

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - Second Regular Session

MAJORITY CAUCUS CALENDAR #6

February 16, 2016

Bill Number	Short Title	Committee	Date	Action
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Committee on Appropriations

Chairman: Justin Olson, LD25

Analyst: Jennifer Thomsen

Vice Chairman: Vince Leach, LD11

Intern: Brett Galley

HB 2483	municipal population estimates; use				
SPONSOR:	OLSON, LD25	HOUSE			
		APPROP	2/3	DP	(12-0-0-2-0)
					(Abs: RIVERO,UGENTI-RITA)
HB 2484	estimates; state budget; notice				
SPONSOR:	OLSON, LD25	HOUSE			
		APPROP	2/3	DP	(7-5-0-2-0)
					(No: FERNANDEZ,MEYER,ALSTON,CARDENAS,MACH; Abs: RIVERO,UGENTI-RITA)
HB 2485	appropriations; named claimants				
SPONSOR:	OLSON, LD25	HOUSE			
		APPROP	2/3	DP	(12-0-0-2-0)
					(Abs: RIVERO,UGENTI-RITA)
HB 2486	telecommunications utilities; relocation; reimbursement				
SPONSOR:	OLSON, LD25	HOUSE			
		APPROP	2/10	DP	(14-0-0-0-0)

Committee on Agriculture, Water and Lands

Chairman: Brenda Barton, LD6

Analyst: Tom Savage

Vice Chairman: Darin Mitchell, LD13

Intern: Shirley Springer

HB 2291	groundwater; waterlogged area exemption; date				
SPONSOR:	MITCHELL, LD13	HOUSE			
		AWL	2/4	DP	(9-0-0-1-0)
					(Abs: MONTENEGRO)
HB 2455	wildfire suppression; joint study committee				
SPONSOR:	OTONDO, LD4	HOUSE			
		AWL	2/11	DPA	(8-0-0-2-0)
					(Abs: MONTENEGRO,PRATT)
HB 2326	agricultural feed; sales; tax exemption				
SPONSOR:	PRATT, LD8	HOUSE			
		AWL	2/4	DPA	(9-0-0-1-0)
					(Abs: MONTENEGRO)

Committee on Banking and Financial Services

Chairman: Kate Brophy McGee, LD28

Analyst: Paul Benny

Vice Chairman: Jeff Weninger, LD17

Intern: Jon Rudolph

[HB 2302](#) securities; issuers; website operators
SPONSOR: WENINGER, LD17 HOUSE
BFS 2/2 DP (8-0-0-0-0)

Committee on Children and Family Affairs

Chairman: John M. Allen, LD15 **Vice Chairman: Kate Brophy McGee, LD28**
Analyst: Ingrid Garvey **Intern: Alexandra Erickson**

[HB 2389](#) DCS; backlog cases; private contractors.
SPONSOR: ALLEN J, LD15 HOUSE
CFA 2/8 DPA (7-2-0-0-0)
(No: GONZALES,RIOS)

[HB 2452](#) cash assistance; eligibility; children
SPONSOR: WENINGER, LD17 HOUSE
CFA 2/8 DP (9-0-0-0-0)

[HB 2488](#) sexual assault; parental rights; prohibition
SPONSOR: BOWERS, LD25 HOUSE
CFA 2/8 DP (6-2-0-1-0)
(No: GONZALES,RIOS; Abs: LOVAS)

[HB 2522](#) DCS; intake hotline; reports
SPONSOR: BROPHY MCGEE, LD28 HOUSE
CFA 2/8 DPA (8-1-0-0-0)
(No: RIOS)

Committee on County and Municipal Affairs

Chairman: Doug Coleman, LD16 **Vice Chairman: Tony Rivero, LD21**
Analyst: Amanda Barnes **Intern: Caitlynn Kestler**

[HB 2076](#) annexation; single property owner; exception
SPONSOR: WENINGER, LD17 HOUSE
CMA 1/25 DP (8-0-0-0-0)

Committee on Commerce

Chairman: Warren H. Petersen, LD12 **Vice Chairman: Jill Norgaard, LD18**
Analyst: Diana Clay **Intern: Kris Beecher**

[HB 2475](#) funeral establishments; procurement organizations
SPONSOR: NORGAARD, LD18 HOUSE
COM 2/10 DP (8-0-0-0-0)

Committee on Education

Chairman: Paul Boyer, LD20 **Vice Chairman: Jay Lawrence, LD23**
Analyst: Aaron Wonders **Intern: Ellen Hill**

[HB 2190](#) education omnibus
SPONSOR: BOYER, LD20 HOUSE
ED 2/3 DPA (6-0-0-1-0)
(Abs: BOLDING)

[HB 2544](#) schools; statewide achievement assessments; menu.
SPONSOR: BOYER, LD20 HOUSE
ED 2/3 DPA (5-1-0-1-0)
(No: OTONDO; Abs: BOLDING)

[HB 2230](#) high schools; college accessibility awareness
SPONSOR: BOLDING, LD27 HOUSE
ED 2/10 DPA (6-1-0-0-0)
(No: NORGAARD)

Committee on Energy, Environment and Natural Resources**Chairman: Franklin M. Pratt, LD8****Vice Chairman: Russell "Rusty" Bowers, LD25****Analyst: Tom Savage****Intern: Shirley Springer**

[HB 2391](#) municipalities; water rates; requirements
 SPONSOR: BOWERS, LD25 HOUSE
 EENR 2/8 DPA (7-0-0-2-0)
 (Abs: LEACH,SALDATE)

[HB 2575](#) G&F; penalties; law enforcement; omnibus
 SPONSOR: COBB, LD5 HOUSE
 EENR 2/8 DP (7-0-0-2-0)
 (Abs: LEACH,SALDATE)

Committee on Elections**Chairman: Michelle B. Ugenti-Rita, LD23****Vice Chairman: Javan D. "J.D." Mesnard, LD17****Analyst: Sharon Carpenter****Intern: Taylor McGrew**

[HB 2016](#) early, all-mail ballots; mailing period
 (ELECT S/E: permanent early voting list; cancellation)
 SPONSOR: STEVENS, LD14 HOUSE
 ELECT 2/8 DPA/SE (6-0-0-0-0)

[HB 2477](#) precinct committeemen; term of office
 SPONSOR: UGENTI-RITA, LD23 HOUSE
 ELECT 2/8 DP (6-0-0-0-0)

[HB 2156](#) legislative vacancies; appointment; requirements
 SPONSOR: FRIESE, LD9 HOUSE
 ELECT 2/8 DP (6-0-0-0-0)

Committee on Federalism and States' Rights**Chairman: Kelly Townsend, LD16****Vice Chairman: Noel W. Campbell, LD1****Analyst: Justin Riches****Intern: John Oyas**

[HB 2201](#) sovereign authority; commandeering; prohibition; exception
 SPONSOR: THORPE, LD6 HOUSE
 FSR 2/10 DP (5-1-0-3-0)
 (No: VELASQUEZ; Abs: MITCHELL,WHEELER,RIOS)

[HB 2617](#) Israel; boycotts; contracts; investments
 SPONSOR: GOWAN, LD14 HOUSE
 FSR 2/10 DPA (6-0-0-3-0)
 (Abs: MITCHELL,WHEELER,RIOS)

Committee on Government and Higher Education**Chairman: Bob Thorpe, LD6****Vice Chairman: J. Christopher Ackerley, LD2****Analyst: Sharon Carpenter****Intern: Taylor McGrew**

[HB 2115](#) public employees; misappropriation; penalty
 SPONSOR: PETERSEN, LD12 HOUSE
 GHE 1/28 DPA (6-2-0-1-0)
 (No: ALSTON,LARKIN; Abs: OLSON)

[HB 2159](#) ASRS; rulemaking exemption
 SPONSOR: THORPE, LD6 HOUSE
 GHE 2/4 DP (7-0-0-2-0)
 (Abs: LOVAS,OLSON)

[HB 2337](#) regulation; deficiencies; opportunity to correct
 SPONSOR: NORGAARD, LD18 HOUSE
 GHE 2/4 DPA (7-0-0-2-0)
 (Abs: LOVAS,OLSON)

[HB 2341](#) potlucks; regulation exemption
 SPONSOR: TOWNSEND, LD16 HOUSE
 GHE 2/4 DP (6-0-0-3-0)
 (Abs: LOVAS,OLSON,LARKIN)

[HB 2430](#) library trustees; annual report
 (GHE S/E: counties; free library system)
 SPONSOR: STEVENS, LD14 HOUSE
 GHE 2/11 DPA/SE (9-0-0-0-0)

[HB 2436](#) regents; designees
 SPONSOR: STEVENS, LD14 HOUSE
 GHE 2/11 DP (6-2-0-1-0)
 (No: ALSTON,SALDATE; Abs: LARKIN)

[HB 2450](#) expedited rulemaking; outdated rules
 SPONSOR: MITCHELL, LD13 HOUSE
 GHE 2/4 DP (7-0-0-2-0)
 (Abs: LOVAS,OLSON)

[HB 2487](#) state agencies; preapplication authorization; limitations
 SPONSOR: BOWERS, LD25 HOUSE
 GHE 2/4 DPA (7-0-0-2-0)
 (Abs: LOVAS,OLSON)

[HB 2492](#) DOR; costs; penalties; recovery
 SPONSOR: BOWERS, LD25 HOUSE
 GHE 2/4 DPA (6-1-1-1-0)
 (No: ALSTON; Abs: OLSON; Present: LARKIN)

[HB 2512](#) pension contributions; expenditure limit exemption
 SPONSOR: COLEMAN, LD16 HOUSE
 GHE 2/4 DPA (6-1-0-2-0)
 (No: PETERSEN; Abs: LOVAS,OLSON)

Committee on Health

Chairman: Heather Carter, LD15
Analyst: Ingrid Garvey

Vice Chairman: Regina Cobb, LD5
Intern: Alexandra Erickson

[HB 2264](#) insurance; prescription eye drops; refills
 SPONSOR: BROPHY MCGEE, LD28 HOUSE
 HEALTH 2/9 DPA (6-0-0-0-0)

[HB 2503](#) psychologists; licensure compact
 SPONSOR: CARTER, LD15 HOUSE
 HEALTH 2/9 DPA (6-0-0-0-0)

[HB 2504](#) revenue department; technical correction
 (HEALTH S/E: physical therapy licensure compact)
 SPONSOR: CARTER, LD15 HOUSE
 HEALTH 2/9 DPA/SE (5-0-0-1-0)
 (Abs: BOYER)

Committee on Insurance

Chairman: Karen Fann, LD1
Analyst: Paul Benny

Vice Chairman: David Livingston, LD22
Intern: Jon Rudolph

[HB 2445](#) motor vehicle insurance; nonrenewal
SPONSOR: LIVINGSTON, LD22 HOUSE
INS 2/10 DPA (5-3-0-0-0)
(No: OTONDO,LARKIN,MCCUNE DAVIS)

Committee on Judiciary

Chairman: Eddie Farnsworth, LD12

Vice Chairman: Sonny Borrelli, LD5

Analyst: Katy Proctor

Intern:

Meagan Anglin

[HB 2261](#) electronic benefit transfers; prohibitions; violations
SPONSOR: BROPHY MCGEE, LD28 HOUSE
JUD 2/10 DP (4-1-0-1-0)
(No: FRIESE; Abs: HALE)

[HB 2382](#) property; declaration amendment; procedure
SPONSOR: FARNSWORTH E, LD12 HOUSE
JUD 2/10 DPA (5-0-0-1-0)
(Abs: HALE)

[HB 2386](#) patent troll prevention act
SPONSOR: FARNSWORTH E, LD12 HOUSE
JUD 2/10 DPA (5-0-0-1-0)
(Abs: HALE)

[HB 2446](#) prohibited weapon; definition; exclusions
SPONSOR: LIVINGSTON, LD22 HOUSE
JUD 2/10 DPA/SE (4-1-0-1-0)
(No: FRIESE; Abs: HALE)

[HB 2537](#) supreme court justices; number
SPONSOR: MESNARD, LD17 HOUSE
JUD 2/10 DP (4-1-0-1-0)
(No: FRIESE; Abs: HALE)

[HB 2539](#) sex offender registration; petition; termination
SPONSOR: BOWERS, LD25 HOUSE
JUD 2/10 DPA (5-0-0-1-0)
(Abs: HALE)

[HCM 2002](#) state bar; rules; first amendment
SPONSOR: KERN, LD20 HOUSE
JUD 2/10 DPA (4-1-0-1-0)
(No: FRIESE; Abs: HALE)

Committee on Military Affairs and Public Safety

Chairman: Sonny Borrelli, LD5

Vice Chairman: Mark Finchem, LD11

Analyst: Rick Hazelton

Intern:

Thomas Lane

[HB 2287](#) presiding constable; selection; duties
SPONSOR: BOWERS, LD25 HOUSE
MAPS 2/4 DPA (7-1-0-0-0)
(No: FARNSWORTH E)

[HB 2365](#) study committee; Arizona's 911 system
SPONSOR: THORPE, LD6 HOUSE
MAPS 2/4 DPA (8-0-0-0-0)

[HB 2514](#) restricted vehicle use; DUI; repeal
(MAPS S/E: restricted vehicle use; DUI; exemption)
SPONSOR: BORRELLI, LD5 HOUSE
MAPS 2/4 DPA/SE (8-0-0-0-0)

[HCM 2006](#) toxic exposure; urging Congress
 SPONSOR: ANDRADE, LD29 HOUSE
 MAPS 2/4 DPA (8-0-0-0-0)

[HB 2009](#) veteran-owned businesses; procurement preference
 SPONSOR: CARDENAS, LD19 HOUSE
 MAPS 2/11 DP (7-0-0-1-0)
 (Abs: FARNSWORTH E)

[HB 2324](#) G&F; military spouses; resident licenses
 SPONSOR: PRATT, LD8 HOUSE
 MAPS 1/28 DP (7-0-0-1-0)
 (Abs: CARDENAS)

Committee on Rural and Economic Development

Chairman: Thomas "T.J." Shope, LD8 **Vice Chairman: Russell "Rusty" Bowers, LD25**
Analyst: Michael Madden **Intern: Kaitlyn Yanas**

[HB 2372](#) liquor licenses; stores; proximity; exception
 SPONSOR: SHOPE, LD8 HOUSE
 RED 2/2 DP (5-3-0-0-0)
 (No: BENALLY,GONZALES,MENDEZ)

Committee on Transportation and Infrastructure

Chairman: Rick Gray, LD21 **Vice Chairman: David W. Stevens, LD14**
Analyst: Amanda Barnes **Intern: Caitlynn Kestler**

[HB 2022](#) special plates; regionally accredited institutions
 SPONSOR: STEVENS, LD14 HOUSE
 TI 2/9 DP (7-2-0-0-0)
 (No: FERNANDEZ,ANDRADE)

[HB 2048](#) voter registration records; ADOT records
 SPONSOR: STEVENS, LD14 HOUSE
 TI 2/9 DP (9-0-0-0-0)

[HB 2179](#) critical health information; emergency responders
 SPONSOR: GABALDÓN, LD2 HOUSE
 TI 2/2 DP (9-0-0-0-0)
 HEALTH 2/9 DPA (6-0-0-0-0)

[HB 2348](#) motor vehicle dealers; compensation
 SPONSOR: GRAY, LD21 HOUSE
 TI 2/9 DP (9-0-0-0-0)

[HB 2434](#) abandoned vehicles; towing reimbursement
 SPONSOR: STEVENS, LD14 HOUSE
 TI 2/9 DPA (7-2-0-0-0)
 (No: FERNANDEZ,KOPEC)

Committee on Ways and Means

Chairman: Darin Mitchell, LD13 **Vice Chairman: Anthony Kern, LD20**
Analyst: Michael Madden **Intern: Kaitlyn Yanas**

[HB 2026](#) municipal tax exemption; residential lease
 (WM S/E: tax exemption; single family dwellings)
 SPONSOR: MITCHELL, LD13 HOUSE
 WM 2/8 DPA/SE (5-4-0-0-0)
 (No: BOLDING,CARDENAS,WHEELER,WENINGER)

HB 2055	class six property; elderly homeowners				
SPONSOR:	CARDENAS, LD19	HOUSE			
	WM	2/8	DPA	(7-2-0-0-0)	
	(No: KERN,WHEELER)				
HB 2256	tax subtraction; uniformed services pay				
SPONSOR:	BROPHY MCGEE, LD28	HOUSE			
	WM	2/1	DP	(8-0-0-1-0)	
	(Abs: UGENTI-RITA)				
HB 2476	school property; sales; leases; use				
SPONSOR:	NORGAARD, LD18	HOUSE			
	WM	2/8	DP	(6-0-0-3-0)	
	(Abs: CARDENAS,OLSON,UGENTI-RITA)				
HB 2538	municipal bonds; tax levy				
SPONSOR:	MESNARD, LD17	HOUSE			
	WM	2/8	DP	(8-0-0-1-0)	
	(Abs: UGENTI-RITA)				
HB 2570	local government bonds; ballot statement				
SPONSOR:	ALLEN J, LD15	HOUSE			
	WM	2/8	DP	(8-0-0-1-0)	
	(Abs: UGENTI-RITA)				



HOUSE OF REPRESENTATIVES

HB 2483

municipal population estimates; use

Prime Sponsor: Representative Olson, LD 25

DP Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

HB 2483 is an emergency measure that provides counties and municipalities methods to submit an updated population estimate after a federal decennial census (census) for certain revenue distributions.

