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# **CSA POLICY GUIDELINES**

Arizona's County Supervisors provide regional leadership over critical policy areas, including policies necessary to ensure safe communities, protect public health, promote economic development, and plan and manage land use for sustainable development. Supervisors also provide important oversight of county operations, including overseeing strategies to promote sound fiscal management and develop a high-quality county government workforce.

The County Supervisors Association (CSA) serves as a non-partisan forum for county officials to address important issues facing local constituents, share information, and develop a proactive state and federal policy agenda.

CSA membership includes the 61 elected Supervisors from Arizona's 15 counties. The Association's efforts are strengthened by the participation of county professional staff, who provide the technical expertise necessary to inform policy decisions.

All Supervisors serve on the CSA Board of Directors and provide input into organizational strategy and the evaluation of operational performance. The Board annually elects six members to serve in CSA leadership positions. Each county appoints a representative to the Legislative Policy Committee (LPC), and the LPC meets as often as necessary to evaluate legislative measures and make policy recommendations to the full Board.

The LPC and CSA follow several policy guidelines:

- Empower county Boards of Supervisors with sufficient authority to deal effectively with evolving and expanding local public needs and conditions.
- Establish appropriate means to compensate counties for the cost of complying with state laws.
- Provide sufficient fiscal capacity for counties to cope with cost increases, population growth, and escalating service demands.
- Enable the counties to provide public services in a more responsive, efficient, and cost-effective manner.
- Define appropriate fiscal and administrative responsibilities within various state/county and municipal/county partnership programs.

Though most business matters of the Association require a simple majority vote to authorize action, legislative matters require a supermajority vote.

# **LEGISLATIVE TEAM**



# 2025 CSA PROFESSIONAL STAFF

Executive Director

Director of Finance & County Services

Legislative Director

Legislative Liaison

Director of Strategic Initiatives
Director of Research & Analytics

Research and Budget Analyst

**Executive Assistant & Special Projects** 

Public Policy Intern

**Craig Sullivan** 

**Penny Adams** 

**Jacob Emnett** 

**Kaytlin King** 

**Brandon Nee** 

Vanessa Fielder

Zoe Averill

**Yvonne Ortega** 

**Tracy Alt** 

# **LEGISLATIVE SUMMARY**

# **2025 SESSION NARRATIVE**

Economic uncertainty hits revenue projections, and competing priorities result in a delayed FY 2026 budget.

After addressing the significant budget shortfall of the previous year, the 2025 legislative session began with a brighter fiscal outlook. Per the <u>January 2026 JLBC Baseline projections</u>, the state began the legislative session with \$612 million in available funds. However, the budget conversation began to shift as the session progressed, departments and services required supplemental appropriations, and new information about federal priorities was made available. One significant shift came from the Arizona Department of Economic Security (DES), which needed a supplemental appropriation for the Division of Developmental Disabilities' (DDD) Parents as Paid Caregivers (PPCG) Program. In their <u>FY 2026 Budget Request</u>, DES noted that recent increases in the membership utilization for the PPCG Program would necessitate a large supplemental appropriation. After deliberating several potential appropriation bills, an appropriation of \$109 million was secured in late April through the passage of Laws 2025, Ch. 93.

By the Financial Advisory Committee (FAC) in April 2025, the revenue growth projections fell by more than half, with new FAC projections showing \$277 million in available funds. Following this update, the House of Representatives released a \$17.3 billion budget package mid-June without consulting the Senate or the Governor. Leadership in the House described the budget package as the more fiscally conservative package, and passed the proposal along party-lines. The following week, the Senate released its own \$17.6 billion budget package, which was negotiated between the Senate and the Governor. The Senate finished its deliberations with a temporary motion to adjourn Sine Die without the permission of the House. However, both the House and the Senate returned in the final week of June to pass amendments that would appear in the final budget package. Finally, on June 27, the chambers reached a consensus and passed the Senate budget package with amendments, narrowly avoiding a government shutdown.

#### Tension between the Executive and Legislative branches continue amidst divided government.

As Democratic Governor Hobbs settled into her 3<sup>rd</sup> legislative session with a Republican majority Legislature, the push and pull of divided government continued. After the 2024 court decision that prohibited the Governor from circumventing the Senate process to approve directors for state departments, boards, and committees, the Senate Committee on Director Nominations returned to consider the Governor's director nominees. This committee continued to be a contentious environment, with Governor Hobbs releasing a statement expressing frustration over the treatment of the nominees during their committee hearings. While not every director nominee received approval, 12 of the nominees were approved by the Senate and will now be heading various state agencies (including the Department of Homeland Security, the Department of Economic Security, the Department of Veterans Services, etc.).

The disagreements between the branches were not exclusive to the Director Nominations Committee. The Legislature and the Governor continued to have policy disagreements that impacted the passage of bills. The Governor set a new veto record this session, increasing her prior veto record from 143 bills to 174. The points of contention between the legislative majority and the Governor's office were wide-ranging, encompassing immigration, elections, water, and education policy.

Proposition 123 – the ballot referral increasing the land trust distribution to fund K-12 schools – will require an extension via ballot referral by 2026. However – despite the legislative majority and minority spending a significant portion of the legislative session discussing the proposal renewal – no final decision was made by the end of the session. The funding was guaranteed for the upcoming fiscal year in the state's budget, but at the cost of several hundred million dollars in General Fund capacity. While action is eventually expected, the legislative majority have discussed attaching protections for Empowerment Scholarship Accounts, and deregulation of charter schools, to the ballot measure.

Like the previous session, the Legislature introduced ballot referrals to dodge the Governor's veto pen. In the first session, however, the legislature only passed three ballot referrals – spanning food taxes, vehicle milage taxes, and designating cartels as terrorist organizations – which will advance to the ballot in November 2026.

#### Policymakers move forward with some legislation, but agreement still difficult to reach.

Despite the divided nature of the government, the majority and minority parties were able to come to agreement on some key issue areas this session. However, they still experienced difficulties in other policy areas.

- Much like last year, there was bipartisan support for the regulation of sober living homes. The legislature passed <u>SB 1308</u>: sober living homes (Carroll), which adds a number of new regulations for sober living homes. However, <u>SB 1566</u>: sober living; residential care; penalties (Hatathlie) which would have established steeper penalties for violating sober living home regulations did not receive a hearing in the Senate.
- This year, there was also increased bipartisan support for behavioral health facilities. The
  legislature passed <u>SB 1604</u>: licensed secure health facility; defendants (Angius), which separates
  the patient populations who can be treated in a Secure Behavioral Health Residential Facility
  (SBHRF). There was also an appropriation in the FY 2026 budget of \$5 million for SBHRF capital
  costs (<u>SB 1735</u>: 2025-2026; general appropriations act (Kavanagh)).
- While there are still significant differences of opinion between the two caucuses on how to handle Arizona's growing water issues, the Legislature was successful in passing <u>SB 1611</u>: groundwater savings credit; ADWR (Shope), the much-discussed "ag-to-urban bill," which creates a framework whereby land historically irrigated with groundwater may apply to have an "irrigation grandfathered right" permanently relinquished in exchange for "groundwater savings credits." Separate efforts to establish a framework for the regulation of groundwater in rural areas were advanced in both caucuses (<u>SB 1520</u>: rural groundwater (Dunn), and <u>SB 1425</u>: rural groundwater management areas; establishment (Sundareshan)) but were ultimately unsuccessful for a subsequent year.
- Finally, members of the Legislative Majority introduced a number of measures that would have undone several key aspects of reforms made to the public safety pension systems. These included, but were not limited to: (a) legislation that would cap the contributions of members at Public Safety Personnel Retirement System at 9.5%, removing the 50-50 cost-share for contributions and shifting any contribution required in excess of that amount onto employers (SB 1365: PSPRS; member contributions (Kavanagh)), (b) permitting new judicial officers, clerks, or elected officials to elect to participate in the Arizona State Retirement System instead of their existing defined contribution plan (SB 1712: retirement; judges; elected officials (Gowan)), and (c) re-open Tier 3 of the Corrections Officer Retirement Plan (CORP) or mandate a large increase in employer contributions (SB 1148: CORP; defined contribution; membership election (Payne)). While these larger proposals were unsuccessful, proponents of increased benefits were successful in implementing a small change in the state budget.

# 2025 CSA FINANCIAL AGENDA

Repeal Arizona Department of Juvenile Corrections (ADJC) Cost Shift: Urge state lawmakers to repeal local cost sharing fee requiring Maricopa County taxpayers to pay \$6.7 million to fund the state's obligation to ADJC.

 Budget includes a repeal of the Department of Juvenile Corrections Local Cost Sharing Fund, starting in FY 2028-2029. The cost share was originally established during the State's 2015 budget shortfall, with all counties initially contributing to the fund based on population. In recent years, the burden shifted entirely to Maricopa County, which pays \$6.7M annually; \$6.7M savings from FY 2029 forward. (<u>Laws 2025, Ch. 237</u>)

**Fund State Probation Officer Salaries:** Urge state lawmakers to provide appropriate funding for salary adjustments previously extended to state funded probation officers.

 While the state budget did not include ongoing funding for prior salary adjustments. The Governor's Office provided \$10.1 million in one-time funding to the Administrative Office of the Courts using federal resources for FY 2026. (<u>Laws 2025, Ch. 233</u>)

Ensure the State Funds its Statutory Share of Justice of the Peace (JP) Salaries: Urge state lawmakers to ensure that justice of the peace salary increases are funded in the upcoming fiscal year.

 Provides \$310,000 in one-time supplemental funding in FY 2025 to address a shortfall in the state's share of JP salary reimbursements to counties. Increases the FY 2026 appropriation to \$2.8M to cover the full state share of the cost of prior judicial salary increase. (<u>Laws 2025, Ch. 233</u>)

**Protect Taxpayer Investments in Public Safety Pensions:** Urge state lawmakers to critically analyze any proposed changes to the systems to ensure the changes effectively address a clear policy problem and maintain the plans' sustainability into the future.

 Permanently increases the employer contribution rate from 5 percent to 5.5 percent for state corrections, county detention officers and court probation officers enrolled in the defined contribution plan beginning in FY 2027. Includes legislative intent language that indicates a \$1M ongoing appropriation, including a local cost offset, beginning in FY 2027. (Laws 2025, Ch. 237)

**Reauthorize Flexibility Language:** Allow counties with under 250,000 persons to use up to \$1.25 million of restricted county funds to meet any county fiscal obligation.

 The state budget reauthorizes flexibility language and continues to include reporting requirements. (<u>Laws 2025, Ch. 243</u>)

#### 2025 CSA LEGISLATIVE AGENDA

SB 1035: postconviction relief proceedings; hourly rate (Kavanagh) (Laws 2025, Ch. 58)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 13-4041) sets the maximum hourly compensation for contract counsel in capital postconviction relief proceedings at \$100 per hour. **SB 1035** raises the statutory maximum, allowing a board of supervisors to compensate contract counsel at a rate of up to \$200 an hour.

SB 1217: counties; publication requirements; electronic newspaper (Angius)

**Effective Date: Held Before Committee** 

**Summary:** If passed, would have allowed counties to post public notices in the newspaper's ePublication if their physical publication schedule could not meet statutory posting requirements.

SB 1604: now: licensed secure health facility; defendants (Angius) (Laws 2025, Ch. 113)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 36-425.06) requires that the Department of Health Services license Secure Behavioral Health Residential Facilities (SBHRFs), provides direction for SBHRF staffing and capacity, and specifies that "a secure behavioral health residential facility may provide services only to persons placed in or committed to the facility pursuant to a court order issued pursuant to section 36-550.09 or 13-4521." **SB 1604** specifies that "patients who are committed pursuant to section 36-550.09 may not be treated in a secure behavioral health residential facility that treats patients who are committed pursuant to section 13-4521."

HB 2104: emissions; voluntary vehicle repair; timeline (Griffin) (Laws 2025, Ch. 122)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Extends key statutory provisions of the *Waste Tire Fee Fund* by pushing the repeal date from December 31, 2025, to December 31, 2028. Statute establishing the program (A.R.S § 49-558.02), and in other sections of statute where the program is referenced, renames the *Vehicle Repair and Retrofit Program* to the *Voluntary Vehicle Program*. Relatedly, removes any reference to retrofitting from establishing statute. Requires that a vehicle owner, on acceptance into the *Program*, repair their vehicle within 60 days. Removes reference to "cooperation with the county" from a section of statute permitting an *Emissions Control Repair Program* and mention of a "random roadside vehicle test conducted by the state." Ties the term "owner" to a definition in A.R.S. § 28-101. Makes changes to the vehicle emissions testing program protocols (A.R.S. § 49-542) contingent on approval of modifications by the Environmental Protection Agency.

HB 2145: registered sanitarians; qualifications (Bliss) (Laws 2025, Ch. 43)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (§ 36-136.01) specifies that eligibility for registration as a "Registered Sanitarian" is contingent on the applicant: (a) possessing five years relevant "environmental health" experience as a "Sanitarian Aide" at a "recognized public health agency," or a related position in "private industry" or the military, or (b) having successfully completed "thirty semester hours of credit at an accredited college or university in the natural sciences." HB 2145 reduces the previous experience necessary to sit for the exam in any sector from five years to three years. Further, the bill amends the threshold to sit for the exam without relevant work experience, noting that an individual must have 22 credits in natural sciences and eight credits in subjects relevant to the role of a sanitarian as approved by the Sanitarians Council.

#### **CSA BOARD ADOPTED RESOLUTIONS**

**Resolution 1-24:** A resolution urging federal and state leaders to take action to ensure that historic federal resources are deployed to connect all Arizonans to reliable Broadband. (*Text*)

**Resolution 2-24:** A resolution calling on the state and Administrative Office of the Courts to work collaboratively to provide sufficient state funding for probation and the courts, improve the efficient deployment of taxpayer resources, and to identify a long-term funding solution for the court system. (*Text*)

**Resolution 3-24:** A resolution urging the Arizona Public Safety Personnel Retirement System (PSPRS) Board of Trustees to protect historic investments in public safety pensions and requesting that state lawmakers exercise restraint in enacting policies that increase costs or modify contributions to the system. (*Text*)

**Resolution 4-24:** A resolution affirming the Association's dedication to providing quality analysis and feedback to inform state policy deliberations affecting limited local tax dollars and constituent services, and respectfully requesting a collaborative partnership between state and county governments for the benefit of our shared constituents. (*Text*)

**Resolution 5-24:** A resolution urging state lawmakers to enact long-term funding solutions to support state and local transportation infrastructure. (*Text*)

**Resolution 6-24:** A resolution urging the Governor, the Legislature, and the Arizona Department of Insurance and Financial Institutions to research homeowner's insurance reform and support programs – and potential legislation – ensuring the availability of affordable coverage. (*Text*)

**Resolution 7-24:** A resolution supporting the development of affordable housing through the extension of the State Affordable Housing Tax Credit and continued use of the State's Housing Trust Fund. (*Text*)

**County Waste Tire Operations:** Report and Recommendations (*Text*)

**Childcare Assistance:** Support Letter (*Text*)

# **FY 2025 STATE BUDGET**

HB 2945: developmental disabilities; appropriations; waivers (*Livingston*) (*Laws* 2025, *Ch.* 93) Effective Date: April 24, 2025, due to an emergency clause.

Summary: In FY 2025, appropriates (a) \$109.2M from the Prescription Drug Rebate Fund (PDRF) to the Department of Economic Security (DES) "for developmental disabilities Medicaid program expenses," (b) \$13.1M from the PDRF to DES for a client services-focused "developmental disabilities cost effectiveness study," and (c) \$355,000 from the PDRF to the Auditor General for "the special audit of the Parents as Paid Caregivers program." Requires the Arizona Health Care Cost Containment System (AHCCCS) to develop, by October 1, 2025, a "strengthened assessment tool to determine the need for extraordinary care for minor children" that separates "tasks that would ordinarily be performed by a parent of a minor child who does not have a disability." Requires DES to implement a system that delineates whether a parent or "a nonparent provider" is providing the direct care services, as well as whether the services provided are "attendant care" or "habilitation." With respect to a parent's providing services to a minor child, prohibits: (a) billing for "attendant care services" while the minor child is not present, (b) billing for services "for housekeeping, laundry, or meal preparation that would ordinarily be performed by a parent of a minor child who does not have a disability," (c) billing for attendant care or habilitation services from 10:00 P.M. to 6:00 A.M., (d) being employed by multiple agencies to provide these services, (e) billing for more than 40 hours per week, and (f) participating in the program without being a resident of the state for at least six months. Requires AHCCCS and DES to report outlined metrics to the Joint Legislative Budget Committee on an annual basis. Establishes a process whereby future "amendment proposal[s] for a demonstration waiver" by AHCCCS must receive legislative approval prior to submission if the proposal: (a) expands eligibility for Title XIX or Title XXI coverage to populations "not authorized by Chapter 29 of this title as of January 1, 2025," (b) adds new categories of "covered services or benefits" that are "not authorized by Chapter 29 of this title as of January 1, 2025," or (c) will "lead to an annual increase in utilization greater than ten percent for specific services affected by the proposed amendment ... above what the utilization would have been without." If AHCCCS determines that amendment proposals do not fall into the aforementioned criteria, and submits the proposals without legislative approval, it requires monitoring for the three years after the changes to determine "whether the changes led to an annual increase in utilization greater than ten percent." If the monitoring finds that such costs are increased by more than 10 percent, requires AHCCCS to submit a request to terminate the changes if - "within one year after the Administration's notification" - the legislature has not authorized a statute authorizing the change. Requires a number of new reports from the Governor's Office of Strategic Planning and Budgeting centered around timely notification to the legislature of federal monies set to expire, and empowers the Auditor General to "conduct or contract for a special audit of the parents as paid caregivers program in the Department of Economic Security."

# **FY 2026 STATE BUDGET**

SB 1735: 2025-2026; general appropriations act (Kavanagh) (<u>Laws 2025, Ch. 233</u>)

Effective Date: June 27, 2025, as the general appropriations bill is immediately effective. County Touchpoints:

- Law Enforcement Records Management: Appropriates \$3.2M to the Department of Administration (ADOA) to expand participation in the law enforcement records management pilot program. Of that amount, Pima County sheriff's office receives \$171,800, Coconino County sheriff's office receives \$47,800, and Pinal County sheriff's office receives \$500,000 (Sec. 7).
- Agriculture and Water Innovation Fund Deposit: Appropriates \$2M to the Department of Agriculture in FY 2026 for deposit into the Agriculture and Water Innovation Fund (Sec. 10).
- Secure Behavioral Health Facilities: Appropriates \$5M in other funds in FY 2026 for Secure Behavioral Health Residential Facilities (SBHRF) capital costs. Specifies that the Arizona Health Care Cost Containment System (AHCCCS), in consultation with ADOA, shall issue a request for proposals for the SBHRF by May 1, 2026. Requires AHCCCS and the Department of Health Services (DHS) to coordinate to produce an implementation plan that contains recommendations regarding SBHRF for Title 36 and Title 13 populations. The plan is required to include various items, including coordinating with the Administrative Office of the Courts (AOC) and other stakeholders to update relevant court-ordered treatment forms and orders and evaluating if providing services through SBHRF would violate various laws and settlements, including Arnold v. Sarn (Sec. 11).
- Critical Access Hospitals: Appropriates \$28.5M for critical access hospitals (Sec. 11).
- Coordinated Re-entry: Includes \$10M in opioid settlement funds to the Attorney General in FY 2026 to be distributed to counties for existing county coordinated re-entry programs. Coconino, Mohave, Navajo, Pinal, and Yavapai counties receive \$2M each (Sec. 13).
- Child Care Subsidy: Appropriates \$61.7M in FY 2026 to the Department of Child Safety (DCS) for the child care subsidy, this amount is unchanged from the Joint Legislative Budget Committee (JLBC) Baseline (Sec. 17).
- Arizona Competes Fund Deposit: Includes \$500,000 appropriation to the Arizona Commerce Authority (ACA) for deposit into the Arizona Competes Fund (Sec. 19).
- Rural Development Council: Appropriates \$1.2M in FY 2026 to the ACA for the State Rural Development Council (Sec. 19).
- Rural County Reimbursement: Appropriates \$1.08M for rural county reimbursement subsidies for counties without an established community college district. Apache County receives \$699,300 and Greenlee County receives \$383,600. JLBC also scores a \$494,900 adjustment to this statutory out of county tuition state payment (Sec. 20).
- State Aid to County Attorneys: Includes \$973,700 appropriation to the Arizona Criminal Justice Commission (ACJC) for state aid to county attorneys, amount unchanged (Sec. 24).
- State Aid to Indigent Defense: Includes \$700,000 appropriation to ACJC for state aid to indigent defense, amount unchanged (Sec. 24).
- State Aid to Juvenile Dependency: Includes \$2,000,000 appropriation to ACJC for state aid for juvenile dependency proceedings, amount unchanged (Sec. 24).
- **Dual Enrollment Student Development Program:** Appropriates \$1.5M to Office of Economic Opportunity (OEO) for a dual enrollment student development program at community colleges with a priority to serve students who qualify for free and reduced lunch (Sec. 28).

- Adult Workforce Diploma Program: Appropriates \$2M to the Office of OEO for the Adult Workforce Diploma Program fund deposit (Sec. 28).
- Adult Protective Service Funding: Includes \$3.7M in Federal American Rescue Plan Act (ARPA) funds to the Department of Economic Security (DES) in FY 2026 for the Adult Protective Services program (Sec. 29).
- Coordinated Homelessness Services: Appropriates \$19M to DES for coordinated homelessness services, with at least \$4M dedicated for eviction services, \$4M dedicated for shelter operations, and \$1M dedicated for referral services (Sec. 29).
- **Veteran Homelessness:** Appropriates \$500,000 for a veteran homelessness strategic plan and \$1.5M for veteran homelessness services to DES in FY 2026, of which \$750,000 is allocated to provide services to veterans who have substance abuse use disorders or mental health conditions, and \$750,000 is dedicated to providing immediate assistance to homeless veterans through shelter connection and employment assistance (*Sec. 29*).
- Child Care Assistance: Appropriates \$7.1M to DES in FY 2026 for the Child Care Assistance Program. Appropriates an additional \$37.8M in FY 2026 to reduce the childcare waitlist by 50 percent (Sec. 29).
- **Child Support Enforcement:** Appropriates \$8.54M for county participation of child support enforcement in DES (*Sec. 29*).
- Rural Arizona School Nurse Access Program: Appropriates \$2.5M to the Superintendent of Public Instruction for the Rural Arizona school nurse program (Sec. 31).
- **DEMA Emergency Division Additional FTE:** Appropriates \$500,000 to the Department of Emergency and Military Affairs (DEMA) for five additional FTE for additional grant support for the emergency division (*Sec. 32*).
- Local Law Enforcement Fentanyl Interdiction: Appropriates \$3M from the Border Security Fund in FY 2026 to DEMA to assist local law enforcement in fentanyl interdiction efforts (Sec. 32).
- Cochise County Jail Funding Extension: Exempts the \$20M appropriation authorized by Laws 2022, Ch. 313, Sec. 110, for Cochise County to construct a new jail facility from lapsing until June 30, 2029 (Sec. 32).
- Water Quality Fee Fund Deposit: Deposits \$9M from the Water Infrastructure Finance Authority's (WIFA's) Long-term water augmentation fund into the Arizona Department of Environmental Quality's (DEQ) Water Quality Fee Fund (Sec. 33).
- Wildfire Suppression: Includes \$30M supplemental appropriation from WIFA's Long-term water augmentation fund to the Department of Forestry and Fire Management (DFFM) for FY 2025 Wildfire Suppression, \$200,000 for wildfire suppression in FY 2026, and \$27.1M for Wildfire Mitigation (Sec. 38, 105).
- Flagstaff Wildfire Training Facility: Appropriates \$4M from WIFA's Long-term water augmentation fund in FY 2026 to DFFM for a Northern Arizona Wildfire Training Facility (Sec. 38).
- **Environmental County Grants:** Appropriates \$250,000 to the State Forester for county environmental projects (*Sec. 38*).
- County Fairs Livestock and Agriculture Promotion: Appropriates \$6M to the Department of Gaming for deposit into the County Fairs Livestock and Agriculture Promotion Fund (Sec. 40).
- Arizona State Hospital (ASH) SVP Line-item Increase: Includes \$1.5M appropriation to the Department of Health Services (DHS) for an increase in Arizona State Hospital's Sexually Violent Persons Line Item in FY 2026 (Sec. 43).

- Arizona State Hospital (ASH): Includes \$3.3M in other funds for an FY 2025 operating supplemental and \$1.8M in FY 2026 to DHS for ASH (Sec. 43).
- **ASH Restoration to Competency:** Appropriates \$900,000 to DHS for ASH's Restoration to Competency program (*Sec. 43*).
- **County Tuberculosis:** Appropriates \$590,700 to DHS for the County Tuberculosis Provider Care and Control Program (*Sec. 43*).
- Cybersecurity Grants: Appropriates \$10M in FY 2026 to the Department of Homeland Security (DOHS) for statewide cybersecurity grants, of which DOHS may spend up to \$500,000 for grant administration (Sec. 46).
- **Vehicle Theft Local Grants:** Appropriates \$1.4M to the Department of Insurance and Financial Institutions (DIFI) to award local grants with consideration given to areas with greater automobile theft problems (*Sec. 50*).
- Supreme Court Child and Family Representation Pilot Program: Appropriates \$600,000 to AOC for the Child and Family Representation Pilot Program (Sec. 51).
- County Judicial Reimbursements: Continues to provide \$187,900 to the Arizona Supreme
  Court to reimburse counties for state grand juries and capital post-conviction relief (PCR).
  The state grand jury reimbursement is limited to \$97,900 and the PCR reimbursement is
  limited to \$90,000 (Sec. 51).
- Mohave County Superior Court Judge: Appropriates \$200,000 ongoing for the state's share of a new superior court judge in Mohave County (Sec. 51).
- **Court Appointed Special Advocate:** Appropriates \$6.8M to the Supreme Court for Court Appointed Special Advocate and Vulnerable Persons (*Sec. 51*).
- Auditor General Funding: Increases the Auditor General's lump sum appropriation to \$32.0M, approximately \$6M above the JLBC Baseline. Requires the office to use \$3.3M for state agency and school district audits (Sec. 54).
- Auditor General Additional FTE: Adds 11 FTE to the Office of the Auditor General (Sec. 54).
- **Groundwater Recharge Facilities:** Appropriates \$250,000 to the State Natural Resource Conservation Board to clean and restore groundwater recharge facilities that provide flood control benefits for an Active Management Area (AMA) (Sec. 60).
- **Broadband Infrastructure Maintenance:** Appropriates \$242,100 to the State Parks Board for broadband infrastructure operations and maintenance (Sec. 69).
- Law Enforcement and Firefighter Pay Raises: Includes \$6.7M in other funds, and \$3.9M in general fund (GF) monies ongoing to fund 5 percent pay raises for the Department of Public Safety (DPS) and 15 percent pay raises for DFFM firefighters (Sec. 38, 77).
- Local Border Support: Includes a one-time increase of \$5M to provide a total of \$18M in GF monies to DPS for Local Border support (Sec. 77).
- **Border Drug Interdiction:** Appropriates \$17.4M to DPS for border drug interdiction efforts (*Sec. 77*).
- **GITTEM:** Provides \$24.7M to DPS for the GITTEM line item. Specifies that \$12.9M shall be used for DPS personnel to enforce federal laws related to illegal aliens and assist county sheriffs and county attorneys in investigating complaints of employment of illegal aliens (*Sec.* 77).
- **DPS Vehicle Replacement:** Appropriates \$8.7M to DPS in FY 2026 for vehicle replacement of 43 highway patrol vehicles and 59 non-patrol vehicles (*Sec. 77*).
- Major Incident Division: Provides \$15.5M to DPS for the major incident division (Sec. 77).
- Yuma County Family Advocacy Center: Appropriates \$750,000 to DPS to backfill lost Victims of Crime Act (VOCA) monies for the Yuma County Family Advocacy Center (Sec. 77).

