

WEEKLY LEGISLATIVE REPORT

Southern Arizona Water Users Association

March 8, 2013

Budget Update

Despite early discussions about adjourning within the 100-day constitutional requirement, there appears to be little progress on the budget negotiations between the Governor's office and legislative leadership.

Clearly, the budget discussions will undoubtedly focus on the expansion of Medicaid and education reforms. To date, however, there has been only minimal staff interaction. Typically, staff discussions are used to negotiate the general budget matters, as the Governor, Speaker and President are reserved for the high-profile policy issues.

One would not expect the principals to engage until the staff discussions have progressed beyond their current levels. A mid-April adjournment is becoming increasingly less likely.

Update on the Regional Water Augmentation Authorities

With **HB 2338**, relating to regional water augmentation authorities, stalled in the House, it is widely anticipated that legislation will not advance during the 2013 legislative session.

However, there is increasing speculation that Speaker Tobin will establish an ad-hoc committee over the interim period to address the issues with the impacted parties with the intent of

enacting legislation during the 2014 legislative session.

Given the public opposition expressed by Yuma County interests, Herb Guenther may likely be asked to serve as chairman of the ad-hoc committee in order to ease the tension over HB 2338.

Week in Review

HB 2492, relating to municipal wastewater utility acquisition, passed out of the Senate Committee on Government and Environment with a 7-0 vote.

A Preview for the Week Ahead

SB 1288, relating to the Arizona Water protection fund, is scheduled to be heard in the House Committee on Agriculture and Water on Tuesday, March 12th at 2:00 p.m.

SB 1322, relating to exemptions to assured water supply requirements is scheduled to be heard in the House Committee on Agriculture and Water on Tuesday, March 12th at 2:00 p.m.

Comments

Please contact Stuart Goodman at 602-277-0911 or sgoodman@goodmanschwartz.com.

LEGISLATIVE TRACKING REPORT

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BILL	TITLE	SPONSORS	SUMMARY	HOUSE COMMITTEES	SENATE COMMITTEES	ACTION
HB 2031	federal patent easements; counties; abandonment	Dial (R)	As introduced, allows a county, at the request of a property owner, to abandon a federal patent easement established by the Small Tract Act of 1938, that is not being used by the public or is no longer necessary in the same manner as other easements that are abandoned. The county must notify and obtain consent from all affected utilities.	Government, Rules	Government and Environment, Rules	passed, House, 50-9 assigned to committee, 2/27
HB 2118	flood protection districts; property exclusion	Pratt (R)	As passed the House, repeals the statutory ability for a flood protection district that is located in a county that contains four or more flood protection districts to exclude lands from its jurisdiction.	Agriculture & Water, Rules	Government and Environment, Rules	Senate committee assignment, 2/19
HB 2175	water improvement, sanitary districts; liens	Fann (R)	As passed the House, make several changes to requirements for domestic water and domestic wastewater improvement districts and sanitary districts regarding fees. Allows additional fees to be charged for domestic water districts. Allows liens to be filed for availability fees by domestic water, domestic wastewater and sanitary districts.	Agriculture & Water, Rules	Government and Environment, Appropriations, Rules	Senate committee assignment, 2/27

BILL	TITLE	SPONSORS	SUMMARY	HOUSE COMMITTEES	SENATE COMMITTEES	ACTION
HB 2178	flood control districts; administrative action	Fann (R)	As passed the House, stipulates that flood control district statutory violations may be satisfied by a nonmonetary penalty that serves the purpose of the district. Stipulates a process for hearings before the Board of Hearing Review regarding a chief engineer's final order.	Agriculture & Water, Rules	Government and Environment, Appropriations, Rules	Senate committee assignment, 2/27
HB 2338	regional water augmentation authorities	Tobin (R) (1)	As introduced, allows for the formation of regional water augmentation authorities. Specifies the process and requirements for formation and the process for protesting the formation. Stipulates the powers and duties of an authority, including requirements for its board of directors. Specifies the duties of the authority, including the ability: to manage real and personal property, easements and rights-of-ways that are necessary or required for water supplies and projects; to construct, maintain and operate all works for any project owned by the facility; to acquire, hold, assign water rights; to acquire and sell water; to treat water; and, to lease and exchange water. Specifies requirements for revenue bonds issued by an an authority.	Agriculture & Water, Appropriations, Rules		discussed and held, House AW, 2/19
HB 2386	utilities; tampering	Pierce (R)	As passed the House, adds that a person commits "criminal damage" if they intentionally tamper with utility property. Classifies as a class 4 felony intentionally tampering with utility property and the damage causes imminent safety hazard to any person. Adds rearranging, damaging, altering, interfering with or otherwise preventing the performance of a normal or customary function of utility property to the definition of tamper or tampering for public service corporations. Defines terms.	Judiciary, Rules	Judiciary, Rules	passed, Hosue 59-0, 3/4 Senate committee assignment, 3/6

BILL	TITLE	SPONSORS	SUMMARY	HOUSE COMMITTEES	SENATE COMMITTEES	ACTION
HB 2429	water protection fund; annual funding	Brophy McGee (R)	As introduced, allows monies appropriated from the state General Fund to be deposited in the Arizona Water Protection Fund. Appropriates \$5 million each year into the AZ Water Protection Fund, minus the sum of the amounts deposited in the previous fiscal year from other current sources. Prohibits the appropriation from the state General Fund from exceeding \$5 million in any fiscal year.	Agriculture & Water, Appropriations, Rules		passed, House AW, 2/12 discussed and held, House Approps, 2/27
HB 2456	revenue allocation districts	Lovas (R) (15)	As passed the House, creates a revenue allocation district that can be established by a city or town if a petition is signed by the owners of at least 51% of the land area proposed to be included in the district and the specified formation requirements are met. Stipulates the revenue allocation financing provision will cause a property tax resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base roll to be allocated to the revenue allocation district. Formation of the district must be consistent with the growth area, cost of development, conservation, rehabilitation and redevelopment, and the neighborhood and revitalization elements of the general plan of the city or town. Specifies formation, plan, meeting, financing, allocation, and bond requirements for the district. Adds DOR costs for the preparation of information relating to incremental increases in property tax revenues to the list of expenses payable by the District. Contains a statement of legislative findings.	Ways and Means, Rules	Finance, Government and Environment, Rules	passed, House 37-17, 2/28 Senate committee assignment, 3/5