PROVISIONS

1. Permits a county to submit a population estimate approved by the Office of Employment and Population Statistics, in lieu of a special census, before May 1 of the sixth year after a census for state shared tax revenue distributions. The estimate would reflect the county's population as of the fifth year after the census.
 - a. Specifies that, once submitted, the population estimate must be used for state shared tax revenue distributions to the county beginning July 1 of the sixth year after the census through June 30 of the year following the next census.
 - b. Allows a county to contract with the US Bureau of the Census to conduct a sample survey that results in a mid-decade resident population before May 1 of the sixth year after a census.
 - c. Permits a county, before May 1 of the sixth year after a census, to request to continue to use the most recent census through June 30 of the year following the next census.
2. Requires the most recent population estimates of the US Bureau of the Census to be used annually for distribution of state shared tax revenues to municipalities beginning July 1 in the second year following the census through June 30 of the year following the next census.
3. Allows, during the fifth year after the census, a municipality to elect to use either the results of a special census or the most recent population estimates from the US Bureau of the Census as the basis for the apportionment of Highway User Revenue Fund (HURF) and Transaction Privilege Tax (TPT) revenue monies.
 - a. Restricts a municipality's use of the results of the special census to only one year.
 - b. Requires a municipality to use the most recent population estimates from the US Bureau of the Census beginning July 1 of the second year after the special census.
 - c. Applies also to municipalities initially incorporated after the census that have caused a special census.
4. Deletes obsolete statute.
5. Makes technical and conforming changes.
6. Contains an emergency clause.

CURRENT LAW

[A.R.S. § 42-5033.01](#) provides counties and municipalities with additional methods of determining their population for the purposes of state shared tax revenue distributions. The statute currently only applies to the decade following the 2000 census.

A county or municipality is allowed to cause a special census of its population by the US Bureau of the Census during the fifth year following a census. The results of the special census are then used as the basis of apportionment for the distribution of HURF and TPT revenues until the next census ([A.R.S. § 28-6532](#), [A.R.S. § 42-5033](#)).



HOUSE OF REPRESENTATIVES

HB 2484

estimates; state budget; notice

Prime Sponsor: Representative Olson, LD 25

DP Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

HB 2484 requires the director of the Joint Legislative Budget Committee (JLBC) to calculate and transmit a truth in spending estimate. Specifies if either chamber recommends the passage of a budget bill that exceeds the determined truth in spending estimate a press release must be circulated to that chamber's media distribution list.

PROVISIONS

1. Requires, beginning in 2017, the director of JLBC to calculate and transmit a truth in spending estimate for the following Fiscal Year (FY) by February 15 of each year.
2. Directs the truth in spending estimate to be transmitted to the chairmen of the Senate and House of Representatives Appropriations Committees and to the chairmen of the Senate Finance Committee and House of Representatives Ways and Means Committee.
3. Specifies that the truth in spending estimate calculates the amount of state General Fund appropriations for the current FY plus the total amount of all appropriations from all other sources for the current FY, adjusted by the sum of the following percentages:
 - a. The percentage change in population for the most recent available 12 month period;
 - b. The positive or negative percentage change in the cost of living for the most recent available 12 month period.
4. Requires the director of JLBC to adjust the cost of living amount based on the GDP price deflator. Allows the consideration of minor technical adjustments to the GDP price deflators that are made by the US government.
5. Requires, beginning in FY 2018, a standing committee to issue a press release to the chamber's media distribution list within 24 hours after a vote if a committee in either chamber recommends the passage of a budget bill that exceeds the truth in spending estimate.
6. Details press release language.
7. Defines *budget bill* and *population*.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

HB 2485

appropriations; named claimants

Prime Sponsor: Representative Olson, LD 25

DP Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

HB 2485 appropriates \$27,796.26 from the state General Fund (GF) to the Arizona Department of Administration (ADOA) in Fiscal Year (FY) 2016 to pay claims against various state agencies.

PROVISIONS

1. Appropriates \$27,796.26 from the GF to ADOA to pay claims against various state agencies. Some of the appropriated GF monies are transfers from differing originating funds.

Claims Against	Originating Fund	Claim Amount
ADOA	Capital Outlay Stabilization Fund	\$375.13
ADOA	Risk Management Revolving Fund	\$9,052.55
Department of Corrections	GF	\$6,948.18
Department of Health Services	GF	\$157.00
Department of Health Services	Emergency Medical Services Operating Fund	\$908.04
Department of Health Services	Newborn Screening Program Fund	\$227.15
Department of Revenue	GF	\$5,323.09
Department of Transportation	State Highway Fund	\$3,487.00
Department of Weights & Measures	GF	\$1,318.12
TOTAL		\$27,796.26

2. Contains a retroactive effect date of June 1, 2016.

CURRENT LAW

Current statute ([A.R.S. § 35-191](#)) requires ADOA to request an appropriation of monies from the Legislature to pay unpaid claims that are more than one FY and less than four FYs old. Claims to be paid back can arise from contractual relations or orders for goods or services.



HOUSE OF REPRESENTATIVES

HB 2486

telecommunications utilities; relocation; reimbursement
Prime Sponsor: Representative Olson, LD 25

DP Committee on Appropriations

X Caucus and COW

House Engrossed

OVERVIEW

HB 2486 requires a municipality to reimburse a telecommunications utility for facility relocation costs if certain conditions are met.

PROVISIONS

1. Requires, to the fullest extent allowed by law, a municipality to reimburse a telecommunications utility for facility relocation costs if all of the following are met:
 - a. Any construction project in the municipality is undertaken individually or jointly by an intergovernmental contract;
 - b. The contract is funded in whole or in part by voter-approved bond proceeds; and
 - c. The construction project requires the telecommunications utility to adjust or relocate facilities.
2. Requires, if the telecommunications utility has existing land rights, the municipality to provide the telecommunications utility with equal land rights in the new location of the relocated facilities at the municipality's expense.
3. Requires, if the telecommunications utility's existing facilities are located in the right-of-way under a permit, the municipality to provide rights in the new location of the relocated facilities equivalent to the existing permit at the municipality's expense.
4. Requires the telecommunications utility to submit a verified itemized claim (claim) for reimbursement to the municipality within 180 days after each calendar quarter in which the telecommunications utility incurs relocation costs.
5. Requires the municipality to:
 - a. Review each submitted claim. Allows the review to include an audit.
 - b. Reimburse the telecommunications utility for the relocation costs within 90 days after receipt of the claim.
 - c. Reimburse claims from all affected telecommunications utilities in the order of receipt.
6. Caps the reimbursement limitation amount for paid claims for facilities with no existing land rights at 2% of the total project monies. Stipulates that total project monies are the total dollar amount of all voter-approved bond proceeds that fund a construction project from time to time.
7. Prohibits the total amount of reimbursement paid for claims of relocation costs of all telecommunications utility facilities for which there are no existing land rights from exceeding the reimbursement limitation.
8. Directs, if a claim causes the total amount of *all* claims to exceed the limitation, that claim to be reduced so that the total amount of reimbursement paid for all claims for which there are no existing land rights equals the limitation.
9. Requires, after the previous limitation is exhausted, the municipality to resume processing previously submitted and new claims within 30 days after the limitation is increased, if the dollar amount of the limitation increases as a result of an increase in total project funds.
10. Excludes any claims for reimbursement of relocation costs for facilities with existing land rights or any amounts paid by the municipality to provide equivalent land or permit rights from the reimbursement limitation.
11. Specifies that reimbursement does not apply to a construction project funded in whole or in part with voter-approved bonds if approval of the bonds was referred to the voters, or the initiative petition for the bonds was applied for, before January 1, 2017.
12. Stipulates that new provisions do not prohibit a municipality from complying with other applicable laws or an agreement that requires the municipality to reimburse a telecommunications utility for additional relocation costs.
13. Defines *intergovernmental contract*, *municipality*, *relocation costs*, and *telecommunications utility*.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

HB 2291

groundwater; waterlogged area exemption; date
Prime Sponsor: Representative Mitchell, LD 13

DP Committee on Agriculture, Water and Lands

X Caucus and COW

House Engrossed

OVERVIEW

HB 2291 extends exemptions from irrigation or intermediate water duties, water conservation requirements and groundwater withdrawal fees for three irrigation districts located in the Buckeye Waterlogged Area in the Phoenix Active Management Area.

PROVISIONS

1. Extends, through the fifth management period (2025), the exemption from irrigation or intermediate water duties, groundwater conservation requirements, and groundwater withdrawal fees for the Arlington Canal Company, the Buckeye Water Conservation and Drainage District and the St. John's Irrigation District.
2. Extends the annual water duty exemption fee through the fifth management period for these districts.
 - a. Current law sets the water duty exemption fee at \$.25 per irrigation acre.
3. Requires a report no later than December 15, 2019 to the Governor and the Legislature on the recommendation for extending the exemptions for these irrigation districts.
 - a. Requires ADWR to consult with the municipalities in the exempted area, in addition to the exempted districts, on the scope and status of the review of hydrologic conditions within the waterlogged area.
4. Makes technical and conforming changes.

CURRENT LAW

The current exemptions for the districts will expire in 2020 (A.R.S. § 45-411.01).

ADDITIONAL INFORMATION

A.R.S., Title 45, Chapter 2 established Arizona's Groundwater Management Code (Code) in an effort to curtail and actively manage the use of groundwater. In the past century, Arizona has relied heavily on the use of groundwater, pumping water out of the ground faster than can be replaced in the aquifer naturally or by replenishment activities. This is a condition called *overdraft*. When overdraft continues, the aquifer dries up and the land subsides.

The Code designated five active management areas (AMA), including the Phoenix AMA, and established groundwater management goals for the AMAs. Groundwater management under the Code is accomplished through the adoption and enforcement of a series of management plans for each of the AMAs. The Arizona Department of Water Resources (ADWR) is responsible for the adoption of these plans, which outline the conservation requirements.

There are certain areas within AMAs where groundwater overdraft is not occurring and because of geology, hydrogeology and drainage, the condition of waterlogging exists. Waterlogging occurs where groundwater levels are so high that the condition creates land use problems if not addressed.

The Buckeye Waterlogged Area (BWLA) was established in 1988 by the Legislature (A.R.S. § 45-411.01) after a study was conducted that determined the hydrologic conditions in the area were impacting land use and crop production. The legislation exempted the Arlington Canal Company, the Buckeye Water Conservation and Drainage District and the St. John's Irrigation District from irrigation water duties, conservation requirements and groundwater withdrawal fees in order to allow dewatering to prevent any land use issues. In addition, the legislation required ADWR to develop a report and submit to the Governor and the Legislature detailing the hydrologic conditions within the BWLA. ADWR submitted a [final BWLA analysis](#) in November of 2015, which included the recommendation to extend the current exemptions into the fifth management period (2025).



HOUSE OF REPRESENTATIVES

HB 2455

wildfire suppression; joint study committee

Prime Sponsor: Representative Otondo, LD 4

DPA Committee on Agriculture, Water and Lands

X Caucus and COW

House Engrossed

OVERVIEW

HB 2455 establishes an 11-member committee to study the economic costs of wildfire suppression and catastrophic wildfires, the costs and benefits of planning for wildfire prevention and forest management, and research potential economic development that could accompany forest management.

PROVISIONS

1. Establishes the Joint Wildfire Suppression Study Committee (Committee) with the following members:
 - a. Two members of the House of Representatives: One appointed by the Speaker and one appointed by the Minority Leader;
 - b. Two members of the Senate: One appointed by the President and one appointed by the Minority Leader;
 - c. The State Forester or the Forester's designee;
 - d. The State Land Commissioner or the Commissioner's designee;
 - e. One member from Northern Arizona University who has forest management expertise, appointed by the university president;
 - f. One member representing an organization that consists of ranchers and grazers, appointed by the Governor;
 - g. One member representing a nonprofit organization dedicated to environmental conservation or public access to outdoor recreation, appointed by the Governor; and
 - h. Two members of the public, appointed by the Governor, one of which must have professional experience in watershed management.
2. Requires the Committee to:
 - a. Study the actual and economic costs of wildfire suppression and catastrophic wildfires;
 - b. Study the costs and benefits of planning for wildfire prevention and forest management;
 - c. Research economic development potential that could accompany forest management, including the vegetative removal industry, forest products industry and biomass energy production industry; and
 - d. Submit a report to the Governor, the Legislature and the Secretary of State on or before December 31, 2016.
3. Allows Committee members appointed by the Governor to be reimbursed for travel expenses.
4. States that the co-chairs elected by the Committee may not be from the same political party.
5. Sunsets the Committee on October 1, 2017.

AMENDMENTS IN AGRICULTURE, WATER AND LANDS

1. Changes the membership of the Committee to require three members from both the House of Representatives and the Senate rather than two.
2. Stipulates that no more than two appointments from each chamber may be from the same political party.
3. Removes the requirement for the Minority Leader of both chambers to appoint a member to the Committee.



HOUSE OF REPRESENTATIVES

HB 2326

agricultural feed; sales; tax exemption

Prime Sponsor: Representative Pratt, LD 8

DPA Committee on Agriculture, Water and Lands

X Caucus and COW

House Engrossed

OVERVIEW

HB 2326 extends transaction privilege, use and municipal tax exemptions to include sales of livestock and poultry feed and other items to anyone who feeds their own livestock or board livestock noncommercially.

PROVISIONS

1. Includes animal feed grown or raised by a producer in the definition of *food product* and prohibits taxes, licenses and fees on purchases of food products from the producer.
 - Current law prohibits taxes, licenses and fees on producers of food products (A.R.S. §§ 3-561, 3-563).
2. Voids any municipal ordinance that imposes a tax, license or fee on a purchaser of food products.
 - Current law voids any municipal ordinance that imposes a tax, license or fee on a producer of a food product (A.R.S. 3-563(B)).
3. Removes the requirement for owners, proprietors or tenants of agricultural lands or farms that sell livestock or poultry feed grown on their lands to obtain a transaction privilege tax (TPT) exemption certificate (A.R.S. § 42-5009) or resale certificate (A.R.S. § 42-5022) when selling to anyone that:
 - i. Feeds their own livestock or poultry;
 - ii. Produces livestock or poultry commercially; or
 - iii. Feeds livestock or poultry commercially or board livestock noncommercially.
4. Extends TPT and use tax exemptions to include sales of livestock and poultry feed, salts, vitamins and other additives for livestock and poultry consumption to persons who:
 - a. Feed their own livestock or poultry; or
 - b. Board livestock noncommercially.
 - Current law (A.R.S. § 42-5061(A)(42)) exempts from TPT retail sales of these items to persons who engage in: 1) commercial production of livestock or poultry or livestock or poultry products; or 2) commercial feeding of livestock or poultry. Additionally, there is a similar use tax exemption in A.R.S. § 42-5159(A)(8).
5. Exempts farmers who grow, package and market their own agricultural products from the presumption that they are engaged in retail business and subject to TPT.
 - Current law includes a presumption that persons who package agricultural products for sale or commercial use are engaged in the retail business and subject to TPT (A.R.S. § 42-5061(H)).
6. Prohibits a municipality or special taxing district from levying a tax on:
 - a. Livestock, poultry, supplies, feed, salts, vitamins and other additives sold to persons for their own livestock or poultry, in the business of farming, ranching and producing or feeding livestock or poultry or in noncommercial boarding of livestock; and
 - b. Livestock, poultry or ratites purchased or raised for slaughter, including livestock purchased or raised for production or use.
7. Makes technical and conforming changes.

