessandro (D - Dist 2)
Arizona REALTOR® Position:
Monitor

Last Action: 2/3 referred to Senate com.

S1479: ONLINE LODGING; REGULATION; PROPERTY CLASSIFICATION

Repeals statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and limiting the restrictions that municipalities and counties may place on those rentals to a list of specified purposes. Real and personal property and improvements that are used for residential purposes, that are solely leased or rented to lodgers for periods of less than thirty days and that are valued at full cash value are classified as class one property, instead of class four property, for property tax purposes. Some exceptions.

First sponsor: Sen. Mendez (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 2/3 referred to Senate com.

S1480: LOCAL PLANNING; RESIDENTIAL HOUSING; PROHIBITIONS

Repeals statute prohibiting municipalities and counties are prohibited from adopting a land use regulation or general or specific plan provision, or imposing as a condition for approving a building or use permit a requirement or fee that has the effect of establishing the sales or lease price for a residential housing unit or residential dwelling lot or parcel or that requires a residential housing unit or residential dwelling lot or parcel to be designated for sale or lease to any particular class or group of residents.

First sponsor: Sen. Mendez (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 2/3 referred to Senate gov.

S1484: RESIDENTIAL RENTALS; RENT INCREASE NOTICE

Before a tenant's lease terminates, the tenant's landlord is required to provide written notice to the tenant that includes the amount that the tenant's rent will increase under an extension, renewal or new lease with the landlord at least 30 days before the tenant's lease terminates if the tenant's rent will increase 10 percent or less and at least 60 days before the tenant's lease terminates if the tenant's rent will increase more than 10 percent.

First sponsor: Sen. Mendez (D - Dist 26)
Arizona REALTOR® Position:
Monitor

Last Action: 2/3 referred to Senate com.

S1490: SHORT-TERM RENTAL PROPERTIES; CLASSIFICATION

Real and personal property and improvements that are rented to lodgers for periods of less than 30 days for a total of more than 120 days in a calendar year and that are valued at full cash value are classified as class one property, instead of class four property, for property tax purposes. Does not apply to property that is occupied by the owner of the property as the owner's primary residence and that is included in class three, property that the owner attests to the county assessor is owner-occupied for at least 60 days in a calendar year, and property for residential purposes that is rented and included in class four. Applies to tax years beginning January 1, 2021. AS PASSED SENATE.

First sponsor: Sen. Mesnard (R - Dist 17)
Arizona REALTOR® Position:
Monitor

Last Action: 5/20 referred to House rules only.

S1494: DEPARTMENT OF WATER RESOURCES; CONTINUATION

The statutory life of the Department of Water Resources is extended eight years to July 1, 2028. Retroactive to July 1, 2020.

First sponsor: Sen. Kerr (R - Dist 13)
Arizona REALTOR® Position:
Monitor

Last Action: 2/27 referred to House nat res-energy-water.

S1506: LOW-INCOME MULTIFAMILY HOUSING; VALUATION

The owner of "low-income multifamily residential rental property" (defined) is authorized to elect a statutory income method for valuing the property. The calculation for this valuation method is established. Requirements for a property owner to elect this valuation method are specified, including evidentiary requirements. Low-income multifamily residential rental properties that are valued using this method are classified as class four property for property tax purposes. AS PASSED SENATE

First sponsor: Sen. Brophy McGee (R - Dist 28)
Arizona REALTOR® Position:
Monitor

Last Action: 3/5 referred to House ways-means.

S1517: LANDLORD TENANT; NONCOMPLIANCE REMEDY; NOTICE

On entering into a rental agreement, the landlord is required to provide to the tenant a plain language summary of all actions that would constitute noncompliance with the rental agreement. Before filing a special detainer action, the landlord is required to provide written and verbal notice to the tenant that the rental agreement will be reinstated if the tenant tenders all past due and unpaid periodic rent and a reasonable late fee set forth in a written rental agreement.

First sponsor: Sen. Quezada (D - Dist 29)
Arizona REALTOR® Position:
Monitor

Last Action: 2/3 referred to Senate com.

