

ARIZONA STATE SENATE

43 RD LEGISLATURE FIRST REGULAR SESSION

MINUTES OF COMMITTEE ON GOVERNMENT

DATE: Mon., March 24, 1997 **TIME:** 1:00 pm **ROOM:** SHR 3

CHAIRMAN: Senator Gnant

VICE CHAIRMAN: Senator Grace

ANALYST: Victoria Clark

COMMITTEE SECY: Monica McIver

INTERN: Brandon Sullivan

ATTENDANCE	Pr	Ab	Ex	BILL NUMBER	BILLS
Committee Members					Disposition
Senator Day	X			H.B. 2327	DP
Senator Freestone	X			H.B. 2401	DPA
Senator Grace	X			H.B. 2496	SUBCOMMITTEE
Senator Henderson	X			H.B. 2521	SUBCOMMITTEE
Senator Richardson, E.	X			H.B. 2331	DPA
Senator Soltero	X			H.B. 2508	DPA
Senator Gnant, Ch.	X				

SPECIAL PRESENTATIONS

GOVERNOR'S APPOINTMENTS

Name	Position	Recommendation
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Chairman Randall Gnant called the Government Reform Committee Meeting to order at 1:00 p.m. and attendance was noted. See attached sheet for other attendees.

Senator Gnant announced H.B. 2496 and H.B. 2521 were referred to the Subcommittee on Counties and Municipalities.

CONSIDERATION OF BILLS

H.B. 2327 - municipal improvement districts - DO PASS

Brandon Sullivan, Committee Intern, explained H.B. 2327 authorizes municipalities to build both above-ground and below-ground parking structures when developing or redesigning off-street parking areas.

Senator Gnant announced in support of the bill is **Rodney E. Keeling, Executive Director, Downtown Tempe Community, Inc.**

**Senator Day moved H.B. 2327 receive a DO PASS recommendation.
The motion CARRIED by roll call vote of 5-0-2. (Attachment #1)**

H.B. 2401 - fire codes; applicability - DO PASS AMENDED

Victoria Clark, Committee Analyst, explained H.B. 2401 applies local fire codes to the construction of all public buildings. It removes the requirement that public buildings be designed and constructed in accordance with the State Fire Code. It requires all public buildings, including State buildings, to be constructed in compliance with local fire codes. The State Fire Code will prevail in areas that have not adopted a fire code. It clarifies language relating to the construction of public buildings in accordance with applicable local building, plumbing, electrical, fire prevention and mechanical code.

Ms. Clark explained the Gnant amendment reinserts language regarding the application of fire and building codes to buildings that are constructed in unincorporated areas. It also continues the current exemption from the construction of State buildings.

In response to Senator Gnant, Ms. Clark indicated the second portion of the amendment originated with the Department of Administration.

Norman Miller, Arizona Fire District Association, testified in support of H.B. 2401. Mr. Miller stated that as new public buildings are constructed in unincorporated areas, it is important that they comply with the fire code that exists. He indicated that current law does not require that they comply with the fire code. The reason H.B. 2401 was brought to the

legislature was because the new high school in Sedona was built without conforming to the fire code. He stated the school has no fittings that match, no integrated fire alarm system, driveways that are too narrow, narrow fire lanes, and firefighting equipment cannot get to the rear of the school to extinguish fire. H.B. 2401 would require that all future public buildings comply with the local fire district fire code.

Senator Soltero asked how it occurred that a school could be approved for construction without complying to some fire code. Mr. Miller responded that they had to comply only with the State fire code which is a minimal code that does not address sophisticated issues such as integration of alarm systems and the size of fire lanes.

Mr. Miller continued, saying that with respect to the amendment, the Fire District Association has no objection to the first six lines of the amendment which reinstate subsection B. He stated the Association does object to the last four lines of the proposed amendment and submitted that the effect of putting these lines in would indicate that State owned buildings would not have to comply with the fire code, which Mr. Miller stated he felt was the very point of the bill.