AMENDMENTS IN AGRICULTURE, WATER AND LANDS

1. Makes technical changes.



HOUSE OF REPRESENTATIVES

HB 2302

securities; issuers; website operators

Prime Sponsor: Representative Weninger, LD 17

DP Committee on Banking and Financial Services

X Caucus and COW

House Engrossed

OVERVIEW

HB 2302 exempts securities that are offered and sold through a website that is operated by the issuer of the security from statutory registration requirements.

PROVISIONS

1. Extends the securities transaction exemption relating to the offer or sale of a security to securities that are sold through an internet website that is operated by the issuer of the securities sold.
2. Adds certain prohibitions do not apply to a website operator that is the issuer of securities offered or sold under the exemption.

CURRENT LAW

[A.R.S. § 44-1844](#) exempts certain securities and securities transactions from statutory registration requirements. Specifically, provides an exemption for intrastate crowdfunding offerings. In order to qualify for this exemption the issuer must meet certain criteria, which includes selling the security exclusively through an internet website that is operated by a registered dealer. Additionally, under the exemption, the website operator may not be a purchaser in any offering and may not hold an interest in or be affiliated with any issuer making an offer or sale.



HOUSE OF REPRESENTATIVES

HB 2389

DCS; backlog cases; private contractors.

Prime Sponsor: Representative Allen J, et al., LD 15

DPA Committee on Children and Family Affairs

X Caucus and COW

House Engrossed

OVERVIEW

HB 2389 requires the Department of Child Safety (DCS) to issue one or more requests for proposals and enter into one or more contracts for the administration of backlog cases.

PROVISIONS

1. Requires DCS to issue one or more requests for proposals for one or more private contractors to administer backlog cases.
2. States DCS must submit any request for proposals to the Joint Legislative Budget Committee (JLBC) for review prior to issuing the proposal.
3. Mandates DCS to enter into one or more contracts for the administration of backlog cases on or before July 1, 2016.
4. Provides that in administering the backlog cases, the private contractor or contractors must:
 - a. Complete all aspects of each case needed to be performed according to DCS rules, policies and provisions set forth herein, including the use of analytics for risk assessment;
 - b. If the investigation has not been completed, complete the investigation and make recommendation to DCS on the disposition of the case;
 - c. If the investigation involves a referral for services, continue management of the case according to a plan approved by DCS. If the parent, guardian or custodian refuses to participate in services, the private contractor must return the case to DCS for management by DCS; and
 - d. If the disposition of the case will most likely result in the termination of parental rights, return the case to DCS for management by DCS.
5. Requires a private contractor, if they have reasonable belief that a child is in imminent danger, to return the case to DCS for DCS management.
6. Directs DCS to report to JLBC within 30 days after each calendar quarter the status of all backlog cases as of the end of the calendar quarter.
7. Defines backlog case as any nonactive case for which documentation has not been entered in the child welfare automation system for at least 60 days and for which services have not been authorized for at least 60 days or any case that has had an investigation, has been referred to other units and has had no contact for at least 60 days.

Amendments

Committee on Children and Family Affairs

1. Requires DCS to enter into one or more contracts with one or more private contractors to work cooperatively with DCS to administer backlog cases.
2. States a contract may include the use of an analytic tool to be used by the contractor or DCS, or both, to assist in making a risk assessment.
3. Mandates DCS to use emergency procurements to enter into the contracts, except that the procurement must be made with as much competition as possible, including using expedited requests for proposals. All contract awards must be reported to JLBC.
4. Removes the requirements for DCS to submit any request for proposals to the JLBC for review and for DCS to enter into one or more contracts for the administration of backlog cases on or before July 1, 2016.
5. Removes language regarding requirements for contract providers.

6. Provides that DCS must maintain direct supervision of all cases.
7. Requires DCS to review each report and identify the tasks to be completed by DCS employees and by the private contractor. When a private contractor completes the tasks assigned, the private contractor must return the case to DCS to determine if any additional work needs to be done on the case.
8. States that if a private contractor has a reasonable belief that grounds for removal exist, the private contractor must:
 - a. Immediately contact the designated DCS department supervisor;
 - b. Contact law enforcement as appropriate; and
 - c. Take other actions necessary to ensure the child's safety.
9. Requires a contractor and its employees to protect DCS information.
10. Modifies the definition of *backlog case*.
11. Makes technical changes.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

HB 2452

cash assistance; eligibility; children

Prime Sponsor: Representative Weninger, LD 17

DP Committee on Children and Family Affairs

X Caucus and COW

House Engrossed

OVERVIEW

HB 2452 requires the Department of Economic Security (DES) to allow cash assistance for an otherwise eligible dependent child while the dependent child is in the legal custody of the Department of Child Safety (DCS).

PROVISIONS

1. Allows an eligible dependent child to receive cash assistance during the period in which the dependent child is in the legal custody of DCS and is placed in unlicensed kinship foster care with a non-parent relative.
2. Requires DES to allow cash assistance for an otherwise eligible child who meets one of the following:
 - a. The court has placed the child with a non-parent relative.
 - b. The child's parents are deceased and the child is living with a non-parent relative.
 - c. A non-parent relative has custody of the child because the child is abandoned.
3. Makes technical changes.

CURRENT LAW

A.R.S § 46-292 (H) states that a dependent child or children who are born during one of the following time periods are not eligible for assistance. These periods include:

1. The period in which the parent or other relative is receiving assistance benefits.
2. The temporary period in which the parent or other relative is ineligible pursuant to a penalty imposed by the department for failure to comply with benefit eligibility requirements, after which the parent or other relative is eligible for a continuation of benefits.
3. Any period after November 1, 1995 that is less than sixty months between a voluntary withdrawal from program benefits or a period of ineligibility for program benefits which immediately followed a period during which program benefits were received and a subsequent reapplication and eligibility approval for benefits.

ADDITIONAL INFORMATION

Benefit-capped children (Family Benefit Cap): There is no increase in cash assistance for the birth of additional children after the family begins to receive cash assistance, with some limited exceptions ([Arizona's Kinship Foster Care Program Report for SFY 2014](#)).



HOUSE OF REPRESENTATIVES

HB 2488

sexual assault; parental rights; prohibition

Prime Sponsor: Representative Bowers, LD 25

DP Committee on Children and Family Affairs

X Caucus and COW

House Engrossed

OVERVIEW

HB 2488 stipulates that a person who is convicted of a sexual assault that led to the birth of a child has none of the rights related to legal decision-making or parenting time in regards to the child.

PROVISIONS

1. States that a person who is convicted of a sexual assault that led to the birth of a child has none of the rights related to legal decision-making or parenting time in regards to the child.

CURRENT LAW

Not currently addressed in statute.

ADDITIONAL INFORMATION

A.R.S § 25-401 defines [“legal decision-making”](#) and [“parenting time”](#).



HOUSE OF REPRESENTATIVES

HB 2522

DCS; intake hotline; reports

Prime Sponsor: Representative Brophy McGee, et al., LD 28

DPA Committee on Children and Family Affairs

X Caucus and COW

House Engrossed

OVERVIEW

HB 2522 clarifies the definition of a Department of Child Safety (DCS) report.

PROVISIONS

1. Redefines *report for investigation* as *DCS report*.
2. States that if a communication provides a reason to believe that a criminal offense has been committed and the communication does not meet the criteria for a DCS report, the hotline worker must provide the information to the appropriate law enforcement agency.
3. Removes the Office of Child Welfare Investigations (OCWI) from the notification requirement if a communication does not meet the criteria for a DCS report.
4. Requires a hotline worker to prepare a DCS report if the identity or current location of the child victim, the child's family or the person suspected of abuse or neglect is known.
5. States that except for a criminal conduct allegation, DCS does not have to prepare a DCS report if all of the following apply:
 - a. The suspected conduct occurred more than one year before the communication to the hotline;
 - b. The suspected child victim was at least 12 years old when the alleged abuse occurred; and
 - c. There is no information or indication that the child victim is currently being abused or neglected.
6. Clarifies that investigations of DCS reports must be conducted pursuant to statute except for investigations containing a criminal conduct allegation which must be investigated by OCWI.
7. Defines *criminal offense*.
8. Makes technical and conforming changes.

AMENDMENT

CHILDREN AND FAMILY AFFAIRS COMMITTEE

1. Changes the qualifications by which DCS is required to prepare report by increasing the amount of time that the suspected conduct occurred from one year to three years prior to communication to the hotline.
2. Removes the stipulation that the suspected victim be at least 12 years of age at the time of the alleged abuse.
3. States that DCS must make a report if the person suspected of abuse is known or can be reasonably ascertained.
4. Makes clarifying changes.

CURRENT LAW

A.R.S. § 8-455 requires DCS to operate and maintain a centralized intake hotline to protect children by receiving at all times communications concerning suspected abuse or neglect. The hotline must be operated to record communications concerning suspected abuse or neglect; immediately take steps to identify and locate prior communications and DCS reports for investigation related to the current communication; quickly and efficiently provide information to a law enforcement agency or prepare a DCS report for investigation; and determine the proper initial priority level of investigation based on the risk assessment and direct the DCS report for investigation to the appropriate part of DCS.



HOUSE OF REPRESENTATIVES

HB 2076

annexation; single property owner; exception

Prime Sponsor: Representative Weninger, LD 17

DP Committee on County and Municipal Affairs

X Caucus and COW

House Engrossed

OVERVIEW

HB 2076 modifies the requirements for which a territory is considered contiguous.

PROVISIONS

1. Provides that a territory is considered contiguous if all of the following apply:
 - a. All of the real property within the territory is owned by one person.
 - b. The city or town and the owner of the property agree to the annexation.
 - c. The territory adjoins the exterior boundary of the annexing city or town for at least 300 feet.

CURRENT LAW

A.R.S. § 9-471 outlines the requirements to extend and increase the corporate limits of a city or town by annexation. Specifically, subsection H states that a territory is not considered contiguous unless the territory adjoins to the exterior boundary of the annexing city or town for at least 300 feet; the territory is at least 200 feet in width at all points, excluding right-of-ways and roadways; and the parcel is measured from where the territory adjoins the annexing city or town to the furthest point of the parcel and cannot be more than twice the maximum width of the annexed territory.



HOUSE OF REPRESENTATIVES

HB 2475

funeral establishments; procurement organizations
Prime Sponsor: Representative Norgaard, LD 18

DP Committee on Commerce

X Caucus and COW

House Engrossed

OVERVIEW

HB 2475 makes it unlawful for an Arizona Board of Funeral Directors and Embalmers (Funeral Board) funeral establishment or licensee to have a financial or proprietary interest in a statutorily defined *procurement organization*, including a tissue bank, eye bank or other organ storage or harvesting business.

PROVISIONS

1. Prohibits any funeral establishment or licensee from having a financial or proprietary interest in a *procurement organization*.
2. References the health care statute to define *procurement organization*.
3. Authorizes reasonable payments to a funeral establishment or a licensee for the associated costs of transporting, storing and delivering a body to a procurement organization.

CURRENT LAW

Licensed drivers, or those with a state issued identification card, may register with Arizona's organ donation registry administered by [Donor Network of Arizona](#), a nonprofit federally designated organ procurement organization. Registration may be done by checking the appropriate box when renewing or obtaining a new driver's license through your local Arizona Department of Transportation, Division of Motor Vehicles office. Any testing or other donation costs are the responsibility of the organ procurement organization. Organ donors can specify what they will donate, such as lungs, kidneys, heart, corneas, bones and skin. <http://www.dmv.org/az-arizona/organ-donor.php>

[A.R.S. § 36-1301](#) defines *procurement organization* to include an *organ procurement organization* that is designated by the U.S. Department of Health and Human Services, a tissue bank, an eye bank and a federal or state-licensed or accredited storage facility that engages in the recovery, testing, processing, storage or distribution of human bodies or parts. A licensee is any funeral director, embalmer or intern authorized and licensed to operate a funeral establishment or crematory in Arizona. The statutes prescribe a [Class 2 misdemeanor](#) for any person who intentionally and knowingly violates the provisions of law relating to funeral establishment practices.



HOUSE OF REPRESENTATIVES

HB 2190

education omnibus

Prime Sponsor: Representative Boyer, LD 20

DPA Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2190 repeals and modifies numerous education statutes.

PROVISIONS

Pest Management (A.R.S. § 15-152)

1. Removes the requirement for school district governing boards to consult with teachers, parents, administrators, the public, health professionals or certified applicators to develop a pest management policy.
2. Permits school districts to immediately apply pesticides to identified infestations if the application is necessary to stop further infestation and reasonable precautions are taken to avoid exposure.
3. Removes the content requirements for school district pest management policies.

Charter and District Employee Resumes (A.R.S. §§ 15-183, 15-341)

4. Replaces the requirement for charter schools and school districts to keep the resumes of all current and former employees who provide instruction with a requirement to keep current employee's education and teaching background information in the employee's personnel file and, for school districts, former employee's information.

Register of Warrants (A.R.S. § 15-306)

5. Repeals the requirement for county school superintendents to keep a register of warrants that includes specified information.

District Policies (A.R.S. § 15-341)

6. Removes the requirement for school districts to prescribe and enforce policies and procedures regarding the smoking of tobacco within school buildings.
7. Requires district emergency response plans to be developed in conjunction with emergency response agencies rather than local medical facilities.
8. Removes the requirement for school districts to notify an entity that donated the land on which a school was built of changes to attendance boundaries.
9. Requires school districts to prescribe and enforce policies and procedures that define the duties of principals and teachers.
 - a. Requires adopted policies to authorize teachers to take and maintain daily classroom attendance, make the decision to promote or retain a student, or pass or fail a high school course, subject to governing board review.

Options to Conventional Fuels (A.R.S. § 15-349)

10. Repeals the requirement for large school districts to develop and implement a vehicle fleet plan for large vehicles for the purpose of encouraging alternatives to conventional fuels.

Responsibilities of Principals (A.R.S. § 15-353)

11. Repeals the statute outlining the responsibilities of principals.
12. Requires school district governing board parental involvement plans to include the administration of a parent-teacher satisfaction survey.

Joint Technical Education District (JTED) Report (A.R.S. § 15-393)

13. Removes the requirements for JTEDs to submit a detailed report to the Arizona Department of Education that includes information regarding attendance, programs offered, graduation rates and completion rates.

Pulmonary Disease Examinations ([A.R.S. § 15-505](#))

14. Repeals statute regarding reporting on tuberculosis examinations for employees displaying symptoms of pulmonary disease.

Budget Formats ([A.R.S. § 15-903](#))

15. Replaces the requirement for districts to include programs for each disability classification in the district's budget with a requirement to include the subtotal of all disability classifications.

Excess Utilities ([A.R.S. § 15-910](#))

16. Repeals language regarding excess utilities.

17. Contains a Prop 105 clause.

Insurance and Litigation Proceeds ([A.R.S. §§ 15-1103, 15-1107](#))

18. Removes the requirement for school districts to post notice and hold a hearing prior to applying the proceeds of insurance recoveries on school property.

19. Removes the requirement for a school district to post notice and hold a hearing prior to applying the proceeds from the settlement of litigation to construct, acquire, improve, repair or furnish school buildings.

Miscellaneous

20. Directs Legislative Council staff to prepare proposed conforming legislation for consideration in the Fifty-Third Legislature, First Regular Session.

21. Makes technical and conforming changes.

AMENDMENTS IN EDUCATION COMMITTEE

1. Removes the repeal of the JTED report and excess utilities language.
2. Permits a school district that admits year-round sports, music or acting academy students who are not residents of the state, but are residents of the United States, without payment of tuition to include the students for the purpose of determining student count and state aid.
3. Repeals the following sections:
 - a. Interscholastic athletics noncontact sports ([A.R.S. § 15-348](#))
 - b. Instruction in environmental education; definition ([A.R.S. § 15-706](#))
 - c. High schools; education about organ donation ([A.R.S. § 15-707](#))
 - d. Remedial education programs ([A.R.S. §§ 15-708, 15-709](#))
 - e. Instruction on stranger danger ([A.R.S. § 15-711.01](#))
 - f. Instruction on dating abuse ([A.R.S. § 15-712.01](#))
 - g. Instruction on skin cancer prevention ([A.R.S. § 15-718](#))



HOUSE OF REPRESENTATIVES

HB 2544

schools; statewide achievement assessments; menu.

Prime Sponsor: Representative Boyer, LD 20

DPA Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2544 requires the Arizona State Board of Education (SBE) to adopt a menu of statewide achievement assessments from which Local Education Agencies (LEA) select an assessment to administer.