BILL	TITLE	SPONSORS	SUMMARY	HOUSE COMMITTEES	SENATE COMMITTEES	ACTION
HB 2492	municipalities; wastewater utility; acquisition; repeal	Kwasman (R) (10)	As passed the House, repeals the ability for a city or town after a vote of its electors to acquire all or any portion of a sewage system located within or serving the city or town and owned or operated by a county. States the repeal is not effective unless Pima County and the Town of Marana reach a wastewater settlement agreement before July 1, 2014.	Government, Rules	Government & Energy, Rules	Senate committee assignment, 2/27 passed, Senate GE, 3/4
SB 1107	agricultural districts; public notice; website	Shooter (R)	STRIKE EVERYTHING AMENDMENT: Creates a three-member Yuma Desalting Plant Study Committee.		Natural Resources and Rural Affairs, Rules	passed, Senate NRRA, 2/20
SB 1251	irrigation districts; audit requirements	Shooter (R) (9)	As passed by the Senate, requires irrigation districts with an annual budget of at least \$5 million to have an annual audit. Requires an irrigation district with an annual budget of at least \$5 million to have an annual financial audit. Requires that a district with an annual budget of less than \$5 million to have an audit performed every five years and a financial review performed each year an audit is not performed.	Ways and Means, Rules	Natural Resources & Rural Affairs, Rules	House committee assignment, 2/26
SB 1283	county boundary change; study committee	Crandell (R) (9)	As passed by the Senate, an emergency measure that establishes a joint committee on county boundary changes and outlines its membership. Requires the committee to study the feasibility of changing county boundaries, including fiscal and related impacts.	Government, Rules	Government & Environment, Rules	passed, House Government, 3/5

BILL	TITLE	SPONSORS	SUMMARY	HOUSE COMMITTEES	SENATE COMMITTEES	ACTION
SB 1288	Arizona water protection fund; projects	Griffin (R) (7)	As passed the Senate, prohibits federal agencies from receiving funding through the Arizona Water Protection Fund. Reduces the Arizona Water Protection Fund Commission (Commission) voting membership from fifteen to nine, defines eligibility, representation and appointment responsibility for those positions and stipulates that existing members of the Commission will only be removed once their terms expire. Adds two members of the Legislature to the Commission as non-voting advisory members.	Agriculture and Water, Rules	Government & Environment, Rules	House committee assignment, 2/27
SB 1322	assured water supply requirements; exemption	Griffin (R) (3)	As passed the Senate, extends the repeal date for the exemption from the AWS for certain subdivisions from September 1, 2014, to September 1, 2024.	Agriculture and Water, Rules	Government & Environment, Rules	House committee assignment, 2/28
SB 1369	unemployment insurance; reimbursable employers	Griffin (R) (2)	As passed the Senate, prohibits unemployment insurance benefits from being paid to an individual who is found disqualified from receiving benefits by DES if the employer has elected to make payments to the Trust Fund in lieu of quarterly tax contributions. States the individual must have been disqualified by DES for leaving work voluntarily without good cause, for being discharged for willful or negligent misconduct connected with the employment or for compelling personal reasons not attributable to the employer. Requires the employer to establish the condition of such separation to the satisfaction of DES by submitting information within 10 days after the date of notification or mailing of notice that the individual has first filed claim for benefits.	Insurance & Retirement, Rules	Commerce, Energy, & Military, Rules	passed, House IR, 3/5

BILL	TITLE	SPONSORS	SUMMARY	HOUSE COMMITTEES	SENATE COMMITTEES	ACTION
SB 1403	United Nations Rio declaration; prohibition.	Burges (R) (6)	As introduced, notwithstanding any other law, prohibits the state of Arizona and all political subdivisions from adopting or implementing any part of the United Nations Rio Declaration on Environment and Development or the Statement of Principles for Sustainable Development or any other law that contravenes the United States or Arizona Constitution.		Government & Environment, Rules	passed, Senate GE, 2/18 retained, Senate Committee of the Whole, 2/28
SB 1463	counties; flood control districts; rules	Griffin (R) (63)	As passed by the Senate, describes the procedures for the adoption, amendment, repeal and enforcement of rules for county flood control district.	Government, Rules	Government & Environment, Rules	passed, Senate 19-9, 2/28 House committee assignment, 3/5
SB 1469	applying aquatic poisons	Griffin (R)	As passed the Senate, prohibits the Department of Game and Fish from applying any rotenone or antimycin A for any purpose to any body of standing or running water until conducting and submitting a full impact analysis of the risks to the Arizona game and fish commission.	Energy, Environment, and Natural Resources, Rules	Government & Environment, Rules	passed Senate 17-11, 2/28 House committee assignment, 3/5
SCR 1012	EPA actions; haze	Griffin (R) (8)	As passed by the Senate, expresses the Legislature's opposition to the Federal Implementation Plan being forced on the state. States the Legislature's support for the State Implementation Plan as a reasonable and viable solution to address and reduce regional haze.	Environment, Energy and Natural Resources, Rules	Government & Environment, Rules	House committee assignment, 2/27