Senator Freestone asked what the rationale was behind exempting State buildings. Mr. Miller responded that he did not know why State owned buildings were exempt. He stated he could only surmise that the amount of activity in State owned buildings in unincorporated areas was very minimal in the past.

In response to Senator Richardson, Mr. Miller stated that prisons have their own internalized, primary firefighting systems. However, with a major conflagration, fire equipment from the fire district of the prison is asked to be the major firefighting support. In that context, it is necessary that there be a compatibility between the fire district equipment and the firefighting system within the prison.

Kent Bosworth, Assistant Director, Department of Administration (DOA), stated that the reason the amendment was offered was because DOA has conflicts with the Department of Corrections, which ultimately runs the prison system. He maintained that all new prison complexes are reviewed and approved by the Fire Marshall and do go through the individual fire districts to make sure they are compatible.

Senator Gnant announced he would temporarily hold H.B. 2401 while Mr. Bosworth, Mr. Miller and Mr. Spencer Kamps worked out their disagreements. (See page 7)

H.B. 2331 - employees; accumulated sick leave; payment - DO PASS AMENDED

Brandon Sullivan, Committee Intern, explained H.B. 2331 expands State employee accumulated sick leave options. It appropriates \$200,000 from the State General Fund in Fiscal Year 1997-98 for deposit in the retiree accumulated sick leave fund to be repaid, beginning June 1, 1997. It alters the existing payment for accumulated sick leave upon retirement by allowing State employees to receive either a direct cash payment or an equal deposit, relative to the employee's salary, in the Retiree Accumulated Sick Leave Fund as prescribed. Mr. Brandon further explained in establishes the Retiree Accumulated Sick Leave Fund to be used for payment of accumulated sick leave and for any associated employee related expenditures. It stipulates the Department Of Administration shall pay a retired state employee's premiums until all of the monies deposited in the employee's individual account are spent.

Senator Gnant asked for an explanation as to why someone would favor such a bill.

Ed Wren, Legislative Counsel, Arizona Highway Patrol Association, testified in support of H.B. 2331. Responding to Senator Gnant, Mr. Wren stated H.B. 2331 is important because most other agencies of the government have programs whereby they pay various amounts for sick leave. Mr. Wren indicated that the current practice of awarding a retiring employee \$750 for their entire accumulated sick leave results in employees missing work in order to receive the full benefit of their total accumulated sick leave hours. He stated that paying retiring employees a reasonable amount for their total unused sick leave hours would result in a more productive employee.

Senator Freestone remarked that if an employee is not sick then they have no sick leave coming. He stated that sick leave is specifically meant for sickness and not an option like vacation time or overtime.

Senator Day moved H.B. 2331 receive a DO PASS recommendation.

Senator Day moved the 3-line Gnant amendment dated 3/19/97 at 3:20 p.m. be adopted. The motion CARRIED by voice vote.

Senator Day moved H.B. 2331, AS AMENDED, receive a DO PASS recommendation. The motion CARRIED by a vote of 5-1-1. (Attachment #2)

Senator Soltero announced his support of the bill.

H.B. 2508 - county improvement districts - DO PASS AMENDED

Victoria Clark, Committee Analyst, explained H.B. 2508 makes several changes to statutes governing county improvement districts, including authorization to include noncontiguous land within the district, mail public notices rather than publish them in newspapers and issue refunding bonds. It allows districts to include State trust lands. H.B. 2508 authorizes a County Board of Supervisors to summarily order the formation of a district, without holding a hearing, if the petition to form the district is signed by all of the owners the property in the proposed district. Ms. Clark explained it requires proof of mailing of notices to be made by affidavit by the person required to make the mailing. With regard to district financing, Ms. Clark explained H.B. 2508 states that assessment liens are first liens, subject only to the lien for general taxes and prior special assessments. With regard to Domestic Water Improvement Districts, H.B. 2508 allows domestic water improvement districts to be formed and expand whether or not the land proposed to be included is contiguous and stipulates that a domestic water improvement district may be formed to construct a domestic water delivery system. Ms. Clark explained the Gnant 1-line amendment was requested by the County Board of Supervisors and removes an increase in the total amount of taxes a district may levy on all property in the district to purchase lots. The Gnant 7-line amendment corrects a potential dual enactment error with H.B. 2021 which passed the Senate Government Committee on 3/17/97. Language identical to that is found in H.B. 2021. Ms. Clark stated the amendment allows, rather than requires, the County Board of Supervisors to review all financial transactions of the board of directors of a domestic water improvement district. It retains the authority of the County Board of Supervisors to veto any financial transaction of the board of directors.

