County Supervisors
ASSOCIATION
of arizona

52nd Legislature, First Regular Session: Briefing to Pinal County

Craig A. Sullivan
Executive Director
August 5, 2015

County Supervisors Association

CSA's Purpose:

- *CSA is a non-partisan forum for Arizona's 61 county supervisors to address important issues facing local constituents, providing a mechanism to share information and to advance a proactive state and federal policy agenda*

Core Goals:

- *Protect and enhance county authorities and resources in order to promote efficient, responsive constituent services*
- *Develop and disseminate information to assist state and local decision-making*

CSA Leadership

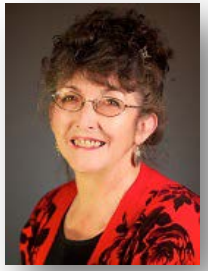
CSA Board of Directors

All 61 county supervisors from Arizona's 15 counties

CSA Executive Committee

President
Hon. Clint Hickman
Maricopa County

President Elect
Hon. Mandy Metzger
Coconino County



First Vice-President
Hon. Tommie Martin
Gila County

Second Vice-President
Hon. Anthony Smith
Pinal County

Third Vice-President
Hon. Russell McCloud
Yuma County

Immediate Past President
Hon. Jim Palmer
Graham County

CSA Legislative Policy Committee

Clint Hickman, Maricopa, CSA President

Barry Weller, Apache
Ann English, Cochise
Mandy Metzger, Coconino
Tommie Cline Martin, Gila
Jim Palmer, Graham
David Gomez, Greenlee
D.L. Wilson, La Paz
Gary Watson, Mohave
Jason Whiting, Navajo
Ray Carroll, Pima
Pete Rios, Pinal
Manny Ruiz, Santa Cruz
Tom Thurman, Yavapai
Russell McCloud, Yuma

CSA County Services

- **Advocacy and Policy Development**
  - *Arizona Legislature & Executive Agencies*
  - *U.S. Congress and Federal Agencies*
- **Research and Informative Products**
- **Communication and Outreach**

FY 2014-2015 Association Report

Includes select outcomes, information products and support services.

CSA Legislative Summary

Annual summary document is now available on the

CSA website: *www.countysupervisors.org*

The general effective for bills was July 3, 2015.

