County Supervisors
ASSOCIATION
of arizona
1905 W. Washington St., Ste. 100, Phoenix, AZ 85009
(602) 252-5521 fax: (602) 253-3227

Resolution Number 2-20

A Resolution of the County Supervisors Association of Arizona Urging State Leaders to Leverage Federal Resources, Regional and Tribal Partnerships to Complete Critical First Mile and Middle Mile Infrastructure Necessary for Statewide Access to Broadband.

WHEREAS, High-speed internet, commonly referred to as "broadband" infrastructure is critical necessity for businesses, individuals, schools, and government, and

WHEREAS, access to broadband is a foundation for economic growth and global competitiveness. Broadband access is necessary to start and grow a small business, conduct remote work, agricultural advances, and providing telehealth services. Inadequate broadband access is impeding economic development and has left many rural Arizona businesses and citizens at a competitive disadvantage compared to those urban and suburban areas with robust broadband access, and

WHEREAS, Arizona schools and universities were the first institutions to close at the start of the COVID-19 pandemic and transition into virtual online learning. Limited access to broadband in low income households, rural and tribal communities limits a student's ability to participate in distance learning. Students and families are struggling to find ways to mitigate the achievement gap, finding ways to access WiFi services to enable students to complete their homework has place additional burden on families; and

WHEREAS, Arizona has multiple factors that make planning, siting and maintaining broadband infrastructure especially challenging and costly, including distances between communities, challenging terrain, sparse middle mile and long-haul fiber-optic cable, expansion of critical first mile conduit, the need to permit and coordinate infrastructure across federal, state, Tribal and private lands, and

WHEREAS, private investment in broadband infrastructure has lagged in rural areas due to the high cost and the limited number of customers in potential service area. In rural areas of Arizona only thirty four percent have access to the Federal Communication Commission (FCC) minimum speed standards of 25 Mbps download and 3 Mbps upload speeds, and

WHEREAS, minimum FCC speed standards do not provide true broadband functionality that require large amounts of data, such as e-learning, business remote work applications, and telehealth, and

County Supervisors ASSOCIATION of arizona

WHEREAS, in Fiscal Year 2020, the state allocated $3 million in taxpayer funding to again leverage for matching broadband grant dollars for local and tribal governments in the form of Rural Broadband, and

WHEREAS, prior to the COVID-19 Pandemic, Governor Ducey released a plan to include nearly $50 million in the FY 2021 budget to fund Smart Highway Corridors, installing over 500 miles of broadband conduit and fiber optic cable along I-17, I-40, and I-19. Additionally, the Governor recommended providing $10 million in Rural Broadband Development Grants, to expand broadband planning activities and improve broadband infrastructure with shovel-ready projects:

NOW, THEREFORE, BE IT RESOLVED, the County Supervisors Association of Arizona hereby urges the Governor and Arizona State Legislature to:

- Establish Smart Highway Corridors to create first mile and middle mile broadband infrastructure across Arizona, and
- Increase ongoing state investment and leverage further federal funding for expanded access to quality, reliable, and affordable broadband in rural Arizona.

APPROVED AND ADOPTED this 23 day of October, 2020.

____

Rudy Molera
President, County Supervisors Association of Arizona
Santa Cruz County Supervisor, District 2

ATTEST:

____

Craig A. Sullivan, Executive Director
County Supervisors Association of Arizona

County Supervisors
ASSOCIATION
of arizona
1905 W. Washington St., Ste. 100, Phoenix, AZ 85009
(602) 252-5521 fax: (602) 253-3227

Resolution Number 3-20

A Resolution of the County Supervisors Association of Arizona Urging State Leaders to Take Action to Increase State and Local Investment in Transportation Infrastructure

WHEREAS, the responsibility of the state, county, and municipal governments to build and maintain roads is critical to public safety, economic development and quality of life in Arizona, and

WHEREAS, investment in transportation infrastructure is critical in driving economic development across the counties, and

WHEREAS, the Highway User Revenue Fund, known as HURF, is the primary resource dedicated to state, county and municipal highway and road construction and maintenance, and