PROVISIONS

1. Directs SBE to adopt a menu of statewide achievement assessments.
2. Instructs LEAs to select an assessment to administer from the menu, beginning in School Year (SY) 2018.
3. Requires the Arizona Instrument to Measure Standards assessment adopted by SBE to be included on the menu.
4. Requires all other assessments on the menu to be high quality assessments.
5. Determines LEAs that select an assessment from the menu to be in compliance with statewide assessment requirements.
6. Directs SBE to adopt rules and procedures regarding the menu of assessments.
 - a. Prohibits adopted rules or procedures from requiring LEAs to receive additional SBE or Arizona Department of Education (ADE) approval to select an assessment from the menu of assessments.
7. Requires the provider of a proposed assessment on the menu to do the following prior to the assessment's adoption.
 - a. Provide evidence that the assessment is high quality.
 - b. Demonstrate that the assessment meets or exceeds SBE's adopted academic standards.
 - c. Demonstrate that the per-pupil administration cost is no more than the SBE's adopted assessment.
 - d. Submit an evaluation from a third party approved by SBE that shows that the assessment meets the previous requirements.
 - e. Agree to share testing items with ADE.

AMENDMENTS IN EDUCATION COMMITTEE

1. Requires high schools to select an assessment from the menu beginning in SY 2018.
2. Directs SBE to establish a pilot program to develop a menu of assessments for grades 3-8 by the beginning of SY 2019.
3. Requires *D* or *F* LEAs to choose the Arizona Instrument to Measure Standards assessment adopted by SBE, unless the LEA receives approval from SBE or, for charter schools, the charter's sponsor.
4. Requires the provider of a proposed assessment to demonstrate that assessment scores can be equated for the purpose of establishing an achievement profile and letter grade.
5. Instructs the provider of a proposed assessment to pay the costs for a third party evaluation of requirements.

CURRENT LAW

[A.R.S. § 15-741](#) directs SBE to adopt and implement an annual Arizona Instrument to Measure Standards assessment to assess student achievement of the state's academic standards in reading, writing and math and charges school district governing boards with administering the test. Any high school assessment adopted by SBE after November 24, 2009, is required to be designed to measure college and career readiness.

ADDITIONAL INFORMATION

In 2010, SBE adopted new statewide academic standards and in 2014, adopted a new statewide assessment (AzMERIT) which was administered for the first time in Spring 2015. Additional information regarding the assessment may be found at (<http://www.azed.gov/assessment/>).



HOUSE OF REPRESENTATIVES

HB 2230

high schools; college accessibility awareness

Prime Sponsor: Representative Bolding, LD 27

DPA Committee on Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2230 requires high schools to establish a college accessibility awareness campaign and include a checklist towards university admission requirements on report cards.

PROVISIONS

1. Requires high schools to establish a college accessibility awareness campaign to communicate information on college admissions requirements and the financial aid application process.
2. Directs report cards issued to students in grades 10-12 to contain a checklist indicating the student's progress towards completing admission requirements for Arizona's public universities.

AMENDMENTS IN EDUCATION COMMITTEE

Lowers the initial grade for report cards to include the checklist to grade 9.

CURRENT LAW

The Arizona Board of Regents (ABOR) is charged with administering Arizona's public universities and prescribing admissions requirements for students. Undergraduate admissions requirements are found in ABOR [Policy 2-121](#) and include the following:

- 4 credits of English
- 4 credits of Math, including Algebra I and II and Geometry
- 3 credits of Science
- 2 credits of the same Foreign Language
- 2 credits of Social Science, including American History
- 1 credit of Fine Arts or Career and Technical Education



HOUSE OF REPRESENTATIVES

HB 2391

municipalities; water rates; requirements

Prime Sponsor: Representative Bowers, LD 25

DPA Committee on Energy, Environment and Natural Resources

X Caucus and COW

House Engrossed

OVERVIEW

HB 2391 prohibits a fee or charge from being assessed or collected for covering a municipality's cost of purchasing or acquiring a wastewater or drinking water corporation or business, requires development fees to be assessed in compliance with statute and requires a cash flow analysis to be included in a report supporting the rate or fee increase.

PROVISIONS

1. Requires a municipality that proposes to increase wastewater or drinking water rates, fees or charges to include a cash flow analysis in the written report or supporting data indicating anticipated revenues and expenses for providing these services.
 - a. Current law requires a municipality to prepare a written report or supply data to support the increase in rates, fees or charges ([A.R.S. § 9-511.01](#)).
2. Requires the report and cash flow analysis to be posted on the municipality's website or the website of an association of cities and towns if the municipality does not have a website.
 - a. Current law requires the report to be filed with the city or town clerk 30 days prior to the public hearing on the proposed increase.
3. Specifies that a public hearing is to be held at least 90 days, rather than 30 days, after the adoption of the notice of intent to increase wastewater or drinking water rates or fees.
4. Requires any wastewater or drinking water rate, rate component, fee or service charge assessed to fund new infrastructure or capital improvements to be in compliance with [A.R.S § 9-463.05](#) regarding assessment of development fees.
5. Stipulates that every fee or service charge must be attributable to and defray or cover the expense of service for which the fee or service charge is assessed.
6. Prohibits a fee or charge from being assessed or collected for defraying or covering the municipality's cost of purchasing or acquiring a wastewater or drinking water corporation or business.

CURRENT LAW

[A.R.S § 9-463.05](#) allows municipalities to assess development fees to offset costs associated with providing necessary public services to a development. Statute prohibits development fees from exceeding a proportionate share of the cost of necessary public services needed to provide service to the development. In addition, the development fees may not be used for construction, acquisition or expansion of facilities or assets other than necessary public services or facility expansions identified in an infrastructure improvement plan, among other prohibited uses.

AMENDMENTS IN ENERGY, ENVIRONMENT AND NATURAL RESOURCES

1. Requires the report or supporting data for increased wastewater and drinking water rates to include cash flow projections indicating anticipated revenues from residential and nonresidential customers and the overall expenses for providing these services.
2. Reduces the notice of intent to increase rates or fees from 90 to 60 days.
3. Requires any fees assessed to new customers or landowners to fund new necessary public services to be in compliance with the development fee statutes ([A.R.S § 9-463.05](#)).
4. Stipulates that every fee or service charge must recover the reasonable and necessary costs of providing the service for which the fee or service charge is assessed.

5. Prohibits a municipality from collecting fees or service charges for recovering the costs of acquiring a utility plant, facilities, system or other property of a public service corporation or another municipality engaged in the business of providing wastewater and drinking water services.



HOUSE OF REPRESENTATIVES

HB 2575

G&F; penalties; law enforcement; omnibus
Prime Sponsor: Representative Cobb, LD 5

W/D	Committee on Military Affairs and Public Safety
DP	Committee on Energy, Environment and Natural Resources
X	Caucus and COW

House Engrossed

OVERVIEW

HB 2575 removes references of type codes for personal flotation devices, allows the Game and Fish Commission to impose civil penalties for unlawful feeding of wildlife resulting in lethal removal and expands the use of Wildlife Theft Prevention Fund monies.

PROVISIONS

1. Removes references to type I, II and III personal flotation devices (PFD) and classifies all PFDs as wearable.
2. Clarifies that children under 12 years of age must wear a properly fitting wearable U.S. Coast Guard approved PFD when onboard an operating watercraft.
3. Allows the Commission to impose a civil penalty against anyone convicted of intentionally, knowingly or recklessly feeding wildlife that results in lethal removal by the Game and Fish Department (Department) and pursue a civil action to enforce the penalty.
4. Specifies that a person may be denied the right to obtain a license to take wildlife until all civil penalties have been paid in full.
5. Expands the use of Wildlife Theft Prevention Fund monies for investigations of license, permit, tag or stamp fraud.
6. Makes technical and conforming changes.

CURRENT LAW

[A.R.S. § 13-2927](#) states that unlawful feeding of wildlife is intentionally, knowingly or recklessly feeding, attracting or otherwise enticing wildlife into an area and is a petty offense (up to \$300 fine plus surcharges). In addition, statute applies the unlawful feeding of wildlife classification in counties with a population of more than 280,000 residents (Maricopa and Pima Counties).

[A.R.S. § 17-314](#) establishes the minimum penalties for the unlawful taking, wounding or killing, or unlawful possession of wildlife, which will be applied to unlawful feeding of wildlife resulting in lethal removal by the Department. The penalties are: for each turkey or javelina: \$500; for each bear, mountain lion, antelope or deer, other than trophy: \$1,500; for each elk or eagle other than trophy or endangered species: \$2,500; for each predatory, fur-bearing or nongame animal: \$250; for each small game or aquatic wildlife animal: \$50; and for each trophy or endangered species animal: \$8,000.

ADDITIONAL INFORMATION

The U.S. Coast Guard issued a final rule, effective October 22, 2014, which removed references to type codes (type I, II and III) in regulations on the labeling and carriage of approved Coast Guard PFDs ([78 FR 49413](#)). As stated in the preamble of the rule, the purpose of the change is to facilitate future adoption of industry standards that will match safety standards in Canada and other counties as well as communicate important safety information to users and law enforcement more effectively.



HOUSE OF REPRESENTATIVES

HB 2016

early, all-mail ballots; mailing period

Prime Sponsor: Representative Stevens, LD 14

DPA/SE Committee on Elections

X Caucus and COW

House Engrossed

STRIKE-EVERYTHING SUMMARY

The strike-everything amendment to HB 2016 modifies when a voter is removed from the Permanent Early Voting List (PEVL).

PROVISIONS

1. Removes a voter from PEVL if the voter is moved to inactive status and remains inactive through the date of the second general election for the federal office immediately following inactive status.
2. Makes technical and conforming changes.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

The strike-everything amendment was adopted.

CURRENT LAW

Any voter may request to receive a permanent early ballot by mail by written request specifically requesting their name to be added to PEVL. The county recorder or other officer in charge of elections (recorder) must compare the request form signature with the voter registration form signature. At least 90 days before any polling place election scheduled in March or August, the recorder must mail, to all eligible PEVL voters, an election notice that allows the voter to: 1) change the ballot mailing address to another location in their county of residence; 2) update their address; or 3) request that they not be sent a ballot for the upcoming elections indicated on the notice. If the notice is returned undeliverable, the recorder must take actions necessary to contact the voter in order to update their address or move the voter to inactive status. If the voter is moved to inactive status the voter is removed from PEVL. The voter must submit a new request to be added to PEVL again. A PEVL voter is sent an early ballot by mail automatically until: 1) the voter requests in writing to be removed; or 2) the voter's registration or eligibility for registration is moved to inactive ([A.R.S. § 16-544](#)).

The recorder is required to maintain, on the inactive voter list, the names of electors who have been removed from the general register for a period of four years or through the date of the second general election for the federal office immediately following the date of the notice from the recorder updating change of addresses ([A.R.S. § 16-166](#)).

The recorder must cancel a registration when a person has been on the inactive voter list and has not voted for a period of four years or through the date of the second general election for federal office following the date of the notice from the county recorder ([A.R.S. § 16-165](#)).



HOUSE OF REPRESENTATIVES

HB 2477

precinct committeemen; term of office

Prime Sponsor: Representative Ugenti-Rita, LD 23

DP Committee on Elections

X Caucus and COW

House Engrossed

OVERVIEW

HB 2477 clarifies the start and end date of the term of office for a Precinct Committeeman (PC).

PROVISIONS

1. Stipulates that a PC's term of office begins the day after the county board of supervisors issues the official canvass for the primary election at which the PC was elected and continues until the canvass is issued for the following primary election at which a PC is elected.
2. Makes technical changes.

CURRENT LAW

Any member of a recognized political party who is a registered voter in the precinct is eligible to seek the office of PC of his party in that precinct. At a minimum, the duties of a PC include assisting their political party in voter registration and assisting voters of that political party to vote on election days ([A.R.S. § 16-822](#)).

Primary elections must be held on the 10th Tuesday prior to a general or special election at which candidates for public office are elected ([A.R.S. § 16-201](#)). The governing body holding an election is required to meet and canvass the election results between 6 and 20 days after the election ([A.R.S. § 16-642](#)).



HOUSE OF REPRESENTATIVES

HB 2156

legislative vacancies; appointment; requirements
Prime Sponsor: Representative Friese, LD 9

DP Committee on Elections

X Caucus and COW

House Engrossed

OVERVIEW

HB 2156 provides a timeframe and majority vote requirement for the county Board of Supervisors (BOS) to fill a legislative vacancy for an organized party with at least 30 elected precinct committeemen.

PROVISIONS

1. Requires the BOS to appoint a person to fill a legislative vacancy for an organized political party with at least 30 elected precinct committeemen:
 - a. within five business days after receiving the list of names; and
 - b. by a majority vote of all the supervisors sitting as a board.
2. Makes technical and conforming changes.

CURRENT LAW

If the legislative vacant seat was represented by an organized political party with more than 30 elected precinct committeemen from the precincts in the legislative district and county in which the vacancy occurred the following apply: 1) the Secretary of State (SOS) must notify the appropriate state party chairman (chairman) and, within three business days, the chairman must give written notice of the meeting to fill the vacancy; 2) those elected precinct committeemen must nominate, within 21 business days after notification by the SOS of the vacancy if the legislature is not in regular session or 5 business days if the legislature is in regular session, three qualified electors by a majority vote; 3) the chairman must forward, to the BOS of the county in which the vacancy occurred, the names of the three persons nominated and the BOS must appoint a person from the three nominees submitted; and 4) if the elected precinct committeemen fail to fill the vacancy within the allotted timeframe, the chairman must notify the appropriate county BOS to fill the vacancy by appointing a citizens panel ([A.R.S. § 41-1202](#)).

If the legislative vacant seat was represented by an organized political party with less than 30 elected precinct committeemen from the precincts in the legislative district and county in which the vacancy occurred or if the vacant seat is not represented by an organized political party the BOS must: 1) appoint, within three business days after the vacancy, a citizens panel to submit the names of three qualified electors as specified within seven business days; and 2) within five business days and by a majority vote of all the supervisors sitting as a board, must appoint one person from the list of names submitted to fill the vacancy ([A.R.S. § 41-1202](#)).



HOUSE OF REPRESENTATIVES

HB 2201

sovereign authority; commandeering; prohibition; exception
Prime Sponsor: Representative Thorpe, LD 6

DP Committee on Federalism and States' Rights

X Caucus and COW

House Engrossed

OVERVIEW

HB 2201 prohibits Arizona from using its personnel or financial resources to enforce, administer or cooperate with any actions by the United States government that constitute *commandeering*.

PROVISIONS

1. Prohibits Arizona from using personnel or financial resources to enforce, administer or cooperate with any action of the United States government that constitute commandeering.
2. Specifies that the Legislature may enact legislation, with the approval of the Office of the Governor, that allows Arizona to use its own resources to enforce, administer or cooperate with any action of the U.S. government that constitute commandeering.
3. Requires the Attorney General to annually notify the Department of Justice of the provisions indicated in this bill.
4. Defines *action* as the following: (1) an executive order issued by the President of the United States (2) a policy directive issued by an agency of the United States (3) a ruling issued by a court of the United States or (4) a law or other measure enacted by Congress.
5. Defines *commandeering* as an action that is not in pursuance of the Constitution, been affirmed by a vote of Congress and signed into law as prescribed by the Constitution.

CURRENT LAW

[Arizona Constitution, Article 2, Section 3](#), provides that Arizona may exercise its sovereign power to limit actions in the use of its personnel and financial resources to purposes that are consistent with the Constitution in order to protect the people's freedom and preserve the checks and balances of the U.S. Constitution.

United States Constitution Article 1, Section 1 provides that all legislative powers are only granted in a Congress of the United States, which is made up of a Senate and House of Representatives. No other branch of the federal government has the constitutional power to make laws for the United States of America.

ADDITIONAL INFORMATION

The Anti-Commandeering Doctrine specifies that states do not have to be active participants in the implementation or enforcement of federal acts or regulatory programs. Examples of case law related to the Anti-Commandeering Doctrine include: [Prigg v Pennsylvania](#) (1842), [New York v. United States](#) (1992), [Printz v. United States](#), and [National Federation of Independent Business v. Sebelius](#) (2012).



