



Legislative Session Report to City Council

August 2026

CITY OF
MARICOPA
PROUD HISTORY • PROSPEROUS FUTURE

2026 Session Facts



Session lasted 153 days this year



Total of 2,030 bills and 160 memorials / resolutions introduced this session



Tracked over 260 pieces of legislation and took an official position on 30



415 bills sent to the Governor

264 bills signed into law

151 bills vetoed



41 memorials / resolutions sent to the Secretary of State

Seven new ballot measures join the three authorized in 2025 on the 2026 general election ballot



Most legislation will become effective on 9/12/25 (general effective date)



Tracking 42 bills for active implementation



State Budget

Budget negotiation focused on two competing interests: Prop 123 continuation and HR 1 tax conformity.

The enacted FY 2027 budget spends \$18.3 B, with a cash balance of \$41 M and an ongoing balance of \$240 M.

Notables:

- No reductions in prior appropriations for SR 347 projects.
- The budget incorporates the tax changes from HR 1 into the state tax code – full conformity in FY 2026, modified conformity thereafter.
- Many state agencies received a lump sum reduction of 2.5% along with a reduction in the number of budgeted FTE positions (most not currently filled). They also experienced approximately \$140 million in fund transfers.
- \$4 million provided to the Arizona Department of Administration to bridge the shortfall in Statewide 911 funding in FY 2027.
- Remaining funds from the original Pinal Regional Transportation Authority (PRTA) tax are frozen, subject to future legislative appropriation.
- New data center tax credits are frozen until 7/1/2029.