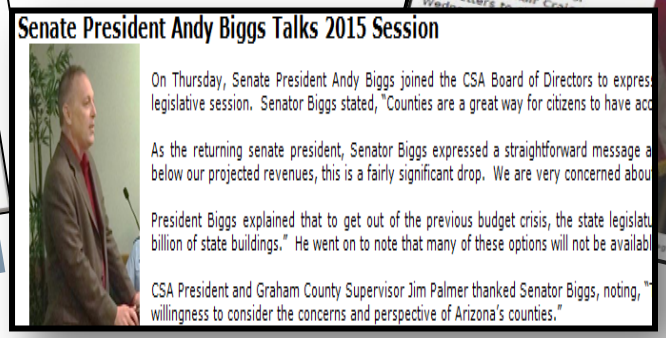
2014 CSA Summit –Yavapai County

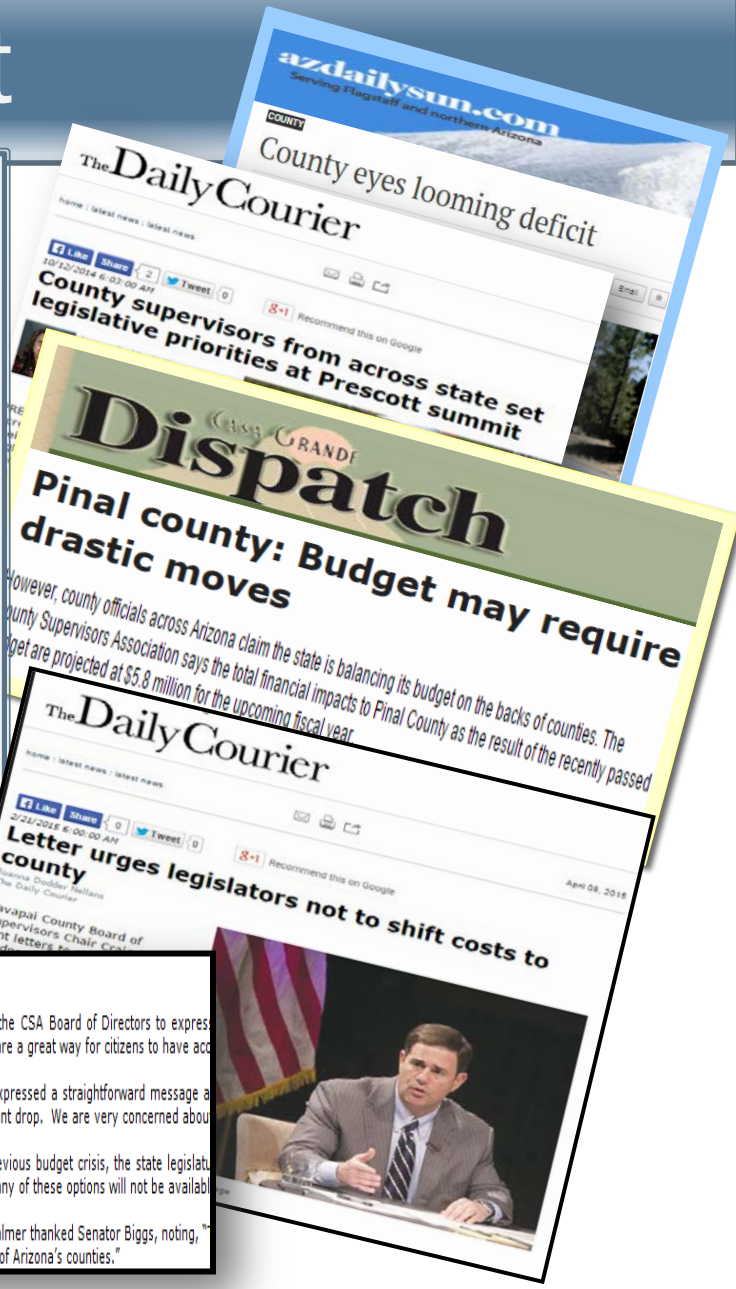
County Directives to CSA Staff

- **Budget #1 Priority**
  - Secure the county lottery revenues to support county operations
  - Fully fund HURF for local governments
  - Eliminate county payments for SVP patients at ASH
  - Advocate the need for enhancing revenues for transportation
  - Secure Payment-in-lieu of Taxes for 2015 and beyond
- **Advance client-initiated CSA-sponsored legislation**
- **Engage legislation that impacts county resources, services or authorities**

Getting the Message Out

- Counties mobilize to communicate priorities
- Sustain ongoing conversations with decision-makers
- Legislators and stakeholders hear a consistent, resounding message





The Executive Budget

"We will limit the growth of government by limiting the spending of government."

-Ducey Campaign Nov. 4, 2014

"[I will] Submit legislation to reduce taxes every year, with the goal of eliminating personal and corporate income taxes in Arizona."

-Ducey Campaign Website/Mailers/TV Ads
"My Pledge to the People" 2014

"If you see us standing there behind [Governor Ducey], the legislative leadership team…and we're there in a unified mode, then I don't know why we can't solve that budget on a fairly rapid basis."