- Anti-Human Trafficking: Appropriates \$1.6M to DPS into the Anti-human trafficking fund, moves the fund permanently from DEMA to DPS (Sec. 77).
- Arizona Counter Terrorism Information Center: Includes one-time increase of \$1.5M to DPS for the Arizona Counter Terrorism Center (Sec. 77).
- Prop 312 Property Tax Admin Costs: Includes \$500,000 appropriation to the Department of Revenue to fund Proposition 312 property tax refund administration costs (Sec. 82).
- Election Security Grants: Exempts the \$5.4M appropriated by Laws 2020, Ch. 58, Sec. 104, to the Secretary of State for the county allocation of the Help America Vote Act election security grant dollars from lapsing through June 30, 2026 (Sec. 83).
- CD 7 Special Election Funding: Appropriates \$8M to the Secretary of State in FY 2025 to reimburse counties for CD 7 special election costs. Of that amount, counties all receive up to the following amounts: (Sec. 83)

Cochise County: \$139,500 Maricopa County: \$906,900 Pima County: \$5,347,700 Pinal County: \$66,100

o Santa Cruz County: \$240,600

Yuma County: \$349,200

- Address Confidentiality Program: Appropriates \$400,000 to the Secretary of State for the Address Confidentiality Fund deposit (Sec. 83).
- **Preventative Pavement Treatments:** Includes \$36.1M appropriation to the Department of Transportation for preventative surface treatments. This amount is unchanged from the JLBC Baseline (Sec. 87).
- Statewide Transportation Innovation Fund: Creates the Statewide Transportation Innovation Fund and \$2M to the State Treasurer for deposit into the fund (Sec. 88).
- Advanced Air Mobility Fund: Creates the Advanced Air Mobility Fund and appropriates \$2M to the State Treasurer for deposit into the fund (Sec. 88).
- Statewide Infrastructure Trust Fund: Creates the Statewide Infrastructure Trust Fund and appropriates \$1M to the State Treasurer for deposit into the fund (Sec. 88).
- Law Enforcement Boating Safety: Continues to appropriate \$2.2M to the State Treasurer for law enforcement boating safety grants (Sec. 88).
- Promise Program Funding: Includes \$36.3M appropriation to the Arizona Board of Regents (ABOR) for the Arizona Promise Program, a scholarship program for Arizona residents for university tuition and fees (Sec. 90).
- Spouses of Military Veterans Tuition Scholarships: Appropriates \$10M to ABOR to provide scholarships for post-secondary education to spouses of military veterans (Sec. 90).
- Pinal County Transportation Plan: Includes \$500,000 appropriation to the Arizona State University's (ASU) Decision Theater for the creation of a Pinal County Transportation Study Plan (Sec. 91).
- Desert Agriculture Center of Excellence: Appropriates \$1.5M for the Yuma Center of Excellence for Desert Agriculture (Sec. 92).
- Veterans Services: Includes \$1M supplemental appropriation in FY 2025 to the Department of Veterans Services for the State Home for Veterans Trust Fund deposit. Appropriates \$1M for the mental health pilot program. Appropriates \$3.7M for veterans benefit counseling and \$2.2M for rural tribal nations veteran benefit counseling (Sec. 94, 111).
- Water Conservation Grant Fund Deposit: Appropriates \$250,000 to WIFA for the Water Conservation Grant Fund (Sec. 96).

- **Gila Valley Irrigation District Funding:** Appropriates \$500,000 from the On-farm Irrigation Efficiency Fund to the Gila Valley Irrigation District (*Sec. 96*).
- Colorado River Litigation: Appropriates \$1M from WIFA's long-term water augmentation fund to ADWR to fund Colorado River litigation (Sec. 97).
- Water Protection & Rural Water Studies: Appropriates \$750,000 to the Arizona water protection fund. Provides \$1.3M for rural water studies to assess local water use needs (Sec. 97).
- **SUN Bucks Program Backfill:** Appropriates \$1.9M for FY 2025 SUN Bucks Program, which provides a \$120 monthly grocery benefit to eligible households (*Sec.* 107).
- **In-Lieu Lottery Revenue:** Continues to appropriate \$7.2M to ADOA for distribution to counties to maintain essential county services (*Sec. 115*).
- **Graham County Appropriation:** Appropriates \$500,000 to ADOA to distribute to Graham County to maintain essential county services (*Sec. 115*).
- Elected Official Retirement Plan (EORP) Relief: Appropriates \$3M from the state GF to ADOA for equal distribution to counties with a population of less than 300,000 to supplement the cost of EORP (Sec. 115).
- **Local Distributions:** Appropriates the following amounts to the State Treasurer for several local distributions: (*Sec. 118*)
  - Maricopa County: \$2M for sexual assault investigator training and county attorney anti-human trafficking funding
  - Maricopa County: \$4.1M to distribute to the county recorder's office for operating expenses. Includes language stipulating that the board of supervisors shall not reduce funding below the amount of the adopted fiscal year budget. Requires quarterly expenditure summaries to JLBC.
  - o La Paz County: \$500,000 to the La Paz County Sheriff's Office
  - o Mohave County: \$500,000 for the Lake Mead/South Cove Launch Ramp
  - Mohave County: \$500,000 for improvements to firefighting infrastructure in the Horizon Six Improvement District
  - Mohave County: \$1M to the Mohave County Sheriff's Office
  - Mohave County: \$100,000 for Search and Rescue Training costs
  - Pinal County: \$400,000 to the Pinal County Sheriff's Office
  - Pinal County: \$50,000 for signage related to illegal dumping
  - o Yavapai County: \$2M for a Criminal Information Intelligence Center
  - o Yavapai County: \$950,000 for the Yavapai County Sheriff's Office
  - Yavapai County: \$500,000 for the County Sheriff's Office for a Satellite Communications Pilot Program
  - Yavapai County: \$1M for costs related to construction of a public safety facility in southwest Yavapai County
  - Yuma County: \$1M to distribute to the County Recorder for operating expenses
  - Yuma County: \$850,000 to address excess waste tire cleanup efforts
- **Nonprofit Distributions:** Appropriates the following amounts from the State Treasurer from the state GF: (Sec. 119)
  - \$200,000 for a nonprofit located in Pinal County that provides after school recreational and educational programming for students
  - \$300,000 for a nonprofit located in Pinal County that provides suicide prevention services
  - \$25,000 for a nonprofit in Pinal County that supports economic development
  - \$200,000 for a nonprofit in Pinal County that provides services to veterans

- \$1.5M for a child development center located in Taylor that supports long-term education and workforce needs
- Department of Corrections One-time Stipend: Appropriates \$17.1M to the Department of Corrections (DOC) in FY 2026 for the purposes of awarding a one-time correctional officer stipend. Appropriates \$3.7M to DOC's private prison per diem special line item to increase per diem rates in FY 2026. Appropriates \$542,200 to the Department of Juvenile Corrections. Specifies that the stipend payment shall be equal to 4 percent of the employee's annual salary distributed evenly through each pay period (Sec. 120).
- **Prescott Rodeo Grounds:** Specifies that monies previously appropriated to the city of Prescott in 2023 for rodeo grounds shall be promptly spent to promote year-round use of the rodeo (Sec. 121).
- State Highway Fund Transfer: Notwithstanding any other law, transfers \$15.5M from the State Highway Fund in FY 2026 to the state GF to provide support and maintenance for state agencies (Sec. 126).
- School Safety Interoperability Grants: Appropriates the following amounts to ADOA to distribute to the county sheriffs in the following counties. Prohibits ADOA from distributing funding to Coconino County from Laws 2022, Ch. 313, Sec. 5. Transfers \$2M from the Peace Officer Training Equipment Fund to the School Safety Interoperability Fund to fund the distributions: (Sec. 127)
  - \$275,000 to Apache County
  - \$280,000 to Gila County
  - o \$280,000 to Graham County
  - \$170,000 to Greenlee County
  - \$200,000 to La Paz County
  - \$525,000 to Mohave County
  - \$540,000 to Navajo County
  - o \$350,000 to Santa Cruz County
  - \$600,000 to Yavapai County
- Department of Corrections Opioid Treatment Monies: Directs the Attorney General to transfer \$40M in FY 2026 from the consumer remediation subaccount of the consumer restitution and remediation revolving fund consisting of opioid settlement monies to DOC for the costs of care, treatment, programs, and other expenditures for individuals with opioid use disorder (Sec. 130).
- New School Facilities Fund: Appropriates \$94.1M from the state GF in FY 2027 for a one-time deposit in the new school facilities fund (Sec. 134).
- Border Security Reimbursements: Directs state agencies who receive federal monies in FY 2026 as reimbursement for expenditures made to secure the border to deposit those reimbursements into the state GF (Sec. 139).

**SB 1737:** capital outlay; 2025-2026; appropriations (*Kavanagh*) (*Laws 2025, Ch. 235*)

**Effective Date: September 26, 2025 (General Effective Date)** 

**County Touchpoints:** 

 Discretionary Transportation Appropriations: Appropriates the following amounts to the Arizona Department of Transportation (ADOT) and nonstate agencies in FY 2026 (Sec. 3,4 & 9) and limits expenditures by ADOT for the purposes of project management to 5 percent of each line item: (Sec. 14)

Project	FY 2026 Amount	Sec.
SR 347 & Riggs Rd. (Overpass)	\$41,000,000	3
SR 347; Casa Blanca Rd. & Cement Plant Acc. Rd. (Intersection)	\$10,839,000	9
SR 347; Btwn. I-10 & City of Maricopa (Widen Lanes; Design)	\$1,500,000	9
I-10; Btwn. SR 85 and Citrus Road	\$27,000,000	4
SR 87 & SR 260 (Turn Lane; Design)	\$2,129,800	9
(to Flagstaff) Woody Mtn. Rd. & US-66 (Traffic Light; Design & Construction)	\$1,900,000	9
SR 70; MP 255 to MP 301 (Safety Improvements)	\$1,400,000	9
SR 24 & SR 202 (Interchange; Restriping)	\$50,000	9
(to Bullhead City) Hancock Road (Improvements)	\$1,500,000	9
(to Mohave County) Mountain View Rd. (Improvements)	\$1,000,000	9
(to Prescott Regional Airport) Infrastructure; Firefighting Aircraft	\$3,500,000	9
(to Yuma County) Somerton Ave. Bridge Replacement	\$1,300,000	9
SR 389 (Traffic Control System)	\$1,500,000	9
(to Kingman) Eastern Street (Infrastructure Improvements)	\$1,500,000	9
(to Nogales) Frank Reed Rd. (Improvements)	\$1,500,000	9
(to Nogales) Industrial Park Rd. (Improvements)	\$2,900,000	9
(to Nogales) La Quinta Rd. (Improvements)	\$1,800,000	9
Verde River state park (construction)	\$500,000	9
(to Cottonwood) for Main Street preservation and sidewalk improvements	\$1,000,000	9
SR 303 and 155 <sup>th</sup> Ave (traffic interchange)	\$3,500,000	9
(to Glendale) for the 5th Ave reconstruction project	\$3,000,000	9
Olga Frontage Road between mile post 366 and 379	\$850,000	9

- State Highway Fund: Appropriates \$458.7M from the State Highway Fund to ADOT in FY 2026 for planning and construction of state highways "including the national system of interstate highways within this state, the state primary or secondary system, the county primary or secondary system and urban rural routes, to acquire rights-of-way and to provide for the cost of contracted field administration and field engineering on construction projects and debt service payments on bonds issued for highway construction." Contains numerous reporting requirements (Sec. 11).
- State Aviation Fund: Appropriates \$44.3M from the State Aviation Fund to ADOT in FY 2026 to "plan, construct, develop and improve state, county, city or town airports as determined by the State Transportation Board." Contains numerous reporting requirements (Sec. 12).
- Changes; Prior Year Transportation Appropriations: Makes the following changes to existing appropriations for transportation projects:
  - o Reduces by \$2.5M the FY 2023 appropriation to ADOT for the rehabilitation of pavement along Route 191 "between Armory Road and East Safford" (Sec. 1).

- Eliminates the \$1.52M appropriation in FY 2024 to ADOT for distribution to the Town of Payson for "roundabout construction and improvements at intersection of Longhorn Road and McLane Road" (Sec. 2).
- Eliminates the \$9.24M appropriation in FY 2028 to ADOT for distribution to Pinal County for "the engineering and design of the West Pinal Parkway East-West Corridor" (Sec. 5).
- Permits the \$1.5M appropriation in FY 2023 to ADOT for distribution to the Town of Patagonia for McKeown Ave. reconstruction to be used on additional segments of the roadway (Sec. 10).
- Exempts the \$1.8M appropriation in FY 2022 to ADOT for replacement of vehicle fueling facilities in Flagstaff, Holbrook, and Kingman from lapsing until June 30, 2027 (Sec. 14).
- Transfers \$500,000 from an SR 303 & I-17 interchange design project, as well as \$909,700 from a screen wall project along SR 101, to fund a project shortfall at the intersection of SR 69 & SR 169 (Sec. 13).
- Recissions; FY 2022 Parks Appropriations: Reduces a total of \$23.2M from various appropriations from the State Parks Revenue Fund to the Arizona State Parks Board in FY 2022 (Sec. 6).
- Prescott regional airport: Increases funding for Prescott Regional Airport by \$500,000 for maintenance and operations which must be distributed by 11/1/2025. Appropriates \$3.5M for infrastructure supporting firefighting aircraft (Sec. 9).

SB 1738: 2025-2026; commerce (*Kavanagh*) (*Laws 2025, Ch. 236*) Effective Date: September 26, 2025 (General Effective Date) County Touchpoints:

- Office of Defense Innovation: Establishes the Office of Defense Innovation within the Arizona Commerce Authority. Directs the Office to (a) act as a liaison between the state, the Department of Defense (DoD), and national security organizations, (b) identify and pursue opportunities to increase federal funding "to foster the development of products, services, and technologies that support" the DoD, (c) support ongoing DoD missions directed at the state, (d) support Arizona-based companies seeking federal defense contracts, (e) advocate for state economic interests related to the DoD's aerospace mission and defense sectors, (f) develop and implement a "reoccurring strategic plan to enhance Arizona's competitiveness in defense-related industries," (g) identify and support emerging technology, (h) collaborate with the Board of Regents, universities, and research institutions seeking to "increase the amount of defense research and development funding for applied research and advance prototyping of critical defense related products and technologies," (i) collaborate to "enhance workforce development," and (j) coordinate with the Governor and Legislature. Requires annual reporting on the Office's activities with the first report due at the end of 2026 (Sec. 1).
- Microbusiness Loan Program; Extension: Extends the Office of Economic Opportunity's Microbusiness Loan Program by two years, pushing out its termination from June 30, 2025, to June 30, 2027. Similarly, extends other statutory deadlines by two years (Sec. 1). Makes this change retroactive to June 29, 2025 (Sec. 2).

**SB 1739:** 2025-2026; criminal justice (*Kavanagh*) (*Laws 2025, Ch. 237*)

Effective Date: September 26, 2025 (General Effective Date)

**County Touchpoints:** 

- Coordinated Reentry Planning Services Reporting: As permanent law, requires a county that receives monies to establish or maintain a coordinated reentry planning services program to report to the House, Senate, JLBC and OSPB:
  - 1. For all persons who complete screening:
    - (a) the percentage with low, moderate and high mental health risks.
    - (b) the percentage with low, moderate and high substance use disorder risks.
    - (c) the percentage with other presenting risk factors, including:
      - (i) no primary care provider.
      - (ii) no employment.
      - (iii) no insurance.
      - (iv) no access to transportation.
      - (v) physical health concerns.
      - (vi) no home.
      - (vii) veteran status.
  - 2. Incidence of recidivism, including:
    - (a) overall population recidivism rates.
    - (b) recidivism rates by mental health and substance use risk factors.
    - (c) recidivism rates by other risk factors.
  - 3. The percentage of released individuals who are connected and diverted to services, including behavioral health and housing services. (Sec. 1)
- Anti-Racketeering Revolving Fund: As permanent law, prohibits anti-racketeering revolving fund (established by § 13-2314.01) monies from being transferred to the state GF (Sec. 2).
- **Prison Related Criminal Proceedings Reimbursement:** As permanent law, requires that the itemized claim for reimbursement submitted to the Department of Corrections (DOC) pursuant to § 31-227, be pursuant to an existing agreement with DOC. Requires DOC to file claim with the Arizona Department. of Administration (Sec. 4).
- Increased Employer Defined Contribution Rate Increase: As permanent law, increases the employer contribution rate for state corrections and county detention officers from 5.0 percent to 5.5 percent, effective July 1, 2026 (Sec. 5, 15,16).
- Juvenile Dependency Proceedings Fund (JDPF) Distribution: As permanent law, modifies distribution of JDPF to be based on juvenile dependency case filings, and caps distribution to any single county at \$250,000 annually. Change is effective on September 26, 2025 (General Effective Date) (Sec. 7).
- Repeal of Arizona Department of Juvenile Corrections Cost Shift: Repeals, beginning in FY 2028-29, the local cost sharing fee to fund the Department of Juvenile Corrections (Sec. 8).
- Attorney General Internet Crimes Against Children Task Force: Allows the Attorney General (AG) to use up to \$335,000 from the consumer protection consumer fraud revolving fund to continue a federally recognized internet crimes against children task force program (Sec. 11).
- **Fentanyl Prosecution, Diversion and Testing Fund**: Extends the fund until June 30, 2027 instead of June 30, 2025 (*Sec. 13*).
- Child and Family Representation Program: As session law, establishes the Child and Family Representation Program within the Administrative Office of the Courts (AOC) through June 30, 2028. Requires AOC to enhance legal representation for children and parents by:

- o assessing training available for juvenile dependency attorneys,
- making recommendations to the Supreme Court on training requirements and practice standards, maximum caseloads and minimum responsibilities,
- auditing the practice of counsel,
- o filing ethical complaints against attorneys who violate rules of professional conduct,
- working with Department of Child Safety, AG, judges, attorneys, children and parents to form partnerships,
- recommending fair and realistic compensation rates,
- seeking to enhance existing funding sources,
- develop measures to assess and document the effectiveness of counsel and outcomes.
- o assist parents with filing ethical complaints on dependency proceedings, and
- report annually to the Senate, House and the Office of Strategic Planning and Budgeting (OSPB) on the measures taken to assess and document the effectiveness of counsel. (Sec. 14)

SB 1740: 2025-2026; environment (*Kavanagh*) (*Laws 2025, Ch. 238*) Effective Date: September 26, 2025 (General Effective Date) County Touchpoints:

- State Land Department; Third-Party Reviewers: Requires the Commissioner of the Arizona State Land Department (ASLD) to contract with a selected "qualified third-party reviewer" to review applications "if the Department does not approve, conditionally approve or deny the application within sixty working days after the application is submitted." Specifies that if the Department does not "approve, conditionally approve, or deny the application" within the specified time frame, the application is "deemed approved." Directs the "qualified third-party reviewer" to (a) review the application and take all related actions in accordance with Department requirements, and (b) notify the Department and applicant of review findings (Sec. 2). Permits the ASLD to retain monies from the Trust Land Management Fund sufficient to pay for their contract with a "qualified third-party reviewer" (Sec. 5, 6).
- **Utility Wildfire Mitigation Plan Fee Deposits:** Requires the state forester to deposit existing fees charged to public power entities and electric utilities for the review of wildfire mitigation plans into the Cooperative Forestry Fund established by § 37-1306 (Sec. 7).
- Colorado River Litigation Fund: Establishes the Colorado River Litigation Fund for "the sole purpose of initiating, defending or participating in litigation against any other state, any party domiciled in another state or the United States related to this state's apportionment of Colorado River water or any other rights of this state regarding Colorado River water." Specifies that the Fund shall consist of legislative appropriations. Permits the Director to designate portions of the fund for investment or divestment under the State Treasurer (Sec. 8).
- Hazard Mitigation Revolving Fund Continuation: Repeals the delayed repeal of the Hazard Mitigation Revolving Fund established in § 26-107. Fund was originally set to repeal on June 30, 2028 (Sec. 9).
- Nuclear Emergency Management Fund: Increases the amounts appropriated from the Nuclear Emergency Management Fund as well as related assessments by \$50,000 in FY 2026 and FY 2027 -- FY 2026 appropriation increases from \$2,617,991 to \$2,667,991, while FY 2027 appropriation increases from \$2,711,339 to \$2,761,339 (Sec. 11 & 12).
- Fire Incident Management Grants: Establishes the Fire Incident Management Grant program to provide grants to municipal fire departments and fire districts (Sec. 10, 13, 14).

- **Suspends Water Quality Assurance Revolving Fund**: For FY 2026, suspends the \$18M transfer from the state GF to the water quality assurance revolving fund (*Sec. 18*).
- Arizona Department of Environmental Quality Emissions (ADEQ) Testing Fees: In FY 2026, requires ADEQ to maintain fees for tests conducted in area A at the FY 2025 level (Sec. 19).
- **State Land Department Applications:** By February 1, 2026, requires ASLD to report on the total number of applications pending at the department (*Sec. 20*).

SB 1741: 2025-2026; health care (*Kavanagh*) (*Laws 2025, Ch. 239*) Effective Date: September 26, 2025 (General Effective Date) County Touchpoints:

- Limited Benefit Coverage for Prerelease Services: Requires the Arizona Health Care Cost Containment System (AHCCCS) Director, subject to terms and conditions approved by the Center for Medicare and Medicaid Services (CMS) and available funding, to provide limited benefit coverage prerelease services to eligible incarcerated individuals and committed youth for up to 90 days immediately before the expected date of release from a prison, jail, security care facility or tribal correctional facility under AHCCCS and the Children's Health Insurance Program (CHIP) (Sec. 4,7).
- Includes Traditional Healing Services in AHCCCS and ALTCS Coverage: Subject to CMA approval and available funding, requires traditional healing services be covered by AHCCCS and ALTCS providers if: (a) The member qualifies for services through the Indian health service or a tribal facility pursuant to the conditions of participation outlined in 42 code of federal regulations section 136.12 and (b) the traditional healing service is delivered by or through the Indian health service or a tribal facility (Sec. 4-5).
- Arizona Long Term Care System (ALTCS): FY 2026 contributions total \$409.5 million for all 15 counties into the Long-Term Care System Fund. This is an increase of \$10 million from FY 2025 and is equal to the amount published in the FY 2026 Baseline (Sec. 12).

County	FY 2025 Enacted	FY 2026
Apache	\$975,500	\$707,000
Cochise	\$973,400	\$7,510,100
Coconino	\$2,928,200	\$2,122,700
Gila	\$3,161,900	\$3,173,800
Graham	\$1,596,200	\$2,339,400
Greenlee	\$43,400	\$66,900
La Paz	\$990,200	\$828,800
Maricopa	\$269,359,200	\$275,201,600
Mohave	\$11,389,600	\$10,438,200
Navajo	\$4,037,000	\$2,926,600
Pima	\$62,975,600	\$63,729,700
Pinal	\$16,370,500	\$17,094,300
Santa Cruz	\$2,880,000	\$2,949,900
Yavapai	\$9,862,900	\$7,808,600
Yuma	\$12,328,500	\$12,640,000
Total	\$399,872,100	\$409,537,600

- AHCCCS Disproportionate Share Hospital (DSH) Payments: Establishes the FY 2026 DSH payments as follows: \$28.5M for Arizona State Hospital (ASH), of which the federal portion is distributed into the state GF \$884,000 for private, qualifying DSH hospitals located in Yuma County containing at least 300 beds (Sec. 13).
- Acute Care Contributions: Sets County Acute Care contributions at \$42.8 million for all 15 counties. This amount is unchanged from the JLBC Baseline and includes a deflator for the Maricopa County contribution (Sec. 15).

County	FY 2025 Enacted	FY 2026
Apache	\$268,800	\$268,800
Cochise	\$2,214,800	\$2,214,800
Coconino	\$742,900	\$742,900
Gila	\$1,413,200	\$1,413,200
Graham	\$536,200	\$536,200
Greenlee	\$190,700	\$190,700
La Paz	\$212,100	\$212,100
Maricopa	\$15,145,900	\$14,783,900
Mohave	\$1,237,700	\$1,237,700
Navajo	\$310,800	\$310,800
Pima	\$14,951,800	\$14,951,800
Pinal	\$2,715,600	\$2,715,600
Santa Cruz	\$482,800	\$482,800
Yavapai	\$1,427,800	\$1,427,800
Yuma	\$1,325,100	\$1,325,100
Total	\$43,176,200	\$42,814,200

- AHCCCS Mental Health Medication Report: As session law, requires AHCCCS to prepare and issue a report regarding costs, spending, and utilization of mental health medications during contract year 2024 (Sec. 17).
- BNCF Expenditure Limit Exclusion: As session law, continues to allow counties to exclude payments made to the Budget Neutrality Compliance Fund (BNCF) to help cover the cost of Prop. 204 (Sec. 18).
- Restoration to Competency (RTC) Payments: As session law, continues to exclude payments made by counties for RTC treatments from the county expenditure limit (Sec. 19).