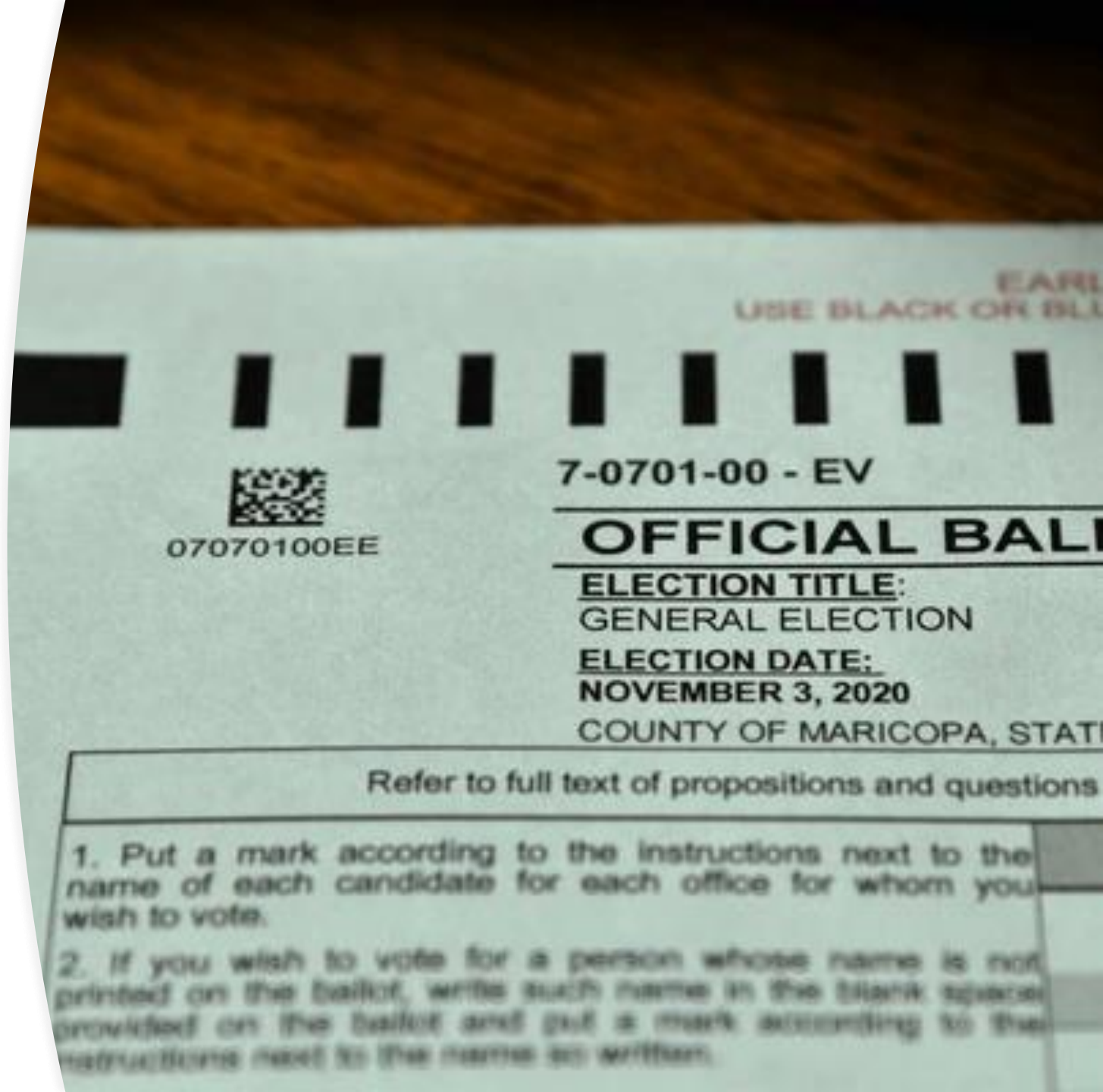


Legislative Referendums

The legislature sent seven new referendums to the 2026 general election ballot, joining the three that were authorized last session.

2026 Referrals

- Prop 144 (HCR 2001) citizenship; identification; contributions; early voting
- Prop 318 (HCR 2003) interscholastic; intramural athletics; biological sex
- Prop 143 (HCR 2040) now: school districts; labor organizations; resources
- Prop 142 (HCR 2044) preferential treatment; discrimination; prohibited acts