S1551: ENERGY; WATER; SAVINGS ACCOUNTS

The maximum length of a contract between a county or municipality and an energy or water services company to pay for the incremental cost of energy or water savings measures in facilities owned by the county or municipality is increased to 25 years, from 15 years. Other costs and revenue are included in the estimated impact to be achieved

by a county or municipality through energy or water savings measures or services. Reports on school district contracts for guaranteed energy cost savings must be filed with the Department of Administration, instead of the Governor's Office of Energy Policy. AS PASSED SENATE.

First sponsor: Sen. Brophy McGee (R - Dist 28)
Arizona REALTOR® Position:
Monitor

Last Action: 2/20 passed Senate 26-0; ready for House.

S1553: NEIGHBORHOOD VARIANCE INDEX; HEARING

If 20 percent of the qualified electors residing in a "community" (defined) petition a county planning and zoning commission or municipal planning agency to evaluate the "neighborhood variance index" (defined as the percentage of residential structures being used for purposes other than permanent residential occupancy for at least 6 months) for the community, the commission or agency is required to hold a hearing. The commission or agency is authorized to prepare specific plans and measures that may be required to improve the neighborhood variance index in the petitioning community, and to recommend such plans and measures to the county board of supervisors or municipal legislative body for adoption.

First sponsor: Sen. Brophy McGee (R - Dist 28)
Arizona REALTOR® Position:
Monitor

Last Action: 2/20 Senate com failed 3-4.

S1554: SHORT-TERM RENTAL ENFORCEMENT; PENALTIES

The prohibition on counties and municipalities restricting the use of or regulating vacation rentals or short-term rentals except as specifically authorized is limited to a person's primary or secondary residence. If a vacation rental or short-term rental is not a person's primary or secondary residence or is owned or operated by a corporate entity, and a majority homeowner is not on the premises of the vacation rental or short-term rental for the duration of the rental, the property cannot be rented more than one time in a 30-day period unless a county or municipality adopts an ordinance allowing the owner to rent more frequently in a 30-day period. Vacation rentals and short-term rentals cannot advertise to exceed the occupancy limit of the dwelling or for any nonresidential use. An online lodging operator that falsifies information to an online lodging marketplace is guilty of a petty offense. Other penalties for violations are modified.

First sponsor: Sen. Brophy McGee (R - Dist 28)

Arizona REALTOR® Position:
Monitor

Last Action: 5/20 referred to House rules only.

S1570: OUTPATIENT TREATMENT CENTERS; BEHAVIORAL HEALTH

An employee of a licensed outpatient treatment center that provides behavioral health services is authorized to provide behavioral health services at a private office or clinic that is operated by an exempt health care provider under specified circumstances, including that the services are provided to a patient of the exempt health care provider or the licensed outpatient treatment center, and the licensed outpatient treatment center and the exempt health care provider have a written agreement specifying the terms of the provided services. The licensed outpatient treatment center is required to report to the Department of Health Services any unexpected death, self-injury or other injury of a patient under the care of its employee that occurs on the premises of the exempt health care provider and whether the injury required medical attention., and the Dept is authorized to report the incident to the licensing board of any health care professional involved in the incident. AS PASSED SENATE.

First sponsor: Sen. Brophy McGee (R - Dist 28)
Arizona REALTOR® Position:
Monitor

Last Action: 5/21 from House hel-hu ser do pass.

S1594: MILITARY INSTALLATION FUND; PROPERTY; CONVEYANCE

The Department of Emergency and Military Affairs is authorized to sell, convey or lease real estate, real property or infrastructure that the Dept acquired to preserve or enhance military installations in Arizona. A conveyance must be made to the highest and most responsible bidder, and a lease must be at fair rental value. Before any conveyance or lease the Dept is required to ensure the use or development of any real estate, property rights and related infrastructure, real property or any improvements to real property complies with statute regulating airport planning and zoning requirements. AS PASSED SENATE.