SB 1743: 2025-2026; human services (Kavanagh) (Laws 2025, Ch. 241)

**Effective Date: September 26, 2025 (General Effective Date)** 

**County Touchpoints:** 

- **Developmental Disability Group Home Monitoring Program**: As permanent law, makes various changes to the Developmental Disabilities (DD) Group Home Monitoring Program, such as requiring the use of a monitoring tool to assess whether DD clients with complex needs received the physical and behavioral health services specified in the client's person-centered service plan. Makes the program subject to available appropriations and extends the program from December 21, 2026, to December 31, 2027 (Sec. 2, 3, 8, 13).
- State Home for Veterans Trust Fund: As permanent law, allows 15 percent of the Veterans Donations Fund revenues to be transferred to the State Home for Veterans Trust Fund at the beginning of each year. Requires funds to be used for the needs of veterans, equipment or maintenance and improvements, in nursing and domiciliary homes (Sec. 4, 5).

- **Department of Housing Continuation**: Continues the Department of Housing (ADOH) until July 1, 2027, and creates annual reporting requirements (Sec. 7, 8, 9, 12, 15, 17).
- Housing Trust Fund Awards: Creates an order of priority for Housing Trust Fund monies
  distributed in the first four months of the fiscal year, from constructing or renovating
  emergency shelters, to transitional housing units, to housing for severely mentally ill individuals
  and those chronically resistant to treatment. Allows the department to distribute remaining
  funds after that period based on stakeholder input. Requires ADOH to submit programs for
  JLBC review (Sec. 10).
- Military Transitional Housing Fund: As permanent law, expands the allowable uses of the Military Transitional Housing Fund to include veterans (Sec. 11).
- Homeless Shelter and Services Fund: Extends the Homeless Shelter and Services Fund by two years, pushing its repeal date from June 30, 2025 to June 30, 2027 (Sec. 14).
- TANF Benefit Eligibility: As session law, continues to require recipients of Temporary Assistance for Needy Families (TANF) Cash Benefits to pass a drug test in order to be eligible for benefits if the Department of Economic Security (DES) has reasonable suspicion the recipient uses illegal drugs (Sec. 16).

**SB 1745:** 2025-2026; local government (*Kavanagh*) (*Laws 2025, Ch. 243*)

**Effective Date: September 26, 2025 (General Effective Date)** 

**County Touchpoints:** 

- **Flexibility Language:** Contains "flexibility language" for FY 2025-2026, stating that a county with a population of less than 250,000 "may meet any county fiscal obligation from any source of county revenue designated by the county." Specifies that "a county may not use more than \$1.25 million for purposes other than the purposes of the revenue source." Requires counties who use this tool to report its usage to JLBC by October 1, 2025 (Sec. 1).
- Gila County Veterans' Services: Allows Gila County to establish, maintain and operate facilities
  for the purposes of providing services to veterans for monies appropriated in Laws 2023, Ch.
  133, Sec. 92 (Sec. 2).

SB 1747: 2025-2026; revenue (Kavanagh) (<u>Laws 2025, Ch. 245</u>) Effective Date: September 26, 2025 (General Effective Date)

**County Touchpoints:** 

• ADOR Tax System Modernization Local Cost Sharing Fee: Includes legislative intent language that prohibits ADOR from assessing the fee established in § 42-5041 for FY 2026. Budget spreadsheet indicates this will instead be charged in FY 2029 (Sec. 1).

SB 1748: 2025-2026; state budget implementation (Kavanagh) (Laws 2025, Ch. 246)

**Effective Date: September 26, 2025 (General Effective Date)** 

**County Touchpoints:** 

• Public Agency Private Employee Prohibition: Prohibits a public agency from allowing a person to serve in any capacity as a state officer or employee of the person's salary, wages, or other compensation if paid in whole or in part by private monies. Exempts the Department of Public Safety, the Department of Environmental Quality, and any public university under the jurisdiction of the Arizona Board of Regents from the requirement. Defines private monies as those from sources other than the federal government, state, or political subdivision, including monies from a nonprofit, charitable foundation, private donor, or advocacy group (Sec. 1).

**SB 1749:** 2025-2026; taxation; omnibus (*Kavanagh*) (*Laws 2025, Ch. 247*)

**Effective Date: September 26, 2025 (General Effective Date)** 

**County Touchpoints:** 

- Wastewater Pipe TPT Exemption: Expands the Transportation Privilege Tax (TPT) and use tax exemption relating to pipes to include pipes or valves that are four inches in diameter or larger that are used to transport wastewater (Sec. 1, 2).
- **Property Tax Exemption for Disabled Veterans:** Exempts, from the full amount of property tax, the property of a veteran with a service-connected 100 percent disability. Allows the surviving spouse of a veteran with a service-connected disability to continue to claim the full property tax exemption so long as the spouse does not remarry and the property is used as the spouse's primary residence. Exempts the property of a veteran with a service or nonservice-connected disability from the requirement to be valued below the statutory property assessment limit to qualify for the exemption. Excludes payments from veterans' pensions, rather than only veterans' disability pensions from the calculation of "income from all sources" for the purpose of the exemption cap (Sec. 3).
- Business Personal Property Exemption Increase As permanent law, increases the property tax exemption for business personal property from \$207,366 to \$500,000 of full cash value for each taxpayer beginning in tax year 2026 (Sec. 4).
- Adoption Income Tax Deduction: Beginning in tax year 2026, increases the individual income tax deduction for unreimbursed adoption expenses from \$3,000 to \$5,000 for a single individual head of household, or \$10,000 for a married couple filing a joint return (Sec. 5).

SB 1750: 2025-2026; transportation (*Kavanagh*) (*Laws 2025, Ch. 248*) Effective Date: September 26, 2025 (General Effective Date)

**County Touchpoints:** 

- Statewide Infrastructure Trust Fund (SITF): Establishes the SITF, administered by the State Treasurer, subject to legislative appropriation and exempt from lapsing. Allows monies to be used to fund any phase of development or construction of transportation projects in the current fiscal year or next fiscal year. Requires ADOT and the state treasurer to submit an expenditure plan for review to the Joint Committee on Capital Review. Defines transportation project as any project that constructs a new federal or state highway or makes improvements to any existing federal or state highway (Sec. 2).
- Statewide Transportation Innovation Fund and Grant: Establishes the Statewide Transportation Innovation Fund and program to be administered by the State Treasurer. Fund subject to legislative appropriation and consists of appropriations and nonfederal gifts or grants. Grantees must be for-profit or non-profit entities and must provide a mode of transportation that seats 15 or fewer passengers and allows for dropping off and picking up passengers using predetermined locations. Requires the Treasurer to report applications to House and Senate Transportation Committees and hold a public meeting at the committee chairs' request to receive a legislative recommendation (Sec. 3-4).

#### 2025 LEGISLATIVE REFERRALS (2026 GENERAL ELECTION)

#### **LEGISLATIVE REFERRALS**

SCR 1004: prohibit tax; monitoring; vehicle mileage (Hoffman) (2025)

**Summary:** Prohibits the state, and any of its political subdivisions, from (a) imposing a "tax or fee on any person based on the vehicle miles traveled by the person in a motor vehicle," and (b) enacting "any rule or law to monitor or limit the vehicle miles traveled by a person in a motor vehicle" unless the law requires voluntary consent of the "monitoring or limitation." Exempts (a) interstate agreements necessary to administer "the payment or reporting of fuel taxes or registration fees" for multi-state commercial vehicles, and (b) a motor vehicle owned and operated by the state or any political subdivision.

HCR 2021: food; municipal tax; exemption (Biasiucci) (2025)

**Summary:** Beginning June 30, 2027, prohibits "a city, town, or other taxing jurisdiction" from levying a "transaction privilege, sales, use, franchise, or other similar tax or fee" on "food items intended for human consumption" outside of prescribed limitations. States, if a taxing jurisdiction had approved a tax on the specified items prior to January 1, 2025, that (a) jurisdictions with a tax "that is less than two percent of the base" are (i) prohibited from raising the tax higher than 2 percent, and (ii) preempted from implementing future increases without voter approval, and (b) jurisdictions with a tax rate "at a rate that is two percent or more of the base" are (i) capped at that rate, and (ii) may not raise it further. States that any taxing jurisdictions that have not approved a tax by the beginning of 2025 (a) have any potential future increases capped at total rate of 2 percent, and (b) need to receive approval from voters for any potential increases. Prohibits the adoption or increase of these taxes "in the twenty-four month period preceding June 30, 2027."

HCR 2055: drug cartels; terrorist organizations (Montenegro) (2025)

**Summary:** Declares that "drug cartels" are "terrorist organizations," and directs the Arizona Department of Homeland Security to "do everything within its authority to address the threat posed by drug cartels." Defines "drug cartels" and what constitutes a "threat," and specifies that "nothing" about the declaration that "drug cartels are terrorist organizations" supports any "alien's claim for asylum under federal law."

#### **ANIMAL CONTROL**

SB 1033: animal seizure; bond amount (Kavanagh) (Laws 2025, Ch. 176)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** At present, the owner of an animal lawfully seized under A.R.S. § 13-2910 (i.e., "cruelty to animals") is required to post a \$25 bond per properly seized animal to defray the cost of related care. **SB 1033** increases the amount of the bond to \$500 per properly seized animal.

SB 1198: animal cruelty; felony classification (Payne) (Laws 2025, Ch. 255)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Amends the statutory definition of "cruelty to animals" to include **(a)** "intentionally or knowingly kill[ing] or seriously harm[ing] a service animal without either legal privilege or consent of the owner" and **(b)** "intentionally or knowingly kill[ing] or caus[ing] serious harm to a working animal without either legal privilege or consent of the owner." Specifies that the existing statutory defenses to "cruelty to animals" – such as **(a)** poisoning "a dog that has killed or wounded livestock," **(b)** exposing poison "to be taken by predatory animals," and **(c)** using poison "for the purpose of controlling wild and domestic rodents" – exist "in addition to any justification defense." Requires a person convicted of "cruelty to animals" to be liable for replacement, training, and veterinary costs incurred as a result of an injury to a service animal (previously, the compensation was only required in cases of death or disability).

SB 1241: animal bites; owner contact information (Kavanagh) (Laws 2025, Ch. 137)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Per A.R.S. § 11-1025 (A), a dog's owner is liable for the damages suffered by an individual bitten by their dog when the person is "in or on a public place or lawfully in or on a private place." **SB** 1241 requires, in the event that a dog bites an individual that is either (a) in a public place, or (b) "lawfully in a private place," that the person "who owns or is responsible for the care of [the] dog" provide their contact information to the person who suffered the bite.

SB 1658: failure to treat; animal cruelty (Bolick) (Laws 2025, Ch. 232)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Expands the statutory definition of "cruelty to animals" to include "intentionally, knowingly, or recklessly fail[ing] to provide medical attention necessary to prevent unreasonable suffering to any domestic animal under the person's custody or control." Further, amends the definition of "cruel neglect" to include (a) for all animals except "a dog that primarily resides outdoors," access to a shelter that is necessary and adequate, and (b) for "a dog that primarily resides outdoors," access to shelter that (i) has "natural or artificial cover that is accessible throughout the year," (ii) "is maintained in good repair, is of sufficient size to protect the dog from injury and allows the dog to stand, turn around, lie down in a natural manner and maintain a normal body temperature," and (iii) is "maintained in a manner that minimizes the risk of disease, infestation, or parasites." Provides a number of exemptions, including when the dog "is engaged in or training for lawful hunting, police, military or patrol work, search and rescue, herding or livestock guarding, trials and other lawful competitions, service and assistance work and other working, sporting and competitive functions or is under the custody or control of a person who has no permanent place of residence." Expands the definition of a "domestic animal" to include birds, reptiles, and amphibians.

# **CAPITAL PROJECTS**

SB 1348: state fire marshal; phased permitting (Gowan) (Laws 2025, Ch. 99)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 37-1383) requires "all plans and specifications for new construction, remodeling, alterations and additions for state, county, and public school buildings and grounds" to be submitted to the State Forester for review and approval by the Assistant Director of the Office of the State Fire Marshal (or a designee). SB 1348 requires the State Forester to "adopt rules to implement a one-phase and a two-phase construction, remodeling, alteration, or addition permit." A "one-phase permit application" shall be given a "final determination" by the State Forester within 60 days, while a "two phase permit application" shall require the State Forester to issue an "initial determination" within 30 days and a subsequent "final determination" within 60 days. Permits cities and towns to "allow all plans and specifications for new construction, remodeling, alterations, and additions for municipal or private buildings and grounds" to be submitted to the city or town for review and approval but requires issuance of a final determination within 60 days. Removes the requirement that deputy fire marshals "have at least five years' experience in fire safety."

#### **COURT-ORDERED EVALUATION & TREATMENT**

SB 1163: veterans; emergency admission; transport (Gowan) (Laws 2025, Ch. 62)

Effective Date: April 18, 2025, due to an emergency clause.

**Summary:** Statute outlines the criteria to meet and steps to be taken to secure emergency admission to an evaluation agency of an individual suffering from a mental disorder (A.R.S. § 36-524), and permits a peace officer, in emergent cases, to "take into custody any individual the peace officer has probable cause to believe ... is a danger to self or others" (A.R.S. § 36-525). **SB 1163** expands the list of individuals permitted to make an application for emergency admission to include "a peace officer or a police officer who is an employee of the United States Department of Veterans Affairs." Further, the bill amends statute permitting a peace officer to take custody of an individual in emergent cases to allow "a police officer who is an employee of the United States Department of Veterans Affairs" to "take into custody and transport to a screening agency or an evaluation agency, as applicable, a person who is a veteran of the United States Armed Forces."

SB 1354: evaluation agencies; hearings; witnesses (Gowan) (Laws 2025, Ch. 20)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** During an evaluation hearing to determine an individual's need for involuntary hospitalization to address a mental disorder, two or more witnesses acquainted with the patient at the time of the alleged mental disorder may be called to testify on behalf of the petitioner (A.R.S. § 36-539). SB 1354 specifies that an individual can be a witness in a hearing on a petition for court-ordered treatment "regardless of the witnesses' professional licensure" so long as they "observed or were acquainted with the patient at the time of the alleged mental disorder" and a) this observation occurred before the submission of the current application for evaluation, and b) they were not formal participants in the post-application evaluation process. Prohibits witnesses from testifying using expert opinion or conclusions.

SB 1604: now: licensed secure health facility; defendants (Angius) (Laws 2025, Ch. 113)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 36-425.06) outlines requirements for the creation, maintenance, and the two patient populations that can be treated in Secure Behavioral Health Residential Facilities (SBHRFs). **SB 1604** prohibits an SBHRF from treating both Title 13 criminally committed patients and Title 36 civilly committed patients in the same facility.

HB 2742: court-ordered evaluations (*Lopez*) (*Laws 2025, Ch. 211*) Effective Date: September 26, 2025 (General Effective Date)

Summary: Statute (A.R.S. § 36-520 (A)) permits "responsible individuals" to apply for the court-ordered evaluation (COE) of a person they believe (a) is a danger to themselves or others or has a persistent, acute, or a grave disability, (b) needs treatment, and (c) is unwilling or able to accept treatment voluntarily. HB 2742 makes changes to a number of related processes. First, HB 2742 excludes "weekends and holidays" from the requirement that a screening agency act on an application within 48 hours. Second, the bill amends the requirement that evaluations be completed within 72 hours to (i) exclude weekends and holidays from being counted, and (ii) excluding individuals released or admitted on a voluntary basis from the 72-hour timeline. Third, the bill requires the medical director of an evaluation agency – if the agency has found that an admitted individual is (a), (b), and (c) – to file a petition for court-ordered treatment "on the same or a succeeding court day." Finally, with respect to individuals admitted to an agency for COE, specifies that "a county's responsibility continues" until the petition for court-ordered treatment is filed, the individual agrees to voluntary treatment, or the individual is released.

HB 2944: inpatient treatment days; computation; exclusion (Hernandez, A.) (Laws 2025, Ch. 214)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 36-540 (A)) requires the court, if it finds "by clear and convincing evidence" that an individual (a) is a danger to themselves or others or has a persistent, acute, or a grave disability, (b) needs treatment, and (c) is unwilling or able to accept treatment voluntarily, to order the individual to outpatient treatment, inpatient treatment, or a combination of the two. Statute (A.R.S. § 36-540 (F)) outlines the maximum period of time that an individual may be ordered to inpatient treatment, which varies based on how dangerous the individual is and the level of their disability. **HB 2944** excludes "any time the patient spent in a jail or prison" from the calculation of a patient's days spent in inpatient treatment.

#### **COURTS**

SB 1006: fair jury improvement fund (Kavanagh) (Laws 2025, Ch. 55)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Renames the "Arizona Trial and Digital Evidence Fund" the "Fair Jury Improvement Fund" (FJIF) and extends the FJIF by pushing its repeal date from June 30, 2027, to June 30, 2031.

SB 1022: small claims court; jurisdictional limit (Rogers) (Laws 2025, Ch. 94)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Raises the value threshold for "debt, damage, tort, injury or value of personal property claims" under which "the small claims has concurrent original jurisdiction with the justice court in all civil actions" from \$3,500 to \$5,000.

SB 1035: postconviction relief proceedings; hourly rate (Kavanagh) (Laws 2025, Ch. 58)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 13-4041) sets the maximum hourly compensation for contract counsel in capital postconviction relief proceedings at \$100 per hour. **SB 1035** raises the statutory maximum, allowing a board of supervisors to compensate contract counsel at a rate of up to \$200 an hour.

SB 1103: penalty assessment; victims' rights enforcement (Bolick) (Laws 2025, Ch. 95)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Increases from \$2 to \$4 the penalty assessment added to **(a)** "every fine, penalty, and forfeiture imposed and collected by the courts for criminal offenses," **(b)** civil penalties imposed for civil traffic violations, and **(c)** violations of motor vehicle statutes, local ordinances relating "to the stopping, standing, or operation of a vehicle," or Game and Fish statutes. Per statute, revenues from the penalty assessment, are deposited in the Victims' Rights Enforcement Fund.

SB 1232: arrest warrant; issuance; affidavit (Payne) (Laws 2025, Ch. 227)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 13-3897), states that if an "arrest by virtue of a warrant" occurs in (a) the county where the alleged offense was committed, and (b) where the warrant was issued, the officer making the arrest must, "without unnecessary delay" take the arrested individual before the magistrate who issued the warrant or – should that magistrate be unavailable, the "nearest or most accessible magistrate in the same county." **SB 1232** permits a magistrate that is "satisfied by an affidavit sworn to or affirmed before the magistrate that probable cause exists that a felony offense has been committed and that a particular person committed the felony offense" to issue an arrest warrant. The bill also amends the existing portion of statute regarding bringing an arrestee before a magistrate to remove the requirement that the individual be brought before the magistrate who issued the warrant.

SB 1449: lifetime injunction; undesignated offenses (Bolick) (Laws 2025, Ch. 105)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 13-604) provides the court with latitude, in the event that an individual "is convicted of any Class 6 felony not involving a dangerous offense," to enter a "judgment of conviction for a Class 1 misdemeanor" (and "make disposition accordingly") or "place the defendant on probation" if they are "of the opinion that it would be unduly harsh to sentence the defendant for a felony." Statute (A.R.S. § 13-719) also permits a victim or prosecutor to seek an "injunction that prohibits the defendant from contacting the victim" that "does not expire and is valid for the victim's natural lifetime" if the defendant commits any one of several outlined felonies. **SB 1449** specifies, for the purpose of meeting the conditions necessary to request a lifetime injunction, that "notwithstanding" the ability of the court to enter a conviction for a misdemeanor and "until the court actually enters an order designating an offense a misdemeanor or a felony," a Class 6 felony shall count as a felony. Relatedly, amends statute establishing the lifetime injunction to specify that "a conviction that is designated a misdemeanor pursuant to section 13-604 ... does not affect the validity of a lifetime injunction that is issued pursuant to this section."

SB 1500: compensation; erroneous convictions (Farnsworth) (Laws 2025, Ch. 230)

Effective Date: December 31, 2025, due to a delayed effective date.

**Summary:** Permits a claimant who proves specified criteria "by a preponderance of the evidence" that they (a) were convicted of a felony and incarcerated, (b) did not commit the crime or crimes for which they were convicted, (c) did not commit perjury, fabricate evidence, or by their own conduct bring about a conviction, and (d) (i) were pardoned based on innocence, (ii) saw their judgment of conviction "reversed or vacated," or (iii) "entered an Alford plea or a plea of no contest," - to seek compensation from the state via an action in superior court. Specifies the pleading must be served on the state's Attorney General (AG) and decided by the court, and that the claim must be filed within two years of (a) their conviction being overturned or vacated (and their charges being dismissed), or (b) being pardoned based on innocence. States that the two-year window for individuals "convicted, incarcerated, and released ... before the effective date of this section" begins on the General Effective Date. Grants the AG 30 days to respond to a claim, with the potential for a 30day extension. Should the AG object to the claim, the court is directed to "order and hold an evidentiary hearing." Further, the AG is permitted to request that the court make a finding of fact regarding whether "a city or county employee committed harmful error or misconduct," though the AG "has the burden of proof by a preponderance of evidence." If the AG does not make the request for such a finding of fact, the court is permitted - on its own motion - to make such a finding "by a preponderance of evidence." If the court makes a finding of this nature, it is required to notify the city, town, or county (which may then respond within 14 days). While the locality may not "request to intervene," it may "respond as to whether the employee committed harmful error or misconduct that was the proximate cause of the pardoning, reversal, or vacating of the conviction." If the court grants the claim, either because the AG does not object or because it has made a finding, the claimant may be compensated as follows: (a) for each year of incarceration, 200 percent of the median household income in Arizona "as it existed on the date the claimant was incarcerated and as determined by the United States Department of Housing and Urban Development and adjusted for inflation using the Consumer Price Index" (partial years are to be prorated, and the claimant may not be compensated for time served concurrently on an upheld conviction), (b) additional compensation up to a cap of \$500,000, paid from the "Erroneous Convictions Fund," as determined by the court on presentation of evidence of "other damages," (c) \$25,000 for each year that the claimant was "incarcerated on death row" or required to register via A.R.S. § 13-3821, (d) reimbursement for up to \$100,000 for "reintegrative services and mental and physical health care costs," (e) reimbursement for unreimbursed "costs, fines, fees, or surcharges" imposed as a result of an erroneous conviction, (f) reasonable attorney fees and costs, (g) reimbursement "for mental health treatment for up to 52 clinical hours at a maximum of \$250 per hour within 12 months of the court order awarding compensation," and (h) reimbursement for "up to one-hundred twenty credit hours at any postsecondary educational institution, vocational school, or trade school." Exempts the awards from consideration as gross income. Subtracts any "monetary judgment" won against the state or a political subdivision related to the erroneous conviction from the monies the claimant is entitled to under this law. Similarly, offsets future damages awarded to the claimant by the amount awarded to the claimant under this law. Prohibits the award from being offset by costs incurred to (a) secure the claimant's custody, (b) feed, clothe, or provide medical services for the claimant, or (c) "the value of any services or reduction in fees for service, or the value thereof to be provided to the claimant that may be awarded to the claimant." Specifies that awarded monies are to be remitted by the Arizona Department of Administration to the "Erroneous Convictions Fund" within 45 days, with subsequently awarded monies - such as those to pay for mental health treatment, or for schooling - to be reimbursed if submitted 14 days after the award. States that if a court made a finding of fact that a county or city employee "committed harmful error or misconduct that was the proximate cause of the pardoning, reversal, or vacating of the conviction," the county or city shall be responsible for reimbursing the payments made from the

"Erroneous Convictions Fund." Provides for the expungement of the erroneous conviction. Repeals this statute "from and after June 30, 2027."

SB 1540: homestead; personal property; exemptions (Carroll) (Laws 2025, Ch. 111)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 33-1101) allows any state resident to hold a "homestead ... not exceeding \$400,000 in value" exempt from "attachment, execution, and forced sale." Statute A.R.S. § 33-1101 (D) has, since 2024, annually increased the exemption "by the increase in the cost of living." Eligible property includes (a) the person's interest in real property "in one compact body upon which exists a dwelling house in which the person resides," (b) the person's interest "in one condominium or cooperative in which the person resides," (c) a mobile home where the person resides, and (d) a mobile home where the person resides and "the land upon which that mobile home is located." SB 1540 incorporates provisions of (d) (namely, the ability to include "the land upon which that mobile home is located") into (c) and expands property eligible for inclusion in the exemption to include a "park model trailer, motor home, travel trailer, fifth wheel trailer, houseboat, manufactured home or some other form of shelter." The bill conforms the rest of the statute to this change. Additionally, the bill specifies that - while the homestead exemption "automatically attaches to the person's interest in identifiable cash proceeds from the voluntary or involuntary sale of the property" for 18 months - the exemption does not attach "to the person's interest in identifiable cash proceeds from refinancing the homestead property." SB 1540 also contains provisions that direct determination of "the amount of equity in a homestead property that is sold or for determining whether the property owner is receiving cash back from refinancing the homestead property," and how to determine the amount of the homestead exemption when a debtor files for bankruptcy. Finally, the bill specifies that federal and state earned income tax credits, as well as child tax credits, are exempt from "execution, attachment, or sale" in cases of bankruptcy. The bill repeals Laws 2021, Ch. 368, § 3, which raised the exemption from \$150,000 to \$200,000, specifies that the exemption does not attach to cash proceeds from refinancing, and provides direction for how to determine the amount of equity in a sold property or whether the owner had received cash back from financing. The bill also repeals Laws 2022, Ch. 346, § 1, which exempts "the refundable portion of any federal or state personal income tax credits from any federal or state earned income tax credits and any refundable portion of any federal or state child tax credits" of a debtor from "execution, attachment, or sale on any process issued from any court." Specifies that the provisions relating to homestead exemptions are only applicable prospectively.