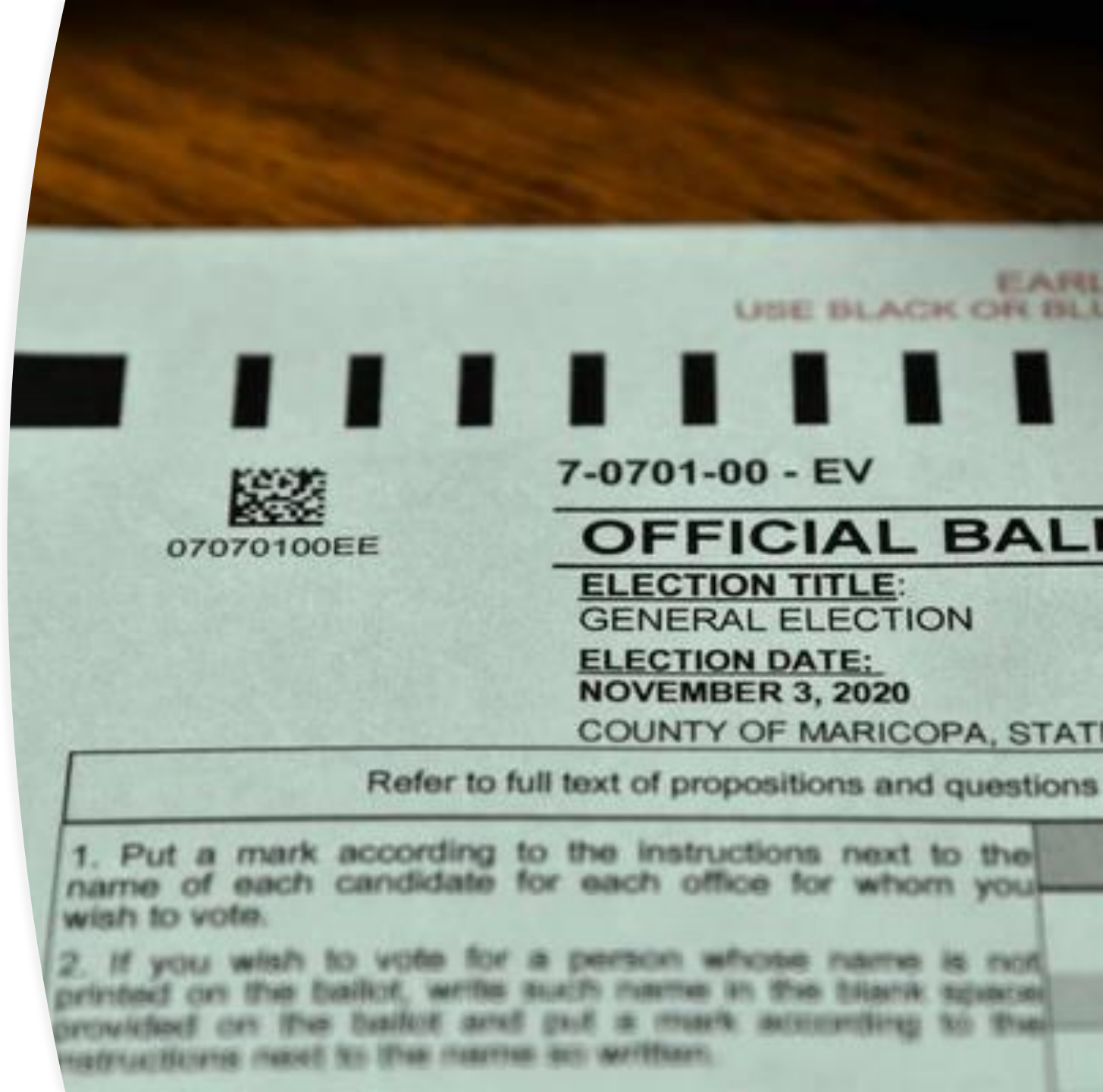
Legislative Referendums

2026 Referrals (continued)

- Prop 145 (HCR 2048) now: military families; scholarship accounts
- Prop 319 (SCR 1004) now: photo enforcement systems; voter approval
- Prop 320 (SCR 1032) now: instructional expenses; operational spending; enforcement

2025 Referrals

- Prop 316 (HCR 2021) food; municipal tax; exemption
- Prop 317 (HCR 2055) drug cartels; terrorist organizations
- Prop 141 (SCR 1004) prohibit tax; monitoring; vehicle mileage



Housing bills

HB 2946 municipalities; counties; development fees ([Signed](#))

- Limits the amount of impact fees that can be charged for an accessory dwelling unit (ADU) to either 25% of the amount assessed to a single-family residence, or the proportionate share, whichever is less.
- Prohibits (prospectively) establishing impact fees based on the size of the home.
- Clarifies when an increase in a development fee takes effect.

SB 1566 malicious delay; enforcement; penalty ([Signed](#))

- Prohibits municipalities from "maliciously delaying" licensing time frames or responses to applications for single-family residential construction.
- Authorizes the Attorney General to investigate and enforce violations.
- Grants expedited court review to a plaintiff.



Housing bills

HB 2999 now: infrastructure districts (**SIGNED**)

- Authorizes the formation of state housing affordability districts to finance, construct, operate and maintain public infrastructure that supports housing and economic development.
- Requires voter approval for an operation and maintenance tax.
- Requires recording and public reporting.
- Mandates a notice for sellers of residential property in the district.
- Establishes the process to change boundaries or dissolve a district.



Other housing bills

HB 2588 / SB 1431 municipalities; planned communities; design; prohibition. (HELD)

- Prohibits a municipality from requiring the creation of a homeowners' association, shared amenities, gated access, or other perimeter enclosures as a condition of a subdivision or development.
- Prohibits a municipality from adopting or enforcing design, architectural, or aesthetic requirements for single-family homes or accessory dwelling units, including requirements related to materials, colors, façades, layouts, garages, fences, or similar features.

HB 4028 accessory dwelling units; requirements (FAILED)

Prohibits a municipality from requiring an administrative use permit for constructing an ADU, and from requiring the ADU to be located within setback areas or to meet elevation criteria.