-Senate President Andy Biggs December 2014

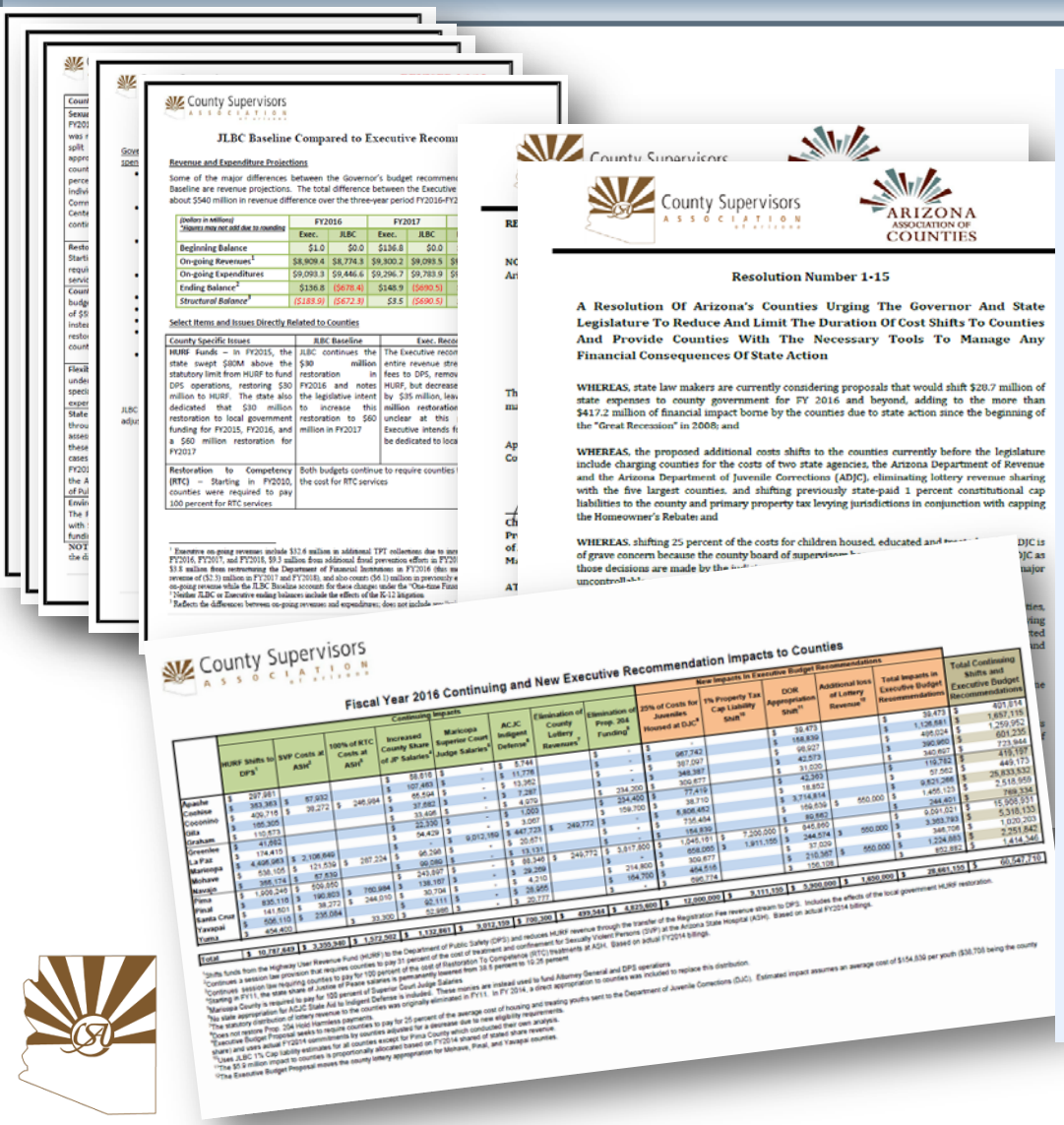
"My budget doesn't just give the appearance of spending discipline. It offers the reality of spending discipline-with decisions that are timely, real and permanent."

-Governor Ducey
State of the State Jan. 12, 2015

"In the plainest terms, it's not the people are taxed too little; it's that their government is spending unwisely. Raise taxes and you haven't solved anything. All that does is excuse the ineffective spending and invite more of it."

-Governor Ducey Inauguration Jan. 5, 2015

State Budget: County Impacts



County Budget Impacts:

- 25% of the cost of ADJC **$12 million**
- DOR local cost shift **$6.7 million**
  - **Reflects $3.1 million reduction**
- 1% constitutional property tax cap liability shift **$21.4 million**
- Loss of lottery revenue for Mohave, Pinal, & Yavapai **$1.7 million**
- Presidential Preference Election cost shift **$3.4 million**
- Additional HURF shift **$1.4 million**
- Flexibility language