First sponsor: Sen. Kerr (R - Dist 13)
Arizona REALTOR® Position:
Monitor

Last Action: 3/9 from House mil-vet do pass.

SCR1002: EDUCATION; TPT; USE TAX

The 2020 general election ballot is to carry the question of whether to amend the state Constitution to levy a separate 1 percent transaction privilege tax beginning July 1, 2021 for the purpose of raising revenues for education. The net revenues derived from the tax are appropriated as follows: 75 percent for primary and secondary classroom education purposes, 20 percent for maintaining an in-state tuition rate that is consistent with the state Constitutional requirement for tuition to be as nearly free as possible, and 5 percent for community college trade and workforce development programs.

First sponsor: Sen. Brophy McGee (R - Dist 28)
Arizona REALTOR® Position:
Monitor

Last Action: 2/25 from Senate rules okay.

SCR1042: SHORT-TERM RENTALS; VACATION RENTALS

The 2020 general election ballot is to carry the question of whether to amend the state Constitution to repeal statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and limiting the restrictions that municipalities and counties may place on those rentals to a list of specified purposes. Land use laws that regulate a vacation rental or short-term rental are excluded from statute entitling a property owner to just compensation if existing rights to use private real property are reduced by the enactment of any land use law enacted after the date the property is transferred to the owner and the action reduces the fair market value of the property.

First sponsor: Sen. Brophy McGee (R - Dist 28)
Arizona REALTOR® Position:
Monitor

Last Action: 2/4 referred to Senate com

S1683 (Chapter 51) BUDGET; BRB; CRIMINAL JUSTICE; 2020-2021

Makes policy changes pertaining to criminal justice programs that affect the budget. The Department of Public Safety (DPS) is permanently authorized to use monies in the Concealed Weapons Permit Fund for DPS operating expenses, and to use monies in the Arizona Highway Patrol Fund for the Pharmaceutical Diversion And Drug Theft Task Force. DPS is authorized to use monies in the State Aid to Indigent Defense Fund for operating expenses in FY2020-21. In FY2020-21, of the monies deposited in the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Fund, after allocation of the first \$500,000 to the county sheriff of a county with a population of less than 500,000 persons but more than 300,000 persons (Pinal

County), \$400,000 must be allocated to the county sheriff of a county with a population of less than 2 million persons but more than 800,000 persons (Pima County). Before DPS spends any monies appropriated from the GIITEM Border Security and Law Enforcement Subaccount, DPS is required to submit the Subaccount's entire expenditure plan to the Joint Legislative Budget Committee for review. Authorization for the Department of Emergency and Military Affairs to use up to \$1.23 million in the Military Installation Fund to construct a readiness center is extended through FY2021-22. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 51, Laws 2020.

S1684 (Chapter 52) BUDGET; BRB; REVENUE; 2020-2021

Makes various changes relating to general revenues for FY2020-21. The Department of Insurance and Financial Institutions (DIFI) is no longer required to revise fees or assessments for the purpose of recovering between 95 and 110 percent of DIFI's appropriated budget. In FY2020-21, the Department of Gaming is required to establish and collect a regulatory assessment of 0.5 percent of the amounts wagered from each commercial racing permittee. The Department of Agriculture is authorized to continue, increase or lower existing fees from FY2018-19 and FY2019-20 in FY2020-21 to generate up to \$218,000 to the general fund, \$113,000 to the Pesticide Trust Fund and \$26,000 to the Dangerous Plants, Pests and Diseases Trust Fund. For FY2020-21, counties with a population of less than 250,000 are authorized to meet any county fiscal obligation from any source of county revenue designated by the county, in an amount of up to \$1.25 million. It is the intent of the Legislature that Department of Revenue administrative fees for costs of tax administration for local governments cannot exceed \$20.76 million in aggregate and that the fees are also subject to a list of specified conditions. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 52, Laws 2020.