SB 1241 municipalities; counties; private permitting providers (HELD)

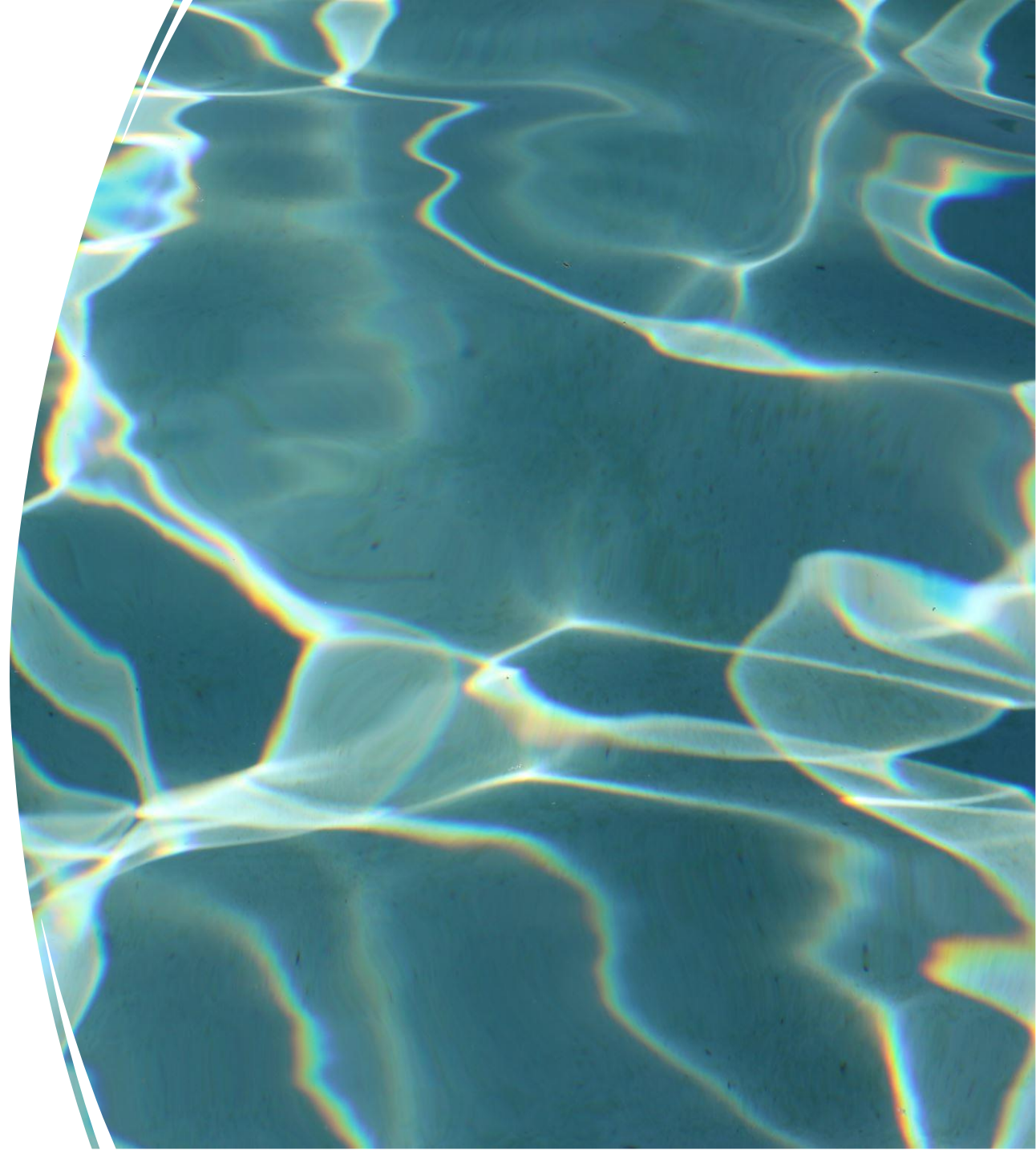
Authorizes property owners or their contractors to use private permitting providers for building plan reviews and inspections for residential construction projects, without approval from the municipality.



Water Legislation

SB 1200 bodies of water; effluent; landscaping
(HELD)

Allows a person to use a qualifying body of water in an active management area for transporting other types of water if the owner or operator meets specific requirements.