Transportation Advocacy

- Briefed Executive staff and legislators
- Participated in multiple public/private stakeholder meetings
- Met with transportation chairs, Senator Worsley and Representative Gray
- Coordinated presentations before committees
- Endorsed VLT (Vehicle License Tax)

CSA Legislative Agenda
&
County-related Bills

CSA-sponsored Legislation

Enacted into law:

- HB 2349 flood control districts; administrative enforcement *(Fann)* **Ch. 283**
- SCM 1010 PILT program; SRS; full funding *(Griffin)* – **Transmitted to SOS**

Administrative Solutions:

- SB 1145 restoration to competency; state costs (*Griffin*)
  - *Vetoed due to an administrative remedy*
- HB____court ordered evaluations; reimbursements (*Brophy McGee*)
  - *Not introduced due to an administrative remedy*

Did not advance through the process:

- HB 2363 county contributions; hospitalization; medical; repeal (*Thorpe*)
  - *Passed House County and Municipal Affairs Committee*
- HB 2490 sexually violent persons; reimbursement; repeal (*Carter*)
  - *Passed House County and Municipal Affairs Committee*

AACo's Legislative Agenda

Enacted into law:

- HB 2108 property tax; class nine; conventions (*Mitchell*) **Ch. 233**
- HB 2110 taxing district boundaries; deadline extensions (*Mitchell*) **Ch. 98**
- HB 2236 ATV & motorcycle passengers (*Shope*) **Ch. 173**

Did not advance through the process:

- HB 2093 ballots; presidential electors (*Coleman*)
- HB 2133 countywide elections; vote by mail (*Shope*)
- HB 2163 intensive probation; community supervision; search (*Borrelli*)
- HB 2187 JTED board; nomination petition signatures (*Shope*)
- HB 2237 vehicle lights; emergency colors prohibited (*Shope*)
- HB 2252 tax; delinquency dates; tax liens (*Mitchell*)
- HB 2253 property tax assessments; one-year cycle (*Mitchell*)
- HB 2391 early ballot mailing dates (*Mesnard*)
- HB 2424 schools; regional service centers (*Coleman*)
- HB 2485 tax lien foreclosures; subdivisions; exemption (*Shope*)

ARIZONA ASSOCIATION OF COUNTIES

Other County Partner Initiatives

<u>CSA supported other partners efforts, including:</u>

- HB 2063 NOW: limited county employee merit system (*Coleman*) **Ch.275**
  - *Maricopa County*
- HB 2095 job-order-contracting; bond; waiver (*Coleman*) **Ch. 203**
  - *Maricopa County*
- HB 2105 inmate medical services; rate structure (*Borrelli*) **Ch. 70**
  - *Mohave County*
- SB 1393 delayed birth certificates; Native Americans (*Begay*) **Ch. 197** /HB 2157 Native Americans; delayed birth certificates (*Hale*)
  - *Coconino County*

CSA Reactive Advocacy

General Government

-Preemption of local control
-Regulatory reform
-Local lobbying regulation
-County personnel systems
-Transfer of behavioral health from DHS to AHCCCS

Criminal Justice

-Public building accessibility & weapon possession
-Incompetent and dangerous defendants
-Peace officer body cameras
-Sheriffs' police authority for search & seizure
-Traffic citation quotas and fines
-PTSD and peace officers

Public Finance & Special Districts

-Secondary taxing districts
-County fee exposures
-Class 9 properties designation
-Greenhouse classification
-County audit deadlines / penalties
-Tribal TPT revenue sharing

Natural Resources

-State policy on wildfire containment & prevention
-Sustainable water & forest management
-Wildlife management
-Local & state concerns with federal land

Planning

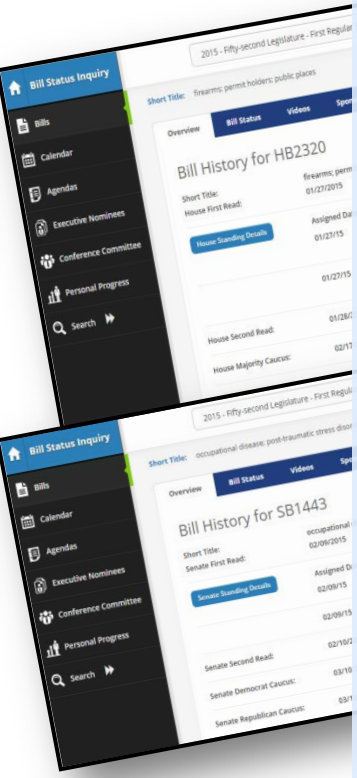
-Local housing preemptions
-De-annexation process
-Protected development rights
-Animal holding periods
-Flood insurance

