REFERENCE TITLE: emergency executive powers; legislative oversight

State of Arizona House of Representatives Fifty-fifth Legislature Second Regular Session 2022

## **HB 2578**

Introduced by Representatives Blackman: Payne

## AN ACT

REPEALING SECTION 26-303, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 405, SECTION 8; AMENDING SECTION 26-303, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 348, SECTION 2 AND CHAPTER 367, SECTION 1; REPEALING SECTION 35-192, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 405, SECTION 9; AMENDING SECTION 35-192, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2016, CHAPTER 128, SECTION 51; RELATING TO EMERGENCY MANAGEMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona:

Section 1. Repeal

Section 26-303, Arizona Revised Statutes, as amended by Laws 2021, chapter 405, section 8, is repealed.

Sec. 2. Section 26-303, Arizona Revised Statutes, as amended by Laws 2021, chapter 348, section 2 and chapter 367, section 1, is amended to read:

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26-303. Emergency powers of governor; termination; authorization for adjutant general; limitation; extension; report; notices; appeals
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- A. During a state of war emergency, the governor may:
- 1. Suspend the provisions of any statute prescribing the procedure for conduct of state business, or the orders or rules of any state agency, if the governor determines and proclaims that strict compliance with the provisions of any such statute, order or rule would in any way prevent, hinder or delay mitigation of the effects of the emergency.
- 2. Commandeer and use any property, except for firearms or ammunition or firearms or ammunition components, or personnel deemed necessary in carrying out the responsibilities vested in the office of the governor by this chapter as chief executive of this state, and thereafter this state shall pay reasonable compensation for the property as follows:
- (a) If property is taken for temporary use, the governor, within ten days after the taking, shall determine the amount of compensation to be paid for the property. If the property is returned in a damaged condition, the governor, within ten days after its return, shall determine the amount of compensation to be paid for such damage.
- (b) If the governor deems it necessary for this state to take title to property under this section, the governor shall then cause the owner of the property to be notified thereof in writing by registered mail, postage prepaid, and then cause a copy of the notice to be filed with the secretary of state.
- (c) If the owner refuses to accept the amount of compensation fixed by the governor for the property referred to in subdivisions (a) and (b) of this paragraph, the amount of compensation shall be determined by appropriate proceedings in the superior court in the county where the property was originally taken.
- B. During a state of war emergency, the governor shall have complete authority over all agencies of the state government and shall exercise all police power vested in this state by the constitution and laws of this state in order to effectuate the purposes of this chapter.
- C. The powers granted to the governor by this chapter with respect to a state of war emergency shall terminate if the legislature is not in session and the governor, within twenty-four hours after the beginning of such a state of war emergency, has not issued a call for an immediate

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 special session of the legislature for the purpose of legislating on subjects relating to such a state of war emergency.

