



MAYOR & COUNCIL MEMORANDUM

November 21, 2017

Subject: 2018 City of Tucson State Legislative Agenda (City Wide and Outside City)

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Issue – The State of Arizona’s 2018 Legislative Session begins on January 8th, 2018. Therefore, City of Tucson Intergovernmental Relations (IGR) staff requests Mayor and Council direction on the City’s State legislative priorities for 2018.

City Manager's Office Recommendation – It is recommended that Mayor and Council approve the following priority items as their 2018 State Legislative Agenda:

1. Defend against any and all cuts to State-shared revenues and other State funds dedicated to local governments
2. Protect and enhance local authority and decision making
3. Support the ability of cities to utilize strong economic development tools and increase infrastructure investment and public safety
4. Support strong and sustainable water management policies and practices

Background – The Mayor and Council traditionally reviews its State of Arizona Legislative Agenda annually. This Agenda, which normally consists of three or four priority items in addition to other more current issues and items, is used as a guide to influence State legislation according to direction provided by Mayor and Council.

IGR staff and the City’s contract lobbying team met with the Mayor, Councilmembers, and City Staff to discuss State legislative priorities in September 2017. In addition, IGR staff attended the 2017 Arizona League of Cities and Towns annual conference and maintains regular communications with Arizona cities, legislators, and other legislative stakeholders. These meetings help gauge the range of opportunities and challenges the City of Tucson, Pima County, and other cities across Arizona may face in the upcoming session.

Present Consideration – Mayor and Council priorities shared with IGR are reflected in this proposed 2018 State Legislative Agenda. Accompanying each Agenda item are specific items that fall within the purview of each priority:

1. **Defend against any and all cuts to State-shared revenues and other State funds dedicated to local governments:**
 - a. Protect State-Shared Revenues
 - b. Restore all Highway User Revenue Funds (HURF) due to cities
 - c. Return Local Transportation Assistance Funds (LTAF) and other state and local funding streams traditionally directed to cities in order to support critical local transportation and transit services
 - d. Defend against changes to the Construction Sales Tax (CST) system that reduce both local and state revenues

2. **Protect and enhance local authority and decision making:**
 - a. Protect the City from legislation that pre-empts local authority, expands state control of local affairs (including continued or expanded use of SB 1487) and/or imposes new and unfunded mandates on the City
 - b. Defend the City's rights and authorities under the Tucson City Charter, including the ability to continue to collect all current local taxes and fees
 - c. Protect the City from additional state fees that charge for the operations of state agencies
 - d. Ensure that any local funds (e.g. TPT, TOT, Bed Tax) that are collected by the State for the City of Tucson are done so accurately and distributed expeditiously
 - e. Defend the City's authority to manage City of Tucson personnel and operational decisions

3. **Support the ability of cities to utilize strong economic development tools and increase infrastructure investment and public safety:**
 - a. Support the ability of cities to utilize GPLET and to continue or enhance other critical economic development and infrastructure investment programs
 - b. Promote expedited completion of ADOT projects in the Tucson area, including I-19, I-10, SR-189, and the Sonoran Corridor to provide for the efficient movement of goods and services and grow the regional economy
 - c. Protect and enhance the City's ability to annex areas into the City limits and increase State-Shared Revenue distribution to our region for critical public investments
 - d. Support the City's ability to create public financing mechanisms, such as Commercial-Property Assessed Clean Energy (C-PACE) and Business Improvement Districts (BIDs) that promote both business growth and environmental sustainability
 - e. Support legislation that bans "bump stocks" and other firearm accessories designed to evade prohibitions against automatic weapons, and support legislation that allows local communities to adopt firearm rules and regulations consistent with their local communities' values
 - f. Support film incentive legislation to grow the industry in Tucson and Southern Arizona
 - g. Oppose the formation of tax-free or regulation-free zones in or near cities that undercut city planning, public safety, and economic development efforts
 - h. Support State efforts to reduce opioid addiction and substance abuse, and to reduce access to harmful drugs and their component parts
 - i. Support continued efforts at the State level and in cities and counties across Arizona to restrict the use of hand-held devices while driving
 - j. Support State efforts to protect US Postal Service facilities including Cherrybell
 - k. Support State legislation and other State programs to support re-entry programs and reduce recidivism, including "Ban the Box" policies and bail reform
 - l. Support sufficient State of Arizona funding of K-12, Community College, and University level education without threatening SSR or other funding streams currently designated to support local governments

4. **Support strong and sustainable water management policies and practices:**
- a. Support legislation and/or regulatory changes that are aligned with Mayor & Council and Tucson Water priorities, including:
 - i. Support for an effective Lower Basin Drought Contingency Plan (DCP)
 - ii. Support for a DCP “Plus” Plan that increases water storage and conservation in Lake Mead as needed to decrease the probabilities of a Tier 1 shortage each year
 - iii. Support the development of a sustainable system conservation program with sufficient support to continue Lake Mead protection as needed in future years
 - iv. Support the increased use of Excess CAP water for system conservation in Lake Mead and to protect municipal water supplies
 - b. Support additional state funding for the Arizona Department of Water Resources (ADWR) to provide additional leadership and support for strong water management and groundwater protection across Arizona
 - c. Support continued programs and additional incentives for water recharge and water storage practices that protect aquifers and provide economic and environmental benefits (including long-term storage credit programs, remediated groundwater exemptions, and effluent managed recharge credits)
 - d. Monitor any proposed changes to the Arizona Groundwater Code and Underground Storage Statutes to ensure Tucson Water ratepayers are not adversely affected
 - e. Support additional participation by Southern Arizona water users and stakeholders, including from the water and habitat conservation, and from the tribal communities, in the development of statewide water policy

As opportunities arise during the session to pursue these and other Mayor and Council priorities, IGR staff will seek further direction from Mayor and Council.

Respectfully submitted,



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City Manager

CITY MANAGER’S OFFICE, TUCSON WATER, INTERGOVERNMENTAL RELATIONS

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