WHEREAS, HURF relies heavily on an 18 cent per gallon motor fuel tax that is the fifth lowest rate in the country, has not been raised since 1990, and is not indexed for inflation, leading to a substantial degradation in HURF purchasing power as the price of asphalt, rock products and heavy equipment has increased dramatically, and

WHEREAS, the emergence of new and developing technologies, in addition to an increase in the sale of electric, hybrid, and other fuel efficient vehicles with lesser or no gas tax continues to decrease state and local gas tax revenues while continuing to cause wear and tear on the roads, and

WHEREAS, previous shifts from HURF to fund state obligations during the Great Recession diverted over $1 billion from state and local transportation systems, resulting in suspension of new construction, substantially decreasing road maintenance activities, and increasing designation of "primitive" roads, and

WHEREAS, the repeal of the public safety registration fee removes a dedicated funding source for the Department of Public Safety Highway Patrol, exposing local governments to further potential HURF shifts, and

WHEREAS, an Arizona Association of County Engineers study identified a $2.2 billion county transportation funding shortfall over the next 10 years, while the legislative Surface Transportation Funding Task Force (Task Force) found that $40 billion in additional HURF funding will be required over the next 20 years to meet all state and local transportation needs, and

WHEREAS, the need for additional transportation funding is evident from expert studies conducted and inaction to authorize such funding will lead to the continued degradation of HURF due to increasing construction costs and technological trends.

NOW, THEREFORE, BE IT RESOLVED, the County Supervisors Association of Arizona hereby urges the Governor and Arizona State Legislature to:

- Increase ongoing investment in the state and local transportation systems by way of an increase in the state gas tax, annually adjusted for inflation, to reflect current transportation funding needs, and
- Establish tax parity between gasoline-powered vehicles and alternative-fuel vehicles by, for example, charging an additional registration fee on alternative-fuel vehicles, per the recommendation of the Task Force.

APPROVED AND ADOPTED this 23 day of October, 2020.

____

Rudy Molera
President, County Supervisors Association of Arizona
Santa Cruz County Supervisor, District 2

ATTEST:

____

Craig A. Sullivan, Executive Director
County Supervisors Association of Arizona

County Supervisors ASSOCIATION of arizona
1905 W. Washington St., Ste. 100, Phoenix, AZ 85009
(602) 252-5521 fax: (602) 253-3227

Resolution 4-20

A Resolution of the County Supervisors Association of Arizona Urging the Arizona State Legislature and Governor to Consider the Impact on Local Taxpayers when Enacting Changes that Drive Costs in the Arizona Long Term Care System.

WHEREAS, the Arizona Long Term Care System (ALTCS) within the Arizona Health Care Cost Containment System (AHCCCS) provides long-term care services to the indigent elderly and physically disabled population in Arizona, and

WHEREAS, ALTCS is a state program, administered by AHCCCS, with costs driven by federal and state law, and

WHEREAS, counties have no administrative role in ALTCS and are unable to take any action to contain costs, and

WHEREAS, counties provided 53% of the state match necessary to access federal funding for the program in FY 2021, and

WHEREAS, in FY 2021 counties, on average, must levy a rate of 43 cents on the local property tax base to cover the mandated contributions to this state program, and

WHEREAS, the property tax rate required to cover the county contribution takes up an average of 20% of county primary property tax rates in FY 2021, and

WHEREAS, from FY 2019 to FY 2021 mandated county contributions to ALTCS have increased by over $37 million, or 14%, with a portion of that increase driven by state policy decisions, and

WHEREAS, the AHCCCS agency budget request for FY 2022 calls for an additional $14 million in county contributions, bringing the three year increase to over 19%, and

WHEREAS, increases in state mandated costs put upward pressure on local property tax rates or crowd out resources for other essential local services due to constitutional restrictions on property tax levies, and

WHEREAS, ALTCS is a federal and state partnership that has grown beyond the scope of the historical program and the financial capacity of counties to contribute:

NOW, THEREFORE, BE IT RESOLVED that the County Supervisors Association of Arizona urges the Arizona State Legislature and Governor to consider the impact of policy changes that will drive costs in the ALTCS program on county budgets and the local county property taxpayer.