- D. The governor may proclaim a state of emergency, which shall take effect immediately in an area affected or likely to be affected if the governor finds that circumstances described in section 26-301, paragraph 15 exist.
  - E. During a state of emergency:
- 1. The governor shall have complete authority over all agencies of the state government and the right to exercise, within the area designated, all police power vested in this state by the constitution and laws of this state in order to effectuate the purposes of this chapter.
- 2. The governor may direct all agencies of the state government to use and employ state personnel, equipment and facilities to perform any activities designed to prevent or alleviate actual and threatened damage due to the emergency. The governor may direct such agencies to provide supplemental services and equipment to political subdivisions to restore any services in order to provide for the health and safety of the citizens of the affected area.
- F. EXCEPT AS PROVIDED IN SUBSECTIONS G AND I OF THIS SECTION, the powers granted to the governor by this chapter with respect to a state of emergency shall terminate when the state of emergency has been terminated by proclamation of the governor or by concurrent resolution of the legislature declaring it at an end.
- G. BEGINNING JANUARY 2, 2023, THE GOVERNOR MAY ISSUE AN INITIAL PROCLAMATION WITH RESPECT TO A STATE OF EMERGENCY FOR A PUBLIC HEALTH EMERGENCY AS DESCRIBED IN SECTION 36-787 FOR A PERIOD OF NOT MORE THAN THIRTY DAYS. THE GOVERNOR MAY EXTEND THE STATE OF EMERGENCY FOR NOT MORE THAN ONE HUNDRED TWENTY DAYS, BUT ANY EXTENSION MAY NOT BE FOR A PERIOD OF MORE THAN THIRTY DAYS. THE STATE OF EMERGENCY SHALL TERMINATE AFTER ONE HUNDRED TWENTY DAYS, UNLESS THE STATE OF EMERGENCY IS EXTENDED, IN WHOLE OR IN PART, BY PASSAGE OF A CONCURRENT RESOLUTION OF THE LEGISLATURE. THE LEGISLATURE MAY EXTEND THE STATE OF EMERGENCY AS MANY TIMES AS NECESSARY BY CONCURRENT RESOLUTION, BUT ANY EXTENSION MAY NOT BE FOR A PERIOD OF MORE THAN THIRTY DAYS. IF A STATE OF EMERGENCY FOR A PUBLIC HEALTH EMERGENCY IS NOT EXTENDED PURSUANT TO THIS SUBSECTION, THE GOVERNOR MAY NOT PROCLAIM A NEW STATE OF EMERGENCY BASED ON THE SAME CONDITIONS WITHOUT THE PASSAGE OF A CONCURRENT RESOLUTION BY THE LEGISLATURE CONSENTING TO THE NEW STATE OF EMERGENCY.
- H. ON THE EXTENSION OF A STATE OF EMERGENCY FOR A PUBLIC HEALTH EMERGENCY PURSUANT TO SUBSECTION G OF THIS SECTION, THE GOVERNOR SHALL SUBMIT A WRITTEN REPORT TO A JOINT COMMITTEE OF THE HEALTH COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES. AFTER THE FIRST SIXTY DAYS OF A PUBLIC HEALTH EMERGENCY, THE DIRECTOR OF THE DEPARTMENT OF HEALTH SERVICES AND A REPRESENTATIVE OF THE GOVERNOR'S OFFICE SHALL PROVIDE A BRIEFING TO THE JOINT COMMITTEE, AND THE

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JOINT COMMITTEE SHALL GIVE THE EXTENSION OF THE PUBLIC HEALTH EMERGENCY A FAVORABLE OR UNFAVORABLE REVIEW. THE JOINT COMMITTEE SHALL PROVIDE THE JOINT COMMITTEE'S RECOMMENDATION TO ALL MEMBERS OF THE LEGISLATURE AND THE GOVERNOR. THE OUTCOME OF THE JOINT COMMITTEE'S REVIEW SHALL BE CONSPICUOUSLY POSTED ON THE GOVERNOR'S AND THE DEPARTMENT OF HEALTH SERVICE'S PUBLIC WEBSITES.

I. EXCEPT AS PROVIDED IN SUBSECTION G OF THIS SECTION. A STATE OF EMERGENCY MAY NOT CONTINUE FOR MORE THAN THIRTY DAYS UNLESS RENEWED BY THE GOVERNOR. THE GOVERNOR MAY RENEW THE INITIAL STATE OF EMERGENCY FOR ONE ADDITIONAL THIRTY-DAY PERIOD. TO EXTEND THE STATE OF EMERGENCY BEYOND SIXTY DAYS, IF THE LEGISLATURE IS OUT OF SESSION, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE SHALL RECALL THE LEGISLATURE AND SHALL CONVENE A SPECIAL SESSION WITHOUT THE GOVERNOR'S CONSENT, FOR A PERIOD OF THIRTY DAYS DURING ANY ADDITIONAL THIRTY-DAY STATE OF EMERGENCY. THE GOVERNOR SHALL REQUEST THAT THE LEGISLATURE EXTEND THE STATE OF EMERGENCY, AND THE REQUEST MUST INCLUDE THE SPECIFIC REASONS FOR THE EXTENSION, THE REQUESTED LENGTH OF THE EXTENSION AND A PLAN OF ACTION TO ADDRESS THE CONDITIONS THAT NECESSITATE THE EXTENSION OF THE STATE OF EMERGENCY. THE GOVERNOR SHALL SUBMIT ALL SUBSEQUENT REQUESTS FOR AN EXTENSION TO THE LEGISLATURE BEFORE THE EXPIRATION OF THE EXTENSION THAT IS IN EFFECT. THE EXTENSION MEASURE MUST PASS THE LEGISLATURE BY A TWO-THIRDS VOTE NOT LATER THAN FIVE CALENDAR DAYS AFTER RECEIVING THE GOVERNOR'S REQUEST. IF THE LEGISLATURE FAILS TO CONSIDER THE REQUEST WITHIN FIVE CALENDAR DAYS, THE STATE OF EMERGENCY IS AUTOMATICALLY EXTENDED FOR AN ADDITIONAL THIRTY-DAY PERIOD, AND THE LEGISLATURE MUST REMAIN IN SPECIAL SESSION WITHOUT THE CONSENT OF THE GOVERNOR UNTIL EITHER THE STATE OF EMERGENCY HAS ENDED OR THE LEGISLATURE ENDS THE STATE OF EMERGENCY BY A TWO-THIRDS VOTE. THE LEGISLATURE MAY LIMIT OR MODIFY THE EMERGENCY POWERS GRANTED TO THE GOVERNOR BY A TWO-THIRDS VOTE. IF THE GOVERNOR DECLARES A STATE OF EMERGENCY WHILE THE LEGISLATURE IS IN REGULAR SESSION, THE LEGISLATURE MAY NOT ADJOURN OR SINE DIE EXCEPT BY A TWO-THIRDS VOTE OR IF THE GOVERNOR ENDS THE STATE OF EMERGENCY.