HB 2079: guardianship; minors; appointment; notice (Blackman) (Laws 2025, Ch. 79)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Statute (A.R.S. § 14-5204; 14-5207) outlines when the court may appoint a legal guardian for an "unmarried minor" – only if "all parental rights of custody have been terminated or suspended by circumstances or prior court order" - and related processes. HB 2079 expands when the court may appoint a guardian. First, all appointments must be found by the court to be "in the best interest of the minor." Second, the court must find one of the following to be true: (a) after being fully informed, each living parent consents to the appointment of a guardian, (b) the parental rights of living parents have been terminated, or (c) the minor is at least 16 years old, is the subject of an open dependency case, and – based on the evidence – "no parent of the minor is willing or able to exercise the powers and duties granted by the court to a guardian." HB 2079 also places limitations on when living parents of a minor need to be notified of a hearing for the appointment of a guardian, exempting cases where a living parent of a minor cannot be located, the minor is at least 16 years of age, and the minor is not the subject of an open dependency case under Title 8. States that such a notice of a hearing for appointment must include (a) a statement of the right to object to the

proposed guardianship, and **(b)** a description of "the nature, purpose, and consequences of the powers and duties assumed by a guardian." States that if the petitioner has not served notice on any living parent, "the court shall make a determination whether the petitioner has exercised due diligence to locate a living parent."

HB 2116: small estate; affidavit; limits (Carter, N.) (Laws 2025, Ch. 24)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** When an individual dies, persons indebted to the deceased are required to make payment within a certain period of time. Specifically: 30 days after an individual's death, indebted persons must make payment of the debt to the decedent's successor on presentation of an affidavit stating that the value of all personal property – less liens and encumbrances – does not exceed \$75,000. **HB 2116** raises that amount to \$200,000. Additionally, statute states that – six months after a death – an individual claiming to be a successor may file in the court an affidavit describing the "real property and the interest of the decedent in that property." At that point, the value of all real property in the decedent's estate may not exceed \$100,000. **HB 2116** raises that amount to \$300,000.

HB 2295: change of judge; impartiality; juveniles (Fink) (Laws 2025, Ch. 80)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Creates a process for requesting a change of judge "for cause" in actions involving permanency determinations. Entitles an involved party to a change of judge if the party has "cause to believe and does believe" the judge cannot be impartial due to "bias, prejudice or interest." Additional circumstances that entitle a party to a change of judge include the judge: (a) having "engaged as counsel in the matter before appointment or election as a judge," (b) having "an interest in the matter," (c) being "a material witness in the matter," or (d) being related to either party. Permits a party, "not less than five days after discovering grounds exist for a change of judge for cause" – but before the start of a hearing - to file a motion requesting a change in judge. Specifies that the motion must be supported by an affidavit, which must contain "the specific grounds for the change," and that the motion must be provided to all parties and the presiding dudge. Contains a statutory path for when the judge is the presiding judge. Specifies that a party waives their right to request a change of judge when they (a) learn that grounds exist for a change, but (b) allow the contested proceeding to begin or continue. Specifies that "any event that occurs before the discovery that grounds exist" does not constitute a waiver of the right. Permits a party to "preserve allegations ... for an appeal." Provides each party to the case with the opportunity to make one request for change of judge without cause, which must be made in open court or by filing a "notice of change of judge" and that must be filed "not less than five days after notice has been provided ... that the matter has been assigned to a judge." States that a party waives the right to a change of judge "without cause" when the party participates in any contested hearing before the judge, and that "the waiver applies to all successive petitions or supplemental petitions that are filed regarding the same matter, the same minor or any other minor who has at least one parent in common with that minor and to all proceedings after remand by an appellate court." States that if the appellate court remands a case "that remains assigned to the original judge," then the parties have a renewed right for a change without cause. Contains timelines. Specifies that when a party timely files a motion for a change of judge either for or without cause, the judge may take no further action "except to make the temporary orders that are necessary to prevent harm to the child."

HB 2657: trusts; estates; policies; procedures (Carter, N.) (Laws 2025, Ch. 88)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** In probate statute, **(a)** amends the definition of "electronically present" to allow for the presence of individuals in multiple remote locations, **(b)** amends the definition of "formal proceedings" to specify that proceedings may be conducted before a "judicial officer" (and not, simply, a "judge"), and **(c)** amends the definition of "will" to replace "an executor" with "a personal representative" and permits for the nomination of a "conservator" or both a conservator and a guardian. Throughout statute, makes conforming changes (replacing "executor" with "personal representative" and "judge" with "judicial officer").

HB 2728: DUI; alternative treatment (Martinez) (Laws 2025, Ch. 209)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Per A.R.S. § 28-1381 (A), it is unlawful for an individual to drive or be in physical control of a vehicle when (a) under the influence of "intoxicating liquor, any drug, a vapor releasing substance ... or any combination of liquor, drugs, or vapor releasing substances if the person is impaired to the slightest degree," (b) they have a blood alcohol concentration of 0.08 or more (or a concentration of 0.04 or more if they're operating a commercial motor vehicle, a vehicle for-hire, or providing transportation network services), and (c) they've used any drug enumerated in A.R.S. § 13-3041. Statute (A.R.S. § 28-1381 (I)) outlines penalties – many required, with one at the court's discretion – for individuals convicted of the aforementioned acts. HB 2728 permits the court, at the election of an individual convicted of the aforementioned acts, to order the person "to participate in a religious program that is approved by the court." The bill also specifies that such a program "may not include any effort to coerce the person to adopt or change any religious affiliation or beliefs." Existing statutes also allow the court to suspend portions of an individual's sentence if they complete court-ordered alcohol or drug screening, education, or treatment programs. Finally, the bill adds to the list of programs to include "evidence-based psychotherapy."

# **CRIMES & SENTENCING**

SB 1056: liquified petroleum gas containers; penalties (Gowan) (Laws 2025, Ch. 177)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 36-1626) sets the overarching penalty for violations of gas appliance-specific safety statute at a Class 2 misdemeanor. However, a subsequent section – A.R.S. § 13-1624.01 – notwithstands the overarching statute and reduces the penalty to a Class 3 misdemeanor for violations specific to "liquified petroleum gas containers" (LPGCs). **SB 1056** repeals this clause, returning these LPCG-specific actions - (a) filling or refilling, (b) evacuating, or (c) defacing, erasing, obliterating, covering up, or otherwise removing or concealing indications of ownership – to a Class 2 misdemeanor.

SB 1295: fraudulent voice recordings (Kavanagh) (Laws 2025, Ch. 184)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 13-2006) establishes the Class 6 felony of "criminal impersonation" which occurs whenever an individual (a) assumes a false identity with the intent to defraud, (b) pretends "to be a representative of some person or organization with the intent to defraud," or (c) assumes a false identity "with the intent to induce another person to provide or allow access to the property." SB 1295 specifies that using "a computer-generated voice recording, image, or video" with the intent to defraud can also be considered "criminal impersonation" and is considered a Class 5 felony. SB 1295 further

exempts "comedy, parody, artistic expression, criticism," or other circumstances where it is reasonably clear that the medium has been digitally manipulated is "not fraudulent."

SB 1351: gift cards; theft; forgery (Gowan) (Laws 2025, Ch. 186) Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Establishes the crime of "gift card theft" a Class 4 felony that occurs when an individual with intent to defraud either (a) acquires possession of a gift card or its information without the consent of – or via exploitation of - the holder, issuer, or seller, or (b) acquires anything of value with a gift card, or with gift card information, obtained via (a). Additionally, amends A.R.S. § 13-2002 (C) to specify that forgery of a gift card is a Class 4 felony.

SB 1424: impersonation; veteran; armed forces (Bolick) (Laws 2025, Ch. 69)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Establishes the crime of "impersonating a veteran of the United States Armed Forces," a Class 1 misdemeanor that occurs when, "with the intent to obtain money, property, or any tangible benefit," an individual: (a) knowingly misrepresents themselves to be a veteran of any branch of the uniformed services "without having served in that branch," (b) misrepresents themselves "to be a recipient of a decoration, medal, badge, or tab that was not lawfully earned," (c) misrepresents themselves "to have graduated from a military school from which the person did not graduate or to have obtained a rating or military occupational specialty that the person did not obtain," (d) falsely claims attendance at a military academy or school, (e) misrepresents themselves to be a combat veteran, (f) falsifies or alters military documents or records, (g) knowingly misrepresents themselves "to have received a characterization of discharge that the person did not receive," and (h) knowingly misrepresents themselves to be a veteran "in furtherance of a campaign for political office." Requires a prosecuting agency to seek "certified separation documents" from "the applicable uniformed service or the national archives" prior to filing a complaint or seeking an indictment, and states that documents of that nature "that support the person's claims constitute a complete defense to prosecution." States that the Class 1 misdemeanor escalates to a Class 6 felony if "the benefit obtained has a value of at least \$50,000," and prohibits the reclassification of the Class 6 felony as a misdemeanor. Exempts "actors or actresses who play a veteran in conjunction with a role in a production" or individuals experiencing homelessness.

SB 1438: DCS information; central registry; exceptions (Werner) (Laws 2025, Ch. 160)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** At present, statute (A.R.S. § 41-619.57) permits the state's Board of Fingerprinting to grant "central registry exceptions" whereby a rehabilitated individual may obtain "background clearance" despite a "substantiated allegation of abuse or neglect." **SB 1438** requires the Department of Child Safety (DCS) to provide "all DCS information in the central registry ... that is required by the Board of Fingerprinting to the Board of Fingerprinting for the purpose of determining central registry exceptions." The bill establishes knowing disclosure of "confidential DCS information or central registry information" as a Class 5 felony.

**SB 1462:** computer-generated pictorial representations; unlawful disclosure (*Mesnard*) (*Laws 2025*, *Ch. 106*)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 13-1425) outlines criminal penalties for the disclosure of identifiable sexual images of an individual without consent where the individual "has a reasonable expectation of privacy." SB 1462 attempts to modernize this statute by incorporating "realistic pictorial representations" – images generated by artificial intelligence – that are "created or modified to reasonably appear to be an actual image of an identifiable person depicted in a state of nudity or engaged in specific sexual activities that did not actually occur." To this end, amends statute to specify that threatening to disclose a "realistic pictorial representation" is a Class 1 misdemeanor. Additionally, includes "realistic pictorial representation" in the definition of the word "image," which appears throughout this section. Finally, exempts "realistic pictorial representations" from the provision of statute that makes the lawfulness of intentionally disclosing such an image contingent on the depicted person having a "reasonable expectation of privacy." States that a "realistic pictorial representation" does not include "an image made in the public interest, including scientific or educational activities, a newsworthy event, or an issue of public concern."

SB 1585: sexual abuse; dangerous crimes; children (Shamp) (Laws 2025, Ch. 75)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Amends the definition of "dangerous crime against children" to include crimes committed against "a person posing as a minor if the defendant knew or had reason to know that the purported minor was under fifteen years of age."

SB 1622: narcotic drugs; definition (Werner) (<u>Laws 2025, Ch. 163</u>) Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 13-3401 (A) (20)) includes 103 different drugs within the definition of "narcotic drugs" to inform statute prohibiting "possession, use, sale, or transfer" (A.R.S. § 13-3411), specifying which felony offenses preclude certain kinds of employment (A.R.S. § 8-203.01), and specifying which drugs may be included in introduction incorporating principles of "chemical abuse prevention education programs" (A.R.S. § 15-712). **SB 1622** adds "butonitazine," "flunitazene," "metodesnitazene," "metonitazene," and "protonitazene" to the definition of "narcotic drugs."

HB 2114: sexual conduct; minor; classification; sentence (Nguyen) (Laws 2025, Ch. 49)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Per A.R.S. § 13-1405, an individual convicted of sexual conduct with a minor who is at least 15 years of age is guilty of a Class 6 felony, which escalates to a Class 2 felony if the individual is in a position of trust. **HB 2114** specifies that if the convicted person is "more than six months older than the victim and is older than 21 years of age," they are guilty of a Class 4 felony. Further, the bill specifies that if the convicted person is placed on probation, they must be sentenced to serve one year in jail.

HB 2115: observing nude minor; sexual gratification (Nguyen) (Laws 2025, Ch. 23)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 13-3553) outlines offenses that constitute "sexual exploitation of a minor," which is established as a Class 2 felony. **HB 2115** makes the following amendments: (a) removes the requirement that, to be considered "sexual exploitation of a minor," the production of a "child sex doll" must intend "to replicate the physical features" of a real infant or minor "under twelve years of age," (b) adds "observing a nude minor for the purpose of engaging in sexual conduct for the person's sexual

gratification" to what constitutes "sexual exploitation of a minor," and **(c)** exempts "consensual conduct between minors who are at least 15, 16, or 17 years of age" from consideration as "observing a nude minor" and permits defense to a prosecution under A.R.S. § 13-407 (E).

HB 2137: medical records; destruction; classification (Bliss) (Laws 2025, Ch. 195)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Establishes the crime of "failure to maintain adequate records," which occurs when an individual "submitting a claim [to] or receiving payment for behavioral health services [from]" the Arizona Health Care Cost Containment System (AHCCCS) knowingly fails to "maintain" or "report the destruction of" records that are "necessary to disclose the nature of the ... services for which a claim was submitted or payment was received or ... that are necessary to fully disclose all income and expenditures on which rates of payment were based." Prior to referral to a criminal justice agency, AHCCCS must determine "that a sufficient basis exists that the person has engaged in fraud." Failure to "maintain" such records constitutes a Class 1 misdemeanor, whereas failure to "report the destruction" of the records constitutes a Class 2 misdemeanor. Per A.R.S. § 36-401 (A) (11), "behavioral health services" are defined as "services that pertain to mental health and substance abuse disorders" either (a) performed "by or under the supervision of" a licensed professional with a relevant scope of practice, or (b) performed "on behalf of patients by behavioral health staff as prescribed by rule."

HB 2207: child sex trafficking; juvenile defendants (Bliss) (Laws 2025, Ch. 131)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** In the 2024 General Election, voters approved Proposition 313 (2024's legislative referral <u>SCR 1021</u>) and amended the state's Constitution to specify that a person convicted of a Class 2 felony for child sex trafficking "shall be sentenced to imprisonment ... for natural life" and "is not eligible for any form of release." **HB 2207** amends the state Constitution to specify that the provisions of Proposition 313 only apply if "the person was eighteen years of age or older when the person committed the offense."

HB 2374: transnational repression; foreign adversaries (Nguyen) (Laws 2025, Ch. 224)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Creates sentencing enhancements (escalation to "the next higher class of offense") for agents of foreign governments or foreign terrorist organizations who have been convicted of stalking, threatening or intimidating, harassment, assault or aggravated assault" if, at the direction of: the government or terrorist organization, they have been found to (a) coerce another person to act on behalf of the foreign government or terrorist organization, (b) coerce another individual to leave the United States, (c) "coerc[e] a person to cause another person to leave the United States," restric[t] an individual from engaging in protected conduct," or **(e)** "retaliate[e] against another person for engaging in protected conduct." HB 2374 also prohibits agents of foreign governments or foreign terrorist organization agents from engaging in law enforcement activities without "the knowledge and approval" of a state or federal agency and establishes transgression as a Class 2 felony. Finally, directs Department of Public Safety to establish a specialized training program for peace officers (and "other law enforcement officers") known as the "Transnational Repression Recognition and Response Training Program" to provide training including (a) identification of "physical and nonphysical" tactics of "transnational repression," (b) "information on the governments that are known to employ transnational repression," (c) best practices for related "prevention, reporting, and response," and (d) information "about communities that may be targeted."

HB 2387: cryptocurrency kiosk; license; fraud prevention (*Marshall*) (*Laws* 2024, *Ch.* 171)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Implements various regulations relating to the operation of cryptocurrency kiosks, including requiring (a) clear disclosure of, and consent to, "all relevant terms and conditions," (b) consent regarding separate disclosures relating signs of consumer fraud and the irreversible nature of virtual currency transactions, (c) the provision of a post-transaction receipt with various specified and relevant details, (d) the use of "blockchain analytics and tracing software to help prevent fraud," (e) that the kiosk operator, as part of taking "reasonable steps to detect and prevent fraud," follows federal laws and maintains a written anti-fraud policy, (f) daily transaction limits (\$2,500 for one kiosk, \$10,500 across multiple kiosks), (g) live customer service, and (h) provision of a full refund by the kiosk operator if a "new customer" (defined) that has been "fraudulently induced to engage in a cryptocurrency kiosk transaction" follows enumerated steps. Requires enforcement by the state's Attorney General and terms a violation of the aforementioned requirements as an "unlawful practice" under A.R.S. § 44-1522.

HB 2607: fentanyl; motor vehicle; sentencing (Nguyen) (Laws 2025, Ch. 85)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 13-3408) establishes felony levels and sentencing guidelines for a variety of crimes relating to narcotic drugs, including possession, sale, possession of equipment for manufacturing, manufacturing, and more. **HB 2607** outlines separate sentencing guidelines in cases where (a) a person is convicted of either (i) possessing a narcotic drug for sale or (ii) a crime relating to transporting or importing a narcotic drug, and (b) the violation "involves the possession of fentanyl in a motor vehicle in the amount of at least two hundred grams." Contains a separate, higher set of penalties for the aforementioned individuals who have previously been convicted of the same crimes.

HB 2611: aggravated assault; accomplices; classification (Gress) (Laws 2025, Ch. 172)

Effective Date: September 26, 2025 (General Effective Date)

Summary: HB 2611 adds, under the definition of "aggravated assault," the assault of a single person by an individual "aided by two or more accomplices" resulting in physical injury. States that if an individual is convicted of aggravated assault on a peace officer and the trier of fact subsequently determines that the victim was ambushed (per A.R.S. § 13-701 (D)(17)), the individual "shall be sentenced to two years more than would otherwise be imposed for the offense ... in addition to any enhanced punishment that may be applicable." Provides classifications for specific instances of aggravated assault against a police officer, such as specifying that such an assault (a) using a deadly weapon, dangerous instrument, or resulting in serious physical injury is a Class 2 felony, (b) causing temporary but substantial disfigurement, temporary but substantial loss or impairment of any body organ" or part, or a fracture of any body part" is a Class 3 felony, and (c) on a law enforcement employee that is not a police officer is either a Class 4 or 5 felony depending on whether it results in physical injury. Repeals Laws 2024 Ch. 113, § 1 (which exempts an assault on a health care worker because of an inability "to form a culpable mental state" because of a "developmental disability or cognitive disability" from the definition of "aggravated assault") and Laws 2024, Ch. 257, § 2 (which includes assaults on public transit employees, airport employees, and railroad workers in the course of their duties in the definition of "aggravated assault") and reinserts them. Contains related language including assault of non-peace officer law enforcement agency employees within the definition of "aggravated" assault."

HB 2678: indistinguishable; visual depiction; definition (Willoughby) (Laws 2025, Ch. 174)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** At present, "dangerous crimes against children" are any one of 23 crimes enumerated in A.R.S. § 13-705 (T)(1)(a) when "committed against a minor who is under fifteen years of age." **HB 2678** states that the crimes of "commercial sexual exploitation of a minor" and "sexual exploitation of a minor" are still considered "dangerous crimes against children" when the crime "includes a visual depiction that is indistinguishable from an actual minor who is under fifteen years of age." The bill also amends the definition of "visual depiction" to specify that the label applies "regardless of whether the image is created or modified by means of computer software, artificial intelligence or other digital editing tools." Additionally, the bill adds "a visual depiction that is indistinguishable from an actual minor" to the definition of "minor" and establishes a definition for the term "indistinguishable."

HB 2720: hydrolyzed cocaine; threshold amount (Biasiucci) (Laws 2025, Ch. 34)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Changes the "threshold amount" of hydrolyzed cocaine from 750 milligrams to nine grams.

**HB 2880:** unauthorized encampments; higher education institutions (*Hernandez*, A.) (*Laws 2025*, *Ch.* 152)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Prohibits an individual from establishing or occupying "an encampment on the campus of a university or community college." Outlines steps that an administrator of a university or community college campus must take if an individual (or "group of individuals") establishes such an encampment, including the initiation of legal action (which itself includes "reporting the trespass to a local law enforcement agency"). States that an individual "who establishes or occupies an encampment" is (a) liable for "all damages that the individual causes" including "the direct and indirect costs" of encampment removal, campus restoration, and repair of destruction, and (b) "not lawfully present on the ... campus." States that "a law enforcement agency, peace officer, or member of a university's or community college's campus security" shall (a) enforce the prohibition on encampments, and (b) "has the authority to remove an encampment and any individual or groups of individuals from the campus" if they have violated the prohibition on encampments and refuse to comply with the direction to leave.

### **DISASTERS & EMERGENCY MANAGEMENT**

SB 1009: appropriations; nuclear emergency management fund (*Kavanagh*) (<u>Laws 2025, Ch. 56</u>) Effective Date: April 18, 2025, due to an emergency clause.

**Summary:** Appropriates \$2,617,991 in FY 2026 and \$2,711,339 in FY 2027 from the Nuclear Emergency Management Fund to the Department of Emergency and Military Affairs Division of the Department of Emergency and Military Affairs' Division of Emergency Management (FY 2026: \$1.27M, 8 FTE; FY 2027: \$1.31M, 8 FTE), the Arizona Department of Agriculture (FY 2026: \$347,109, 2.44 FTE; FY 2027: \$352,877, 2.44 FTE), Maricopa County (FY 2026: \$953,966; FY 2027: \$996,896), and the City of Buckeye (FY 2026: \$100,000; FY 2027: \$100,000). Relatedly, applies an assessment totaling \$2.6M in FY 2026 and \$2.7M in FY 2026 against "each consortium of public service corporations and municipal corporations engaged in constructing or operating a commercial nuclear generating station in this state."

**SB 1281:** adjutant general; duties (*Gowan*) (*Laws 2025, Ch. 256*)

Effective Date: December 31, 2026, due to a delayed effective date.

**Summary:** Amends the powers of the state's Adjutant General to include the ability to "enter into a contract or agreement with an individual or political subdivision of the state" to facilitate: (a) training, (b) emergency operations, (c) maintenance of aircraft, (d) safety, "including emergency and medical services," (e) movement or storage of aircraft, and (f) "recruitment and retention of personnel for the National Guard of Arizona." Other provisions include: (a) adding criteria that the Adjutant General and assistant adjutant generals must meet to be appointed, and (b) requiring gubernatorial appointment of assistant adjutant generals.

HB 2054: DIFI; financial enterprises; insurance; compact (Livingston) (Laws 2025, Ch. 222)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Requires insurers that write homeowner's insurance to provide an annual report to the Director of the Department of Insurance and Financial Institutions (DIFI) that includes the following metrics "on each homeowner's insurance policy the insurer had in force during the prior calendar year in the geographic areas of this state designated as heightened fire risk areas": (a) if the policy was newly issued or reviewed, "the date the policy was issued or renewed," (b) for policies that were "nonrenewed," the date of the nonrenewal and whether it was due to "fire loss risk" or "condition of the premises," (c) for policies that were "canceled," when the cancellation occurred and whether it was due to "nonpayment of the premium" or "fire risk loss," (d) the zip code where the insured property is located (with the option for additional information on request), (e) the total written premium of the policy, (f) the type of policy form, (g) the policy deductible, (h) the number of all paid claims "due to fire loss" or "due to reasons other than fire loss," (i) the total of all losses paid for policies "due to fire loss" or "due to reasons other than fire loss," (j) the policy's coverage limits, and (k) "any other information prescribed by the Director of the Department in rule, except that in any year the Director ... may require the reporting of any clarifying information that is consistent with the information requested in a data call issued by the National Association of Insurance Commissioners on the residential property insurance market." States that all information reported "is confidential and is not subject to disclosure ... discovery or subpoena," unless subpoenaed by the Attorney General, a county attorney, or a law enforcement agency. Requires the Director to notify the insurer of any enforceable subpoena "unless otherwise prohibited by law," and specifies that subpoenas are not admissible "in a private civil action." Permits the Director of DIFI to flex the April 1st due date, and requires publication of an anonymized and aggregated report by December 31. Establishes a Fire Insurance Review Task Force (FIRTF) within the Department of Insurance that consists of (a) the Director of DIFI (or their designee), (b) three appointees of the Director, one of whom represents the homeowner's insurance industry and one of whom represents "a wildfire risk reduction organization," (c) the State Forester (or their designee), and (d) four appointees of the State Forester "who have expertise in wildfire areas and wildfire prevention and mitigation." Requires the Director of DIFI to provide (a) the aforementioned "annual aggregated and deidentified insurance premium and policy coverage data," and (b) the total number of consumer complaints relating to "nonrenewal or cancellation of homeowners policies due to risk or fire loss and related to increases in homeowners insurance premiums. Directs the FIRTF to (a) review DIFI data, (b) identify "current and historic trends in homeowners coverage availability, insurance rates, nonrenewal, and cancellation," and (c) "review data related to fire risk mitigation science and ... recommendations related to building codes, defensible space requirements, and ordinances that reduce the risk of wildfire." Requires an annual report on the FIRTF's findings and repeals both the FIRTF and the insurer reporting requirements at the end of 2027. Contains other reforms to statute governing insurance.

HB 2201: wildfire mitigation planning; utilities; approval (Griffin) (Laws 2025, Ch. 167)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Establishes "the exclusive means of recovery from a public power entity" - including "a parent, subsidiary or other corporate affiliate of a public power entity" and "attachors" - "for claims or damages that result from wildfires." Requires public power entities (PPE) to "prepare and submit" a Wildfire Mitigation Plan to their governing body for review, which requires the governing body to assess the Plan for (a) statutory compliance, (b) reasonableness, and (c) furthering of the public interest. Adoption of the Plan by the PPE governing body must occur by May 1, 2026, and must recur every two years "unless the governing body orders otherwise." Permits, rather than requires, smaller PPEs (those with "fewer than 40,000 meters") to draft a Plan and thus opt-in to this statute. For the purposes of adjudication, the Plan is "deemed approved" during "the pendency" of any action seeking review of the governing body's determination. After approval of the *Plan* by the governing body, requires submission to the State Forester for review and approval. Directs the State Forester to approve the Plan if it: (a) comports with the aforementioned provisions of HB 2201 in both Title 30 (Power) and Title 40 (Public Utilities and Carriers), (b) is, considering the size and resources of the PPE or public utility, reasonable, (c) is in the public's interest, (d) meets the "specific conditions and risk" of the specific service area, (e) identifies the "preventive actions, protective actions, and monitoring programs that the public power entity or electric utility will carry out ... to minimize the risk of a wildfire," and (f) provides descriptions of key geographic areas, inspection and operation procedures, vegetation management practices, energy shut-off and restoration procedures, plans for participation in local and state wildfire protection efforts, and efforts to monitor compliance. Permits the State Forester to adopt rules to effectuate HB 2201, to establish fees for the review of Plans, and specifies that any actions (or comments) by the State Forester on the Plans fall under the "absolute immunity" provided by A.R.S.  $\S 12-820.01$ . During the "pendency" of any review of a Plan by the State Forester, specifies that previously approved Plans "shall remain approved and in effect." Holds that a PPE acting in compliance with a *Plan* approved by its governing body and the State Forester is "deemed to meet the standard of care for a reasonably prudent public power entity" for any cause of action for negligence against it related to wildfire. Requires an aggrieved party to prove that a PPE's failure to comply with the Plan was a "proximate cause" of any alleged loss, injury, or harm. Specifies that a PPE does not meet the standard of care if it "engages in willful, intentional, or reckless misconduct" that causes a wildfire, but that a failure to comply with an approved plan "does not constitute negligence per se." Prohibits the use of one PPE's Plan as evidence against another in a wildfire-related civil action. Prohibits the apportionment of any fault to a PPE for ignition (a) "from sources that are outside of the ... entity's control," (b) from "vegetation or other wildfire risks outside of the public power entity's ... property rights," or (c) areas "in which the ... entity has been delayed in accessing or denied access for purposes of performing vegetation management ... if ... outside of the ... entity's reasonable control." Prohibits "a claim for condemnation or inverse condemnation ... against a public power entity related to wildfires."