APPROVED AND ADOPTED this 23 day of October, 2020.

Resolution Number 4-20
Page Two

____

Rudy Molera
President, County Supervisors Association of Arizona
Santa Cruz County Supervisor, District 2

ATTEST:

____

Craig A. Sullivan, Executive Director
County Supervisors Association of Arizona

County Supervisors
ASSOCIATION
of arizona
1905 W. Washington St., Ste. 100, Phoenix, AZ 85009
(602) 252-5521 fax: (602) 253-3227

Resolution Number 5-20

A Resolution of the County Supervisors Association of Arizona Urging the PSPRS Board of Trustees to Continue Making Responsible Changes to the Pension Debt Repayment Plan and Requesting that the State Government Remove Barriers to Responsible Solutions.

WHEREAS, previous decisions by the State Legislature and Public Safety Personnel Retirement System (PSPRS) Board of Trustees regarding public safety pension plans have led to the systematic underfunding of constitutionally guaranteed pension benefits of public safety officers, corrections officers and elected officials, and

WHEREAS, the PSPRS pension debt has increased from $3 billion in 2012 to almost $12 billion in 2021, and

WHEREAS, as a result, the average share of county operating budgets dedicated to payments for public safety pensions increased from less than 3% just nine years ago to over 7% today, and

WHEREAS, the courts have ruled that the legislative reforms could not diminish current employee benefits that are constitutionally protected, leaving a substantial legacy obligation that will be borne exclusively by the taxpayer, and

WHEREAS, the Legislature took subsequent action to reform the pension system to remove damaging elements of the existing plan and to control costs associated with new employees, creating a more sustainable plan into the future, and

WHEREAS, in May 2019, the new PSPRS actuary informed the Board of Trustees and stakeholders that the annual required contributions set by the Board have been insufficient and will cause debt payments to grow to unmanageable levels, and

WHEREAS, inaction now will result in even more rapidly growing pension payments that will crowd out vital spending on public safety and other essential services for citizens who did nothing to contribute to the existing debt, and

WHEREAS, the potential for increased future tax liabilities and decreased local services caused by even larger future pension debts may dissuade business and residential investment in local economies, and

WHEREAS, moving towards a repayment schedule that puts more money into the system now is the most responsible solution, saves money in the long term, and prevents the next generation of taxpayers from bearing the burden, and

WHEREAS, counties have consistently demonstrated a commitment to changes that would make annual payments more predictable and reduce the overall cost to the county taxpayer, and

County Supervisors ASSOCIATION of arizona

WHEREAS, starting in FY 2022 for CORP and EORP and FY 2023 in PSPRS, the PSPRS Board of Trustees will begin implementing a more responsible debt repayment structure for the legacy debt in each of the systems, and

WHEREAS, those changes will increase employer costs in the near-term but will ultimately curb the anticipated increases in annual contributions and save taxpayer resources, and

WHEREAS, while counties recognize the importance of repaying this debt, state law and the Arizona Constitution severely limit their ability to increase revenues and expenditures, and

WHEREAS, these limits were not structured to deal with an externally-controlled debt that has tripled in less than 10 years, and

WHEREAS, delaying repayment of these debts harms the taxpayers that the limitations were put in place to protect:

NOW, THEREFORE, BE IT RESOLVED that the County Supervisors Association of Arizona:

- Urges the PSPRS Board of Trustees to continue to work with employers in the system to finish phasing-in a debt repayment schedule that properly funds the system by balancing short-term costs with long-term benefits, and
- Respectfully requests the Arizona State Legislature and Governor exercise restraint in enacting policies that drive other county costs, and
- PENDING COUNTY SUBMITTED PROPOSALS: Requests the Arizona State Legislature and Governor give counties a tool to enact a dedicated revenue stream to pay down a county's unfunded liability and reduce the total cost to the taxpayer.

APPROVED AND ADOPTED this 23rd day of October, 2020.

____

Rudy Molera
President, County Supervisors Association of Arizona
Santa Cruz County Supervisor, District 2

ATTEST:

____

Craig A. Sullivan, Executive Director
County Supervisors Association of Arizona