G. J. This chapter does not limit, modify or abridge the powers vested in the governor under the constitution or statutes of this state.

- H. K. If authorized by the governor, the adjutant general has the powers prescribed in this subsection. If, in the judgment of the adjutant general, circumstances described in section 26-301, paragraph 15 exist, the adjutant general may:
- 1. Exercise those powers pursuant to statute and gubernatorial authorization following the proclamation of a state of emergency under subsection D of this section.
- 2. Incur obligations of \$100,000 or less for each emergency or contingency payable pursuant to section 35-192 as though a state of emergency had been proclaimed under subsection D of this section.

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 f. L. The powers exercised by the adjutant general pursuant to subsection H K of this section expire seventy-two hours after the adjutant general makes a determination under subsection H K of this section.

D. M. Pursuant to the second amendment of the United States Constitution and article II, section 26, Constitution of Arizona, and notwithstanding any other law, the emergency powers of the governor, the adjutant general or any other official or person do not allow the imposition of additional restrictions on the lawful possession, transfer, sale, transportation, carrying, storage, display or use of firearms or ammunition or firearms or ammunition components. A store that sells firearms or ammunition, or firearms or ammunition components, is an essential business and is protected from a qualified civil liability action pursuant to section 12-721.

★. N. This section does not:

- 1. Prohibit the governor, the adjutant general or other officials responding to an emergency from ordering the reasonable movement of stores of ammunition out of the way of dangerous conditions.
- 2. Allow a state agency or a city, town or county to permanently revoke any license held by a business or used to operate a business for not complying with an order issued by the governor with respect to a state of emergency proclaimed by the governor pursuant to section 36-787, subsection A unless the state agency or the city, town or county can demonstrate by clear and convincing evidence that the business caused the transmission of the disease that is the subject of the order due to the business's wilful misconduct or gross negligence.
- t. 0. Before a state agency, city, town or county suspends or permanently revokes, pursuant to subsection  $\stackrel{\text{M}}{}$  P of this section, a license held by a business or used to operate a business, the state agency, city, town or county shall provide the business with both of the following:
- 2. A written notice of intent to suspend or permanently revoke the license at least thirty days after the date of the notice of noncompliance provided pursuant to paragraph 1 of this subsection. The state agency, city, town or county shall present any new evidence of grounds for suspension or revocation in the written notice required by this paragraph. A business that receives a notice pursuant to this paragraph and disputes the claim shall respond to the state agency, city, town or county within twenty days after receiving the notice.
- M. P. Any dispute relating to the suspension or permanent revocation of a license held by a business or used to operate a business shall be resolved by a court of competent jurisdiction in this state. A state agency, city, town or county may not suspend or permanently revoke a

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license held by a business or used to operate a business until the business has received both notices prescribed in subsection t0 of this section and all appeals have been exhausted. The court may award reasonable attorney fees and damages to a business in an action relating to the suspension or permanent revocation of a license held by a business or used to operate a business.

Sec. 3. Repeal

Section 35-192, Arizona Revised Statutes, as amended by Laws 2021, chapter 405, section 9, is repealed.