HOUSE OF REPRESENTATIVES

HB 2617

Israel; boycotts; contracts; investments

Prime Sponsor: Representative Gowan, LD 14

DPA Committee on Federalism and States' Rights

X Caucus and COW

House Engrossed

OVERVIEW

HB 2617 prohibits public entities from entering into a contract with a company to acquire or dispose of services, supplies, information technology or construction, unless the contract includes a written certification that the company is not currently involved in a boycott of Israel.

PROVISIONS

1. Prohibits public entities to enter in a contract with a company unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract, a boycott of Israel unless:
 - a. The company offers to provide services, supplies, information technology or construction for at least twenty percent less than each other qualified company.
 - b. The contract has a total potential value of less than one thousand dollars.
2. Requires the each public fund to prepare a list of restricted companies, and post on its website the list; the public fund may consider the following considerations:
 - a. Publicly available information, including information provided by nonprofit organizations, research firms and government entities;
 - b. Information prepared by an independent research firm retained by the public fund;
 - c. A statement by a company that it is participating in a boycott of Israel that it has taken a boycott action at the request of; in compliance with; or in furtherance of calls for a boycott of Israel.
3. Requires the public fund to notify companies that are on the list of restricted companies that the company is subject to divestment by the State Treasurer and the retirement systems.
4. Specifies that the public fund is required to remove a company from the restricted list if the company has provided documentation to the company it has ceased its boycott of Israel and will not engage in a boycott of Israel for the period of time that the State Treasurer or a retirement system invests in the company.
5. Requires the State Treasurer and the retirement systems to sell, redeem, divest or withdraw all direct holding of the restricted company from the assets under their management within three months after receiving the list of restricted companies from the State Board of Investments.
6. Specifies that, before August 1 of every year, the State Treasurer and each retirement system shall post on their website a list of investments that are sold, redeemed, divested or withdrawn.
7. Restricts the State Treasurer and each retirement system to acquire securities of a restricted company as a part of their direct holdings.
8. Specifies that the State Treasurer and each retirement system request that the manager of their indirect holding consider selling, redeeming, divesting or withdrawing holdings of a restricted company from the assets under their management.
9. Exempts the State Treasurer, the retirement systems and any person acting on their behalf from any conflicting statutory or common law obligation or fiduciary duties with respect to the choice of asset manager, investment funds or investment.
10. Provides the State Treasurer and the retirement systems and any person acting on their behalf are subject to Arizona Revised Statutes Title 12, Chapter 7, Article 2 regarding Immunity for Acts and Omissions.

11. Indemnifies the State Treasurer, the retirement systems and any person acting on their behalf from claims, demands, suits, actions, damages, costs, charges and expenses, including attorney fees, and against all liability, losses and damages because of the decision to sell, redeem, divest or withdraw holding of a restricted company.
12. Specifies that the investment provisions of this bill do not apply to investments relating to [Arizona Revised Statutes Title 35, Chapter 2, Article 2, Section 314.01](#).
13. Specifies that if any provision of this bill or its application to any person or circumstance is held invalid, the invalidity does not affect any other provision or application of this bill that can be given effect without the invalid provision or application, and to this end the provisions of the article are severable.
14. Defines the following terms: *boycott, company, direct holdings, indirect holdings, public entity, public fund, restricted companies, and retirement system*.

AMMENDMENTS IN FEDERALISM AND STATES' RIGHTS COMMITTEE

1. Changes language in the bill to specify that each public fund is required to post the list of restricted companies on its website, as opposed to the Board distributing it.
2. Adds language to specify that provisions in the bill do not apply to investments related to permanent state land fund monies.
3. Defines *public fund*.

CURRENT LAW

[Arizona Revised Statutes Title 35, Chapter 2, Article 2, Section 311](#) assigns the State Board of Investment the responsibility of managing the permanent state land funds and provide management of the assets of the funds consistent with the requirements of the Arizona Constitution Article 10, Section 7. The State Board of Investment may also order the State Treasurer to sell any of the securities in its responsibility at current market value price.

United States Code 50, Section 4607 provides that the U.S. may issue regulations against countries that are involved in discriminatory contracts or boycotts towards other countries who are friendly with the United States. Additionally, United States Code 10, Section 2401 also limits and restricts trade practices with entities that comply with the secondary boycott of Israel.

ADDITIONAL INFORMATION

The states of Florida, Tennessee, New York, Indiana, and Pennsylvania currently have HB 527, SJR170, S6378A, HB1378 and HR370 going through the legislative process, respectively, to divest or add further restrictions in business practices to any company that has engaged in a boycott of Israel.



HOUSE OF REPRESENTATIVES

HB 2115

public employees; misappropriation; penalty

Prime Sponsor: Representative Petersen, LD 12

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2115 bars public officers or employees found to misappropriate public monies from receiving any benefits or severance pay.

PROVISIONS

1. States that any [public officer](#) or [employee](#) of a public agency found to have misappropriated public monies is not eligible to receive any severance pay, annuity payments, pension benefits or any other benefits provided by the [public agency](#).
2. Requires each public agency to include a clause in any new employment contract entered into that prohibits a public officer or employee who misappropriates public monies from receiving any benefits or severance.
3. Renames the article heading.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

1. Instructs the director of a public agency not governed by a governing body to refer findings of misappropriation to the State Personnel Board (Board) for a determination.
2. Stipulates the Board has 60 days to make a determination.
3. Requires notification to the appropriate retirement system or plan and directs the withholding the officer's or employee's pension benefits.

CURRENT LAW

If a member of a state retirement system or plan is convicted of or pleads no contest to a Class 1, 2, 3, 4 or 5 felony and the offense was committed in the course of the member's employment as a public employee, the court must order the person's membership terminated forfeiture of all rights and benefits earned under the state retirement system or plan. A member who forfeits all rights and benefits earned is entitled to receive, in a lump sum amount, the member's contribution to the state retirement system or plan plus interest determined by the board of the state retirement system or plan ([A.R.S. § 13-713](#)).



HOUSE OF REPRESENTATIVES

HB 2159

ASRS; rulemaking exemption

Prime Sponsor: Representative Thorpe, LD 6

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2159 provides the Arizona State Retirement System (ASRS) and the ASRS Board (Board) an exemption for rulemaking with exceptions.

PROVISIONS

1. Exempts ASRS and the Board from rulemaking for actuarial assumptions and calculations, investment strategy and decisions and accounting methodology except that these decisions are subject to the Uniform Administrative Hearing Procedures.
2. Contains a retroactive effective date of January 1, 1987.
3. Includes a purpose statement.
4. Makes technical and conforming changes.

CURRENT LAW

The primary purpose of rulemaking is to give notice to the public of the substantive or procedural requirements that an agency has established for activities falling within its statutory authority. An agency may make rules only if the Legislature has given it authority to do so. Unless exempt from the rulemaking procedures, a rule is valid only if it is made in substantial compliance with APA or other statutory procedures applicable to the agency. An agency must serve notice of an appealable agency action or contested case. The notice must: 1) identify the statute or rule that is alleged to have been violated or on which the action is based; 2) identify with reasonable particularity the nature of any alleged violation; 3) include a description of the party's right to request a hearing on the appealable agency action or contested case; and 4) include a description of the party's right to request an informal settlement conference.



HOUSE OF REPRESENTATIVES

HB 2337

regulation; deficiencies; opportunity to correct
Prime Sponsor: Representative Norgaard, LD 18

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2337 requires the opportunity to correct deficiencies in an inspection or audit to be granted liberally.

PROVISIONS

1. Stipulates the opportunity to correct deficiencies must be granted liberally in order for the regulated person to achieve successful compliance with the rules rather than receiving sanctions.
2. Requires *any* agency that prohibits a regulated person an opportunity to correct deficiencies to provide a detailed written explanation of the reason the opportunity to correct was not allowed.
3. Declares an agency's decision to allow a regulated person an opportunity to correct deficiencies is an appealable action.
4. Makes conforming changes.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

1. Removes language requiring an agency to liberally grant the opportunity to correct deficiencies.
2. Requires an agency:
 - a. to provide an opportunity to correct deficiencies if unsure that the regulated person meets the exemptions;
 - b. to document in writing specified deficiencies in the inspection report.
3. Reinserts language that stipulates certain agency decisions are not an appealable action.

CURRENT LAW

An inspection report is required to contain deficiencies identified during an inspection. An agency must provide the regulated person an opportunity to correct the deficiencies unless the agency determines that the deficiencies are: 1) committed intentionally; 2) not correctable within a reasonable period of time; 3) evidence of a pattern of noncompliance; or 4) a risk to any person, public health, safety or welfare or the environment. If an agency allows the regulated person an opportunity to correct the deficiencies, the regulated person must notify the agency when the deficiencies have been corrected. Within 30 days the agency must determine if the regulated person is in substantial compliance and provide notification. If the agency determines the deficiencies have not be corrected within a reasonable period of time, the agency may take any authorized enforcement action ([A.R.S. § 41-1009](#)).



HOUSE OF REPRESENTATIVES

HB 2341

potlucks; regulation exemption

Prime Sponsor: Representative Townsend, LD 16

X Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2341 expands the food and drink rule exemption to include potlucks not conducted at a workplace.

PROVISIONS

1. Eliminates the requirement that food or drink served at a noncommercial social event, such as a potluck, must take place at a workplace to be included in the rule exemption.
2. Makes technical and conforming changes.

CURRENT LAW

The Director of the Arizona Department of Health Services (Director) is required to exercise general supervision over all matters relating to sanitation and health throughout Arizona. By rule, the Director must prescribe reasonably necessary measures to ensure that all food or drink provided for human consumption is free from unwholesome, poisonous or other foreign substance and filth, insects or disease-causing organisms. The rules are required to prescribe reasonably necessary measures governing the production, processing, labeling, storing, handling, serving and transportation of these products. An exemption to the rules includes food or drink that is: 1) served at a noncommercial social event that takes place at a workplace, such as a potluck; 2) prepared at a cooking school conducted in an owner-occupied home; 3) not potentially hazardous and prepared in a kitchen of a private home for occasional sale or distribution for noncommercial purposes; 4) prepared or served at an employee-conducted function that lasts less than four hours and is not regularly scheduled; 5) offered at a child care facility and limited to commercially prepackaged food that is not potentially hazardous and whole fruits and vegetables that are washed and cut on site for immediate consumption; 6) offered at locations that sell only commercial prepackaged food or drink that is not potentially hazardous; and 7) baked and confectionary goods that are not potentially hazardous and prepared in a kitchen of a private home for commercial purposes if packaged with a labeled that meets specified requirements ([A.R.S. § 36-136](#)).



HOUSE OF REPRESENTATIVES

HB 2430

library trustees; annual report

Prime Sponsor: Representative Stevens, LD 14

DPA/SE Committee on Government and Higher Education

X Caucus and COW

House Engrossed

STRIKE-EVERYTHING SUMMARY

The strike-everything amendment to HB 2430 allows the board of supervisors (BOS) to use county General Fund monies for a county free library system.

PROVISIONS

1. Permits the BOS to establish, operate and maintain a county free library system utilizing monies from the county General Fund.
2. Makes technical and conforming changes.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

Adopted the strike-everything amendment.

CURRENT LAW

The BOS may establish and maintain a County Free Library District (District) within their county ([A.R.S. § 11-901](#)). Funds for the District, whether derived from taxation or otherwise, must be deposited with the county treasurer in a separate fund, the District Fund ([A.R.S. § 11-913](#)).

The library is under the general supervision of the BOS, which may make general rules and regulations regarding the policy of the library, and upon recommendation of the county librarian, establish branches and stations throughout the county located in incorporated or unincorporated cities and towns when deemed advisable. The BOS may determine who is employed and how many are employed at the library as well as appoint or dismiss those employees at the recommendation of the county librarian ([A.R.S. § 11-909](#)).

The county librarian is required to annually report statistical and other information deemed desirable by the Director of the Arizona State Library and Public Records (Director) to the BOS and the Director by July 31. The Director may use this data to do a comparative study of library conditions in Arizona ([A.R.S. § 11-911](#)).



HOUSE OF REPRESENTATIVES

HB 2436

regents; designees

Prime Sponsor: Representative Stevens, LD 14

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2436 allows the Governor and the Superintendent of Public Instruction to utilize a designee for the Arizona Board of Regents (ABOR).

PROVISIONS

1. Permits the Governor and the Superintendent of Public Instruction to utilize a designee for ABOR.
2. Makes a technical change.

CURRENT LAW

ABOR is charged with the oversight of Arizona's public universities and is composed of the following:

- a. Ten members, appointed by the Governor.
 - i. Two of which are student members, serving staggered two-year terms.
 - ii. Two of which must reside in a county with a population of less than 800,000 people.
- b. The Governor, an ex-officio member.
- c. The Superintendent of Public Instruction, an ex-officio member.

Appointed members serve eight-year terms, except the student members ([A.R.S. § 15-1621](#)).

ADDITIONAL INFORMATION

Current ABOR membership may be found [here](#).



HOUSE OF REPRESENTATIVES

HB 2450

expedited rulemaking; outdated rules

Prime Sponsor: Representative Mitchell, LD 13

DP Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2450 expands permissible expedited rulemaking authority.

PROVISIONS

1. Allows an agency to conduct expedited rulemaking to amend or repeal rules that are outdated, redundant or otherwise no longer necessary for the operation of state government.
2. Makes technical changes.

CURRENT LAW

Agencies are permitted to conduct expedited rulemaking if it does not increase the cost of regulatory compliance, increase a fee or reduce procedural rights of regulated persons and does one or more of the following: 1) amends or repeals rules made obsolete by repeal or supersession of an agency's statutory authority or declared unconstitutional by a court; 2) makes, amends or repeals rules that repeat existing statute or relates only to internal governmental operations; 3) corrects typographical errors, makes address or name changes or clarifies language; 4) adopts or incorporate by reference without material change, federal or state statutes, regulations or agency rules; or 5) reduces or consolidates steps, procedures or processes in the rules. Expedited rulemaking becomes effective 30 days following publication of the notice of final expedited rulemaking ([A.R.S. § 41-1027](#)).



HOUSE OF REPRESENTATIVES

HB 2487

state agencies; preapplication authorization; limitations
Prime Sponsor: Representative Bowers, LD 25

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2487 stipulates parameters relating to an agency's ability to require preapplication procedures.

PROVISIONS

1. Prohibits, unless specifically authorized, an agency from requiring preapplication authorization or conference as a condition to filing an application.
2. Stipulates, if preapplication procedures are authorized, an agency must consider:
 - a. the preapplication authorization requirements or procedures as the beginning of the licensing time frame;
 - b. the cost and delays imposed on the applicant and seek to minimize those impacts.
3. Prohibits rejection of an application that would otherwise be denied or approved under normal processing to avoid the procedural rights and duties conferred.
4. Permits rejection of an application only for clerical or insubstantial errors or omissions of information supplied by the applicant.
5. Requires an agency to provide an opportunity for the applicant to correct errors and omissions instead of rejecting the application, if an application fee was paid.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

1. Stipulates an agency may not reject an application:
 - a. in proper form and substance; or
 - b. for clerical or insubstantial errors or omissions of information supplied by an applicant.

CURRENT LAW

Before submitting an application for a license a person may request in writing clarification from an agency of its interpretation or application of a statute, rule, delegation agreement or substantive policy statement affecting preparation of the license application. An agency may meet with the person to discuss the request and, within 30 days, write a clarification of its interpretation or application as raised in the request ([A.R.S. § 41-1001.02](#)). If an agency does not issue the written notice granting or denying a license within the overall time frame the agency must refund all applicant fees charged for reviewing and acting on the application for the license and excuse payment of any fees not yet paid ([A.R.S. § 41-1077](#)).



HOUSE OF REPRESENTATIVES

HB 2492

DOR; costs; penalties; recovery

Prime Sponsor: Representative Bowers, LD 25

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2492 expands the reasons a taxpayer may file a claim for appealable agency action and transfers the Arizona Taxpayer Assistance Office (Office) to the Ombudsman-Citizens Aide Office.

PROVISIONS

Appealable Agency Action

1. Includes the as an appealable agency action by failure to provide public or private records requested that illustrates an improper agency action.
2. Changes the amount of days, from 10 to 60, that a party has to notify an agency director in writing of their intent to file a claim.
3. Stipulates the notice must include a description and reasons why the action failed to provide public or private records requested by the party that illustrates an improper agency action.
4. Requires, if the party prevails, an agency to pay from the state General Fund (GF) three times the estimate of the personal or professional time and effort spent by the party.
5. Prohibits use of monies in the Special Collections Account in the state GF to pay costs and fees or the estimated cost of personal or professional time and effort.

