

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature Second Regular Session House: NREW DP 12-0-0-0

HB 2556: water infrastructure finance; sunset repeal Sponsor: Representative Griffin, LD 14 House Engrossed

Overview

Removes the termination date for the Water Infrastructure Finance Authority (WIFA).

<u>History</u>

WIFA provides financial assistance for a variety of construction, rehabilitation and improvement projects in Arizona related to drinking water, wastewater, wastewater reclamation and general water quality (A.R.S. § 49-1203). It was a standalone agency until a 2016 law placed it within the newly created Office of Economic Opportunity (OEO) with the Arizona Finance Authority (AFA) serving as its governing body (Laws 2016, Chapter 372). However, WIFA and OEO have separate termination dates: WIFA terminates on July 1, 2022 while OEO terminates a year later (A.R.S. §§ 41-3022.19, 41-3023.15). The Auditor General found that having separate termination dates limits WIFA's sunset review. Specifically, this review cannot extend to OEO or AFA (including the AFA Board or WIFA Advisory Board) even though the AFA Board provides final approval of WIFA activities. To that end, the Auditor General recommended aligning the sunset dates for OEO and WIFA (<u>OAG Report 21-115</u>).

Provisions

- 1. Repeals the termination date of WIFA. (Sec. 1)
- 2. Contains a retroactivity clause of July 1, 2022. (Sec. 2)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note