S1685 BUDGET; BRB; K-12 EDUCATION; 2020-2021

Makes various policy changes pertaining to K-12 education that affect the budget. Increases the per student base level amount for basic state aid to \$4,305.73, from \$4,150.43, for FY2020-21. It is the intent of the Governor and the Legislature that school districts increase the total percentage of classroom spending over the previous year's percentages in the combined categories of instruction, student support and instructional support as prescribed by the Auditor General. Increases the transportation support level per route mile funding for FY2020-21. Increases the per student amount for charter additional assistance to \$1,875.21, from \$1,843.14, for preschool for children with disabilities and grades K-8, and to \$2,185.53, from \$2,128.15, for grades 9-12. The reduction amount of basic state aid for district additional assistance required by the FY2018-19 budget for FY2020-21 is lowered to \$64.37 million, from \$128.7 million. The reduction amount of charter additional assistance required by the FY2018-19 budget for FY2020-21 is lowered to \$3.4 million, from \$6.81 million. The reductions of basic state aid for district additional assistance and charter additional assistance for FY2021-22 are eliminated. The state equalization assistance property tax rate in tax year 2020 is \$0.4426, and the qualifying tax rates in tax year 2020 are modified. Establishes an allocation formula for monies in the Results-Based Funding Fund. Schools that perform in the top 13 percent of all schools statewide on statewide assessments and that have fewer than 60 percent of enrolled students qualifying for free and reduced-price lunches will receive \$225 per student. Schools that perform in the top 13 percent of all schools statewide on statewide assessments and that have 60 percent or more of enrolled students qualifying for free and reduced-price lunches will receive \$400 per student. Schools that perform in the top 27 percent but not in the top 13 percent of all schools statewide on statewide assessments and that have 60 percent or more of enrolled students qualifying for free and reduced-price lunches will receive \$225 per student.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/19 Substituted House Bill 2902 on Third Reading

S1686 BUDGET; BRB; HIGHER EDUCATION; 2020-2021

Makes policy changes in college and university programs that affect the state budget. For FY2020-21, each dollar raised by the surcharge on student registration assessed by the Arizona Board of Regents for the Financial Aid Trust Fund may be matched by less than \$2 appropriated by the Legislature. Operating state aid for community college districts for FY2020-21 and state aid for science, technology, engineering and mathematics and workforce programs for community college districts for FY2020-21 are as specified in the general appropriations act.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:

Monitor

Last Action: Senate COW approved.

S1687 (Chapter 53) BUDGET; BRB; HUMAN SERVICES; 2020-2021

Makes various policy changes in the areas of human services that affect the budget. The Department of Economic Security (DES) is authorized to use monies in the Special Administration Fund to pay for domestic violence prevention and cost-effectiveness study client services. During FY2020-21, DES is required to screen and test each adult recipient of Temporary Assistance for Needy Families (TANF) cash assistance who DES has reasonable cause to believe engages in the illegal use of controlled substances, and any recipient who tests positive for the use of a controlled substance that was not prescribed by a licensed health professional is ineligible to receive benefits for one year. By September 30, 2021, the Auditor General is required to provide to the Governor and the Legislature a report regarding the Department of Child Safety's practices for classifying and locating runaway or missing children. Information that must be included in the report is specified. During the state of emergency declaration period for coronavirus disease 2019, DES is required to provide an exemption from the state time limits for TANF cash assistance and a general waiver of the work requirements for TANF cash assistance. The Arizona Health Care Cost Containment System (AHCCCS) Administration is permitted to authorize payments to providers of behavioral health services, services to individuals with intellectual and developmental disabilities, and services to individuals who are elderly or have physical disabilities in order to ensure that provider maintain capacity to continue to provide services during the state of emergency declaration period for coronavirus disease 2019. DES and AHCCCS are authorized to temporarily adjust provider reimbursement rates for services to individuals with intellectual and developmental disabilities for FY2019-20 in order to provide additional funding for increased overtime expenses that service providers experience due to the loss of staff during the state public health emergency for the coronavirus disease 2019. Provisions related to the coronavirus disease 2019 are retroactive to March 11, 2020. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)

Arizona REALTOR® Position:

Monitor

Last Action: 3/28 signed by governor; Chap. 53, Laws 2020.