Arizona Department of Revenue (DOR)

6. Requires if a person requested documents from DOR, a hearing, correction or redetermination of the action petition to be filed within 45 days after the date the documents or records have been provided.
7. Stipulates DOR must abate any interest or penalties until the documents or records are produced.
8. Requires if a taxpayer has been assessed a penalty in error by DOR, DOR to abate the penalty and provide a written withdrawal of the imposed penalty.

Arizona Taxpayer Assistance Office

9. Transfers all matters and personnel of the Office within DOR to the Office of Ombudsman-Citizens Aide.

Miscellaneous

10. Expands the definition of *action against the party* to include the assessment of taxes or penalties and interest.
11. Defines *personal or professional time and effort*.
12. Modifies the definitions of *cost and fees* and *party*.
13. Makes technical and conforming changes.

AMENDMENT IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

1. Removes proposed language referencing the appealable agency action.
2. Allows a taxpayer to notify the Director of DOR in writing of the failure to provide requested records within 30 days.
3. Stipulates for each instance of failure to produce the requested records DOR must return \$25,000 from its current year operating budget to the state GF.

CURRENT LAW

If an agency takes an action against a party that is arbitrary, capricious or not accordance with law, the action is an appealable agency action if: 1) within 10 days after the action the party notifies the agency director in writing of the party's intent to file a claim; 2) the

agency continues the action more than 10 days after the agency receives the notice; and 3) the action is not excluded from the definition of [appealable agency action](#) ([A.R.S. § 41-1092.12](#)).



HOUSE OF REPRESENTATIVES

HB 2512

pension contributions; expenditure limit exemption
Prime Sponsor: Representative Coleman, LD 16

DPA Committee on Government and Higher Education

X Caucus and COW

House Engrossed

OVERVIEW

HB 2512 excludes excess Public Safety Personnel Retirement System (PSPRS) contributions from a city's, town's or county's expenditure limitation.

PROVISIONS

1. Stipulates that a PSPRS contribution made by a city, town or county in excess of the required contribution is excluded from the expenditure limitation.
2. Makes technical changes.

AMENDMENTS IN GOVERNMENT AND HIGHER EDUCATION COMMITTEE

Clarifies payments made against unfunded accrued liability are excluded.

CURRENT LAW

The Economic Estimates Commission is required to determine and publish the expenditure limitation for the following Fiscal Year (FY) for each county, city and town by April 1 of each year. Expenditure limitations are determined by adjusting the amount of actual payments of local revenues of each political subdivision for FY 1980 to reflect the changes in the population of each political subdivision and the cost of living. The governing board of any political subdivision is prohibited from authorizing expenditures of local revenues in excess of the limitation, with exceptions ([Arizona Constitution, Article 9, § 20](#)).

PSPRS is funded through cost sharing contributions from the member and employer. For FY 2016 and after, members are required to contribute 11.65% or a 33.3%/66.7% split between the employee and employer, whichever is less, with a minimum member contribution rate of 7.65%. Employer contributions are actuarially determined annually. For FY 2016, employers must contribute an average of 41.37%, with a minimum employer rate of 8% of compensation ([A.R.S. § 38-843](#)).



HOUSE OF REPRESENTATIVES

HB 2264

insurance; prescription eye drops; refills

Prime Sponsor: Representative Brophy McGee, LD 28

DPA Committee on Health

X Caucus and COW

House Engrossed

OVERVIEW

HB 2264 prohibits a corporation, a health care services organization, a disability insurer or a group or blanket disability insurer that provides coverage for prescriptions of eye drops from denying coverage for a refill of a prescription for eye drops when all conditions are met.

PROVISIONS

1. States that any contract by a corporation, any evidence of coverage by a health care services organization, any policy by a disability insurer or any policy by a group or blanket disability insurer that is issued, delivered or renewed on or after the effective date of this section and provides coverage for prescription eye drops may not deny coverage for a refill of a prescription for eye drops if all of the following apply:
 - a. The subscriber, enrollee or insured requests the refill:
 - i. For a 30 day supply, at least 21 days and less than 30 days from the later of:
 - The original date that the prescription was distributed to the subscriber, the enrollee or the insured; or
 - The date of the most recent refill that was distributed to the subscriber, the enrollee or the insured.
 - ii. For a 60 day supply, at least 42 days and less than 60 days from the later of:
 - The original date that the prescription was distributed to the subscriber, the enrollee or the insured; or
 - The date of the most recent refill that was distributed to the subscriber, the enrollee or the insured.
 - iii. For a 90 day supply, at least 63 days and less than 90 days from the later of:
 - The original date that the prescription was distributed to the subscriber, the enrollee or the insured; or
 - The date of the most recent refill that was distributed to the subscriber, the enrollee or the insured.
 - b. The prescription eye drops prescribed by the health care provider are a covered benefit under the subscriber's, enrollee's or insured's contract;
 - c. The prescribing health care provider indicates on the original prescription that additional quantities of the prescription eye drops are needed; and
 - d. The refill requested by the subscriber, the enrollee or the insured does not exceed the number of additional quantities prescribed.
2. States to the extent practicable, the requirements of this section are limited in quantity to the remaining dosage initially approved for coverage, except that any limited refilling may not limit or restrict coverage to any previously or subsequently approved prescription eye drops and is subject to the terms and conditions of the contract, evidence of coverage or policy that are applicable to the coverage.

CURRENT LAW

Not currently addressed in statute.

AMENDMENTS

Committee on Health

1. Specifies that the eye drops are used to treat glaucoma and ocular hypertension.
2. Modifies when the eye drops can be refilled.



HOUSE OF REPRESENTATIVES

HB 2503

psychologists; licensure compact

Prime Sponsor: Representative Carter, LD 15

DPA Committee on Health

X Caucus and COW

House Engrossed

OVERVIEW

HB 2503 enacts the Psychologists Licensure Compact (Compact).

PROVISIONS

Purpose

1. States that this Compact is designed to achieve the following purposes and objectives:
 - a. Increase public access to professional psychological services by allowing for telepsychological practice across state lines as well as temporary in-person, face-to-face services into a state where the psychologist is not licensed to practice psychology;
 - b. Enhance the states' ability to protect the public's health and safety, especially client/patient safety;
 - c. Encourage the cooperation of Compact states in the areas of psychology licensure and regulation;
 - d. Facilitate the exchange of information between Compact states regarding psychologist licensure, adverse actions and disciplinary history;
 - e. Promote compliance with the laws governing psychological practice in each Compact state; and
 - f. Invest all Compact states with the authority to hold licensed psychologists accountable through the mutual recognition of Compact state licenses.

Home State Licensure

2. Specifies that the home state must be a Compact state where a psychologist is licensed to practice psychology.
3. Allows for a psychologist to hold one or more Compact state licenses at a time. If the psychologist is licensed in more than one Compact state, the home state is the Compact state where the psychologist is physically present when the services are delivered as authorized by the authority to practice interjurisdictional telepsychology under the terms of this Compact.
4. States that any Compact state may require a psychologist who has not been previously licensed in a Compact state to obtain and retain a license to be authorized to practice in the Compact state under circumstances not authorized by the authority to practice interjurisdictional telepsychology under this Compact.
5. Provides that any Compact state may require a psychologist to obtain and retain a license to practice in the Compact state under circumstances not authorized by temporary authorization to practice under the terms of this Compact.
6. Authorizes a psychologist with a home state license to practice interjurisdictional telepsychology in a receiving state only if the Compact state:
 - a. Requires the psychologist to hold an active E. Passport;
 - b. Has a mechanism in place for receiving and investigating complaints about licensed individuals;
 - c. Notifies the Psychology Interjurisdictional Compact Commission (Commission) of any adverse action or significant investigatory information regarding a licensed individual;
 - d. Requires an identity history summary of all applicants at initial licensure, including the use of the results of fingerprints or other data checks compliant with the Federal Bureau of Investigation or other designee with similar authority no later than ten years after activation of the Compact; and
 - e. Complies with the rules and bylaws of the Commission.
7. Grants a psychologist that has a home state license temporary authorization to practice in a distant state only if the Compact state does the following:
 - a. Requires the psychologist to hold an active Interjurisdictional Practice Certificate (IPC);
 - b. Has a mechanism in place for receiving and investigating complaints about licensed individuals;
 - c. Notifies the Commission of any adverse action or significant investigatory information regarding a licensed individual;
 - d. Requires an identity history summary of all applicants at initial licensure, including the use of the results of fingerprints or other data checks compliant with the requirements of the Federal Bureau of Investigation or another designee with similar authority no later than ten years after activation of the Compact; and

- e. Complies with the bylaws and rules of the Commission.

Compact Privilege to Practice Telepsychology

8. Requires Compact states to recognize the right of a psychologist who is licensed in a Compact state to practice telepsychology in other Compact states or receiving states in which the psychologist is not licensed to practice interjurisdictional telepsychology.
9. Specifies that a psychologist licensed to practice in a Compact state and exercise the authority to practice interjurisdictional telepsychology under the terms and provisions of this Compact must:
 - a. Hold a graduate degree in psychology from an institute of higher education that was, at the time the degree was awarded:
 - i. Regionally accredited by an accrediting body recognized by the United States Department of Education to grant graduate degrees or authorized by provincial statute or royal charter to grant doctoral degrees; or
 - ii. A foreign college or university deemed to be equivalent by a foreign credential evaluation service that is a member of the national association of credential evaluation services or by a recognized foreign credential evaluation service; and
 - b. Hold a graduate degree in psychology that meets the following criteria:
 - i. The program, wherever it may be administratively housed, must be clearly identified and labeled as a psychology program. Such a program must specify in pertinent institutional catalogues and brochures its intent to educate and train professional psychologists;
 - ii. The psychology program must stand as a recognizable, coherent, organizational entity within the institution;
 - iii. There must be a clear authority and primary responsibility for the core and specialty areas whether or not the program cuts across administrative lines;
 - iv. The program must consist of an integrated, organized sequence of study;
 - v. There must be an identifiable psychology faculty sufficient in size and breadth to carry out its responsibilities;
 - vi. The designated director of the program must be a psychologist and a member of the core faculty;
 - vii. The program must have an identifiable body of students who are matriculated in that program for a degree;
 - viii. The program must include supervised practicum, internship or field training appropriate to the practice of psychology;
 - ix. The curriculum must encompass a minimum of three academic years of full-time graduate study for doctoral degrees and a minimum of one academic year of full-time graduate study for master's degrees;
 - x. The program includes an acceptable residency as defined by the rules of the Commission.
 - c. Possess a current, full and unrestricted license to practice psychology in a home state that is a Compact state;
 - d. Have no history of adverse action that violates the rules of the Commission;
 - e. Have no criminal record history reported on an identity history summary that violates the rules of the Commission;
 - f. Possess a current, active E.Passport;
 - g. Provide attestations in regard to areas of intended practice, conformity with standards of practice, competence in telepsychology technology, criminal background and knowledge and adherence to legal requirements in the home and receiving states, and provide a release of information to allow for primary source verification in a manner specified by the Commission; and
 - h. Meet other criteria as defined by the rules of the Commission.
10. Requires a psychologist practicing in a receiving state to practice within areas of competencies and the scope of practice authorized by the home state.
11. Specifies that a psychologist practicing in a receiving state be subject to the home state's authority and laws. A receiving state may limit or revoke a psychologist's authority to practice interjurisdictional telepsychology in the receiving state and may take necessary actions to protect the health and safety of the receiving state's citizens. If a receiving state takes action, the state must promptly notify the home state and Commission.
12. Revokes a psychologist's E. Passport in a Compact state if their home state license is restricted, suspended or limited and the psychologist will not be eligible to practice telepsychology in that Compact state.

Compact Temporary Authorization to Practice

13. Requires Compact states to recognize the right of a psychologist who is licensed in a Compact state to practice temporarily in other Compact states or distant states in which the psychologist is not licensed as approved in the Compact.
14. Permits a psychologist to exercise temporary authorization to practice in a Compact state by meeting the following requirements:
 - a. Hold a graduate degree in psychology from an institute of higher education that was, at the time the degree was awarded:
 - i. Regionally accredited by an accrediting body recognized by the United States Department of Education to grant graduate degrees, or authorized by provincial statute or royal charter to grant doctoral degrees; or
 - ii. A foreign college or university deemed to be equivalent by a foreign credential evaluation service that is a member of the national association of credential evaluation services or by a recognized foreign credential evaluation service; and
 - b. Hold a graduate degree in psychology that meets the following criteria:
 - i. The program, wherever it may be administratively housed, must be clearly identified and labeled as a psychology program. Such a program must specify in pertinent institutional catalogues and brochures its intent to educate and train professional psychologists;
 - ii. The psychology program must stand as a recognizable, coherent, organizational entity within the institution;

- iii. There must be a clear authority and primary responsibility for the core and specialty areas whether or not the program cuts across administrative lines;
 - iv. The program must consist of an integrated, organized sequence of study;
 - v. There must be an identifiable psychology faculty sufficient in size and breadth to carry out its responsibilities;
 - vi. The designated director of the program must be a psychologist and a member of the core faculty;
 - vii. The program must have an identifiable body of students who are matriculated in that program for a degree;
 - viii. The program must include supervised practicum, internship or field training appropriate to the practice of psychology;
 - ix. The curriculum must encompass a minimum of three academic years of full-time graduate study for doctoral degrees and a minimum of one academic year of full-time graduate study for master's degrees;
 - x. The program includes an acceptable residency as defined by the rules of the Commission;
- c. Possess a current, full and unrestricted license to practice psychology in a home state that is a Compact state;
 - d. Have no history of adverse action that violates the rules of the Commission;
 - e. Have no criminal record history that violates the rules of the Commission;
 - f. Possess a current, active IPC;
 - g. Provide attestations in regard to areas of intended practice and work experience and provide a release of information to allow for primary source verification in a manner specified by the Commission; and
 - h. Meet other criteria as defined by the rules of the Commission.
15. Requires a psychologist who practices in a distant state under temporary authorization to practice within the scope of practice authorized by that distant state.
16. States that a psychologist practicing in a distant state will be subject to the distant state's authority and law. A distant state may limit or revoke a psychologist's temporary authorization to practice in that state and may take other necessary actions to protect the health and safety of the citizens. If a distant state takes action, the state must promptly notify the home state and the Commission.
17. Revokes a psychologist's IPC if their license in any home state, Compact state or any other temporary authorization to practice in any distant state is restricted, suspended or limited.

Conditions of Telepsychology Practice in a Receiving State

18. Allows a psychologist to practice in a receiving state only if the psychologist initiates client/patient contact in a home state via telecommunications technologies with a client/patient in a receiving state or other conditions regarding telepsychology as determined by rules promulgated by the Commission.

Adverse Actions

19. Gives the home state power to impose adverse action against a psychologist's license issued by the home state. A distant state must have the power to take adverse action on a psychologist's temporary authorization to practice within that distant state.
20. Permits a receiving state to take adverse action on a psychologist's authority to practice interjurisdictional telepsychology within that receiving state. A home state may take adverse action against a psychologist based on an adverse action taken by a distant state regarding temporary in person, face-to-face practice.
21. Authorizes a home state to terminate a psychologist's authority to practice and revoke their E. Passport if the home state takes adverse action against a psychologist's license.
22. States that if a home state takes adverse action against a psychologist's license, that psychologist's authority to practice interjurisdictional telepsychology is terminated and the E. passport is revoked. A psychologist's temporary authorization to practice is terminated and the IPC is revoked as follows:
- a. All home state disciplinary orders that impose adverse action must be reported to the Commission in accordance with the rules promulgated by the Commission. A Compact state must report adverse actions in accordance with the rules of the Commission.
 - b. In the event discipline is reported on a psychologist, the psychologist will not be eligible for telepsychology or temporary in person, face-to-face practice in accordance with the rules of the Commission.
 - c. Other actions may be imposed as determined by the rules of the Commission.
23. Requires the home state's psychology regulatory authority to investigate and take appropriate action with respect to reported inappropriate conduct engaged in by a licensee that occurred in a receiving state as it would if the conduct had occurred in the home state. Home state's law must control the determination of any adverse action against a psychologist's license.
24. Requires a distant state's psychology regulatory authority to investigate and take appropriate action with respect to reported inappropriate conduct engaged in by a psychologist practicing under temporary authorization which occurred in that distant state as it would if the conduct occurred within the home state. A distant state's law must control the determination of any adverse action against a psychologist's temporary authority to practice.
25. Clarifies that a Compact state's decision for a psychologist to participate in an alternative program may be used in lieu of adverse action and that participation must remain nonpublic if required by the Compact state's law. Compact states must require

psychologists not to provide telepsychology services or provide temporary psychological services in any other Compact state during the term of the alternative program.

