

Legislative Link Update

March 5, 2021

Hello and welcome to the 2021 Glendale Legislative Link Program.

Today is the 54th day of session. The House and Senate have focused their time voting on bills in third read (final vote) and the committees have slowly begun hearing bills from the opposite chamber. As of today, 44 bills have been sent to the Governor who has signed 41 of them. One bill that was signed into law by Governor Ducey is HB 2012 Unauthorized Racing Meetings; Penalties; Racketeering classifies a person, association or corporation that knowingly holds an "unauthorized racing meeting" (defined as any racing meeting conducted outside the bounds of a racing permit) as guilty of a class 6 felony. Holding an unauthorized racing meeting is added to the definition of "racketeering" for the purpose of the criminal code.

Below are updates on a few bills that we believe may be of interest to you:

SB 1069 Permanent Early Voting List; Eligibility

If a voter fails to vote an early ballot in both the primary election and the general election for two consecutive primary and general elections for which there was a federal, statewide or legislative race on the ballot, the county recorder is required to remove the voter from the permanent early voting list and the voter will no longer be sent an early ballot by mail automatically. By December 1 of each even - numbered year, the county recorder or other officer in charge of elections is required to send a notice to each voter who is removed under this provision informing the voter that if the voter wishes to remain on the permanent early voting list, the voter must confirm that in writing, sign the notice, and return the completed notice within 30 days after the notice is sent. **SB 1069 failed in the Senate with a vote of 15-15. This bill is done for the session unless the Senate agree to reconsider the bill.**

SB 1135 Income Tax Subtraction; 529 Contributions

The subtraction from Arizona gross income for the purposes of individual income taxes for contributions to college savings plans established under section 529 of the federal Internal Revenue Code is modified to allow taxpayers to subtract up to \$2,000 per beneficiary, instead of \$2,000 total, for a single individual or head of household, and to subtract up to \$4,000 per beneficiary, instead of \$4,000 total, for a married couple filing jointly. For tax years beginning with 2021, the list of subtractions from Arizona gross income for the purposes of individual income taxes is expanded to include the amount contributed during the tax year to an Achieving a Better Life Experience (ABLE) Account on behalf of the designated beneficiary to the extent that the contributions were not deducted in computing federal adjusted gross income. The maximum amount of the subtraction is \$2,000 per beneficiary for a single individual or head of household, and \$4,000 per beneficiary for a married couple filing jointly. Retroactive to tax years beginning with 2021. **SB 1135 passed out of the Senate 18-12 and also passed out of the House Ways and Means Committee on March 3.**

SB 1783 Small Businesses; Alternate Income Tax

SB 1783 would levy an "Arizona small business" (defined) income tax of 4.5 percent of "Arizona small business taxable income" (defined). Establishes adjustments, deductions, and credits for Arizona small business income taxes. For tax years beginning with 2021, a small business taxpayer is allowed to elect to file a return for the tax year with the Department of Revenue to report that small business taxpayer's

share of Arizona small business gross income. Modifies the tax rates for the income of estates or any kind of property held in trust for tax years beginning with 2021. Retroactive to January 1, 2021. SB 1783 resulted in several hours of debate as Democrats accused this bill of maneuvering around Proposition 208 that was approved by the voters in November. Republicans argued that the intent of Prop 208 was to never impact small business owners and **SB 1783 was approved along party lines (16-14) and has been sent to the House for further consideration.**

SB 1083 Elections; Recount Margin

SB 1083 would modify the criteria that triggers an automatic election recount to require a recount when the margin between the two candidates receiving the greatest number of votes for a particular office, or between the number of votes cast for and against a measure or proposition, is less than or equal to 0.5 percent of the number of votes cast for both candidates or on the measure or proposition. Previously, the difference in votes that triggered an automatic recount was the lesser of 0.1 percent or either a specified number of votes based on the office to be filled or 200 votes for a measure or proposition. For special district elections, the officer in charge of elections is required to determine the method of recount, conduct the recount, and report the results in the same manner as for the original count. **SB 1083 was approved along party lines (16-14) and has been sent to the House for further consideration.**

SB 1514 APPROPRIATION; EMERGENCY SHELTER BEDS; SENIORS

SB 1514 would appropriate \$5 million from the general fund in FY2021-22 to the Department of Economic Security (DES) for emergency shelter beds in western Maricopa County to shelter and serve homeless seniors who are at least 55 years of age. DES is required to distribute the monies to a single Arizona nonprofit provider that meets a list of specified requirements. **SB 1514 passed out of the Senate 27-3 and is now being negotiated in the final FY 22 State Budget.**

Similar to previous years, our bill tracking list will be available through an online report that can be accessed at the following website. The password is "Glendale". Utilizing a dynamic online report allows our Legislative Link participants to receive the most up to date information on bill status and committee hearing schedules at any time. <https://azcapitolreports.com/webreport.cfm?webreport=26568&listid=72498&print=true>

Thank you again for your participation in Glendale’s Legislative Link Program.

Remember, you can watch committee hearings via the internet by going to the [legislature’s website](#) and clicking on the live proceedings hyperlink located in the column on the left side of the page.

Arizona State Legislature Website: www.azleg.gov

To determine who your state legislators are, [click here](#)

You can also visit the Intergovernmental Programs Department’s webpage for additional information by [clicking here](#)

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Best regards,

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