Senator Henderson asked who brought the legislation forward. Ms. Clark responded it was brought forth by the County Supervisors Association.

Senator Gnant announced those supporting H.B. 2508 are: **Charles Strouss, Attorney, representing the Arizona Newspapers Association; Pete Shumway, Lobbyist, representing counties; Sally Bender, Assistant Director, County Supervisors Association; David R. Furrey, Superintendent, Flowing Wells Irrigation District; Fred H. Rosenfeld; and Chuck Blanchard, Metropolitan Water District.**

Keith Meyer, Legislative Liaison, Arizona State Land Department, testified in opposition to H.B. 2508. Mr. Meyer, referencing page 1 of the bill, stated that H.B. 2508 would preclude the commissioner from having input into the process. Senator Gnant asked Mr. Meyer if the language was removed from page 1, line 15 and page 2, lines 1 and 2, would he then be in support of the bill. Mr. Meyer responded affirmatively.

Sally Bender, Assistant Director, County Supervisors Association, testified in support of H.B. 2508. Ms. Bender apologized for not having worked previously on the bill with the State Land Department to come to a resolution. Ms. Bender stated that by allowing the noncontiguous property to be included in a district, it would be a move toward efficiency and cost savings. She stated it is much more cost effective to administer several districts through a centrally located administration rather than several separate districts. The reason for requiring the approval of a city or town for the domestic water improvement district was by request of the League of Cities and Towns. Ms. Bender emphasized that one of the most important parts of the bill is that it changes the notice requirements from newspaper notice to mail notice and clarifies that maintenance may be done in county improvement districts. She stated most county attorneys have interpreted these statutes as not allowing maintenance of roads.

Senator Richardson asked if provisions were in order for returned or undeliverable mail notices. Ms. Bender responded there currently are no such provisions. Senator Richardson suggested adding a provision to remedy the problem. Ms. Bender stated she made note of it and would pursue it.

Charles Strouss, Arizona Newspaper Association, testified in support of H.B. 2508. Mr. Strouss stated he had concerns relating to eliminating all of the publication requirements in the bill. He stated he was amenable to working with Mr. Meyer and Ms. Bender to resolve his concerns.

Senator Gnant announced he would temporarily hold H.B. 2508 while the parties work toward agreement. (See page 8)

H.B. 2354 - workers' memorial; completion date - DO PASS

Victoria Clark, Committee Analyst, explained H.B. 2354 extends the completion and dedication date of the Workers' Memorial up to 18 months from the end of the 1997 Legislative Session.

Charles Huggins, Secretary-Treasurer, Arizona State AFL/CIO, gave a brief history of the bill. Mr. Huggins outlined his fund raising efforts and explained the need to extend the time limit. He noted the design of the memorial was approved by the Mall Commission in March of this year.

In response to Senator Soltero, Mr. Huggins explained the design of the memorial represents the passage of a child or children from one parent to another upon the death of one of the parents.

**Senator Day moved H.B. 2354 receive a DO PASS recommendation.
The motion CARRIED by a vote of 6-0-1. (Attachment #3)**

H.B. 204 - continued (See page 2)

Senator Gnant recalled H.B. 2401 which was temporarily held while parties worked toward agreement.