26. Mandates that no other judicial or administrative remedies be available to a psychologist in the event a Compact state imposes an adverse action.

Additional Authorities Invested in a Compact State's Psychology Regulatory Authority

27. Allows for a Compact state's psychology regulatory authority to have additional powers and authorities under the Compact to do the following:
 - a. Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses and the production of evidence. Subpoenas must be enforced in the latter state by any court of competent jurisdiction. The issuing state must pay witness fees, travel expenses, mileage and other required fees; and
 - b. Issue cease and desist or injunctive relief orders to revoke a psychologist's authority to practice interjurisdictional telepsychology and/or temporary authorization to practice.
28. States that a psychologist, during the course of an investigation, may not change the psychologist's home state licensure. A home state's psychology regulatory authority is authorized to complete any pending investigations of a psychologist and take any actions deemed necessary under its law. The home state's psychology regulatory authority must promptly report the findings of the investigations to the Commission.
29. Permits the psychologist to change their home state licensure once any investigations have been completed. The Commission must promptly notify the new home state and all information provided to the Commission or distributed by Compact states must be confidential, filed under seal and used for investigatory or disciplinary purposes. The Commission may create additional rules for mandated or discretionary sharing of information by Compact states.

Coordinated Licensure Information System

30. Requires the Commission to provide for the development and maintenance of a coordinated database and reporting system that contains licensure and disciplinary action information on all psychologists or individuals to whom this Compact applies to.
31. States that a Compact state must submit a uniform data set to the coordinated database on all licensees including the following requirements:
 - a. Identifying information;
 - b. Licensure data;
 - c. Significant investigatory information;
 - d. Adverse actions against a psychologist's license;
 - e. An indicator that a psychologist's authority to practice interjurisdictional telepsychology and/or temporary authorization to practice is revoked;
 - f. Non-confidential information related to alternative program participation information;
 - g. Any denial of application for licensure and the reasons for the denial; and
 - h. Other information that may facilitate the administration of this Compact as determined by the rules of the Commission.
32. Mandates the coordinated database administrator must promptly notify all Compact states of any adverse action taken against or significant investigative information on any licensee in a Compact state.
33. States that Compact state's reporting information to the coordinated database may designate information that may not be shared with the public without the express permission of the Compact state reporting the information.
34. Requires for any information that is submitted to the coordinated database that is subsequently required to be expunged by the law of the Compact state reporting the information be removed from the coordinated database.

Establishment of the Psychology Interjurisdictional Compact Commission

35. Creates a joint public agency known as the Psychology Interjurisdictional Compact Commission as follows:
 - a. The Commission is a body politic and an instrumentality of the Compact states;
 - b. Venue is proper and judicial proceedings by or against the Commission must be brought solely and exclusively in a court of competent jurisdiction where the principal office of the Commission is located. The Commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings; and
 - c. Nothing in this Compact must be construed to be a waiver of sovereign immunity.
36. Establishes membership, voting and meetings requirements as follows:
 - a. The Commission must consist of one voting representative appointed by each Compact state who must serve as that state's commissioner. The state psychology regulatory authority must appoint its delegate. This delegate must be empowered to act on behalf of the Compact state. This delegate must be limited to:
 - i. The executive director or executive secretary or a similar executive;
 - ii. A current member of the state psychology regulatory authority of a Compact state; or

- iii. A designee empowered with the appropriate delegate authority to act on behalf of the Compact state.
 - b. Any commissioner may be removed or suspended from office as provided by the law of the state from which the commissioner is appointed. Any vacancy occurring in the Commission will be filled in accordance with the laws of the Compact state in which the vacancy exists.
 - c. Each commissioner must be entitled to one vote with regard to the promulgation of rules and creation of bylaws and must otherwise have an opportunity to participate in the business and affairs of the Commission. A commissioner must vote in person or by such other means as provided in the bylaws. The bylaws may provide for commissioners' participation in meetings by telephone or other means of communication.
 - d. The Commission must meet at least once during each calendar year. Additional meetings will be held as set forth in the bylaws.
 - e. All meetings must be open to the public, and public notice of meetings will be given.
 - f. The Commission may convene in a closed, nonpublic meeting if the Commission must discuss:
 - i. Noncompliance of a Compact state with its obligations under the Compact;
 - ii. The employment, compensation, discipline or other personnel matters, practices or procedures related to specific employees or other matters related to the Commission's internal personnel practices and procedures;
 - iii. Current, threatened or reasonably anticipated litigation against the Commission;
 - iv. The negotiation of contracts for the purchase or sale of goods, services or real estate;
 - v. An accusation against any person of a crime or formally censuring any person;
 - vi. The disclosure of trade secrets or commercial or financial information that is privileged or confidential;
 - vii. The disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;
 - viii. The disclosure of investigatory records compiled for law enforcement purposes;
 - ix. The disclosure of information related to any investigatory reports prepared by or on behalf of or for use of the Commission or another committee charged with responsibility for investigation or determination of compliance issues pursuant to the Compact; or
 - x. Matters specifically exempted from disclosure by federal and state statute.
 - g. If a meeting, or portion of a meeting, is closed, the Commission's legal counsel must certify that the meeting may be closed and reference each relevant exempting provision. The Commission must keep minutes that fully and clearly describe all matters discussed in a meeting and must provide a full and accurate summary of actions taken, of any person participating in the meeting, and the reasons, including a description of the views expressed. All documents considered in connection with an action must be identified in the minutes. All minutes and documents of a closed meeting must remain under seal, subject to release only by a majority vote of the Commission or order of a court of competent jurisdiction.
37. Permits the Commission to prescribe bylaws or rules to govern its conduct to carry out the purposes and exercise the powers of the Compact by a majority vote of the commissioners including:
- a. Establishing the fiscal year of the Commission;
 - b. Providing reasonable standards and procedures:
 - i. For the establishment and meetings of other committees; and
 - ii. Governing any general or specific delegation of any authority or function of the Commission.
 - c. Providing reasonable procedures for calling and conducting meetings of the Commission, ensuring reasonable advance notice of all meetings and providing an opportunity for attendance of such meetings by interested parties, with exceptions designed to protect the public's interest, the privacy of individuals of such proceedings and proprietary information, including trade secrets. The Commission may meet in closed session only after a majority of the commissioners vote to close a meeting to the public in whole or in part. As soon as practicable, the Commission must make public a copy of the vote to close the meeting revealing the vote of each commissioner with no proxy votes allowed;
 - d. Establishing the titles, duties and authority and reasonable procedures for the election of the officers of the Commission;
 - e. Providing reasonable standards and procedures for the establishment of the personnel policies and programs of the Commission. Notwithstanding any civil service or other similar law of any Compact state, the bylaws must exclusively govern the personnel policies and programs of the Commission;
 - f. Promulgating a code of ethics to address permissible and prohibited activities of Commission members and employees;
 - g. Providing a mechanism for concluding the operations of the Commission and the equitable disposition of any surplus funds that may exist after the termination of the Compact and after the payment and/or reserving of all of its debts and obligations;
 - h. The Commission must publish its bylaws in a convenient form and file a copy thereof and a copy of any amendment thereto, with the appropriate agency or officer in each of the Compact states;
 - i. The Commission must maintain its financial records in accordance with the bylaws; and
 - j. The Commission must meet and take such actions as are consistent with the provisions of this Compact and the bylaws.
38. Designates powers to the Commission as follows:
- a. To promulgate uniform rules to facilitate and coordinate implementation and administration of this Compact. The rule must have the force and effect of law and must be binding in all Compact states;

- b. To bring and prosecute legal proceedings or actions in the name of the Commission, provided that the standing of any state psychology regulatory authority or other regulatory body responsible for psychology licensure to sue or be sued under applicable law must not be affected;
 - c. To purchase and maintain insurance and bonds;
 - d. To borrow, accept or contract for services of personnel, including employees of a Compact state;
 - e. To hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of the Compact and establish the Commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel and other related personnel matters;
 - f. To accept any and all appropriate donations and grants of money, equipment, supplies, materials and services, and to receive, utilize and dispose of the same, provided that at all times the Commission must strive to avoid any appearance of impropriety or conflict of interest;
 - g. To lease, purchase, accept appropriate gifts or donations of, or otherwise own, hold, improve or use, any property, real, personal or mixed, provided that at all times the Commission must strive to avoid any appearance of impropriety;
 - h. To sell, convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of any property, real, personal or mixed;
 - i. To establish a budget and make expenditures;
 - j. To borrow money;
 - k. To appoint committees, including advisory committees composed of members, state regulators, state legislators or their representatives, and consumer representatives, and such other interested persons as may be designated in this Compact and the bylaws;
 - l. To provide and receive information from, and to cooperate with, law enforcement agencies;
 - m. To adopt and use an official seal; and
 - n. To perform such other functions as may be necessary or appropriate to achieve the purposes of this Compact consistent with the state regulation of psychology licensure, temporary in-person, face-to-face practice and telepsychology practice.
39. Mandates that elected officers serve as the executive board which must have the power to act on behalf of the Commission according to the following terms:
- a. The executive board shall be composed of the following six members:
 - i. Five voting members who are elected from the current membership of the Commission by the Commission;
 - ii. One ex officio, nonvoting member from the recognized membership organization composed of state and provincial psychology regulatory authorities.
 - b. The ex officio member must have served as staff with or a member on a state psychology regulatory authority and must be selected by its respective organization;
 - c. The Commission may remove any member of the executive board as provided in bylaws;
 - d. The executive board must meet at least annually;
 - e. The executive board must have the following duties and responsibilities:
 - i. Recommend to the entire Commission changes to the rules or bylaws, changes to this Compact, fees paid by Compact states such as annual dues, and any other applicable fees;
 - ii. Ensure Compact administration services are appropriately provided, contractual or otherwise;
 - iii. Prepare and recommend the budget;
 - iv. Maintain financial records on behalf of the Commission;
 - v. Monitor Compact compliance of member states and provide compliance reports to the Commission;
 - vi. Establish additional committees as necessary; and
 - vii. Other duties as provided in rules or bylaws.
40. Outlines the financial structure of the Commission as follows:
- a. The Commission must pay, or provide for the payment of, the reasonable expenses of its establishment, organization and ongoing activities;
 - b. The Commission may accept any and all appropriate revenue sources, donations and grants of money, equipment, supplies, materials and services;
 - c. The Commission may levy on and collect an annual assessment from each Compact state or impose fees on other parties to cover the cost of the operations and activities of the Commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount must be allocated based on a formula to be determined by the Commission, which must promulgate a rule binding on all Compact states;
 - d. The Commission must not incur obligations of any kind prior to securing the funds adequate to meet the same, nor must the Commission pledge the credit of any of the Compact states, except by and with the authority of the Compact state;
 - e. The Commission must keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission must be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Commission must be audited yearly by a certified or licensed public accountant, and the report of the audit must be included in and become part of the annual report of the Commission.
41. Provides qualified immunity, defense and indemnification provisions as follows:

- a. The members, officers, executive director, employees and representatives of the Commission must be immune from suit and liability, either personally or in their official capacity for any claim for damage or loss of property or personal injury caused by or arising out of any actual or alleged act, error, omission or that the person against whom the claim has been made had a reasonable basis for believing such occurrences happened. Duties and responsibilities must protect any such person from suit or liability caused by intentional, wilful or wanton misconduct.
- b. The Commission must defend any member, officer, executive director, employee or representative of the Commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or that the person against whom the claim is made had a reasonable basis for believing such occurrences happens. Allows for nothing to prohibit that person from retaining their own counsel and the act did not result from that person's intentional, wilful or wanton misconduct.
- c. The Commission must indemnify and hold harmless any member, officer, executive director, employee or representative of the Commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error or omission that occurred within the scope of the Commission employment or duties if the act did not result from intentional, wilful or wanton misconduct.

Rulemaking

42. Mandates that the Commission exercise its rulemaking powers and that all the rules and amendments must become binding as of the date specified in each rule or amendment.
43. States that if a majority of the legislatures of the Compact states reject a rule, by enactment of a statute or resolution in the same manner used to adopt the Compact, that rule will have no further force and effect in any Compact state.
44. Requires for rules or amendments to rules to be adopted at a regular or special meeting of the Commission.
45. Mandates that rules or amendments to the rules must be adopted at a regular or special meeting of the Commission, and at least sixty days in advance of the meeting at which the rule will be considered and voted on, the Commission must file a notice of proposed rulemaking as follows:
 - a. On the website of the Commission; and
 - b. On the website of each Compact state's psychology regulatory authority or the publication in which each state would otherwise publish proposed rules.
46. Outlines the contents and notice of proposed rulemaking to include:
 - a. The proposed time, date and location of the meeting in which the rule will be considered and voted on;
 - b. The text of the proposed rule or amendment and the reason for the proposed rule;
 - c. A request for comments on the proposed rule from any interested person; and
 - d. The manner in which interested persons may submit notice to the Commission of their intention to attend the public hearing and any written comments.
47. Allows the Commission to let people submit written data, facts, opinions and arguments prior to adopting a proposed rule which must be made available to the public.
48. Mandates the Commission to grant an opportunity for a public hearing before it adopts a rule or amendment if a hearing is requested by:
 - a. At least twenty-five people who submit comments that are independent of each other;
 - b. A governmental subdivision or agency; or
 - c. A duly appointed person in an association that has at least twenty-five members.
49. Requires the Commission to publish the place, time and date of a scheduled public hearing and the following to apply to a hearing:
 - a. All persons wishing to be heard at the hearing must notify the executive director of the Commission or other designated member in writing of their desire to appear and testify at the hearing not less than five business days before the scheduled date of the hearing;
 - b. Hearings must be conducted in a manner providing each person who wishes to comment a fair and reasonable opportunity to comment orally or in writing;
 - c. No transcript of the hearing is required, unless a written request for a transcript is made, in which case the person requesting the transcript shall bear the cost of producing the transcript. A recording may be made in lieu of a transcript under the same terms and conditions as a transcript. This paragraph does not preclude the Commission from making a transcript or recording of the hearing if it so chooses;
 - d. Nothing in this subsection shall be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the Commission at hearings required by this subsection.
50. States that following a scheduled hearing date or by the close of business on the scheduled hearing date, if the hearing was not held, the Commission must consider all written and oral comments that were received.
51. Requires the Commission by majority vote of all members to take final action on a proposed rule and determine the effective date of the rule based on the rulemaking record and the full text of that rule.

52. Gives the Commission the opportunity to proceed with promulgation of the proposed rule without a public hearing if no written notice of intent to attend the public hearing by interested parties is received.
53. Allows the Commission to consider and adopt an emergency rule, if an emergency exists, without prior notice or opportunity for comment or hearing, provided that the rulemaking procedures provided in the Compact are retroactively applied to the rule as soon as reasonably practicable but no later than 90 days after the effective date of the rule. An emergency rule is one that must be adopted immediately in order to:
 - a. Meet an imminent threat to public health, safety or welfare;
 - b. Prevent a loss of Commission or Compact state funds;
 - c. Meet a deadline for the promulgation of an administrative rule that is established by federal law or rule; or
 - d. Protect public health and safety.
54. Allows the Commission or any authorized committee of the Commission to make direct revisions to a previously adopted rule or amendment for purposes of correcting typographical, format or grammatical errors. Public notice of any revision must be posted on the Commission's website.
55. Mandates a revision must be subject to challenge by any person for a period of 30 days after posting and may be challenged only on grounds that the revision results in a material change to a rule.
56. Specifies that a challenge must be made in writing and delivered to the chair of the Commission prior to the end of the notice period. If no challenge is made, the revision will take effect without further action and if there is a challenge, the revision may not take effect without the approval of the Commission.