#### **ELECTIONS**

SB 1040: recall elections; procedures; timeline (Kavanagh) (Laws 2025, Ch. 3)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** For recall efforts, **SB 1040** requires a county recorder to determine if petitions should be disqualified within 75 days, rather than 60 days. Extends the mandatory space between a petition filing and a special recall election to at least 120 days, rather than 90 days. The bill also requires nomination petitions for a recall election to be filed between 120 and 90 days before the election, rather than between 90 and 60 days. Finally, the bill requires candidates interested in

running in the recall election to file a statement of interest, and invalidates petition signatures gathered prior to the filing of the statement of interest.

SB 1153: write-in candidates; nomination paper filing (Gowan) (Laws 2025, Ch. 18)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Requires write-in candidate nomination petitions be filed 20 days earlier (prior deadline was "the fortieth day before the election," **SB 1153** substitutes a deadline of "the sixtieth day before the election."

SB 1319: election officer certification training; yearly (Dunn) (Laws 2025, Ch. 157)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 16-407) requires an individual to have an election officer's certificate issued to them by the Secretary of State before they are permitted to perform election duties "in or on behalf of any county." Further, statute has required these authorizations (via certificates) to be issued by January 1 of the election year, precluding training in the same year as the election. **SB** 1319 allows for annual occurrence of the *Election Officer Certification and Training Program* and requires certifications issued within an election year to be issued by June 1. Finally, specifies that certificates expire "on December 31 in the year after the General Election" and requires the Secretary of State to submit annual, rather than biannual, reports on related trainings to legislative leadership.

SB 1581: campaign finance reports; filing dates (Mesnard) (Laws 2025, Ch. 112)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 16-927) specifies that: (a) in a calendar quarter without an election, a political action committee (PAC) or party must file a quarterly report "not later than the third Monday in the month after the calendar quarter, (b) in a calendar quarter with an election, a PAC or party must file a preelection report "not later than ten days before the election," (c) a candidate committee for any office that is not statewide "shall file a campaign finance report only during the four calendar quarters comprising the twelve-month period preceding the general election for the office for which the candidate is seeking election," and (d) a candidate committee for statewide office must file a campaign finance report "during each calendar quarter comprising the forty-eight month period preceding the general election for the office for which the candidate is seeking election." SB 1581 changes the (a) deadline for a PAC or party quarterly report to the "fifteenth day of the month after the calendar quarter," and changes the (b) deadline for a PAC or party preelection report to "not later than fifteen days before the election." SB 1581 also fully rewrites reporting requirements for statewide and local candidate committees. Statewide candidate committees will be required to file (a) a quarterly report "for each calendar quarter every year" that may not be filed later than "the fifteenth day of the month after the calendar quarter," and (b) a post-primary report "that is complete through the primary election and that is filed not later than fifteen days after the primary." Local candidates - those running in "legislative, county, city, or town" races - must now file: (a) an annual report for each year save the election year, which is due "not later than January 15" of the next year, (b) a quarterly report for "each calendar quarter in the year of the general election for the office," which is due "not later than the fifteenth day of the month after the calendar quarter," and (c) a post-primary report "filed not later than fifteen days after the primary election."

HB 2129: inactive voters; hand counts; alternates (Bliss) (Laws 2025, Ch. 194)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute uses the phrase "all voters who are eligible for the election and who are included on the active early voting list," or AEVL, to denote which voters must be sent election notices (A.R.S. § 16-544 (D)) and early ballots (A.R.S. § 16-544 (F); A.R.S. § 16-558.01). HB 2129 amends this phrase, specifying that individuals sent election notices and early ballots under the aforementioned statute may not be "listed as inactive." HB 2129 further specifies that (a) an "inactive" voter may not receive an early ballot "unless the voter updates or otherwise confirms the voter's registration information," and (b) that the "ballot replacement center" designated for an option special district mail ballot election must allow for "an elector who is listed as inactive to confirm or revise the elector's voter registration information and receive a ballot." Amends A.R.S. § 16-550, which requires county recorder and city/town clerk offices to be open during regular business hours to allow for curing signatures "during the Friday and weekend before and the Friday and weekend after the election," to specify that this requirement is contingent on there being "outstanding ballots that require identification or ballot signatures to be corrected or confirmed." Amends statute dictating mandatory hand count procedures (A.R.S. § 16-602), specifying (a) if there are not sufficient contested races for a hand count amongst statewide, federal, and state legislative races, a county race may be hand counted, (b) if there are an insufficient number of contested races after following statutory procedure, the remainder shall be selected from uncontested races, and (c) the state or county party chairperson may select another hand count audit designee, provided their choice does not delay the count or result in more than 75 percent of participants being of the same party, if their initial designee fails to appear. Requires a candidate wishing to withdraw to submit a "signed, notarized statement of withdrawal to the filing officer." Finally, allows candidates for election to the offices of justice of the peace or constable in 2026 to submit statements of interest, nomination papers, and nomination petitions using their 2024 justice precinct or their redistricted precinct if the statements, papers, or petitions are otherwise compliant with law.

HB 2376: county candidates; clean elections pamphlet (Carter, P.) (Laws 2025, Ch. 202)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Amends A.R.S. § 16-956 (A) (1), permitting candidates for "countywide" offices - "including the Board of Supervisors" - to include a message in the Citizens Clean Election Commission's <u>Voter Education Guide</u> (the Candidate Statement Pamphlet).

HB 2390: JPs; constables; online signature (Carter, N.) (Laws 2025, Ch. 29)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 16-317) allows the Secretary of State to provide a secure system for qualified electors to sign the nomination petitions (<u>E-QUAL</u>) of candidates for specified political offices (city, town, county, and precinct committeeman). **HB 2390** extends the use of electronic signature collection software to candidates for justice of the peace and constable.

HB 2391: JPs; constables; signatures (Carter, N.) (Laws 2025, Ch. 147)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 16-322) requires candidates for justice of the peace (JP) or constable to receive petition signatures from "at least 1 but not more than 10 percent of the number of qualified signers in the precinct" to qualify for nomination. **HB 2391** introduces separate petition requirements for JPs and constables in counties with a population of fewer than 1 million persons, specifying that prospective candidates for these offices in these areas may qualify for nomination with the lesser of: (a) 300 signatures, or (b) between 1 and 10 percent of the precinct's qualified signers.

HB 2666: campaign finance; third-party complaints (Hendrix) (Laws 2025, Ch. 33)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Prohibits a filing officer from accepting a third-party complaint regarding a violation of state campaign finance laws unless the complaint is submitted on behalf of the third party by an individual who "submits evidence that the individual is an identifiable human being." States that "any third-party complaint that is submitted by an entity shall be submitted by an individual on behalf of that entity and shall include evidence that the individual is an identifiable human being."

HB 2667: campaign finance complaints; resolution (Hendrix) (Laws 2025, Ch. 173)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Dismisses any campaign finance complaint filed pursuant to A.R.S.  $\S 16-938$  if, after 180 days, the filing officer has not (a) resolved the complaint, (b) ruled on the complaint, or (c) extended the deadline for action.

### **EMPLOYMENT**

SB 1060: internal investigations; notice; confidentiality (Gowan) (Laws 2025, Ch. 14)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 38-1104) provides a framework for interviews between employers and law enforcement officers "in the course of an administrative investigation" that the officer reasonably believes "could result in dismissal, demotion, or suspension." Prior to any interview, the employer is required to provide the law enforcement officer with "a written notice informing the ... officer of the alleged facts ... the specific nature of the investigation, the law enforcement officer's status ... all known allegations ... and the law enforcement officer's right to have a representative present." This requirement includes "any relevant and readily available materials." SB 1060 requires these "relevant and readily available materials" to be provided to the officer "at least twenty-four" hours before the interview. Provides exemptions when: (a) the officer waives the requirement, (b) the employer believes the interview should occur earlier "to protect the integrity of the law enforcement officer's statement," and (c) "circumstances or evidence that will be offered at the interview require the interview to be completed twenty-four hours after a major law enforcement incident."

SB 1159: employment practices; wage claims (Gowan) (Laws 2025, Ch. 38)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 23-356 (A)), permits an employee to eschew a civil action in the courts, and instead "file a written claim ... for unpaid wages against an employer" with the Labor Department of the Industrial Commission of Arizona (ICA), if the total amount of unpaid wages do not exceed \$5,000. **SB 1159** increases the threshold of unpaid wages under which an employee may seek recompense with the ICA from \$5,000 to \$12,000.

SB 1461: law enforcement officers; probation; termination (Payne) (Laws 2025, Ch. 70)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 38-1104) provides a framework for interviews between employers and law enforcement officers "in the course of an administrative investigation" that the officer reasonably believes "could result in dismissal, demotion, or suspension." **SB 1461** amends the framework in the following ways: **(a)** specifying that the law enforcement officer may request a representative present at no "additional" cost to the employer, rather than "no cost," **(b)** prohibiting an employer from terminating a law enforcement officer "who is promoted above the law enforcement officer's

current rank" for "failing to satisfactorily complete the ... probationary period," and (c) exempting just-graduated police recruits and lateral transfers from the aforementioned prohibition on firing for failing to satisfactorily complete a probationary period.

HB 2386: pay parity; law enforcement; benchmarks (Marshall) (Laws 2025, Ch. 225)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 41-1720) establishes the "parity compensation fund" within the state's Department of Public Safety (DPS) and directs the Department to use fund monies – which consist of monies appropriated directly by the state legislature and Vehicle License Tax revenues deposited via A.R.S. § 28-5808 – to fund "salaries and benefits for law enforcement personnel" considering "state revenues and state employee pay adjustments." **HB 2386** provides additional direction to the Department regarding how fund monies must be spent, mandating that spending must be informed by annually established benchmarks "based on the average total compensation for each comparable law enforcement personnel rank of the Department's three largest county or municipal peer law enforcement agencies in this state." Requires these benchmarks to be included in the annual report on the State Personnel System.

### **ENVIRONMENTAL HEALTH**

SB 1730: underground storage tanks; reimbursement (Shope) (Laws 2025, Ch. 77)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Requires the Department of Environmental Quality to provide an annual report on the Underground Storage Tank Revolving Fund (Fund) preapproval process, including associated revenues. **SB 1730** also requires applicants for Fund reimbursement to apply for reimbursement within one year of project completion, and contains language: (a) permitting an applicant for reimbursement who submitted before September 1, 2025, to submit by the later of February 1, 2026, or one year after the work's completion, and (b) specifying that the one-year application limit applies "from and after September 1, 2025," and that "any applicant who has not timely submitted an application for reimbursement for eligible costs under this chapter shall lose eligibility for reimbursement."

HB 2104: emissions; voluntary vehicle repair; timeline (Griffin) (Laws 2025, Ch. 122)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Extends key statutory provisions of the *Waste Tire Fee Fund* by pushing the repeal date from December 31, 2025, to December 31, 2028. Statute establishing the program (A.R.S § 49-558.02), and in other sections of statute where the program is referenced, renames the *Vehicle Repair and Retrofit Program* to the *Voluntary Vehicle Program*. Relatedly, removes any reference to retrofitting from establishing statute. Requires that a vehicle owner, on acceptance into the *Program*, repair their vehicle within 60 days. Removes reference to "cooperation with the county" from a section of statute permitting an *Emissions Control Repair Program* and mention of a "random roadside vehicle test conducted by the state." Ties the term "owner" to a definition in A.R.S. § 28-101. Makes changes to the vehicle emissions testing program protocols (A.R.S. § 49-542) contingent on approval of modifications by the Environmental Protection Agency.

HB 2127: hazardous substance release; notice; liability (Bliss) (Laws 2025, Ch. 42)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Requires the owner of a property with a known release or threatened release of a hazardous substance – specifically, a site that is "on the registry established pursuant to section 49-287.01" or that is not and is either (a) the site of an ongoing release, or (b) subject to enforcement

action - to provide "written communication to a prospective buyer" before the property is sold. The owner must also provide written notice to the director of the Arizona Department of Environmental Quality (ADEQ), both when the property is listed for sale and when the purchase is complete. If the property is a mine or abandoned mine site, the property owner must also notify the State Mine Inspector simultaneously with notification to the director of ADEQ.

HB 2128: environmental remediation; liability; release (Bliss) (Laws 2025, Ch. 50)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 49-285.01) permits the Arizona Department of Environmental Quality (ADEQ) to provide a "written release and a covenant not to sue," as well as the potential for "an order of the court granting approval of a settlement that includes immunity from contribution claims," to prospective purchasers of property where a hazardous substance was released if a number of conditions (including the purchaser not being "currently liable for existing or threatened release of a hazardous substance," the agreement providing for "a substantial public benefit," an expectation that the proposed development will not contribute to contamination or interfere with remedial measures) are met. **HB 2128** extends the opportunities that exist for prospective purchasers – namely, the ability to develop property without taking on liability for hazardous releases that had occurred prior to acquisition – to "prospective remediators."

HB 2145: registered sanitarians; qualifications (Bliss) (Laws 2025, Ch. 43)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 36-136.01) specifies that eligibility for registration as a "Registered Sanitarian" is contingent on the applicant: (a) possessing five years relevant "environmental health" experience as a "Sanitarian Aide" at a "recognized public health agency," or a related position in "private industry" or the military, or (b) having successfully completed "thirty semester hours of credit at an accredited college or university in the natural sciences." After meeting either of these criteria, the applicant must pass "a sanitarian examination administered by a testing center" (R9-16-402). **HB 2145** reduces the previous experience necessary to sit for the exam in any sector from five years to three years. Further, the bill amends the threshold to sit for the exam without relevant work experience, noting that an individual must have 22 credits in natural sciences and eight credits in subjects relevant to the role of a sanitarian as approved by the Sanitarians Council.

HB 2232: on-site wastewater treatment; general permit (Hendrix) (Laws 2025, Ch. 26)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Requires, by January 1, 2026, that the director of the Department of Environmental Quality (ADEQ) issue a general permit authorizing a liquid effluent collection system that (a) complies with existing requirements for general permit issuance (including cost of individual permits not being justified by "environmental or public health benefit," the defined class of regulated facilities being "substantially similar in nature," and more, (b) the system "is designed as a septic tank effluent pump system or a septic tank gravity system" [defined], and (c) "the system, including all components ... is owned or operated by a single person." Makes the ability of an "on-site wastewater treatment facilit[y] with a design flow of thee thousand gallons a day or more" to discharge under a general permit "until revised rules that are proposed after December 31, 2024, are effective" contingent on being "installed by an installer that is certified by the technology manufacturer." Exempts specified general permit fees "from the requirements of Title 41, Chapter 6." Amends language that permits a specified on-site wastewater treatment facility to transition to a general permit issued "not later than January 1, 2026," and prohibits the Director of ADEQ from requiring "any design modifications or fees that are associated with this transaction."

HB 2272: municipal separate storm sewer system (Griffin) (Laws 2025, Ch. 132)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Per A.R.S. § 49-371, counties that are "required by the Clean Water Act to obtain coverage under a national or state pollutant discharge elimination system stormwater program" or "required to obtain coverage under an Arizona Pollutant Discharge Elimination System permit" may – among other provisions – (a) develop and implement stormwater pollution prevention plans and management programs, (b) adopt rules, regulations, or ordinances to comply with state and federal regulations (as well as regulate the use of necessary lands and rights-of-way), and (c) conduct enforcement. **HB** 2272 expands these authorities to counties operating "medium or large separate storm sewer system[s]."

HB 2750: fire trucks; diesel fuel; exemption (Griffin) (Laws 2025, Ch. 151)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (§ 28-5649) describes which federally exempt motor vehicles – (a) school buses transporting students and school employees, and (b) qualified local buses that are available to the general public, operate along scheduled routes, have seating for at least 20 people, and are contracted with a state or local government – are permitted to use "dyed diesel fuel" on highways. **HB 2750** expands this list to include "a fire truck, fire engine, or other fire apparatus" if it is both (a) engaged in the transportation of fire fighters, and (b) outside of Area A (portions of Maricopa, Pinal, and Yavapai counties), Area B (portions of Pima County), and Area C (portions of Pinal County that are not in Area A).

### **FINANCE**

SB 1221: China; public funds; divestment (Mesnard) (Laws 2025, Ch. 156)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Prohibits a "publicly managed fund" - defined as "a short-term or long-term investment structure that is managed, run, controlled, or otherwise overseen by this state or a political subdivision of this state" - from investing in: (a) "the People's Republic of China" (PRC), (b) "a company owned by" the PRC, (c) a company "domiciled, incorporated, or headquartered within" the PRC, (d) a company "controlled" by the government of the PRC, the Chinese Communist Party (CCP), the Chinese military, or (e) "any instrumentality of the government" of the PRC, the CCP, or the Chinese military. Exempts companies that may be included "solely because the company has a subsidiary or affiliate" that may fall within the aforementioned criteria. Beginning on SB 1221's effective date, requires a "publicly managed fund" to begin divestment of applicable holdings and complete "total disinvestment ... as soon as financially prudent but not later than one year after the effective date." To facilitate such disinvestment, requires funds to do one of the following: (a) review public information regarding their investments, "including information provided by nonprofit organizations, research firms and governmental entities," (b) contact contract asset and fund managers that "invest in companies and in funds that are owned by or are domiciled within China or whose primary affairs are conducted within China," (c) contact "institutional investors" that have either "divested from or engaged with" such companies, or (d) retain an "independent research firm" to identify fund investment holdings that would fall under **SB 1221's** criteria. Exempts funds from divesting from prohibited investments if (a) the holdings total less than 1 percent of the total value, and (b) the cost of divestment over the next five years is "more than one percent of the value of the total holdings or investments otherwise prohibited." Specifies that these requirements do not "inhibit, conflict with, impede, or otherwise interfere with any required financial safeguards, fiduciary requirements, or other sound investment criteria that a publicly managed fund is subject to." Provides a number of additional exemptions and protections, including: (a) exemptions from "conflicting statutory or common law obligation or fiduciary duties with respect to choice of asset managers, investment funds, or investments," (b) immunities for "acts and omissions," and (c) indemnification relating to decisions made to comply with **SB 1221.** States that the statute "applies to any private equity or venture capital investments entered into or renewed from and after the effective date of this act."

### **HOUSING**

HB 2068: assistance animals; landlord tenant (Kupper) (Laws 2025, Ch. 191)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** States that a landlord is not liable for injuries caused by a "purported" (a) assistance animal or (b) service animal allowed as a reasonable accommodation or modification on or within their property. Adds definitions for "assistance animal" and "service animal" in § 41-1491.

#### LAND

SB 1070: tax deed land sales; procedures (Mesnard) (Laws 2025, Ch. 15)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (§ 42-18303) permits the board of supervisors to sell "real property in the county held by the state by tax deed" to - and further, to "accept an offer ... to purchase the property" by - the owner of contiguous residential real property. Statute makes the execution of such a sale contingent on (a) the property for sale and the contiguous property having once been under common ownership (or part of a "common area maintained by a homeowners' association"), and (b) the property for sale not later being used for separate purposes (or in conflict with "recorded common area restrictions"). SB 1070 expands the ability of property owners to make direct offers to nearby contiguous commercial and industrial properties and adds the requirement that the buyer agree "to submit a request to the county assessor to jointly assess the contiguous properties." The bill also specifies how precedence must be determined in circumstances where two qualified owners of contiguous property submit offers, strips reference to "common areas" from the requirements, gives homeowners' associations their own separate authority to buy outlined property, and removes language specifying that statute does not apply "if there is more than one contiguous parcel ... that meets the requirements." Finally, permits the board of supervisors to establish procedures for accepting monetary offers for real property, held by the state by tax deed, over the counter if the property was previously offered for sale at auction and not sold.

SB 1082: land ownership; designated countries; prohibition (Shamp) (Laws 2025, Ch. 253)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Prohibits "a foreign adversary nation or a foreign adversary agent" from "directly or indirectly" purchasing, owning, acquiring by grant or devise, or otherwise obtaining a substantial interest in real property in Arizona. Contains a limited exemption, permitting "a foreign adversary or foreign adversary agent" to acquire real property if they subsequently sell, transfer, or divest from the real property within 120 days. Places enforcement within the office of the Attorney General, who – if

they "reasonably suspect[t] a violation" – may (a) commence an action in the relevant county's superior court, (b) report the matter to the Federal Bureau of Investigation (or any other law enforcement agency with the statutory authority to investigate), and (c) report the matter to the Committee on Foreign Investments. States, if the Supreme Court "finds that the title or a substantial interest in the real property was obtained in violation" of this law, that the court shall enter an order (a) stating its findings, (b) divesting the person's interest, and (c) directing the relevant county's board of supervisors to "sell the real property in a manner that is consistent with Title 42, Chapter 18, Article 7." Directs the board to distribute "the remaining proceeds, after paying taxes, interest, penalties, fees, and costs, in the following order of priority:" (a) valid lienholders, (b) to the county treasurer and the Attorney General for reimbursement of costs incurred in the action and sale, and (c) "to the property owner in an amount equal to the remaining proceeds of the sale, if any." Relieves "a title insurer, title agent, escrow agent, or real estate licensee" of liability, and specifies that "a violation of this section may not be the basis for a title insurance claim for any title insurance policy." Limits the bill's applicability to "acquisitions that occurred before the effective date of this act."

SB 1218: townsites; trustees; board of supervisors. (Angius) (Laws 2025, Ch. 7)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** States that a county board of supervisors, rather than a judge of the county's superior court, shall be the trustee of an "unincorporated townsite."

HB 2769: state land transfer; Bullhead City (Biasiucci) (Laws 2025, Ch. 35)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Transfers title of a portion of state land to Bullhead City, requiring that "the transferred land shall be managed ... for park and public recreation purposes perpetually and shall not be sold, exchanged, or bartered."

### **LIABILITY**

SB 1106: public entity liability; sexual offenses (Miranda) (Laws 2025, Ch. 60)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 12-820.05) states that a public entity is not liable for losses incurred by a public employee charged with a felony conviction unless the public entity knew of that employee's "propensity for that action." This liability shield does not extend to the operation of a motor vehicle. **SB 1106** adds to the exemptions sexual offenses committed against a minor or a child in instances where: (a) the public entity failed to obtain a background check or (b) the public entity or employee had a "statutory duty to report and failed to do so." This amendment is effective until January 1, 2028.

HB 2032: workers' compensation; assigned risk plan (Livingston) (Laws 2025, Ch. 120)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (§ 23-1091) states that an employer may be placed in an "assigned risk plan" if, while seeking "a workers' compensation or occupational disease policy," they are refused coverage by two or more insurers. **HB 2032** states that employers are ineligible to participate in the "assigned risk plan" if the employer: (a) has, on a current or previous policy, either knowingly failed to meet "reasonable health and safety ... or audit or loss prevention requirements" or did not allow insurance carriers "reasonable access to the employer's records," (b) the employer has an outstanding premium due on a related policy that "is not subject to a bona fide dispute," and (c) the employer (or their "representative") have either failed to comply with the "assigned risk plan" application procedures or

have made a material misrepresentation on the application. States that if an employer is placed in the "assigned risk plan," they may be removed pursuant to § 23-961.

## **LIQUOR**

HB 2741: liquor sampling; reporting; requirements (Lopez) (Laws 2025, Ch. 91)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Prohibits the state's Department of Liquor Licenses and Control from requiring a beer and wine or liquor store licensee "that has sampling privileges" to "use a single, Department-maintained system for maintaining the records and reports" of dispensed sampling products. Permits these stores to use "any reasonable means for maintaining the records and reports," and requires reporting of scheduled samplings to the department "every two weeks" by "any reasonable means."

HB 2905: craft producer; festival; fair; license (Weninger) (Laws 2025, Ch. 36)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Statute (A.R.S. § 4-203.02) allows the director of the Department of Liquor Licenses and Control (DLLC) to issue "temporary special event licenses" and specifies that special events that are either (a) held in "unlicensed locations," or (b) not fully held within a licensed location must receive approval from the relevant local jurisdiction. The director is also permitted to issue such a license "concurrently with wine festival licenses, craft distillery festival licenses, and microbrewery festival licenses." Statute also provides separate sections of statute for the enactment of (a) "farm winery festival licenses" (§ 4-203.03), (b) a "craft distillery festival license" (§ 4-205.11), and (c) a "microbrewery festival license" (§ 4-205.14). HB 2905 repeals these individual licenses, and appears to consolidate all of these functions under a new "craft producer festival license or craft producer fair license."

### **OPEN MEETING LAW**

HB 2231: advisory committee; subcommittee; exemption (Hendrix) (Laws 2025, Ch. 168)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Exempts from the state's *Open Meeting Laws* (A.R.S. § 38-431 through § 38-431.09) "the exchange of communications among a quorum of a three-member advisory committee or subcommittee concerning a matter before the advisory committee or subcommittee." Specifies that an exempt "advisory committee or subcommittee" may not include more than one member of "any public body."

#### **PARKS & RECREATION**

SB 1467: liquor; consumption; watercraft (Shope) (Laws 2025, Ch. 107)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 4-205.03) permits the Department of Liquor Licenses and Control (DLLC) to issue a "government license" to counties, among other public entities, to "sell and serve spiritous liquors solely for consumption on the premises for which the license is issued." Statute further stipulates that "a single premises licensed under this section may consist of not more than one dock area ... that is situated on a lake owned by the city or town and not more than thirty boats that are operated on the lake." Further, statute prohibits the sale, possession, and consumption of spiritous liquor "between the hours of 11:00 P.M. and 5:00 P.M." **SB 1467** eliminates the requirement that liquor be sold "in conjunction with consumption of food," and – rather than prohibiting the "sale, possession, and consumption" of spiritous liquor between 11:00 P.M. and 5:00 P.M. – rewrites statute to permit sale,

possession, and consumption of spiritous liquor between 9:00 A.M. and 11:00 P.M. Finally, amends the definition of "boat" to – among other items – increase the maximum displacement from 10 tons to 50 tons and increase the maximum capacity from 45 passengers to 100 passengers.