Legislation Amended by Counties

Bills favorably amended, to address county concerns:

- HB 2617 NOW: counties; municipalities; budgets (*Mesnard*) **Ch. 323**
- HB 2212 licensing; accountability; enforcement; exceeding regulation (*Petersen*) **Ch. 104**
- HB 2131 tax adjudications; attorney fees (*Mitchell*) **Ch. 234**
- HB 2383 NOW: invalid annexation; boundaries; procedures (*Olson*) **Ch. 284**
- HB 2561 unlawful distribution of private images (*Mesnard*)
- HB 2643 sovereign authority; affordable care act (*Olson*) **Ch. 321**
- SB 1066 political subdivisions; financial audit reports (*Pierce*) **Ch. 268**
- SB 1072 local planning; residential housing; prohibitions (*Smith*) **Ch. 140**

Legislation Opposed by Counties



<u>11 major issues: 9 negatively impacted local finances:</u>

- HB 2078 BOS; seven members (*Petersen*)
- HB 2128 leased religious property; class nine (*Mitchell*) **Ch. 49**
- HB 2245 county floodplain regulations; mobile homes (*Ackerly*)
- HB 2320 firearms; permit holders; public places *(Barton)*
- HB 2427 precinct lists; early ballot reports (*Barton*)
- SB 1071 tax lien deeds; aggregate fees (*Smith*)
- SB 1204 property tax; assessment of greenhouses (*Pierce*)
- SB 1298 rules; counties; flood control districts (*Griffin*) **Ch. 86**
- SB 1315 incompetent and dangerous defendants; treatment (*Driggs*)
- SB 1433 utilities; facilities relocation; cost reimbursement (*Lesko*)
- SB 1443 occupational disease; PTSD (*Smith*)

2015 Summary

Budget process was extremely restricted

- Rank and file members had little to no influence on the budget
- Budget actions viewed as permanent: *substantial impacts to counties*
- Budget negatively impacted all public stakeholders of the state

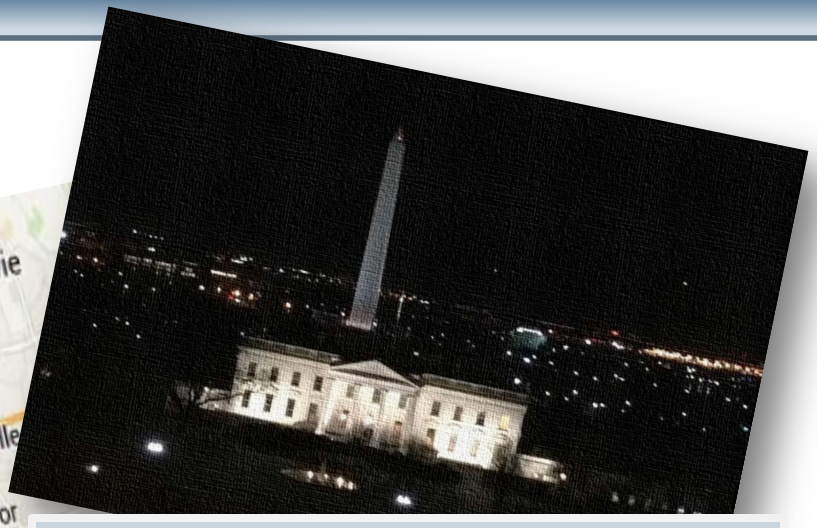
Counties successfully blocked or amended most bad bills and made marginal improvements to budget via late session vehicles