Transportation Bills

HB 2601 Interstate 11; environmental; engineering; study (FAILED)

Required ADOT to request federal approval to segment the Interstate 11 project between Interstate 10 at the City of Casa Grande and the Town of Wickenburg, as a segment of independent utility.

HB 2760 appropriation; rural transportation fund (HELD)

Appropriated \$15 million in FY 2027 to the SMART Fund.

HB 2304 appropriations; transportation projects (HELD)

Annual RTAC bill with various rural transportation projects



Public Safety Bills

HB 2406 minors; victims; public records ([SIGNED](#))

Prohibits the disclosure of images and recordings related to a deceased minor.

SB 1160 now: drones; entertainment events; prohibition ([SIGNED](#))

Prohibits a person from intentionally operating a drone within one mile either of or above a ticketed entertainment event and makes a violation a Class 1 misdemeanor.

SB 1215 firefighters; occupational disease; cancers ([SIGNED](#))

Clarifies the medical conditions that would be presumed to occur from employment as a peace officer, firefighter or fire investigator for workers' compensation coverage purposes.



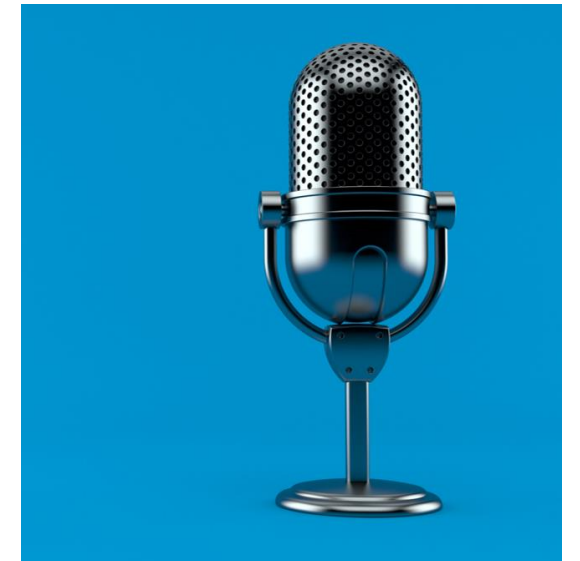
Bills Impacting Local Control

HB 4030 / HCR 2052 / HCR 2016 rates; fees; taxes; increases; moratorium (**HELD**)

This bill and the accompanying ballot measures would have prohibited municipalities from increasing fees, sales tax rates and surcharges above amounts authorized in the FY26 budget for the next four years.

HB 2429 short-term rentals; vacation rentals; occupancy (**HELD**)

Added options for municipalities regarding enforcement of violations from vacation and short-term rentals.



Bills Impacting Local Control

SB 1787 exactions; individualized determinations; appeal (VETOED)

Prohibited municipalities from imposing an "exaction" on a proposed project without written notice and authorized an applicant to request an individualized determination demonstrating the basis, methodology, and data for the exaction, at city expense.

HB 2460 business property; theft; penalties; prohibition (VETOED)

Preempted local ordinances related to shopping cards and the recovery of costs.

HB 2795 small modular reactors; zoning; approval (FAILED)

Preempted counties from regulation over the construction or operation of a small modular nuclear reactor if the federal process is followed.



Other Bills of Interest



SB 1167 cities; towns; counties; posting; website ([SIGNED](#))

Allows a city, town or county to satisfy any statutory requirements for advertising, publishing or printing by posting the public notice on the official website of the city, town or county and the official website of a newspaper that is qualified to publish public notices.

HB 2876 public bodies; executive sessions; agenda ([SIGNED](#))

Prevents public bodies from placing any proposal that imposes or increases taxes or fees on a consent agenda. Requires any item that was heard in executive session to be placed on an action (not consent) agenda.

SB 1336 state land department; continuation; oversight ([SIGNED](#))

Continues the Arizona State Land Department for four years and adds additional oversight.

HB 2938 mandatory rounding method; cash transactions ([SIGNED](#))

Requires sellers to apply the Swedish rounding method in cash transactions if one-cent coins are not available at a point of sale. Became effective on 3/12/2026.

Next Steps

Implementation of legislation



Evaluation of potential legislation for next session



Continued outreach to policy makers

Thank
You!





Questions?