Sec. 4. Section 35-192, Arizona Revised Statutes, as amended by Laws 2016, chapter 128, section 51, is amended to read:

35-192. Authorization for declaration of disaster:

authorization for liabilities and expenses:

priorities and limitations: review and report of expenditures

- A. The governor may declare an emergency arising from major disasters as provided in this section and incur liabilities therefor, regardless of whether or not the legislature is in session.
- B. When the governor, or the director of the division of emergency management in the department of emergency and military affairs pursuant to section 26-303, subsection H K, determines that a contingency or disaster so justifies, and declares an emergency, specific liabilities and expenses provided for in this section are authorized to be incurred against and to be paid as claims against the state from unrestricted monies from the general fund to mitigate and meet contingencies and emergencies arising from:
  - 1. Invasions, hostile attacks, riots or insurrections.
  - 2. Epidemics of disease or plagues of insects.
  - 3. Floods or floodwaters.
  - 4. Acts of God or any major disaster.
- 5. Wildland fires, but only after all necessary authorizations under section 37-1305 are exhausted.
- C. When authorized by the governor, specific liabilities and expenses provided for in this section may be incurred against and may be paid as claims against the state from unrestricted monies from the general fund to meet contingencies and emergencies arising from incidents relating to hazardous materials as defined in section 26-301 and search or rescue operations conducted pursuant to section 11-251.02, section 11-441, subsection C or section 26-306 subject to the limitations provided in section 35-192.01. Within ninety days after monies are awarded under this section, the department of emergency and military affairs shall post in a prominent location on the department's official website the amount of monies awarded under this section, who received the monies and how the monies were spent.

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- D. Liabilities and expenses authorized under subsection B of this section may be incurred for any of the emergencies or contingencies prescribed in subsection B of this section in the following order of priority:
- 1. Reimbursement for expenses incurred to combat a menace to the health, lives or property of any considerable number of persons of the state, or to property of the state or its political subdivisions.
- 2. Reimbursement for expenses incurred to repair damage to any property of the state.
- 3. Reimbursement for expenses incurred to repair damage to any property of the political subdivisions of the state.
- 4. Reimbursement for expenses incurred in search or rescue operations.
- 5. Reimbursement for expenses incurred in emergency or disaster recovery activities or in matching federal disaster recovery programs.
- 6. Reimbursement for expenses for property loss mitigation measures or to match federal property loss mitigation programs.
- E. The auditor of the department of emergency and military affairs shall review liabilities incurred and expenditures made under this section and report to the state emergency council at ninety-day intervals during the emergency and conduct a final review of each emergency within ninety days after the termination of the emergency. The state emergency council shall make a written report not later than September 1 of each year to the legislature of the actions of the state emergency council during the preceding fiscal year, including an itemized statement of expenditures for each emergency during the year. The department of emergency and military affairs shall post the report in a prominent location on the department's official website.
- $\ensuremath{\mathsf{F.}}$  All liabilities incurred under this section shall be subject to the following limitations:
- 1. No liability shall be incurred against the monies authorized without the approval of the governor, or the adjutant general pursuant to section 26-303, subsection + K, for each contingency or emergency.
- 2. Incurring of liabilities in excess of two hundred thousand dollars \$200,000 in any single disaster or emergency shall not be made without consent of a majority of the members of the state emergency council.
- 3. The aggregate amount of all liabilities incurred under this section shall not exceed four million dollars \$4,000,000 for any fiscal year beginning July 1 through June 30. Monies authorized for disasters and emergencies in prior fiscal years may be used in subsequent fiscal years only for the disaster or emergency for which they were authorized. Monies authorized for disasters and emergencies in prior fiscal years, and expended in subsequent fiscal years for the disaster or emergency for which they were authorized, apply toward the four million dollar

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\$4,000,000 liability limit for the fiscal year in which they were authorized.

- 4. Notwithstanding the limitations in paragraph 3 of this subsection, monies that were previously obligated but not used for a declared emergency or disaster may be reallocated to an outstanding obligation for another declared emergency or disaster and shall remain available for expenditure for the outstanding obligation. The reallocation of monies pursuant to this paragraph does not apply toward the four million dollar \$4,000,000 liability limit of the fiscal year to which the monies were reallocated or in which the monies are spent.
- 5. An obligation of monies under this section may be made only when one or more of the following conditions exist:
- (a) No appropriation or other authorization is available to meet the contingency or emergency.
- (b) An appropriation is insufficient to meet the contingency or emergency.
- (c) Federal monies available for such contingency or emergency require the use of state or other public monies.
- G. The director of the division of emergency management in the department of emergency and military affairs shall develop rules for administering the monies authorized for liabilities under this section, subject to approval by the governor.

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