S1688 (Chapter 54) BUDGET; BRB; HEALTH; 2020-2021

Makes various policy changes in the area of public health that affect the budget. For the contract year beginning October 1, 2020 and ending September 30, 2021, the Arizona Health Care Cost

Containment System (AHCCCS) Administration is authorized to continue the risk contingency rate setting for all managed care organizations and the funding for all managed care organizations administrative funding levels that was imposed for the contract year beginning October 1, 2010 and ending September 30, 2011. By December 31, 2021, for FY2020-21, the AHCCCS Administration is required to transfer to the counties the portion, if any, as may be necessary to comply with the federal Patient Protection and Affordable Care Act. Specifies county contributions for ALTCS, and AHCCCS acute care and hospitalization and medical care for FY2020-21. County contributions for Proposition 204 administrative costs and for competency restoration treatment are excluded from county expenditure limitations. The Department of Health Services is authorized to increase fees in FY2020-21 for services provided by the Bureau of Radiation Control in order to generate \$1.9 million for deposit in the Health Services Licensing Fund. Monies in the Health Services Lottery Monies Fund may be used for the purposes specified in the FY2020-21 general appropriations act. Disproportionate share hospitals (DSH) payments for FY2020-21 include \$113.8 million for a qualifying non-state operated public hospital, \$4.2 million of which must be distributed to the Maricopa County Special Health Care District, \$28.5 million for the Arizona State Hospital, and \$884,800 for private qualifying hospitals. After these DSH payments are made, the allocations of DSH payment must be made available first to qualifying private hospitals located outside of the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area before being made available to qualifying private hospitals within those areas. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 54, Laws 2020.

S1689 (Chapter 55) BUDGET; BRB; ENVIRONMENT; 2020-2021

Makes policy changes pertaining to environmental regulation that affect the state budget. The Arizona Water Protection Fund Commission is permitted to grant to the Department of Water Resources (DWR) up to \$336,000 of the unobligated balance in the Fund to pay for administrative costs of DWR in FY2020-21. DWR is authorized to increase fees in FY2019-20 for services in FY2019-20 to generate \$100,200. Allows monies appropriated to the Arizona Navigable Stream Adjudication Commission from the Arizona Water Banking Fund to be used in FY2020-21 to pay legal fees. Notwithstanding statutory requirements, the general fund appropriation to the Water Quality Assurance Revolving Fund (WQARF) for FY2020-21 is capped at \$15 million. The Department of Environmental Quality (DEQ) is required to charge the same fees in FY2020-21 that were charged in FY2019-20 for vehicle emissions testing conducted in Area A (Phoenix metropolitan). Allows DEQ to use up to \$6.53 million from the Underground Storage Tank Revolving Fund in FY2019-20 for administrative costs of DEQ and

for remediating sewage discharge issues in Naco, Arizona and other border areas of Arizona. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 55, Laws 2020.

S1690 (Chapter 56) BUDGET; BRB; BUDGET PROCEDURES; 2020-2021

Makes various changes that affect the budget across agencies. Requires any unrestricted federal monies received by Arizona in FY2020-21 to be deposited in the general fund. Maintains the Capital Outlay Stabilization Fund rental rates for state-owned buildings of \$17.87/square foot for office space and \$6.43/square foot for storage space. For FY2020-21, FY2021-22, and FY2022-23, the Legislature is not required to appropriate monies to or transfer monies from the Budget Stabilization Fund. Retroactive to July 1, 2020, the Motor Vehicle Pool Consolidation Fund start date is moved to July 1, 2021, from July 1, 2020. Reimbursement of expenses incurred by counties to administer the 2020 presidential preference election must be made as prescribed by the FY2020-21 general appropriations act. Establishes the Crisis Contingency and Safety Net Fund, to be administered by the Governor, and allows monies in the Fund to be spent only following a state of emergency declaration by the Governor for specified types of economic assistance during the state of emergency. Before spending monies in the Fund, the Governor is required to notify the Legislature on the intended use of the monies. Makes a supplemental appropriation of \$50 million from the general fund in FY2019-20 to the Fund. States that the legislature intends for counties and municipalities to review their eviction policies and procedures during the state of emergency declaration by the governor related to the coronavirus disease 2019 (COVID-19) to allow individuals and families to remain in their places of residence. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 56, Laws 2020.

