



To: Mayor Wolcott
Vice Mayor Williams
Council Member Biundo
Council Member Alton
Council Member Villanueva
Council Member Woodard
Council Member Hall
City Manager, Chris Hillman

From: Michael Celaya, Intergovernmental Relations Director
Date: January 9, 2012
Re: 2012 State Legislative Agenda

This report describes the City's proposed state legislative agenda for the Second Regular Session of the 50th Arizona State Legislature. Once modified and approved by the Mayor and Council, the agenda will define the City's state legislative priorities and guide the City's lobbying activities at the State Legislature. As bills are introduced and debated, the agenda will evolve with input from the Mayor and Council. The session will commence on Monday, January 9, 2012.

GUIDING PRINCIPALS AND KEY PRIORITIES

Each year the State Legislature considers thousands of bills and amendments, many of which impact municipal operations. Staff will brief Mayor and Council throughout the session and seek direction regarding important bills and amendments; however, in order to prioritize and guide staff's lobbying efforts, we recommend that the Mayor and Council endorse familiar, but critical guiding principles as our highest priorities. These priorities include maintaining and protecting **shared revenues**, opposing **unfunded mandates** and preserving **local authority**.

SHARED REVENUES

The City's budget includes revenues from a number of State sources, most importantly, shared revenues from state income, sales and vehicle license taxes. Shared revenues make up 26% of the City's general fund, helping to pay for police, fire, streets, parks, and other critical City services. Staff recommends that the City oppose any reduction of shared revenues.

OPPOSE UNFUNDED MANDATES

Given our fiscal predicament, new unfunded mandates could force the City's budget further into the red. An example is the continued raid on the Highway User Revenue Fund (HURF).

Staff recommends approval to oppose state legislative efforts that shift new programmatic duties to the City without accompanying funds.

LOCAL AUTHORITY

Cities and towns are established voluntarily by people living in communities in order to foster economic activity and deliver services that protect public health, safety and quality of life. Staff recommends that the City work to protect the ability to set policy at the local level and oppose legislation that preempts local authority.

OTHER LEGISLATIVE ISSUE

In addition to the guiding principles and priorities described above, staff recommends that the City include the following issues to the city's agenda for 2012.

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS)

As a result of new PSPRS legislation passed last year and its impact to prevent an employee from exercising the rights under the ADA and obtaining their disability retirement, staff recommends that the City opposes any legislation that places the city at risk for future litigation.

ECONOMIC DEVELOPMENT

The city opposes any attempt to limit local control over, or ability to execute economic development projects, and supports any effort to enhance the range of economic development mechanisms at a municipality's disposal.

MILITARY PRESERVATION

The city recognizes the importance of preserving the mission viability of Luke Air Force Base and the importance of the base to our national security interest, state and local economies, and to the retirees who rely on Luke for services. The city supports the retention of existing state statutes relating to military airports, and the development of legislation that limits encroachment of all types, supports compatible land uses around such facilities, and ensures the capability for future mission expansions.

TRANSPORTATION

The city supports regional coordination in transportation planning but opposes efforts that limit local control in the transportation decision-making process. The staff also supports efforts that grant cities and towns the additional ability to provide for transportation improvements.

If you have any questions or need additional information, please feel free to contact me at (623) 222-3623.