

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-first Legislature – First Regular Session

**COMMITTEE ON GOVERNMENT**

Minutes of Meeting  
Tuesday, March 5, 2013  
House Hearing Room 4 -- 2:00 p.m.

Vice-Chairman Petersen called the meeting to order at 3:15 p.m. and attendance was noted by the secretary.

**Members Present**

|                 |               |                             |
|-----------------|---------------|-----------------------------|
| Mr. Borrelli    | Mr. Forese    | Mr. Quezada                 |
| Mr. Coleman     | Ms. Hernández | Mr. Petersen, Vice-Chairman |
| Ms. Dalessandro | Mr. Kavanagh  | Mrs. Ugenti, Chairman       |

**Members Absent**

None

**Committee Action**

|                       |                       |
|-----------------------|-----------------------|
| SB1283 – DP (6-3-0-0) | SB1302 – DP (9-0-0-0) |
| SB1292 – DP (8-0-0-1) |                       |

**CONSIDERATION OF BILLS**

**SB1283 - county boundary change; study committee - DO PASS**

Tom Savage, Majority Intern, explained that SB1283 is an emergency measure that establishes a Joint Committee on County Boundary Changes (Attachment 1).

Senator Chester Crandell, sponsor, described the history behind SB1283. He stated that, in previous years, legislation was proposed by Representative Hale and others to enable participation in the revenue sharing that the Arizona Constitution allows for municipalities and counties. He described the legislative district formation of the four Indian Nations: Hopi, Navajo, White Mountain Apache and San Carlos Apache. Senator Crandell stated that SB1283 will create a new county that will reflect these Nations and give them more influence in the legislative process; he stated that he conferred with Senator Jack Jackson.

Mr. Quezada asked what the process is to gain influence; Senator Crandell replied that, to address the state, citizens must go through their counties. Discussion ensued and Senator Crandell indicated that many questions, including the issue of property taxes, will be addressed by the study committee created by SB1283.

Representative Albert Hale, explained his opposition to SB1283 and expressed concern that Legislative District 7 will be affected. He stated that the Hopi and Navajo Nations are two of seven and that the other five are not identified to be on this study committee. Representative Hale informed the Members that currently transaction privilege taxes (TPT) are not returned to the Nations and described the distribution formula which sends TPT funds to incorporated municipalities; there are no incorporated municipalities on the reservation.

In response to questions, Representative Hale stated that the county that would be formed by SB1283 will be a very poor county, as there are no property taxes on the reservation. Representative Hale stressed that there is no need for a study committee as this has been tried before and it was very divisive; the solution is to add the Nations to the TPT distribution formula.

Chairman Ugenti assumed the Chair.

LeRoy Shingoitewa, Chairman, Hopi Tribe, explained his opposition to SB1283. He stated that no one from the Hopi Nation was asked to work on this bill, which will separate all of the Indian Nations from the rest of the state. He distributed a letter which further explains his opposition (Attachment 2). He stated that much of the money taken off the reservation is never returned to the Nations.

Chairman Ugenti clarified that legislation in 1982 actually realigned county boundaries and SB1283 will create a study committee to evaluate this situation. Mr. Shingoitewa explained that he was not aware of this bill until now. Chairman Ugenti stated that the point of the study committee is to ensure that no one is left out of the deliberations.

Arbin Mitchell, Chief of Staff, Navajo Nation, appeared in opposition to SB1283. He distributed and read a letter from Ben Shelly, President of the Navajo Nation (Attachment 3) which stated that that SB1283 is not necessary and has the potential to be divisive.

Mike Bielecki, Consultant, Navajo Nation, stated his opposition to SB1283. He explained that the average income on the reservation is \$8,000 per year and that 51 percent of the people are unemployed. He stressed that the area cannot finance a new county; 70 percent of Navajo-earned dollars are spent off the reservation. There is no capacity for assessing value because there is no property tax. He expressed concern that SB1283 is "teeing up" a future bill that the Navajo government will also be against.

Paula Hale, representing self, stated her strong opposition to SB1283. She pointed out that the study committee is weighted against tribal members and is discriminatory.