Victoria Clark, Committee Analyst, explained the proposed changes to the 10-line Gnant amendment as indicated in the following motions.

Senator Day moved H.B. 2401 receive a DO PASS recommendation.

Senator Day moved the Gnant 10-line amendment dated 3/21/97 at 2:10 p.m.

Senator Day moved to strike lines 7-10 of the Gnant amendment. The motion CARRIED by voice vote.

Senator Day moved the following verbal amendment as read by staff:

Insert "Page 2, Line 4, after the period strike the remainder of the line, and insert 'NOTWITHSTANDING ANY OTHER PROVISION OF LAW, DEPARTMENT OF CORRECTIONS FACILITIES ARE EXEMPT FROM THE APPLICATION OF THE LOCAL FIRE CODE IN THE ABSENCE OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE DEPARTMENT OF CORRECTIONS AND THE GOVERNMENTAL ENTITY RESPONSIBLE FOR ENFORCING ANY LOCAL FIRE CODE.' Strike lines 5 and 6."

The motion CARRIED by voice vote.

**Senator Day moved the Gnant amendment AS AMENDED be adopted.
The motion CARRIED by voice vote.**

Senator Day moved H.B. 2401, AS AMENDED, receive a DO PASS recommendation. The motion CARRIED by a roll call vote of 6-0-1. (Attachment #4)

Senator Gnant RECESSED the Government Committee at 1:52 p.m. allowing parties to work toward agreement on H.B. 2508.

Senator Gnant RECONVENED the Government Committee at 2:00 p.m.

H.B. 2508 - continued (See page 5)

Sally Bender, Assistant Director, County Supervisors Association, stated the meeting of parties resulted in the following changes for verbal amendments. Ms. Bender stated parties did not come to a resolution on the notice provision but were willing to work with Senator Richardson for a floor amendment.

Senator Day moved H.B. 2508 receive a DO PASS recommendation.

Senator Grace moved the Gnant 1-line amendment dated 3/19/97 at 10:41 a.m. be adopted. The motion CARRIED by voice vote.

Senator Grace moved the Gnant 7-line amendment dated 3/21/97 at 2:34 p.m. be adopted. The motion CARRIED by voice vote.

Senator Grace moved the following amendment as stated by Senator Gnant be adopted:

Insert “Page 1, Line 15, following ‘district’ insert ‘WITH WRITTEN CONSENT OF THE STATE LAND COMMISSIONER’ ”.

The motion CARRIED by voice vote.

Senator Grace moved the following amendment as stated by Senator Gnant be adopted:

Insert “Page 20, after line 19, insert ‘F. IF ANY STATE LANDS ARE INCLUDED IN THE DISTRICT, ALL NOTICES SHALL BE MAILED TO THE STATE LAND COMMISSIONER’ ”

The motion CARRIED by voice vote.

Senator Grace moved the following amendment as stated by Senator Gnant be adopted:

Insert "Page 7, lines 2 and 3, strike 'IN LIEU OF THE POSTING AND PUBLISHING PRESCRIBED BY THIS SUBSECTION,'. Page 7, line 3, after 'MAY' insert, 'ALSO'"

The motion CARRIED by voice vote.

Senator Grace moved H.B. 2508, AS AMENDED, receive a DO PASS recommendation. The motion CARRIED by roll call vote of 7-0-0. (Attachment #5)

APPROVAL OF MINUTES

Senator Gnant moved without objection the approval of minutes from March 10, 1997 and March 17, 1997.

Senator Gnant expressed his sincere thanks the Government Committee members and staff for their timeliness, courtesy and willingness to participate in the deliberations of the Committee.

Senator Soltero thanks Senator Gnant for his bill-explanation memos produced throughout session saying they were both beneficial and informational.

There being no further business, the Committee on Government was adjourned at 2:12 p.m.

Respectfully submitted,

Monica McIver
Committee Secretary

(Tapes and attachments on file with the office of the Secretary of the Senate)