S1691 (Chapter 57) BUDGET; CAPITAL OUTLAY; APPROPRIATIONS; 2020-2021

Makes various appropriations for capital expenditures for FY2020-21. Appropriates \$378.7 million from the State Highway Fund to the Department of Transportation (DOT) for state highway construction. Appropriates \$30.9 million from the general fund in FY2020-21 to DOT

for deposit in the State Aviation Fund to plan, construct develop and improve county and municipal airports as determined by the State Transportation Board. Appropriates \$11 million from the general fund and \$19 million from other funds in FY2020-21 to the Department of Corrections to replace locking, HVAC and fire suppression systems at the Lewis and Yuma state prison complexes. Also appropriates \$16 million from the Capital Outlay Stabilization Fund to the Department of Administration, \$5.46 million from the Department of Corrections Building Renewal Fund to the Department of Corrections, \$1.58 million from the Game and Fish Fund to the Game and Fish Department, and \$13 million from the State Highway Fund to DOT for building renewal projects and expenditures. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)
Arizona REALTOR® Position:
Monitor

Last Action: 3/28 signed by governor; Chap. 57, Laws 2020.

S1692 (Chapter 58) BUDGET; GENERAL APPROPRIATIONS ACT; 2020-2021

The "feed bill" for FY202021, containing appropriations for state agencies and programs. Provisions include: Appropriates \$4.037 billion in FY2020-21 for basic state aid to school districts for maintenance and operations funding, which includes an increase of \$124.5 million that the Legislature and Governor intend to be used for teacher salary increases and that are in addition to teacher salary increases provided for FY2019-20. Continues deferment of \$930.7 million in basic state aid payments to schools until FY2021-22. Makes a supplemental appropriation of \$28 million from the general fund in FY2019-20 to the School Facilities Board for building renewal grants. Appropriates \$11.7 million from the general fund in FY2021-22 for a one time deposit in the New School Facilities Fund. Deposits \$15.49 million received in FY2020-21 from vehicle license taxes in the general fund instead of the State Highway Fund. Appropriates the following amounts from the general fund in FY2020-21 to the Department of Administration (DOA) for distribution to counties for maintenance of essential county services: \$7.15 million for distribution to counties with a population of less than 900,000, \$500,000 for distribution to a county with a population of more than 30,000 and less than 40,000 (Graham County), and \$3 million to supplement the normal cost plus an amount to amortize the unfunded accrued liability in the Elected Officials' Retirement Plan, which DOA is required to allocate equally among all counties with a population of less than 300,000 persons. Appropriates \$53.7 million from the general fund in FY2019-20 to DOA for debt service payments on the sale and leaseback of state buildings. On or after April 1, 2021, the Department of Economic Security is authorized to use up to \$25 million from the Budget Stabilization Fund to provide funding for reimbursement grants. This appropriation must be fully reimbursed by September 1, 2021. Makes a supplemental appropriation of \$2.62 million from the general fund in FY2019-20 to the Secretary of State to reimburse expenses incurred by counties to administer the 2020 presidential preference election, and establishes a formula for the Secretary of State to reimburse counties

based on the number of active registered voters in that county on January 2, 2020. Makes a supplemental appropriation of \$6.69 million from the Election Systems Improvement Fund to the Secretary of State for election systems improvements, \$5.35 million of which must be distributed to counties. Requires various reports and makes various fund transfers. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann (R - Dist 1)

Arizona REALTOR® Position:

Monitor

Last Action: 3/28 signed by governor; Chap. 58, Laws 2020.