SB 1517: off-highway vehicles; weight (Dunn) (Laws 2025, Ch. 221)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 28-2156) permits the Arizona Department of Transportation (ADOT) to issue a "temporary general use registration" (TGUR) that allows an individual lacking a permanent registration to "operate a vehicle for no more than 30 days" (A.R.S. § 28-2156). SB 1517 expands the Department's ability to issue a TGUR, permitting issuance to "nonresident[s]" who own an "off-highway vehicle" (OHV) that is titled in another state and otherwise complies with state OHV regulations. Further, SB 1517 exempts nonresidents seeking a TGUR for an out-of-state OHV from the limitation of "one temporary general use registration ... in a twelve-month period." For the purposes of securing a TGUR, defines an OHV as a vehicle that (a) is "designed primarily for recreational, nonhighway all-terrain travel," (b) is not more than 80 inches in width, (c) has an unladen weight of 2,500 pounds or less, (d) travels on at least four "non-highway" tires, (e) has a steering wheel, (f) has a "rollover protection structure," and (g) has an "occupant retention system." Extends the Arizona Off-Highway Vehicle Study Committee by two years, substituting the statutory repeal date of May 31, 2025, with May 31, 2027.

### PENSIONS & EMPLOYEE BENEFITS

SB 1117: political subdivision entity; benefits (Dunn) (Laws 2025, Ch. 154)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 38-711) defines "political subdivision entities" as entities that **(a)** are located in the state, **(b)** are "created in whole or in part by political subdivisions, including instrumentalities of political subdivisions," **(c)** have a majority of their membership "composed of political subdivisions," and **(d)** were formed for "the performance of a government-related service." **SB** 1117 expands the A.R.S. § 11-951 definition of "public agency" to include "political subdivision entities" and adds these entities to the list of entities that "may procure insurance from any insurer authorized by the Director of the Department of Insurance and Financial Institutions or may establish a self-insurance program for the management and administration of a system for direct payment of benefits, losses, or claims or any combination of insurance and direct payments, and including risk management consultation."

SB 1287: PSPRS; part-time employment (Gowan) (Laws 2025, Ch. 183)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** From July 1, 2027, to July 1, 2031, allows employers and patrol police officers, sheriff's deputies and state highway patrol officers to enter into an agreement for part-time work and continue to earn service in the Public Safety Personnel Retirement System (PSPRS). Prescribes limitations on the period an employee can be part-time and requirements for participation. Requires the employer to pay the full actuarial cost of a disability pension if a member becomes eligible for one during their part-time service. Exempts school resource officers from return-towork requirements.

SB 1551: workers' compensation; disability; definitions (Leach) (Laws 2025, Ch. 73)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Makes changes to the schedule of fees for workers' compensation to include services by "providers of health care, dental care, and supplies." Requires publication of fees on the Commission's

website, but not the Arizona Administrative Register. Increases, from \$25 to \$100, the monthly dependent allowance provided to an employee in addition to compensation for a temporary total disability. Modifies the definition of "interested party" to include a third-party administrator – further specifying that any representative must be "authorized" – and amends the definition of "serve' or 'service'" to (a) remove the requirement that the receiving party consent to receive electronic transmission of service, (b) specifying that electronic transmission can occur "in a manner reasonably calculated to achieve effective notice," and (c) permitting the receiving party to opt-out of service entirely by providing written notice.

HB 2013: public safety cancer insurance (Livingston) (Laws 2025, Ch. 47)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 38-643) permits the Public Safety Personnel Retirement System Board of Trustees to use up to 10 percent of the monies deposited into the Cancer Insurance Plan for administrative expenses. **HB 2013** modifies the set-aside for administrative expenses, allowing use of an amount up to 10 percent of the average of total claims paid over the past five years. The bill also (a) changes the date on which the year is determined to end from July 31 to June 30, and (b) prohibits the use of the aforementioned funds for "the costs of processing the claims."

HB 2015: EORP; CORP; funded ratio (Livingston) (Laws 2025, Ch. 261)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Per A.R.S. § 38-810 and A.R.S. § 38-891, each Elected Officials' Retirement Plan (EORP) and Corrections Officer Retirement Plan (CORP) employer must contribute enough to cover both normal costs and amortize any unfunded liability over a set period — up to 20 years for CORP and up to 30 years for EORP. Statute also prohibits CORP employer contribution rates from falling below certain thresholds, limits the use of member contributions above specific percentages to offset employer contributions, and requires that only 50 percent of excess valuation assets in overfunded accounts be placed in a stabilization reserve. HB 2015 prohibits the amount of an EORP member's contribution that exceeds 7 percent of their compensation from being used to reduce the employer's contributions until the employer's funding ratio is 100 percent or more. Additionally, if the actuarial valuation of an EORP employer's account contains excess valuation assets and is more than 100 percent funded, the bill requires the PSPRS board to account for the excess valuation assets up to 100 percent of present value of all future benefits, rather than the currently prescribed 50 percent of excess valuation assets. The bill prohibits the amount of a CORP member's contribution that exceeds 8.41 percent or 7.96 percent of compensation from being used to reduce the employer's contributions if their funded ratio is under 100 percent. Additionally, it allows a CORP employer to request the PSPRS board to transfer excess assets of an account that has no liabilities or beneficiaries to a PSPRS-managed employer account. For employers to be eligible to request an asset transfer, an employer's governing body must adopt a resolution requesting the transfer in an open session where public comment is allowed and requires the employer to submit a written request to the PSPRS board along with the adopted resolution. It allows the Joint Legislative Budget Committee (JLBC) to request confirmation from the PSPRS Administrator that an employer's account meets the requirements for an asset transfer. Lastly, the bill removes the minimum employer contribution rate of 6 percent and minimum employer contribution rate of 5 percent for employers whose actual contribution rate in FY 2007 was less than 6 percent.

HB 2034: ASRS; supplemental employee deferral plan (Livingston) (Laws 2025, Ch. 262)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Specifies that an employee of an Arizona State Retirement System (ASRS) employer, or of a political subdivision or political subdivision entity, who is participating in the Public Safety Personnel Retirement System (PSPRS) is not eligible to participate in a supplemental employee deferral plan. The bill also specifies that an employee of an ASRS employer who is not participating (rather than not eligible to participate) in PSPRS, may elect to participate in a supplemental employee deferral plan.

HB 2035: ASRS; termination incentive programs (Livingston) (Laws 2025, Ch. 263)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Defines "unfunded liability," for the purposes of assessing costs from a termination incentive program, as either the increase in accrued liability tied to a member's average monthly compensation exceeding the 30 percent threshold at retirement (calculated using lump sum actuarial factors provided by the Arizona State Retirement System (ASRS) actuary), or as the difference in accrued liability assuming the member retires under the incentive program versus remaining an active member, using ASRS valuation assumptions.

HB 2036: ASRS; temporary personnel service (Livingston) (Laws 2025, Ch. 264)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Permits active Arizona State Retirement System (ASRS) members who are "appointed as temporary personnel by a federal agency" to receive credited service for up to 60 months, except as provided for by P.L. 117-178; 136 State. 2110; 24 United State Code Section 5149(d). Applies the same requirements currently in place for ASRS members called to active military service.

HB 2077: ASRS; long-term disability (Livingston) (Laws 2025, Ch. 265)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Specifies, for an Arizona State Retirement System (ASRS) member to qualify for long-term disability (LTD) benefits, the disability must have occurred while employed for an ASRS employer.

HB 2080: public retirement systems; administration (Blackman) (Laws 2025, Ch. 192)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Specifies that an "active, inactive, or retired member of the Elected Officials' Retirement Plan or a member of the ... Plan with a disability" may not receive benefits under the Elected Officials' Defined Contribution Retirement System Disability Program. Statute (A.R.S. § 38-848) requires the Public Safety Personnel Retirement System (PSPRS) Board of Trustees to "exercise the judgment and care under the circumstances then prevailing that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs ... in regard to the permanent disposition of their funds, considering the probable income from their funds as well as the probable safety of their capital" when making investments. As part of this mandatory prudence, statute requires that "corporate stocks and exchanged traded funds eligible for direct purchase" be restricted to those that meet any of a number of criteria (A.R.S. § 38-848 (F) (4)). HB 2080 adds "stocks acquired as an investment in any commingled investment" to those stocks, including "bank stocks" and "insurance stocks," are exempt from meeting those criteria. Additionally, HB 2080 amends A.R.S. § 38-849 and A.R.S. § 38-884 which detail processes following the reemployment of a PSPRS and Corrections Officer Retirement Plan retirees – to specify that returning as a "contracted or leased employee" is considered reemployment for the purposes of (a) halting crediting of service, (b) requiring employee

contributions, and **(c)** – in the case of those retired for fewer than six months – pausing pension benefits. Finally, adds "state elected officials who were subject to term limits and exempt state officers and employees who elected to participate in the defined contribution retirement plan" to the list of those eligible to participate in the supplemental defined contribution plan.

HB 2689: cancer insurance; retirees; public safety (Livingston) (Laws 2025, Ch. 208)

Effective Date: December 31, 2025, due to a delayed effective date.

Summary: Existing statute (A.R.S. § 38-643 (A)) requires the Public Safety Personnel Retirement System (PSPRS) to "establish and administer a public safety cancer insurance policy program for participating employers that employ firefighters or peace officers." Under this program, individuals who (a) are an active or retired member of PSPRS, the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP), or the Corrections Officer Retirement Plan (CORP), (b) are a firefighter regularly assigned to hazardous duty, a corrections or detention officer, a peace officer, or an eligible retiree, and (c) were diagnosed with cancer after becoming a participant in PSPRS, PSPDCRP, or CORP, may receive "benefits to ... pay for expenses that are designated ... and that are incurred in the treatment of cancer, including treatments by clinics or providers outside of the United States." As of 2024, participants paid a \$50 annual premium for benefits that include nontaxable payment for a cancer occurrence (\$15,000 for the first diagnosis, \$7,500 for subsequent unrelated diagnoses). While statute presently extends coverage to participants for a post-retirement period that grows in relation to their credited service, HB 2689 permits individuals who did not receive covered post-retirement benefits to continue coverage under the program. HB 2689 requires these individuals to pay a premium actuarially determined by the PSPRS Board of Trustees, and prohibits the board from considering the balance of contributions and investment earnings of separately eligible plan participants. HB 2689 also specifies that a retired individual with expiring eligibility must pay a premium "equal to the amount paid by the employer for each employee" when electing to continue coverage, and - separately - eliminates the sunset of the supplemental benefits plan for public safety employees injured on duty established in A.R.S. § 38-961.

### **PLANNING AND ZONING**

SB 1051: engineers; alterations; commercial space (Rogers) (Laws 2025, Ch. 153)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 32-144 (A)) exempts individuals from Board of Technical Registration licensure requirements, which currently apply to "professions and occupations" like architects, engineers, geologists, home inspectors, land surveyors, and more, if the scope of the individual's work falls within the statutory exemption framework. **SB 1051** expands the list of work that is exempt from licensure requirements to include designing certain one- or two-story buildings – those that with less than 3,000 square feet (sq. ft.) of floor space, a continuous occupancy of less than 20 persons, and "structural members" that do not exceed 20 feet – to include specific units smaller than 3,000 sq. ft. (even if the larger building is larger than presently permitted) if the alteration is "interior" and "nonstructural."

SB 1105: medical marijuana dispensaries; location (Bolick) (Laws 2025, Ch. 6)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 36-2804; A.R.S. § 36-2857) prohibits nonprofit medical marijuana dispensaries, as well as any associated locations where marijuana is cultivated, to operate within 500 feet of a school. **SB 1105** provides identical protections to "a child care facility or a facility that provides preschool programs," prohibits a locality from adopting an ordinance that provides

exemptions to these limitations, and restricts applicability of provisions to dispensaries licensed after the general effective date.

SB 1182: municipalities; counties; construction hours (Ortiz) (Laws 2025, Ch. 181)

Effective Date: May 13, 2025, due to an emergency clause.

**Summary:** Prohibits counties and municipalities from enacting or enforcing "any noise ordinance, rule, or regulation" that prohibits specific construction activities – those that occur between May 1<sup>st</sup> and October 15<sup>th</sup> and that are performed "pursuant to a validly issued building permit" - between 5:00 A.M. and 7:00 P.M. on weekdays and between 7:00 A.M. and 7:00 P.M. on Saturdays. Requires counties and municipalities to allow concrete to be poured "at least one hour before the time that general construction activities are regularly scheduled to begin."

SB 1286: counties; board; administrative review; approval (Gowan) (Laws 2025, Ch. 8)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute A.R.S. (§ 11-269.27 (A)) allows a county board of supervisors to, among other things, authorize administrative personnel to "review and approve site plans, development plans, land divisions, lot line adjustments, lot ties, preliminary plats, final plats and plat amendments" without a public hearing. **SB 1286** adds "assurances" and makes changes necessary to conform with prior law.

SB 1529: municipal housing; preapproved design; annexation (Petersen) (Laws 2025, Ch. 259)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Adjusts the annexation authority of municipalities, permitting them to annex territory that would result in "unincorporated area ... completely surrounded by the annexing city or town or combination of the annexing city or town and other cities or towns," if the relevant county board of supervisors "makes a finding that the proposed annexation will not adversely impact the levels of county services to the remaining unincorporated territory." Outlines requirements for municipalities to establish standard preapproved housing design plans or plan programs.

HB 2200: professional registration; reciprocity; endorsement (Wilmeth) (<u>Laws 2025, Ch. 44</u>)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Establishes procedures whereby professional engineers, architects, land surveyors, and landscape architects who have both (a) "a valid license, registration, or certification issued by ... another state, territory, district, or possession" or "another county participating in the ... applicable ... National Council Mutual Recognition Agreement" and (b) "a certification or model law designation from the ... profession's National Council" may apply for registration in Arizona via "reciprocity or endorsement." HB 2200 also provides additional criteria for professional engineers seeking registration through reciprocity or endorsement – applicants must "hold a record from the profession's National Council verifying that the person" either (a) "has at least four years of experience," (b) has "passed a professional national examination," or (c) has "earned a baccalaureate or equivalent degree or a postgraduate degree" – and land surveyors (who must "pass an examination relating to surveying methods and legal principles").

HB 2342: blockchain technology; regulation; computational power (Fink) (<u>Laws 2025, Ch. 81</u>)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute A.R.S. (§ 11-269.22) prohibits counties from regulating whether an individual runs "a node on blockchain technology" in a residence and deems the matter "of statewide concern." Identical language exists for cities and towns. **HB 2342** expands the prohibition on county (and city/town) regulation to include "lawfully accessing or using computational power." Defines

"computational power" as "the use of computer hardware and software to process data, run algorithms, or perform tasks requiring significant computing resources, including artificial intelligence, blockchain, scientific research, and cloud computing."

HB 2626: manufactured housing; certification; compliance (Weninger) (Laws 2025, Ch. 126)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 41-4004) outlines Arizona Department of Housing (ADOH) responsibilities involving mobile homes, including (a) creation of a "state inspection and design approval bureau" (A.R.S. § 41-4004 (A)), (b) entering into reciprocal agreements and compacts with states and private organizations to ensure standards of construction remain "reasonably consistent" (A.R.S. § 41-4004 (B)), (c) certifying a home's compliance with construction and installation requirements (A.R.S. § 41-4004 (C)), and (d) providing a variety of inspection and enforcement actions regarding the manufacture and installation of mobile homes. **HB 2626** removes the requirement that ADOH issue a certificate to indicate compliance with installation requirements. The requirement to certify compliance with construction requirements remains in law. The bill makes conforming changes to statute outlining the responsibilities of ADOH's deputy director of Manufactured Housing & Building.

HB 2928: accessory dwelling units; requirements (Carbone) (Laws 2025, Ch. 217)

Effective Date: September 26, 2025 (General Effective Date)

Summary: On January 1, 2026, requires counties to adopt regulations permitting, "on any lot or parcel where a single-family dwelling is allowed," "at least one attached and one detached accessory dwelling unit (ADU) as a permitted use." If a county fails to adopt these regulations by January 1, 2026, ADUs shall be allowed "on all parcels zoned for residential use in the county without limits." Lots larger than one acre must be granted "a minimum" of one additional ADU "as a permitted use," and counties "may require" that one of the lot's ADUs are "restricted-affordable." Requires counties to allow each ADU to be "at least 75 percent of the gross floor area of the single-family dwelling on the same lot or 1,000 square feet, whichever is less," but permits counties to allow larger ADUs. Exempts (a) "tribal land," (b) "land that is in the territory in the vicinity of a military airport or ancillary military facility," (c) "property that is in a high noise or accident potential zone," (d) property in the vicinity of a Federal Aviation Administration commercially-licensed airport or a general aviation airport, or (e) property "that has a noise level greater than 65 decibels" in "the territory in the vicinity of a public airport." Prohibits a county from: (a) prohibiting the "use or advertisement" of the single-family dwelling or ADUs as "separately leased long term rental housing," (b) requiring a "family, marital, employment, or other preexisting relationship" between the owner or occupant of the single-family dwelling and the occupant of the ADU, (c) requiring that the lot have "additional parking" to accommodate an ADU (or requiring "payment of fees" in lieu of additional parking), (d) requiring the ADU "match the exterior design, roof pitch, or finishing materials" of the single-family dwelling unit, (e) setting restrictions for ADUs that are "more restrictive" than those for single-family dwelling units "with regard to height, setbacks, lot size, or coverage or building frontage," (f) requiring "rear or side setbacks" for ADUs that are more than five feet, (g) requiring "improvements to public streets" as a condition of allowing an ADU (exempting repairs necessary as a result of an ADU's construction), and (h) requiring a restrictive covenant (except as provided for to ensure the aforementioned affordability). Specifies that this last prohibition "does not prohibit restrictive covenants or shared well agreements ... entered into between private parties." Specifies that this preemption, and the related prohibitions, "do not supersede" (a) applicable building codes, (b) fire codes, (c) sensitive environmental area regulations, (d) wildfire prevention regulations, (e) emergency vehicle access regulations, (f) drainage or flood control regulations, or (g) "public health or safety regulations." States that if a new ADU "will not be connected to a sewer system or if the sewer system lacks capacity to serve" the new ADU, a county may require

"that any septic system that will be used to serve the accessory dwelling unit will be adequately-sized before the construction of the accessory dwelling unit." Amends the prohibition on county regulation of "vacation rentals or short-term rentals" to prohibit a county from requiring "the owner of a vacation rental or short-term rental to reside on the property if the property contains an ADU and if a certificate of occupancy, certificate of completion, or similar final approval ... was issued ... on or after September 14, 2024." Permits regulation of this nature if the aforementioned approvals were granted "on or before September 13, 2024."

### **PROBATION**

SB 1343: probation supervision; transfer (Bolick) (Laws 2025, Ch. 138)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 13-901) permits a probationer - at the time of their sentencing or disposition - to make a written request to their supervising department for a "courtesy transfer" of their probation to another county to: (a) fulfill obligations as a caregiver, (b) secure employment (or follow-up on an offer of employment), or (c) secure housing (or follow-up on an offer of housing). After reviewing for victim safety concerns and compliance with the Victims' Bill of Rights, confirming the details of their request, the supervising department is required to send the request. If the receiving department can verify the aforementioned details, they must accede to the request. **SB** 1343 amends statute, permitting a probationer to request a "courtesy transfer" at any time.

HB 2488: apprenticeship; supervised probation (Hernandez, A.) (Laws 2025, Ch. 203)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Permits a probationer that is on "standard probation" and participating in "a state or federally recognized apprenticeship program" to (a) "work any hours of the day" as long as the probationer remains in good standing with the program, and (b) travel outside of the jurisdiction where the probationer resides, so long as they do not leave the state, to work in the apprenticeship program.

### **PUBLIC HEALTH**

SB 1247: tobacco use; sale; minimum age (Farnsworth) (Laws 2025, Ch. 228)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Currently, it is illegal for a person or entity to sell, give, furnish, or otherwise provide a minor with tobacco products (A.R.S. § <u>13-3622</u>, <u>36-798.01</u>, & <u>36-798.02</u>). **SB 1247** raises the minimum age for legal sale of tobacco products to 21, rather than 18, to align with federal standards. The bill also outlines circumstances when an individual who is **(a)** in the National Guard or U.S. Armed Forces, and **(b)** is at least 18 years of age can be sold tobacco products.

SB 1333: congregate care; dependent children; placement (Shamp) (Laws 2025, Ch. 67)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Requires licensed group foster homes that "will be administering medication to a foster child" to develop policies and procedures for the management and administration of medication, including "the procedures for contacting law enforcement, a health care provider, or a medical professional when a foster child's refusal to take medication prescribed to the foster child endangers the foster child's or another's health and safety." States that a foster child in the "care, custody, and control" of the Department of Child Safety who is subsequently approved for placement in a behavioral health facility may not be denied or refused except for reasons of capacity. If such a child is denied

placement, prescribes assistance the facility must provide to DCS to secure alternative placement. Requires the DCS to "establish the minimum number of licensed foster homes that are required throughout this state," categorizing them by need, and issuing yearly reports on progress and the demographic information of congregate care residents. Provides a framework for DCS to: (a) follow up on congregate care placements within 30 days to create a plan for placement in a family-like setting, and (b) conduct on-site visits of group homes within 48 hours of placing a medically complex child. Specifies that financial statements prepared by a child welfare agency as part of the licensing process are public records and are subject to disclosure. Additionally, amends the membership of the Foster Youth Permanency Pilot Project Team, and permits the Team to enter into contracts with a nonprofit organization with "a proven record of successfully establishing permanency for youth who are at risk."

SB 1377: authorized recipients; donated medicine; information (Mesnard) (Laws 2025, Ch. 139)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 32-1909) permits donors – those "legally authorized to possess ... medicine" – to "donate medicine to an authorized recipient." Authorized recipients are defined as "any entity that has a license or permit in good standing in this state and that is legally authorized to possess medicine." **SB 1377** permits these "authorized entities," as well as the Department of Health Services, the Arizona Health Care Cost Containment System, and health profession regulatory boards, to "post on the entity's public website information regarding where and how donors may donate medicine, who qualifies as an eligible patient and how an eligible patient may access donated medicine."

SB 1440: epinephrine delivery systems (Werner) (Laws 2025, Ch. 104)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** In several sections of statute, including those **(a)** permitting the Chief Medical Officer of a county health department to issue a standing order permitting trained school employees to administer epinephrine (A.R.S. § 15-157; A.R.S. § 15-203), **(b)** permitting an "authorized entity" to "acquire and stock a supply of epinephrine" (A.R.S. § 36-2226.01) and **(c)** deeming first responders "immune from processional liability and criminal prosecution" if they administer epinephrine to an individual they believe "in good faith" is experiencing anaphylaxis (A.R.S. § 36-2226.02), either replaces the term "epinephrine auto-injector" with "epinephrine delivery system" or adds the former to the latter.

SB 1555: approved medication; rescheduling; controlled substance (Shope) (Laws 2025, Ch. 231)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** States – contingent on "any pharmaceutical composition of crystalline polymorph psilocybin" (CPP) being "approved by the United States Food and Drug Administration and rescheduled by the United States Drug Enforcement Administration to a schedule other than Schedule I" – that CPP "is a controlled substance ... and may be prescribed in this state."

HB 2168: long-term RVs; cooling; prohibition (Gress) (Laws 2025, Ch. 164)

Effective Date: May 12, 2025, due to an emergency clause.

**Summary:** Prohibits a landlord from preventing a tenant from "installing reasonably necessary commercial cooling methods on the tenant's recreational vehicle."

HB 2179: marijuana; advertising; restrictions (Bliss) (Laws 2025, Ch. 166)

Effective Date: June 30, 2026, due to a delayed effective date.

**Summary:** Regulates advertising by a "marijuana establishment," "nonprofit medical marijuana dispensary," and "an individual or entity that sells marijuana paraphernalia." Prohibits advertising of

"marijuana or marijuana products, including marijuana paraphernalia" to individuals under 21, including specific prohibitions on advertising with (a) names that resemble or imitate brands marketed to children, (b) "images or likenesses of toys, cartoons, or animated or fictional characters ... that are designed to appeal to or encourage individuals who are under twenty-one years of age," (c) images or representations of marijuana product consumption, or (d) reference to the "potency or tetrahydrocannabinol levels" of the product. Further, prohibits advertisement (a) in a medium that "specifically appeals to individuals who are under twenty-one years of age," (b) at or within "public airports, public transportation shelters, public buses, public trains, public shuttles, or public trams," (c) via social media or a website "unless at least 73.6 percent of the audience is expected to be at least twenty-one years of age," (d) with "any health-related statement ... that is known to be untrue," and (e) via sponsorship at a sporting event unless "at least 73.6 percent of the audience is expected to be at least twenty-one years of age or the sponsored organization provides written approval." Requires all advertisements featuring the aforementioned products to contain a phrase warning against consumption by underaged or pregnant individuals and access by children. Establishes a 14-day window for establishments if found to be in violation to comply. Expands the existing civil penalty provisions to include establishments that sell "marijuana paraphernalia." Exempts "communication of a marijuana ... or nonprofit medical marijuana dispensary that is targeted only to the established customer base or that is requested by a customer or potential customer pursuant to an opt-in with an age affirmation."

HB 2291: opioids; containers; labeling; requirements; repeal (Blackman) (Laws 2025, Ch. 45)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 36-2525) requires the container of "a Schedule II controlled substance that is an opioid that is directly dispensed by a pharmacist and that is not for the immediate administration to the ultimate user" to have, among other items, a "red cap." Later, statute permits the state's Board of Pharmacy, or the Board's executive director, to waive this requirement on a case-by-case basis. **HB 2291** repeals the "red cap" requirement and the associated Board of Pharmacy authorities.

HB 2627: pharmacies; emergency authority (Weninger) (Laws 2025, Ch. 86)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 32-1910) permits a pharmacist licensed in another state to dispense prescription medications in affected areas of Arizona during a declared state of emergency. In the portion of law permitting the Board of Pharmacy to promulgate rules "for the provision of pharmaceutical care and drug and device delivery during a declared emergency," requires the rules to allow "pharmacies owned by a health system" to "compound and repackage prescription drugs on a nonpatient specific basis for the patients of that health system during a declared emergency."