Leonard Gorman, Navajo Nation Human Rights, appeared in opposition to SB1283 and explained his objections to Senator Crandell's stated intentions to have "them" have a voice in state government. Mr. Gorman stated that, as a Navajo citizen, he already has representation with elected Representatives and Senators. He asked how the Committee will pass this legislation without the consent of those who will be affected by it.

Mr. Forese asked if he had had a chance to talk with Senator Crandell. Mr. Gorman replied that he had no chance and just heard of the bill; he reiterated that he is against the formation of a new county.

Vice-Chairman Petersen announced the names of those who signed up in opposition to SB1283 but did not speak:

Jonathan Nez, Navajo Nation Council, Shonto & Ts'ah Bii Kin

Jonathan Hale, Navajo Nation Councilman, 22nd Navajo Nation Council

Joe Shirley, Supervisor of Apache County

Emily Verdugo, representing self

Vice-Chairman Petersen announced the names of those who signed up as neutral on SB1283 but did not speak:

Leonard Clark, representing self

Todd Madeksza, Director of Legislative Affairs, County Supervisors Association

Chairman Ugenti asked Senator Crandell to address the stated concerns. Senator Crandell stated that SB1283 will help the Nations get what they want from the Independent Redistricting Commission when it created Congressional District 1 and Legislative District 7: to become a voting bloc and to obtain revenue sharing.

In response to Chairman Ugenti's question, Senator Crandell stated that he submitted the bill at the beginning of the session and had no opposition in the Senate; in fact, Senator Jackson was in agreement with the legislation.

Mr. Coleman asked if this will require a vote of the people in the affected counties. Senator Crandell replied in the negative, adding that the Legislature can do this. Senator Crandell added that this will address how the state can work with the Nations if they are sovereign; it is time to have this discussion.

Discussion ensued on changing the makeup of the study committee to include more Indian Nation members.

**Vice-Chairman Petersen moved that SB1283 do pass. The motion carried by a roll call vote of 6-3-0-0 (Attachment 4).**

### **SB1292 - fire districts; treasurer; authorization - DO PASS**

Virginia Carico, Assistant Majority Research Analyst, explained SB1292 states that a designated fire district board member who has been given access to the financial books and records of the fire district may lawfully access those records (Attachment 5).

Senator Gail Griffin, sponsor, explained that a rural fire district board was denied access to the financial records by the board treasurer and SB1292 states that a newly-elected board will be given access to all financial records.

Mr. Quezada asked if those financial statements are public records. Senator Griffin replied in the negative.

Vice-Chairman Petersen asked if there is any penalty for denying access. Senator Griffin replied that she does not know of a penalty. Chairman Ugenti stated that the bill is silent on any penalty.

Vice-Chairman Petersen announced the names of those who signed up in support of SB1292 but did not speak:

Todd Madeksza, Director of Legislative Affairs, County Supervisors Association

**Vice-Chairman Petersen moved that SB1292 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 6).**

**SB1302 - planned communities; design review process - DO PASS**

Michelle Hindman, Deputy Director, Majority Research, explained that SB1302 clarifies statutory guidelines for new construction in a planned community that has architectural design guidelines or other similar rules (Attachment 7).

Spencer Kamps, Deputy Director, Home Builders Association of Central Arizona, explained his support for SB1302 which is an important clarification for the construction industry and will ensure that provisions dealing with new construction deposits, submitted by owners to a homeowners' association, do not bleed into the new home construction that his association engages in.

Discussion ensued on how homeowners' association covenants, conditions and restrictions (CC&R) documents interact with this legislation.

Vice-Chairman Petersen announced the names of those who signed up in support of SB1302 but did not speak:

Mary Arnold, representing self

Jeff Sandquist, Robson Communities

Jason Barraza, Robson Communities

Vice-Chairman Petersen announced the names of those who signed up as neutral on SB1302 but did not speak:

Leonard Clark, representing self

**Vice-Chairman Petersen moved that SB1302 do pass. The motion carried by a roll call vote of 9-0-0-0 (Attachment 8).**

Without objection, the meeting adjourned at 4:50 p.m.

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Jane Dooley, Committee Secretary  
April 5, 2013

(Original minutes, attachments and audio on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)