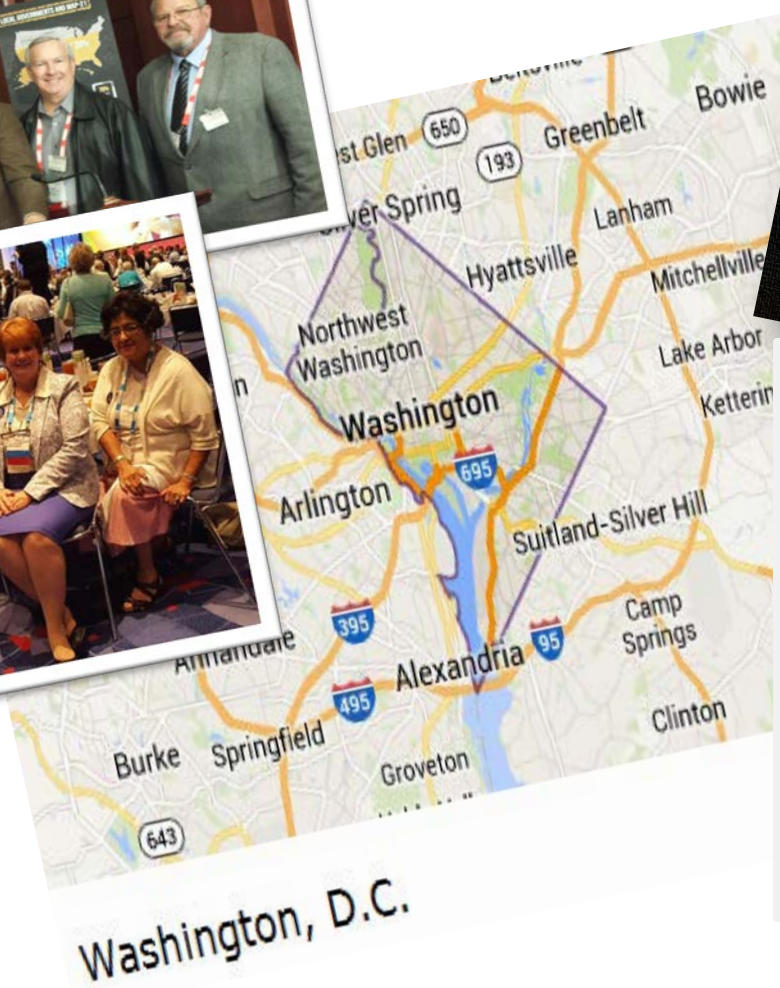
- Positive working relationship with most lawmakers

State finances "stabilized"……for the moment

- Pending Lawsuits: K-12 and Medicaid Expansion
- Will revenues materialize as projected?
  - *Enacted Budget FY2016 = 3.8% growth*
  - *FAC's most recent projections = 3.7% growth*

Federal Update





- **Payment in Lieu of Taxes** (*PILT*)
- **State Criminal Alien Assistance Program** (*SCAAP*)
- **Waters of the U.S.**

Next Steps

Next Steps

Connect with counties, stakeholders & legislators in preparation for 2016:

- *CSA county outreach May through August*
- *Managers meetings in June and August*
- *Discuss potential initiatives and strategies*

Monitor the state & federal fiscal situation:

- *Federal appropriations processes (PILT, SRS, SCAAP, etc.)*
- *JLBC/OSPB visits to discuss state budget, identify emerging issues*

Conduct interim research and participate in stakeholder activities:

- County RFP to house state inmates
- 1% cap implementation; modification
- Department of Juvenile Corrections
- Retirement reform: policy position and advocacy materials
- Transportation advocacy
- County finances expenditure limit/resource authorities
- Efficiencies in county criminal justice
- Presidential Preference Election & technology improvement
- Monitor 5 legislative study committees
- County-submitted policy proposals

Policy Development Process

<u>Next steps:</u>

- **County legislative proposals due to CSA August 14, 2015**
  - *CSA provided template; staff available to assist with evaluation*
- **CSA Board of Directors meetings:**
  - *June/July/August - Not Meeting*
  - <u>September 17, 2015</u>
- **CSA Legislative Policy Summit hosted by Mohave County**
  - *Lake Havasu City, October 13-15, 2015*