### **PUBLIC RECORDS**

SB 1104: police reports; victims; prosecuting agency (Bolick) (Laws 2025, Ch. 37)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § <u>8-386</u>, <u>13-4405</u>, & <u>39-127</u>) outlines when a victim or an immediate family member may receive materials related to their case – including the "police report," "supplements to the report," or "video recordings" – from the investigating law enforcement agency at no cost. **SB 1104** standardizes what victims and their families are entitled to – requiring the provision of video recordings by right in all of the referenced statutes – and expands the responsibility of provision to include the "charging prosecutorial agency."

SB 1220: victims' rights; audio recordings; appeal (Bolick) (Laws 2025, Ch. 65)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Statute (A.R.S. § 8-386, 13-4405, & 39-127) permits a victim of a crime, their immediate family, or a representative of their family to receive a copy of the police report, and sometimes video recordings, from the investigating law enforcement agency free-of-charge upon request. **SB 1220** adds audio recordings – and, where previously lacking in law, video recordings - to the records that the aforementioned persons are entitled to. In public records law (<u>Title 39</u>), the bill also creates an appeals process whereby a victim is denied access to any requested public record "in the course of a criminal case" may appeal the denial through "special action within the criminal case."

SB 1372: public records; notification; commercial purpose (*Mesnard*) (*Laws 2025, Ch. 102*) Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Requires, on **(a)** a "request to examine or be furnished copies, printouts, or photographs of any public record" or **(b)** a "request that the custodian mail a copy of any public record not otherwise available on the public body's website to the requesting person," that the individual making the request either **(a)** "affirm that the public record is not for a commercial purpose," or **(b)** "provide a statement that explains the intended use" if the public record "is for a commercial purpose."

HB 2388: silent witness; nondisclosure; records; exceptions (Marshall) (Laws 2025, Ch. 124)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 12-2312) protects "a record of communication between a person submitting a report of criminal activity to a Silent Witness, CrimeStopper, or Operation Game Thief program" from disclosure as a public record. HB 2388 prohibits disclosure of "information that might be used to identify an individual submitting a tip" if the tip was submitted anonymously (which is deemed to include "all tips that do not include the full name of the individual"). Provides exemptions to the prohibition on disclosure when "the disclosure is required by a constitutional, legal, or ethical duty," and specifies - if those situations do not apply - the prosecutor must "make reasonable efforts to ensure the information is not disclosed". Similarly, prohibits compulsory of any related record maintained by these programs "that might be used to identify an individual who submitted a tip anonymously" unless one of the following applies: (a) a complaint has been filed concerning the alleged event, (b) a complaint has not been filed but the county where the event occurred "establishes good cause for disclosure," and (c) cases where the disclosure is required by a "constitutional, legal, or ethical duty." Requires programs to retain tip materials submitted in writing until one year has elapsed since the later of these two dates: (a) "the date of expiration for all appeals and postconviction relief matters in a criminal proceeding or the expiration of the defendant's sentence," or (b) "the date the plaintiff's appeal rights are exhausted in a civil proceeding."

HB 2653: victims; disclosure requirements; witnesses; names (Weninger) (<u>Laws 2025, Ch. 87</u>) Effective Date: September 26, 2025 (General Effective Date)

**Summary**: In statute governing "child safety" (<u>Title 8</u>), the "criminal code" (<u>Title 13</u>), permits a victim to have their name redacted from "records that pertain to the criminal case involving the victim and that are released pursuant to a public records request" if the "law enforcement agency or prosecution agency" believes that release of the victim's name will result in "harassment of the victim, threats to the victim's safety, or witness tampering." Exempts instances where the record (a) is transmitted between law enforcement agencies, prosecution agencies, or the court, (b) is disclosed to the defendant, their attorney, and staff, (c) involves a deceased victim, (d) the victim is a minor or vulnerable adult and their representative has consented to the release of the information, (e) has been ordered disclosed

by a court of competent jurisdiction, **(f)** is required to be disclosed by a rule of procedure, and **(g)** is part of a case where the law enforcement or prosecution agency "has received a notice of final disposition." Contains slightly different direction for public bodies regarding witnesses to crimes in statute governing "public records, printing, and notices" (<u>Title 39</u>). Witnesses are permitted to request that their name be redacted for the same reasons as victims, but exemptions are limited to **(a)** the witness consenting to the disclosure in writing, **(b)** a court of competent jurisdiction ordering the disclosure, **(c)** a rule of procedure requiring the release of a record to a party, and **(d)** the public body receiving a notice of final disposition.

# **PUBLIC SAFETY**

SB 1405: mental health transition program; extension (Bolick) (Laws 2025, Ch. 229)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Renames the "Mental Health Transition Pilot Program" to the "Mental Health Transition Program" and extends the Program for three years by substituting the existing date of repeal – June 30, 2026 – with a later one (June 30, 2029).

SB 1437: mandatory reporting; school employees; investigations (Werner) (Laws 2025, Ch. 40)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Expands the list of individuals subject to a "duty to report" if they believe a minor is a victim of "physical injury, abuse, child abuse, a reportable offense, or neglect" that is not accidental or explainable, or that there has been other "denial or deprivation," to include "substitute teachers" and "any member of a school district or charter school governing body." When a report is received "by a school resource officer or school safety officer," requires immediate notification of the appropriate law enforcement agency and submission to the agency of "all information relating to the report" for the purpose of investigation. States that a student identified as a potential victim "may be interviewed only as provided by the local county protocol that is adopted pursuant to section 8-817," but specifies that this does not prohibit (a) receiving a voluntary report, and (b) asking follow-up questions that are "necessary and authorized" by county protocol. States that a report to a school resource officer does not, in itself, "satisfy the reporting requirement prescribed." Amends statute governing reporting of reasonable suspicion or reasonable allegations to specify that (a) reporting should happen immediately and should be directed to a local law enforcement agency, and (b) the reporting requirements involve allegations against "a third-party contractor." Expands the entities that are prohibited from undertaking "unlawful reprisal" to include a "school or school district employee who has control over personnel decisions." Further, emphasizes (a) that reports to school resource officers should be immediately submitted to a local law enforcement agency, and (b) that students identified as potential victims may only be interviewed per "local county protocol" except for instances of voluntary reporting.

SB 1537: transitional housing; reentry programs; licensure (Carroll) (Laws 2025, Ch. 260)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Requires the director of the Department of Health Services (DHS) to establish standards and requirements for the licensure of "transitional housing facilities," defined as "a temporary living arrangement for an individual who, after participating in a prerelease transitional program while incarcerated, is transitioning from incarceration to independent living that provides basic necessities, including job training, employment placement services, direct access to parole officers, housing, clothing, prepared meals and hygiene necessities, at no cost to the individual while the individual is simultaneously participating in a voluntary reentry program that incorporates licensed outpatient behavioral health

services." Requires the standards to include requirements that: (a) facilities develop policies and procedures to promote reentry by requiring the individuals to participate in "treatment, self-help groups, or other community support," (b) participants abstain from alcohol and illicit drugs, (c) facilities develop procedures to ensure continuation of medication-assisted treatment, (d) individuals are informed of all rules, (e) individuals complete an agreement outlining the rules, length of stay, and reasons why individuals can be discharged, (f) facilities "maintain an environment that promotes the safety of the surrounding neighborhood and the community at large," (f) facilities plan for discharge in a way that does not negatively impact the community, (g) facilities adopt a "Good Neighbor Policy," (h) facilities post a statement of individual rights, which includes how to file a complaint, (i) facilities install necessary safety features (such as smoke detectors), (j) prohibit facilities from requiring an individual to relinquish their public assistance benefits, (k) outline how complaints are to be managed, and (I) outline how emergency contacts ae to be designated. Provides for the imposition of civil penalties and inspections, creation of continuing education and training requirements, and details how licensure processes function (including licensure revocation, suspension). Requires that these facilities notify DHS on occurrence of death, "sex-related crimes" and other occurrences outlined in rule. Requires related mandatory reporting and prohibits staff from having "a personal or intimate relationship" with individuals residing in the facility.

HB 2074: school safety; proposals; assessments; plans (Gress) (Laws 2025, Ch. 129)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 15-154) permits public school districts and charter schools to participate in the School Safety Program (Program), which is administered by the Arizona Department of Education (ADE), and covers the cost of various positions (including "school resource officers," and "juvenile probation officers") for up to three years. HB 2074 expands the Program, allowing funding to be awarded for "school safety officers" and "safety technology, safety training, and infrastructure improvements." HB 2074 also requires that prospective Program participants seeking officer or counselor placement provide "a plan to provide the current school building blueprints, floor plans, and school safety assessments for each school site to the local law enforcement agency, emergency medical services provider, and fire department," and that prospective participants seeking placement of officers provide both (a) "a plan to train school resource officers, juvenile probation officers or school safety officers, or any combination of these officers, on the Family Educational Rights and Privacy Act, civil rights, and adolescent mental health issues," and (b) training on "how to recognize and effectively interact with children with disabilities." If successful applicants for Program funding cannot place the officer, permits submission of an alternative proposal "for supporting the costs of purchasing safety technology, safety training, and infrastructure improvements." Requires these proposals to be validated via "relevant crime statistics" and school district visits. States that "school building blueprints and floor plans" are not public records. Expands the definition of "school resource officer" to include retired peace officers in good standing. Defines "school safety officer" as an off-duty "school resource officer." Requires Program participants to develop an "emergency response plan" and conduct a "school safety assessment" every five years. Requires ADE to triennially conduct a "safety assessment" of randomly selected school districts and charter schools. Requires a charter school's charter to "ensure that the ... school ... develop an emergency response plan."

HB 2281: missing indigenous person; alert system (Martinez) (Laws 2025, Ch. 199)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Directs the Department of Public Safety (DPS) to create a *Turquoise Alert* system "to issue and coordinate alerts" following the report of a missing member of a federally recognized Indian tribe. On the request of an authorized representative of a law enforcement agency (LEA) investigating a report of a missing person, requires DPS to both issue a *Turquoise Alert* and request an activation of

the "emergency alert system" under the following conditions: (a) the missing person is indigenous, (b) all local resources have already been used, (c) the circumstances surrounding the disappearance are "unexplained or suspicious," (d) the missing person is either in danger, in the company of a "potentially dangerous" person, or potentially be in peril, (e) the missing person's safe recovery could be facilitated by the dissemination of information to the public, and (f) DPS has been designated to use the "federally authorized emergency alert system" for the issuance of Turquoise Alerts. If DPS issues a Turquoise Alert, it is required to provide the information to "any other entity that provides similar notifications in this state."

HB 2432: parenting time; neutral exchange location (Gress) (Laws 2025, Ch. 82)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Statute (A.R.S. § 25-403.02) requires, in circumstances where parents cannot independently agree on a plan for legal decision-making and parenting time, the court to adopt a parenting plan that "provides for both parents to share legal decision-making regarding their child and maximizes their respective parenting time." This court-approved parenting plan must include, among other provisions, procedures for exchanging the child. HB 2432 establishes "Neutral Safe Exchange Locations (NSEL)," which are sites that: (a) are designated by "a purple light or a sign clearly identifying the area," (b) round-the-clock physical accessibility, (c) adequate lighting, (d) round-the-clock external video surveillance that "has the ability to retain videos for forty-five days," and (e) "one camera that is fixed in or near the designated neutral safe exchange location, that captures images that clearly and accurately display the time and date and that has the ability to store images for forty-five days." Requires county sheriffs to "maintain on the office's public website a list of the neutral safe exchange locations within their county," and permits - rather than requires - a sheriff to designate "two or more parking spots at the sheriff's office or any sheriff's office substation" as a NSEL. Contains similar language permitting designations for cities and towns and their police departments. States that "counties, cities, towns, sheriffs, law enforcement officers, and employees of the designated neutral safe exchange location" are not liable for incidents arising out of the exchange of a child at the NSEL. Permits the court, in proceedings where it enters "a parenting plan or a legal decision-making or parenting plan order, including the modification of an existing ... plan," to order that the parties exchange custody of the minor child at an NSEL. Requires the parenting plan to reflect such an order.

HB 2581: tracking system; sexual assault kits (Bliss) (Laws 2025, Ch. 205)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Directs the Department of Public Safety (DPS) to establish a Sexual Assault Kit Evidence Tracking System (SAKETS) to track sexual assault kit evidence collected as part of a sexual assault investigation under A.R.S. § 13-1426. Requires any person or entity that "has custody or use of sexual assault kit evidence" – including all medical providers, law enforcement agencies (LEA), and public accredited crime laboratories – to submit such information to the department's SAKETS. Requires the SAKETS to (a) track "the location and status" of each sexual assault kit, including the initial collection of evidence, the kit's receipt and storage at an LEA, the transfer of the kit to a public accredited crime laboratory, and the kit's storage or destruction, (b) allow health care facilities, LEAs, crime laboratories, prosecutors, and other links in the chain of custody to update and track the status and location of kits, and (c) allow a victim to anonymously track, and receive updates on, the status and location of their sexual assault evidence kit. Requires related records to be confidential, but permits its access by the victim and the entities that may need to update or track the status of the kit.

HB 2733: unmanned aircraft; qualified immunity (Marshall) (Laws 2025, Ch. 89)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** States that a "public entity or public employee" is "not liable" to an unmanned aircraft operator for damage to personal property if, in an area "within fifteen miles of this state's international border" and with "reasonable suspicion that the unmanned aircraft was being used to commit a violation of Title 13, Chapter 23, 34, or 34.1" ("organized crime, fraud, and terrorism," "drug offenses," and "imitation substance or drug offenses," respectively), the entity or employee "intercepts, captures, disables, shoots, destroys, or otherwise renders inoperative an unmanned aircraft."

HB 2779: juveniles; temporary custody; parental notification (*Hernandez*, *C.*) (*Laws* 2025, *Ch.* 220) Effective Date: § 1, which requires notification of a juvenile's guardian if detained at school, is effective on September 26, 2025 (General Effective Date). § 2, which establishes a training program between the Department of Education and the Arizona Peace Officer Standards and Training Board, is effective on June 30, 2026, due to a delayed effective date.

Summary: Requires, in instances where a peace officer "takes a juvenile into temporary custody" because there are reasonable grounds to believe that the juvenile has committed – or is committing – "a criminal act or a delinquent act which if committed by an adult would be a felony or beach of the peace," an employee of the school to "immediately notify the juvenile's parents, guardian, or custodian of the juvenile's custody." Specifies that the employee must consult with the investigating law enforcement agency "to ensure that notification would not pose a risk to the juvenile or the investigation." Provides, in instances where the juvenile is a ward of the state, that "a school employee shall notify the Department of Child Safety, which shall notify the applicable Public Defender, any guardian ad litem, or a court-appointed special advocate of the juvenile's custody." Directs the Department of Education to work with the Arizona Peace Officer Standards and Training Board to "establish a training program" for "any law enforcement officer or security personnel employed by the school district, including employment through a third-party contractor." The training must be completed "not later than one month after the individual begins working for the school district."

HB 2894: safe alert; notifications; criteria (Powell) (Laws 2025, Ch. 175)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 41-1728) establishes the Silver Alert Notification System under the Department of Public Safety (DPS), defining it as "a quick response system designed to issue and coordinate alerts following the report of a missing person who is sixty-five years of age or older or who has a developmental disability, Alzheimer's disease or dementia." HB 2894 makes a number of changes to statute, including (a) renaming the Silver Alert system to the Seek and Find Alert Notification System, (b) requiring DPS to request issuance of an alert on receipt of a request from "an authorized person at a law enforcement agency" investigating the disappearance of an individual with a cognitive disability, (c) requiring the department's request specify that the alert system be activated "immediately" and "regardless of the missing person's age," and (d) prohibiting the delay or denial of a Seek and Find Alert's issuance "due to administrative processes, prior missing episodes or discretionary assessments that are unrelated to the immediate risk to the missing person's safety." Further, HB 2894 requires all law enforcement agencies (LEAs) in the state to (a) develop, implement, and regularly update comprehensive training regarding the Seek and Find Alert Notification System, and (b) conduct Seek and Find Alert Notification training - at the time of hire and biannually - for all LEA employees "who have direct involvement in missing person cases, including the supervisors of these employees and communication dispatchers."

### **ROW OFFICERS**

SB 1161: sheriffs; constables; service; mileage; fees (Gowan) (Laws 2025, Ch. 254)

Effective Date: July 1, 2025, due to specific requirements for enactment.

**Summary:** Permits the county board of supervisors to increase fees on writs "issued on behalf of a justice of the peace" – which are deposited in the "Constable Ethics, Standards, and Training Board" - up to a cap of \$10. The bill also adjusts how constables are compensated for mileage during services, specifying that the mileage "for performing the ... services in civil actions" is computed from "the office of the justice of the peace in the precinct where the constable serves" rather than "the office of the justice of the peace originating the civil action."

SB 1231: training; newly elected constables (Payne) (Laws 2025, Ch. 39)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 22-131) prohibits a constable from executing, serving, and returning processes and notices in another precinct unless that precinct is adjacent to the precinct where the constable is authorized to execute their official duties. **SB 1231** allows a constable that has completed the mandatory training course to "provide ... training in any county of this state" when they are training a fellow elected or appointed constable. The constable requesting assistance must submit a request to the Constable Ethics Standards and Training Board (CESTB), which must itself be approved prior to any training occurring. If training is approved, the training must be paid for by monies from the CESTB.

SB 1689: school districts; overexpenditures; ADE; notice (Farnsworth) (Laws 2025, Ch. 116)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 15-107) directs the county school superintendent to notify the Arizona Department of Education (ADE) within two business days if, "in the county school superintendent's judgment," a school district has committed an overexpenditure. The superintendent is prohibited from drawing warrants "for an expenditure that is in excess of the amount budgeted and that has not been previously expended" unless notified by ADE that additional capacity exists. SB 1689 empowers the ADE to determine whether an overexpenditure has been made "without prior notification from a county school superintendent." The bill also expands the enumerated powers of a county school superintendent by permitting discretionary review of "the operations and finances, including expenditures, of any school district that is located in the county."

HB 2368: auditor general; records; financial institutions (Gress) (Laws 2025, Ch. 133)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary: HB 2368** expands the Auditor General's authority to examine records, permitting the Auditor General – as well as any of their "authorized representatives ... in the performance of official duties" – to access "financial institutions' or financial enterprises' information, accounts, books, records, statements, reports, communications, transactions, or any other information relating to any state agency, board, commission, department, institution, advisory council or committee, or political subdivision of the state." Requires "authorized representatives" of these financial institutions or enterprises to provide "all information requested by the Auditor General" or their authorized representative "in the form and at the time prescribed by the Auditor General." Specifies that costs or fees associated with producing the information requested by the Auditor General shall be paid by the audited entity. Further states that the financial institution or enterprise "is not liable" to any audited entity "for providing to the

Auditor General or Auditor General's authorized representatives information requested pursuant to this section."

HB 2369: auditor general; county treasurer; review (Gress) (Laws 2025, Ch. 250)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Adds, to the responsibilities of the Auditor General, the requirement that they "perform procedural reviews of county treasurer's offices." States that these reviews may include (a) "evaluating compliance with the Uniform System of Accounting for County Treasurers," and (b) "administrative and accounting internal controls." Directs the Auditor General to provide the results of the review, including recommendations, to the county treasurer, county board of supervisors, and the Joint Legislative Audit Committee (JLAC). Prescribes processes for a county treasurer in receipt of a review, including (a) "notify[ing] the Auditor General in writing whether the county treasurer's office agrees or disagrees with the findings," and (b) responding "whether the county treasurer's office will implement the recommendations, implement modifications to the recommendations, or refuse to implement the recommendations." Permits the Auditor General to request a written status report from the county treasurer regarding "correcting the deficiencies and implementing the recommendations of the procedural review" within the first year following the review. Requires the Auditor General to monitor the county treasurer's progress and provide "a status report" to the county's board of supervisors and the JLAC during the first year. Permits the Auditor General's oversight to extend beyond a year if "there are deficiencies that the county treasurer has not corrected or recommendations that the county treasurer has not implemented." Requires that the county treasurer "participate in any hearing scheduled during this review period by the JLAC or by any other legislative committee designated by the JLAC."

### **SOBER LIVING HOMES**

SB 1219: behavioral health facilities; accreditation (Angius) (Laws 2025, Ch. 64)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Requires behavioral health outpatient treatment centers who provide services to include on patient intake forms "the license number or name and address of the sober living home in which the patient is living." Permits the Department of Health Services (DHS) to verify compliance. Requires DHS to place on its public website "a priority matrix for complaints filed against healthcare institutions," and requires – prior to investigation – that the department disclose the severity level of the complaint to the licensee. Requires the department to "implement an annual training program for all licensing surveyors and the supervisors and managers of licensing surveyors to ensure compliance."

SB 1308: sober living homes (*Carroll*) (*Laws* 2025, *Ch.* 66) Effective Date: September 26, 2025 (General Effective Date)

Summary: Permits a political subdivision that has filed a complaint against a sober living home to (a) request an update from the Department of Health Services (DHS) on the complaint, and (b) receive an update – in addition to other information that is requested - within five business days. Requires DHS to notify a local jurisdiction that provides its contact information "of all initial licenses issued pursuant to this article." Requires a "sober living home" that wishes to receive more maintain licensure to "obtain and maintain current documentation from the local jurisdiction verifying compliance with all local zoning, building, fire and licensing ordinances and rules." Redefines "sober living homes" as "any premises, place, or dwelling unit, or any person that provides any premises, place or dwelling unit, that may provide verification of abstinence" and that either (a) provides alcohol- or drug-free housing in a "supervised, monitored, or peer-led environment" for individuals in or seeking recovery, or (b)

advertises, markets, holds itself out or otherwise implies ... that it provides or will provide a living" environment directed toward recovery from any substance abuse disorder." Explicitly excludes: (a) premises licensed to provide on-site medical services, behavioral health services, or medication administration, (b) persons who provide premises "directed toward recovery from substance abuse disorder exclusively to residents who are related to the person by affinity or consanguinity of the first or second degree, a person who is a close friend of the person for whom the person serves as a legal guardian, and the person is not operating ... as a business," and (c) housing for persons in recovery that is "self-run, self-supported, alcohol and drug-free," and "chartered and monitored by a nationally recognized nonprofit credentialing entity." Prescribes a process where the DHS or a third-party contractor conduct a physical, on-site inspection of the sober living home: (a) before issuing an initial license, (b) before approving any proposed change to the sober living home or the maximum number of residents, (c) at least annually, (d) on determination by the director that there is cause to believe the home is not adhering to statute or rule, and (e) on notice by a home that it has come back into compliance. Additionally, requires inspection on receipt of a complaint or a request to investigate by local law enforcement. Increases the civil penalty for noncompliance to \$1,000 from \$500, and specifies that it may "be assessed for each resident or person who ... was impacted." Provides for additional penalties if the home is unlicensed. Determines how penalties are to be quantified, subjects sober living homes to further penalties if they're found to be engaging with a person or entity with fraudulent, abusive, or misleading practices, and allows for the revocation or suspension of licensure. Permits the director of DHS to pursue "any court, administrative, or enforcement action" even when a sober living home is being sold, transferred, or has closed. Requires fingerprinting of sober living home employees. Amends statutory directions that DHS adopt rules to establish minimum standards for sober living homes. Amends statute criminalizing unlawful patient brokering, newly including "behavioral health professionals" and removing language stipulating that penalties apply only when "providing or offering substance use disorder services." Adds additional fields to the annual sober living homes report issued by DHS, including the number of complaints investigated, the number of complaints made, the number of investigations resulting from complaints, and enforcement actions.

### **SPECIAL DISTRICTS**

SB 1120: assessor's valuations; special districts; petitions (Mesnard) (Laws 2025, Ch. 61)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute outlines the criteria that need to be met to create various special districts (§ 48-261, § 48-266), as well as how district boundaries may be changed (§ 48-262). Throughout these sections, statute references "property" or "properties" broadly. **SB 1120** makes corrections throughout statute, noting – for inclusion in tax rolls – that the statute is applicable to "real and personal" property or properties. **SB 1120** also specifies, for the purposes of including property assessed by the Arizona Department of Revenue in the special district, that "the assessed value is the full cash value as otherwise provided by law."

SB 1661: broadband service district authority (Dunn) (Laws 2025, Ch. 190)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Permits "a group of individuals, businesses, or organizations" in a county with a population of between 200,000 and 210,000 to petition the county's board of supervisors to form a Broadband Service District Authority (BSDA) to (a) undertake the "expansion and maintenance of broadband infrastructure," (b) "secure and manage" associated project funding, (c) establish related "guidelines and goals, and (d) support "policies and initiatives that promote broadband deployment." Requires such a petition to contain, among other items, the district boundaries and the methodology for selection

of the Authority's board. Requires the board to hold a public hearing on the petition within six weeks, and to notice the hearing appropriately two weeks prior. Limits the board to between five and seven members representing interested stakeholders, which must adopt bylaws, hold regular meetings, maintain records, and establish term lengths and election procedures. Permits the board to enter into relevant contracts, manage and allocate monies, acquire, hold, and dispose of necessary property, represent the Authority in legal matters, and monitor and report on the performance and impact of their efforts. Requires an annual report to the board of supervisors. Permits the board to (a) approve or deny the district's formation, (b) approve a modification of the district's boundaries, or (c) approve the methodology for the board's selection. Specifies, that such an Authority is a "public, political and municipal corporation to the extent of the powers and privileges ... granted generally to municipal corporations by the Constitution and laws of this state" as well as those set out specifically in SB 1661. Permits the BSDA to receive public and private funding, as well as the revenues of service fees charged to users, and prohibits (a) the deploying of last-mile residential broadband, and (b) the levying of any new taxes.

HB 2704: tax; distribution; county stadium district (Weninger) (Laws 2025, Ch. 251)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Redirects city, county, and state transaction privilege tax (TPT) revenues generated from business activities at Chase Field to the Maricopa County Stadium District Fund for the purposes of reconstructing, equipping, repairing, maintaining, or improving the stadium. Includes additional diversions of individual income tax, Phoenix local sales tax, and Maricopa Association of Governments (MAG) regional transportation taxes. Caps the total amount of tax diversions to the district at \$500 million, which is increased annually by 3 percent. Joint Legislative Budget Committee (JLBC) staff estimates that the total TPT reduction to counties would be \$(2.0)M, which consists of \$(1.2)M for all counties statewide receiving a lower amount of shared revenue, and \$(0.8)M for MAG. Modifies the board of directors from the county board of supervisors to an appointed board of directors and makes various other changes to how funds can be expended. Includes delayed repeal of tax diversions from and after December 31, 2055.

### **STUDY COMMITTEES & ADVISORY COUNCILS**

SB 1316: child fatality; maternal mortality (Mesnard) (Laws 2025, Ch. 98)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Statute (A.R.S. § 36-3501) establishes the State Child Fatality Review Team – which includes both (a) a Medical Examiner "who is a forensic pathologist" and (b) "a representative of an association of county health officers" – and delegates to this Team, amongst a number of authorities relating to the investigation of child fatalities, the responsibility of evaluating "the incidence and causes of maternal fatalities associated with pregnancy in this state." Statute (§ 36-3502) also establishes the membership and responsibilities of "local child fatality review teams," which (a) include county medical examiners and county health departments, and (b) are charged with reviewing the death certificates "of all children and women who die within the team's jurisdiction." SB 1316 establishes the Maternal Mortality Review Program and the Maternal Mortality Review Committee, which are directed to "coordinate and facilitate case reviews" and "produce prevention recommendations that aim to address the contributing factors that lead to preventable pregnancy-associated deaths." As part of this, repeals from the State Child Fatality Review Team and Local Child Fatality Review Team statute provisions requiring (a) evaluation of the incidence and causes of maternal fatalities associated with pregnancy, and (b) the review of the death certificates of all women who die within a local team's jurisdiction. Expands the requirement that institutions

providing medical care, the state or a political subdivision, and law enforcement agencies provide State or Local Child Fatality Review Teams with "all information and records regarding a child ... fatality or near fatality" or "a maternal fatality" to include the Maternal Mortality Review Program.

HB 2313: health boards; state agencies; continuations (Bliss) (Laws 2025, Ch. 249)

Effective Date: June 27, 2025, due to an emergency clause.

**Summary:** An omnibus bill, negotiated during deliberations on the state's FY 2026 budget, containing continuations of state agencies, boards, and commissions – among them, the Arizona Criminal Justice Commission (ACJC) and the Property Tax Oversight Commission - that would have otherwise sunset on June 30, 2025. Contains various changes to relevant enabling statute, including (a) requiring members appointed by the Governor, including the appointee who is a county supervisor, to attend "at least" three of the four annual meetings, (b) prohibiting the use of "designees" by gubernatorial appointees to the Commission, (c) expanding the membership of the ACJC by one to accommodate an additional "victim advocate," and (d) adjusting downward the population delineations between small, medium, and large counties for the purposes of appointing county sheriffs and county attorneys.

HB 2332: postpartum health; education; advisory committee (Willoughby) (Laws 2025, Ch. 201)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Requires a "health care institution" – defined in A.R.S. § 36-401 (A) (23) as "every place, institution, building, or agency, whether organized for profit or not, that provides facilities with medical services, nursing services, behavioral health services, health screening services, other health-related services, supervisory care services, or directed care services" – to provide materials compiled by the Department of Health Services (DHS) on "maternal mental health conditions" to (a) new parents and other family members on discharge, and (b) any woman who learns of their pregnancy or who "presents with signs of a maternal mental health disorder at any time during a pregnancy or postpartum period." Institutes various requirements on DHS related to the creation, display, and review of these materials. Directs DHS's creation of a 20-member advisory committee on "obstetrics, gynecology, and maternal mental health services in low-volume, high-risk rural communities" and requires the submission of a written report to state leaders by December 31, 2026.

HB 2380: rare disease advisory council (Hernandez, A.) (Laws 2025, Ch. 170)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Establishes the Arizona Rare Disease Advisory Council – populated by 17 members that work in a public or private field related to, or have personal experiences with, "rare diseases" – to "provide guidance and recommendations to educate the public, the Legislature and other government agencies and departments ... on the needs of individuals who have rare diseases and who are living in this state." Permits the council to convene public hearings, provide "testimony and comments" on pending legislation, develop policy recommendations after consultation with experts, make recommendations to state agencies, private insurers, and the Arizona Health Care Cost Containment System, and "identify and distribute educational resources for health care providers." Requires a yearly report to elected leaders.

### **TAXATION**

SB 1122: property tax exemptions; inflation adjustment (Mesnard) (Laws 2025, Ch. 16)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Statute (A.R.S. § 42-11111) quantifies the property tax exemption provided by the Arizona Constitution to Arizona residents – specifically, (a) "widows and widowers," (b) "persons with total and permanent disabilities," and (c) "veterans with service or nonservice connected disabilities" – at \$4,188, provided their total property assessment does not exceed \$28,459. Veterans are entitled to a larger exemption via the multiplication of the total exemption amount "by the percentage of the veteran's disability, as rated by the United States Department of Veterans Affairs." Per statute, both the "total allowable exemption amount" and the "total assessment limit amount" are adjusted annually by the "average annual percentage increase, if any, in the gross domestic product (GDP) price deflator in the two most recent complete state fiscal years." SB 1122 specifies that, for the "total assessment limit amount" the annual adjustment should originate from "the annual percentage increase, if any, in the federal house price index for the two most recent complete state fiscal years."

SB 1144: jail facilities excise tax; extension (Payne) (Laws 2025, Ch. 155)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Permits "the board of supervisors of any county that levies a jail facilities excise tax under section 42-6109" (A.R.S. § 42-6109.01) – the Maricopa County Board of Supervisors – to call for a countywide election to authorize the levy of a transaction privilege tax that: **(a)** may only be used for specified purposes (the "construction and renovation of adult and juvenile jail facilities," the maintenance and operation of such facilities, and the creation and implementation of "other programs designed to reduce the expense" of such facilities), **(b)** is limited to rates of "not more than 4 percent of the transaction privilege tax rate prescribed by § 42-5010 (A) applying to each person engaging or continuing in the county in a business taxed under Chapter 5, Article 1 of this title," and **(c)** "may not continue for more than twenty years." Requires the county to "maintain its support of adult and juvenile jail facilities," and repeals the previously summarized provisions "from and after December 31, 2027, if, as of that date, the tax has not been approved by the qualified voters." Outlines required contents of the resolution and distribution.

SB 1224: property tax; limited property value (Mesnard) (Laws 2025, Ch. 96)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** As outlined in A.R.S. § 42-13302, a property's limited property value (LPV) is typically reset to reflect comparable properties of the same use or classification when the property undergoes significant changes - such as construction, demolition, or destruction - equal to 15 percent or more of its full cash value (also known as a *Rule B* calculation of LPV). Additionally, under the Arizona Constitution (Art. 9, § 18), residents age 65 or older whose income falls below a certain threshold may qualify for a valuation freeze on their primary residence if approved by the county assessor. This "senior freeze" must be renewed triennially. **SB 1224** expands when a *Rule B* valuation is applied, such as: (a) when a property loses eligibility for the senior valuation freeze (due to a transfer of ownership or failure to reapply), or (b) when a property that previously qualified for a statutory valuation no longer qualifies.

**SB 1274:** tax corrections act of 2025 (*Mesnard*) (*Laws 2025, Ch. 182*)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: SB 1274 prohibits individuals acting as agents or contractors for the Arizona Department of Revenue (DOR), or serving as managers or supervisors of such agents, from preparing or assisting in the preparation of tax returns for compensation. This restriction mirrors the current prohibition on DOR employees under A.R.S. § 42-1008 and includes the consequence of removal from their duties if violated. The bill also eliminates the requirement for qualifying health care organizations, defined as nonprofit entities under section 501 (c) of the Internal Revenue Code, to file annual financial audits with DOR. SB 1274 permits part-time or seasonal employees whose work consists solely of planting, cultivating, harvesting, or field packing seasonal agricultural crops to elect to have state income tax withheld from their wages. The bill amends A.R.S. § 43-405 to require that prize winnings, including state lottery payouts, horse and dog racing winnings, fantasy sports contest winnings, and event wagering winnings, be subject to withholding at the highest Arizona individual income tax rate, replacing the prior flat 20 percent rate. SB 1274 revises the process for partnerships and S corporations electing to be taxed at the entity level. The election is made by filing the entity's business tax return and is retroactive to January 1, 2022. Additionally, it requires partnerships that amend their returns to reflect federal administrative adjustments to file a return for the year in which those adjustments apply, including any changes to income, gain, loss, or deduction on which the federal imputed underpayment was based. Finally, the bill provides that interest does not accrue and is not payable on the 2023 Arizona Families Tax Rebate, retroactive to October 30, 2023.

SB 1320: implements of husbandry; autonomous; automated (Dunn) (Laws 2025, Ch. 19)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Amends the statutory definition of "implement of husbandry" to specify that it includes: (a) vehicles that use "automated driving system[s]" or that are "autonomous," without regard to whether those functions are being used, and (b) vehicles that are used for the "preparation or harvesting" of "specialty crops." Defines "specialty crops" as "fruits, vegetables, tree nuts, dried fruits, and horticulture and nursery crops, including floriculture." The phrase "implement of husbandry" is used in a number of ways in statute, most notably to denote which fuels are exempt from "motor vehicle fuel and use taxes" under A.R.S. § 28-5610.

SB 1549: conservation easements; valuation (Leach) (Laws 2025, Ch. 11)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Directs the Arizona Department of Revenue and the county assessors to "use and apply standard appraisal practices and techniques" when assessing the full cash value of a conservation easement "unless a statutory formula takes precedence."

SB 1700: county board of equalization; decisions (Gowan) (Laws 2025, Ch. 76)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 42-16105) permits residents of a county with a population of less than 500,000 to appeal the county assessor's valuation of their property to the county board of supervisors. **SB 1700** prohibits any decision made by the board regarding the valuation from exceeding the county assessor's "noticed valuation and recommended classification."

HB 2639: TPT; exemption; qualifying equipment; extension (Griffin) (Laws 2025, Ch. 135)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute allows a deduction from the tax base for the gross proceeds or gross income derived from sales of qualifying equipment purchased between June 30, 2004, and December 31, 2026, when used to harvest or process qualifying forest products and accompanied by certification from the Arizona Department of Revenue. **HB 2639** extends the sunset date for this exemption from December 31, 2026, to December 31, 2028.

HB 2688: internal revenue code conformity. (Olson) (Laws 2025, Ch. 1)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** The Legislature's annual bill to conform Arizona's tax statutes to the Internal Revenue Code (as of January 1, 2025), incorporating changes adopted by the U.S. Congress in 2024.

## **TRANSPORTATION**

SB 1074: railroad grade crossing; on-track equipment (Shope) (Laws 2025, Ch. 178)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** At present, various sections of Arizona Revised Statutes within Title 28 (*Transportation*) outline when vehicles must stop at railroad grade crossings. Statute specifies that typical vehicles "must stop ... if" there is evidence of a train's immediate approach (A.R.S. § 28-851), whereas other more specialized vehicles – such as "a motor vehicle carrying passengers for hire, any school busy carrying any school child or ... any vehicle carrying or returning after delivery of explosive substances or flammable liquids" must stop before a crossing and may "not proceed until the driver can do so safely" (A.R.S. § 28-853). Meanwhile, an individual operating heavy equipment may not utilize a railroad grade crossing unless a number of criteria are met (A.R.S. § 28-854). In these sections of statute, **SB** 1074 adds the phrase "or other on-track equipment" in every instance that references "a railroad train" to specify additional instances where proceeding over a railroad is unlawful.

SB 1107: motorcycle safety fund continuation (Bolick) (Laws 2025, Ch. 136)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 28-2010) establishes the *Motorcycle Safety Fund*, which: **(a)** receives funds via legislative appropriation and "\$1 of each motorcycle fee collected," **(b)** is administered by "the Director of the Governor's Office of Highway Safety," **(c)** may be used "to implement and support voluntary motorcycle education, awareness, training, and other programs" as well as "to cover the cost of materials," and **(d)** terminates on June 30, 2025. **SB 1107** attempts to protect these funds from legislative sweeps, adding language stating that "the monies in the Fund may be used only for the purposes prescribed by statute and may not be appropriated or transferred by the legislature to fund the general operations of this state." Further, **SB 1107** repeals the Fund's termination date. Retroactively applies these changes "from and after" June 29, 2025.

SB 1307: advanced air mobility infrastructure (Carroll) (Laws 2025, Ch. 185)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Permits a political subdivision to "establish the location of public and private vertiports, electric aircraft charging stations, and the infrastructure needs of advanced air mobility" in compliance with federal law. Beginning September 1, 2026, requires the Arizona Department of Transportation to (a) "develop ... or update" a "statewide aviation plan" that includes "public vertiports and electric aircraft charging stations and the infrastructure needs of advanced air mobility" after consultation with stakeholders (including political subdivisions "that own or control a public airport"), and (b) designate

an employee with relevant experience "as a resource for local and regional jurisdictions that are developing or implementing advanced air mobility." Limits applicability to certain "advanced air mobility aircraft" – specifically, "powered lift aircraft" (defined) and electric aircraft that takeoff and land either vertically or conventionally – that (a) have a gross takeoff weight of more than 300 pounds and (b) are capable of carrying passengers. Requires the Arizona Commerce Authority to "provide educational materials ... on the benefits of electric powered lift aircrafts and advanced air mobility" to local and regional jurisdictions.

SB 1332: driver licenses; reciprocity; foreign military (Shamp) (Laws 2025, Ch. 158)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Requires the Arizona Department of Transportation to waive written and driving examinations, and issue a Class D (*operator*) or Class M (*motorcycle*) license, to active duty members of foreign militaries stationed in the state if: (a) the relevant foreign country is "a member of the North American Treaty Organization that recognizes reciprocal driver permits or licenses," (b) the active duty member is between 18 and 76 years of age, (c) the active duty member, if not a citizen of the United States, has presented documents that authorize their presence in the United States, and (d) the member has been ordered to be stationed in Arizona. States that the expiration date for such a license is concurrent with the expiration date of the document issued under (c).

SB 1370: civil penalties; commercial motor vehicles (Payne) (Laws 2025, Ch. 101)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Repeals the criminal penalties associated with (a) violating axle weight limitations, (b) knowingly failing (or refusing) to stop and submit a vehicle and load for weighing, (c) knowingly failing (or refusing) to permit an overweight vehicle to have portions of its load removed, (d) operating, moving, or leaving standing on a highway "a vehicle or a vehicle carrying or transporting cargo in violation of an envelope permit" (A.R.S. § 28-1151), and (e) failing to carry proof of registration (A.R.S. § 28-5242). Permits "the driver of a vehicle or combination of vehicles with a total length of at least forty feet or a total width of at least ten feet" to "deviate to the extent necessary from the lane into which the driver is making a ... turn" so long as they avoid contact with another person or vehicle. Amends one of the criteria that would otherwise make a motor vehicle "commercial" if "for hire," raising the design capacity from "eight or more persons" to "nine or more persons." Creates new definitions for "gross combined weight rating" and "gross vehicle weight rating" and specifies that a vehicle may be considered a "commercial motor vehicle" if its gross combined weight exceeds 26,000 pounds or the gross weight of its towed unit exceeds 10,000 pounds.

HB 2009: vehicle license tax; exemption; military (Carter, P.) (Laws 2025, Ch. 78)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 28-5811) allows deployed members of the United States Armed Forces who are Arizona residents to register their vehicle, or renew their vehicle's registration, "without payment of registration fees and the vehicle license tax." The exemption lasts "from the time of deployment until one year after the member is discharged," is applicable "a total of one time," and can cover "not more than two motor vehicles." **HB 2009** expands this exemption to members of the Armed Forces who are "within 30 days of deployment," and amends statute to allow eligible individuals to seek a refund (rather than just a credit toward a future registration).

HB 2330: voluntary disclosure; disability; licenses (Willoughby) (Laws 2025, Ch. 146)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Permits "a person with a driver license or nonoperating identification license" to request that the Arizona Department of Transportation (ADOT) note in the individual's "customer record" that "the person may need a communication accommodation." Similarly, permits the owner of "a vehicle registered in this state" to request that ADOT note in their "vehicle record" that "there may be an occupant of the vehicle that may need a communication accommodation." Requires ADOT to (a) determine the method by which these requests must be made, and (b) establish procedures to ensure these "notations" are available only to members of law enforcement agencies. Defines "communication accommodation" and "disability that can impair communication."

HB 2852: identification driver licenses; Native American (Tsosie) (Laws 2025, Ch. 125)

Effective Date: January 1, 2026, due to a delayed effective date.

**Summary:** Requires the Arizona Department of Transportation to "allow a distinguishing mark to appear ... that identifies the applicant as a Native American" to appear on the driver license (A.R.S. § 28-3166) or nonoperating identification license (A.R.S. § 28-3165) of an applicant that (a) "elects to show" they are an "enrolled member of a federally recognized Indian Tribe," and (b) submits "satisfactory proof" (including "an enhanced tribal card," a "tribal identification card," a "tribal certificate of Indian blood," or a "tribal or Bureau of Indian Affairs affidavit of birth"). Prohibits the "distinguishing mark" from identifying a specific Indian tribe or "other specific personal information that is submitted on the documents."

HB 2887: alternative fuel vehicles; HOV lanes (Volk) (Laws 2025, Ch. 213)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Statute (A.R.S. § 28-2416) requires individuals who own "a motor vehicle that has either been converted or manufactured to use an alternative fuel as the vehicle's exclusive fuel source" to apply for an alternative fuel special plate. Displaying the plate, or the related "alternative fuel vehicle sticker," allows the individual to drive "in high occupancy vehicle lanes at any time, regardless of occupancy level, without penalty." HB 2887 amends statute to make permissive the requirement that the owner of an alternative fuel vehicle apply for an alternative fuel special plate. Instead, owners are permitted to choose between (a) an alternative fuel vehicle special plate, and (b) a separate special plate and an "alternative fuel vehicle sticker."

## WATER

SB 1611: groundwater savings credit; ADWR (Shope) (Laws 2025, Ch. 252)

**Effective Date: September 26, 2025 (General Effective Date)** 

Summary: Permits a landowner within the Phoenix or Pinal Active Management Areas (AMAs), with property "that may be legally irrigated with groundwater pursuant to an irrigation grandfathered right," to apply with the director of the Arizona Department of Water Resources (ADWR) to relinquish their right in exchange for a "groundwater savings credit" (GSC). Requires that: (a) the use of the right be consistent with the "applicable management plan," (b) that the land "to which the irrigation grandfathered right is appurtenant" has been legally irrigated in three out of the last five years, (c) that the person has filed all required reports relating to groundwater pumping over the last five years, (d) the person has not maintained a negative balance in their "flexibility account" and (e) ADWR has not issued a certificate of assured water supply (AWS) for the acreage that will be relinquished. Specifies that the amount of a GSC can be calculated by multiplying the acreage for which the rights will be relinquished by a variable factor dependent on the AMA (for the Pinal AMA:

100, for the Phoenix AMA: 150). Prohibits a person from receiving GSCs for a volume of water greater than "60 times the mean amount of groundwater used annually pursuant to the irrigation grandfathered right in the three years with the highest use during the five years preceding an application." Requires ADWR to identify the following categories when issuing GSCs: (a) the amount of FSCs, (b) the number and location of acres associated with relinquishment, (c) the wells associated with the land "to which the irrigation grandfathered right is appurtenant," and (d) the owner of the acres that holds the GSC. States, for the purpose of designating or modifying a designation of AWS, "the volume of groundwater withdrawn or stored water recovered outside the area of impact of storage associated with GSCs ... is exempt from the requirement to demonstrate that the groundwater is physically available" if certain criteria are met (such as (a) the acres being within the service area of a municipal provider with an AWS, (b) the groundwater relevant to GSCs will be withdrawn from certain locations, (c) the groundwater withdrawn "outside the area of impact" can be withdrawn for one-hundred years, and (d) the water will not be used on turn, water parks, or decorative water features). States that GSCs may be used on an application for a certificate of AWS on or before December 31, 2030, but that applications after that date may not rely on GSCs. Permits potential expansion to the Tucson AMA. Changes how the "reserve target" for AMAs shall be calculated. Includes a variety of municipalspecific regulations, including prohibiting (a) a municipality, unless certain conditions are met, from conditioning "the final approval of the subdivision plat on inclusion of a school site within the subdivision" if "groundwater savings credits have been pledged to a certificate of assured water supply," and (b) a municipality in an AMA from requiring a subdivision where "groundwater savings credits have been pledged to a certificate of assured water supply," from requiring a minimum: (i) number of trees, (ii) size of trees or shrubs, (iii) percentage of irrigated ground cover, and (iv) a minimum amount of turf. In the same municipalities (in an AMA, with GSCs) prohibits certain requirements for open space and maintenance of water parks or decorated water features and limits a municipality's ability to (a) increase lot sizes, (b) reduce lot yield, or (c) increase "right-of-way ... for the purpose of additional landscape area." Prohibits the issuance of GSCs under this law after January 1, 2036, but requires the director of ADWR to establish a program – via rulemaking – that will administer GSCs.

HB 2638: on-farm irrigation efficiency program; continuation (*Griffin*) (*Laws* 2025, *Ch.* 219)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Laws 2022, Chapter 332 established the On-Farm Irrigation Efficiency Pilot Program (Pilot Program), which is administered by the University of Arizona's Cooperative Extension (UACE) "for the purpose of providing grants and collecting data for on-farm irrigation efficiency systems to reduce on-farm use of groundwater, surface water, mainstream Colorado River water, or water delivered through the central Arizona project while minimizing or eliminating the use of flood irrigation or fallowing to reduce on-farm use." HB 2638 extends the Pilot Program by substituting the statutory repeal date of December 31, 2026, with a date of December 31, 2029. The bill amends reporting requirements by (a) requiring that the annual report compiled by the UACE be submitted to the Joint Legislative Budget Committee, and (b) adding fields for the (i) "total number of applications received and approved," (ii) the "total monies awarded and total monies encumbered per application," (iii) the "total number of acres subject to application and the total number of acres subject to awarded and encumbered monies," (iv) the "types of proposed technology," and (v) the number of acres awarded and monies approved for each application." Also adds several fields relating to the Program's administration. Requires, within 90 days of the effective date, that the Cooperative Extension provide "an aggregate report ... for each year since the inception of the on-farm irrigation efficiency pilot program."

HB 2691: groundwater replenishment districts; annual dues (Griffin) (Laws 2025, Ch. 148)

Effective Date: September 26, 2025 (General Effective Date)

Summary: Previously, a Multi-County Water Conservation District (MCWCD) - like the Central Arizona Water Conservation District – was required, after determining "the amount of revenues to be raised through the annual membership dues" – to apportion the amount to be raised "between member service lands and member service areas" based on (a) the "total current and projected annual replenishment obligations of all member lands as identified in the most recent plan of operation determined ... to be consistent with achieving the management goal for the active management areas," and (b) "total planned service area replenishment obligations for all member service areas." HB 2691 replaces the prior (a) with the following: "for member lands, the projected groundwater use per lot multiplied by the total number of residential, commercial, and common area lots that are included, or intended to be included, in each parcel of member land." Further, HB 2691 removes the requirement that the total amount allocated to member lands be prorated amongst the active management areas based on the "most recent plan of operation" before being subsequently (and further) prorated amongst all parcels of member land. Finally, via session law, prohibits a MCWCD from charging annual parcel membership dues "for the billing year 2026-2027" at a rate higher than that charged during the "2025-2026 billing year."

HB 2727: county water authority; Harquahala INA (Biasiucci) (Laws 2025, Ch. 149)

Effective Date: September 26, 2025 (General Effective Date)

**Summary:** Previously, A.R.S. § 45-2202 permitted "any county with a population of more than ninety thousand persons and less than one hundred twenty thousand persons" to form a water authority peopled by "municipal corporations" that (a) have contracts for the delivery of Colorado River water, and (b) have adopted resolutions approving the authority's formation. Formation of such an authority was contingent on (a) the approval of a majority of the municipal corporations in the county, and (b) "the transfer to the authority of the right to the delivery of eighteen thousand five-hundred acre-feet per year of Colorado River water from a municipal corporation in the county where the authority is to be formed." The powers of the authority are bifurcated, with specific statutory directions for disposition of the initial 18,500 acre-feet (a/f) (A.R.S. § 45-2244) and broader latitude for the acquisition and disposition of a/f in excess of that amount (A.R.S. § 45-2245). These broader authorities include the ability to charge or impose "standby or holding charges, development impact fees, connection fees, extraction fees, user fees, administrative fees, or any other fees or charges that the authority determines to be necessary." HB 2727 amends existing water authority state to provide La Paz County – "a county that contains a portion of the Harquahala Irrigation Non-Expansion Area and that does not contain any portion of an Active Management Area" - the ability to form a water authority. At the same time, the bill amends statute to (a) exempt authorities formed under HB 2727 from existing requirements (relating to how revenues should be utilized), or (b) create substitute requirements for the new authority (membership and formation requirements, as well as those for designating officers). Finally, expands water authority powers by permitting (a) apportionment of groundwater from the Harquahala Irrigation Non-Expansion Area as otherwise authorized by the laws of" the state," (b) contracting for "eligible acres in or groundwater from the Harquahala Irrigation Non-Expansion Area," and (c) entering into subcontracts "with authority members and other water providers in the county where the authority is formed" for the "sale, exchange, or other disposition of ... groundwater from the Harquahala Irrigation Non-Expansion Area as otherwise authorized." HB 2727 also specifies that groundwater transportation fees may be deposited in the authority's funds.

HB 2737: water supply development; reclamation projects (Gillette) (Laws 2025, Ch. 90)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** In statute that governs the Water Infrastructure Finance Authority (WIFA) and that defines – among other items – "water supply development" for the purpose of determining eligibility for grant funding and loans, amends the definition of "water supply development" to include "planning designing, building, or developing water-related facilities" for "remediation" projects and projects for both reclamation and remediation that are "approved by the United States Environmental Protection Agency and that increas[e] the availability of water."

HB 2753: groundwater replenishment; Pinal AMA (Martinez) (Laws 2025, Ch. 216)

**Effective Date: September 26, 2025 (General Effective Date)** 

**Summary:** Statute (A.R.S. § 48-3771) permits municipal providers in the Phoenix Active Management Area (AMA) that submit "an application for a new designation of assured water supply" dependent on a "member service area agreement" after September 14, 2024, to "elect for all parcels of member land in the municipal service area to retain a replenishment obligation." Statute requires that the provider replenish groundwater for "parcels of member land that retain a replenishment obligation" in an amount equal to the applicable obligation. **HB 2753** extends these permissions to municipal providers in the Pinal AMA.

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