Oversight, Dispute Resolution and Enforcement

57. Outlines the oversight of the Commission as follows:
 - a. The executive, legislative and judicial branches of government in each Compact state must enforce this Compact and take all actions necessary to effectuate the Compact's purpose and intent.
 - b. All courts must take judicial notice of the Compact and the rules in any judicial or administrative proceeding in a Compact state pertaining to any subject matter that may affect the powers, responsibilities or actions of the Commission
 - c. The Commission must be entitled to receive service of process in any proceeding and must have standing to intervene in a proceeding. Failure to provide service of process to the Commission will render a judgment as to the Commission.
58. States default, technical assistance and termination provisions as follows:
 - a. If the Commission determines that a Compact state has defaulted in the performance of its obligations or responsibilities under this Compact or promulgated rules the Commission must:
 - i. Provide written notice to the defaulting state and other Compact states of the nature of the default, the proposed means of remedying the default or any other action taken by the Commission; and
 - ii. Provide remedial training and specific technical assistance regarding the default.
 - b. If a state that is in default fails to remedy the default, the defaulting state may be terminated from the Compact on an affirmative vote of a majority of the Compact states. All rights, privileges and benefits by this Compact must be terminated on the effective date of termination. A remedy of the default does not relieve the offending state of any obligation or liabilities;
 - c. Termination of membership in the Compact must be imposed after all other means of securing compliance have been met. Notice of intent to suspend or terminate must be submitted by the Commission to the governor, the majority and minority leaders of the defaulting state's legislature and each of the Compact states;
 - d. A Compact state that has been terminated is responsible for all assessments, obligations and liabilities incurred through the effective date of termination including obligations that extend beyond the effective date of termination;
 - e. The Commission must not bear any costs incurred by the state that is found to be in default or that has been terminated from the Compact unless agreed upon in writing between the Commission and the defaulting state; and
 - f. The defaulting state may appeal the action of the Commission by petitioning the United States District Court for the State of Georgia or the Federal District where the Compact has its principal offices. The prevailing member must be awarded all costs of the litigation including reasonable attorney's fees.
59. Outlines dispute resolution provision as follows:
 - a. On request by a Compact state, the Commission must attempt to resolve disputes related to the Compact which arise among Compact states and between Compact and non-compact states; and
 - b. The Commission must promulgate a rule providing for both mediation and binding dispute resolution for disputes that arise before the Commission.
60. Gives enforcement provisions and rules of this Compact as follows:
 - a. The Commission, in the reasonable exercise of its discretion, must enforce the provisions and rules of this Compact;
 - b. By majority vote, the Commission may initiate legal action in the United States District Court for the State of Georgia or the Federal District where the Compact has its principal offices against a Compact state in default to enforce compliance with the provisions of the Compact and its promulgated rules and bylaws. The relief sought may include both injunctive relief and

damages. In the event judicial enforcement is necessary, the prevailing member must be awarded all costs of such litigation, including reasonable attorney's fees; and

- c. The remedies are not the exclusive remedies of the Commission. The Commission may pursue any other remedies available under federal or state law.

Date of Implementation of the Commission and Associated Rules, Withdrawal and Amendments

61. Establishes that the Compact take effect on the date on which the Compact is enacted into law in the seventh Compact state. The effective provisions must be limited to the powers granted to the Commission relating to the assembly and promulgation of rules. The Commission must meet and exercise rulemaking powers necessary to the implementation and administration of the Compact.
62. Mandates that any state that joins the Compact subsequent to the Commission's initial adoption of the rules must be subject to the rules as they exist on the date when the Compact becomes a law in that state. Any rule that is previously adopted by the Commission must have the full force and effect of law on the day the Compact becomes law.
63. Allows for a Compact state to withdraw from this Compact by enacting a repealing statute and is subject to the following:
 - a. A Compact state's withdrawal must not take effect until six months after enactment of the repealing statute; and
 - b. Withdrawal must not affect the continuing requirement of the withdrawing state's psychology regulatory authority to comply with the investigative and adverse action reporting requirements of this Compact before the date of withdrawal.
64. States that the Compact must not be construed to invalidate or prevent any psychology licensure agreement or other arrangement between a Compact state and a non-compact state that does not conflict with the provisions of this Compact.
65. Allows for the Compact to be amended by the compact states and makes no amendment to this Compact effective and binding on the Compact states until it is enacted into the law of all Compact states.

Construction and Severability

66. Makes this Compact liberally construed so as to effectuate the purposes. If the Compact is held contrary to the constitution of any state member the Compact remains in full force and effect as to the remaining Compact states.

Other

67. Defines terms.

AMENDMENTS

COMMITTEE ON HEALTH

1. Adds that the home state maintains authority over the license of the psychologist practicing in a receiving state under the authority to practice telepsychology.
2. Allows a psychologist practicing in a receiving state to be subject to the receiving state's scope of practice.

CURRENT LAW

Contained within Title 32, Chapter 19.1 respectively are laws relating to the practice of psychology. Included therein are licensing and education requirements along with applicable regulations.



HOUSE OF REPRESENTATIVES

HB 2504

revenue department; technical correction

Prime Sponsor: Representative Carter, LD 15

DPA/SE Committee on Health

X Caucus and COW

House Engrossed

OVERVIEW

HB 2504 makes a technical correction.

Summary of Proposed Strike-Everything Amendment to HB 2504

HB 2504 enacts the Physical Therapy Licensure Compact (Compact).

PROVISIONS

Purpose

1. Explains the purpose of the Compact is to facilitate the interstate practice of physical therapy with the goal of improving public access to physical therapy services. The practice of physical therapy occurs in the state where the patient/client is located at the time of the patient/client encounter. The Compact preserves the regulatory authority of the states to protect public health and safety through the current system of state licensure. The Compact is designed to achieve the following objectives:
 - a. Increase public access to physical therapy services by providing for the mutual recognition of other member state licenses;
 - b. Enhance the states' ability to protect the public's health and safety;
 - c. Encourage the cooperation of member states in regulating multi-state physical therapy practice;
 - d. Support spouses of relocating military members;
 - e. Enhance the exchange of licensure, investigative and disciplinary information between member states; and
 - f. Allow a remote state to hold a provider of services with a Compact privilege in that state accountable to that state's practice standards.

State Participation in the Compact

2. Outlines requirements for states' participation in the Compact as follows:
 - a. Participate fully in the Physical Therapy Compact Commission's (Commission) data system, including using the Commission's unique identifier as defined in rules;
 - b. Have a mechanism in place for receiving and investigating complaints about licensees;
 - c. Notify the Commission, in compliance with the terms of the Compact and rules, of any adverse action or the availability of investigative information regarding a licensee;
 - d. Fully implement a criminal background check requirement, within a time frame established by rule, by receiving the results of the Federal Bureau of Investigation (FBI) record search on criminal background checks and use the results in making licensure decision;
 - e. Comply with the rules of the Commission;
 - f. Utilize a recognized national examination as a requirement for licensure pursuant to the rules of the Commission; and
 - g. Have continuing competence requirements as a condition for license renewal.
3. Requires the member state to have the authority to obtain biometric-based information from each physical therapy licensure applicant and submit the information to the FBI for a criminal background check upon the adoption of this statute.
4. Mandates a member state to grant the Compact privilege to a licensee holding a valid unencumbered license in another member state in accordance with the terms of the Compact and rules.
5. Permits member states to charge a fee for granting a Compact privilege.

Compact Privilege

6. Requires a licensee to meet the following requirements in order to have the right to exercise the Compact privilege:

- a. Hold a license in the home state;
 - b. Have no encumbrance on any state license;
 - c. Be eligible for a Compact privilege in any member state;
 - d. Have no adverse action against any license or Compact privilege within the previous two years;
 - e. Notify the Commission that the licensee is seeking the Compact privilege within a remote state(s);
 - f. Pay any applicable fees, including any state fee, for the Compact privilege;
 - g. Meet any jurisprudence requirements established by the remote state(s) in which the licensee is seeking a Compact privilege; and
 - h. Report to the Commission adverse action taken by any non-member state within 30 days from the date the adverse action is taken.
7. States that the Compact privilege is valid until the expiration date of the home license and the licensee must comply with the above requirements above to maintain the Compact privilege in the remote state.
 8. Mandates the licensee providing physical therapy in a remote state, under the Compact privilege, to function within the laws and regulations of the remote state.
 9. Specifies that a licensee providing physical therapy in a remote state is subject to that state's regulatory authority. A remote state may, in accordance with due process and that state's laws, remove a licensee's Compact privilege in the remote state for a specific period of time, impose fines, and/or take any other necessary actions to protect the health and safety of its citizens. The licensee is not eligible for a Compact privilege in any state until the specific time for removal has passed and all fines are paid.
 10. Stipulates that if a home state license is encumbered, the licensee loses the Compact privilege in any remote state until the following occur:
 - a. The home state license is no longer encumbered; and
 - b. Two years have elapsed from the date of the adverse action.
 11. States that once an encumbered license in the home state is restored to good standing, the licensee may again obtain a Compact privilege in any remote state.
 12. Explains that if a licensee's Compact privilege in any remote state is removed, the individual loses the Compact privilege in any remote state until the following occur:
 - a. The specific period of time for which the Compact privilege was removed has ended;
 - b. All fines have been paid; and
 - c. Two years have elapsed from the date of the adverse action.
 13. Allows for a licensee to obtain a Compact privilege in a remote state if all requirements are met.

Active Duty Military Personnel or Their Spouses

14. Permits a licensee who is an active duty military member or the spouse of an individual who is an active duty military member to designate one of the following as the home state:
 - a. A home of record;
 - b. A permanent change of station (PCS); or
 - c. The state of current residence if it is different than the PCS state or home of record.

Adverse Actions

15. Gives the home state exclusive power to impose adverse action against a license issued by the home state.
16. Allows a home state to take adverse action based on the investigative information of a remote state, so long as the home state follows its own procedures for imposing adverse action.
17. Clarifies this Compact does not override a member state's decision to allow participation in an alternative program in lieu of adverse action and that such participation must remain non-public if required by the member state's laws. Member states must require licensees who enter any alternative programs in lieu of discipline to agree not to practice in any other member state during the term of the alternative program without prior authorization from such other member state.
18. Permits any member state to investigate actual or alleged violations of the statutes and rules authorizing the practice of physical therapy in any other member state in which a physical therapist or physical therapist assistant holds a license or Compact privilege.
19. Requires a remote state to have the authority to:
 - a. Take adverse actions against a licensee's Compact privilege in the state;

- b. Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses, and the production of evidence. Subpoenas issued by a physical therapy licensing board in a party state for the attendance and testimony of witnesses, and/or the production of evidence from another party state, must be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings pending before it. The issuing authority must pay any witness fees, travel expenses, mileage and other fees required by the service statutes of the state where the witnesses and/or evidence are located; and
 - c. If otherwise permitted by state law, recover from the licensee the costs of investigations and disposition of cases resulting from any adverse action taken against that licensee.
20. Allows a member state, in addition to the authorities granted to a member state by its respective physical therapy practice act or other applicable state law, to participate with other member states in joint investigations of licensees.
21. Requires a member state to share any investigative, litigation or compliance materials in furtherance of any joint or individual investigation initiated under the Compact.

Establishment of the Commission

22. Declares the Compact member states hereby create and establish a joint public agency known as the Commission as follows:
- a. The Commission is an instrumentality of the Compact states;
 - b. Venue is proper and judicial proceedings by or against the Commission must be brought solely and exclusively in a court of competent jurisdiction where the principal office of the Commission is located. The Commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings; and
 - c. Nothing in this Compact must be construed to be a waiver of sovereign immunity.
23. Stipulates membership, voting and meetings as follows:
- a. Each member state must have and be limited to one delegate selected by that member state's licensing board;
 - b. The delegate must be a current member of the licensing board, who is a physical therapist, physical therapist assistant, public member or the board administrator;
 - c. Any delegate may be removed or suspended from office as provided by the law of the state from which the delegate is appointed;
 - d. The member state board must fill any vacancy occurring in the Commission;
 - e. Each delegate must be entitled to one vote with regard to the promulgation of rules and creation of bylaws and must otherwise have an opportunity to participate in the business and affairs of the Commission;
 - f. A delegate must vote in person or by such other means as provided in the bylaws. The bylaws may provide for delegates' participation in meetings by telephone or other means of communication; and
 - g. The Commission must meet at least once during each calendar year and additional meeting must be held as set forth in the bylaws.
24. Gives the Commission the following powers and duties:
- a. Establish the fiscal year of the Commission;
 - b. Establish bylaws;
 - c. Maintain its financial records in accordance with the bylaws;
 - d. Meet and take such actions as are consistent with the provisions of this Compact and the bylaws;
 - e. Promulgate uniform rules to facilitate and coordinate implementation and administration of this Compact. The rules must have the force and effect of law and must be binding in all member states;
 - f. Bring and prosecute legal proceedings or actions in the name of the Commission, provided that the standing of any state physical therapy licensing board to sue or be sued under applicable law must not be affected;
 - g. Purchase and maintain insurance and bonds;
 - h. Borrow, accept, or contract for services of personnel, including, but not limited to, employees of a member state;
 - i. Hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of the Compact, and to establish the Commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel and other related personnel matters;
 - j. Accept any and all appropriate donations and grants of money, equipment, supplies, materials and services, and to receive, utilize and dispose of the same, provided that at all times the Commission must avoid any appearance of impropriety and/or conflict of interest;
 - k. Lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold, improve or use, any property, real, personal or mixed; provided that at all times the Commission must avoid any appearance of impropriety;
 - l. Sell convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of any property real, personal or mixed;
 - m. Establish a budget and make expenditures;

- n. Borrow money;
- o. Appoint committees, including standing committees comprised of members, state regulators, state legislators or their representatives, consumer representatives and such other interested persons as may be designated in this Compact and the bylaws;
- p. Provide and receive information from, and cooperate with, law enforcement agencies;
- q. Establish and elect an Executive Board; and
- r. Perform such other functions as may be necessary or appropriate to achieve the purposes of this Compact consistent with the state regulation of physical therapy licensure and practice.

25. Provides the powers of the Executive Board as follows:

- a. Be comprised of nine members:
 - i. Seven voting members who are elected by the Commission from the current membership of the Commission;
 - ii. One ex-officio, nonvoting member from the recognized national physical therapy professional association; and
 - iii. One ex-officio, nonvoting member from the recognized membership organization of the physical therapy licensing boards.
- b. The ex-officio members will be selected by their respective organizations;
- c. The Commission may remove any member of the Executive Board as provided in bylaws;
- d. The Executive Board must meet at least annually;
- e. The Executive Board must have the following duties and responsibilities:
 - i. Recommend to the entire Commission changes to the rules or bylaws, changes to this Compact legislation, fees paid by Compact member states such as annual dues, and any Commission Compact fee charged to licensees for the Compact privilege;
 - ii. Ensure Compact administration services are appropriately provided, contractual or otherwise;
 - iii. Prepare and recommend the budget;
 - iv. Maintain financial records on behalf of the Commission;
 - v. Monitor Compact compliance of member states and provide compliance reports to the Commission;
 - vi. Establish additional committees as necessary; and
 - vii. Other duties as provided in rules or bylaws.

26. Specifies how Commission meetings are organized as follows:

- a. All meetings must be open to the public, and public notice of meetings must be given in the same manner as under the rulemaking provisions;
- b. The Commission, Executive Board or other committees of the Commission may convene in a closed, non-public meeting if the Commission, Executive Board or other committees of the Commission discuss:
 - i. Non-compliance of a member state with its obligations under the Compact;
 - ii. The employment, compensation, discipline or other matters, practices or procedures related to specific employees or other matters related to the Commission's internal personnel practices and procedures;
 - iii. Current, threatened or reasonably anticipated litigation;
 - iv. Negotiation of contracts for the purchase, lease, sale of goods, services or real estate;
 - v. Accusing any person of a crime or formally censuring any person;
 - vi. Disclosure of trade secrets or commercial or financial information that is privileged or confidential;
 - vii. Disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy, investigative records compiled for law enforcement purposes and information related to any investigative reports prepared by, or on behalf of, or for use of the Commission or other committee charged with responsibility of investigation or determination of compliance issues pursuant to the Compact; and
 - viii. Matters specifically exempted from disclosure by federal or member state statute.
- c. If a meeting, or portion of a meeting, is closed pursuant to this provision, the Commission's legal counsel or designee must certify that the meeting may be closed and must reference each relevant exempting provision; and
- d. The Commission must keep minutes that fully and clearly describe all matters discussed in a meeting and must provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action must be identified in such minutes. All minutes and documents of a closed meeting must remain under seal, subject to release by a majority vote of the Commission or order of a court of competent jurisdiction.

27. Provides for financing of the Commission as follows:

- a. The Commission must pay, or provide for the payment of, the reasonable expenses of its establishment, organization and ongoing activities;

- b. The Commission may accept any and all appropriate revenue sources, donations, grants of money, equipment, supplies, materials and services;
 - c. The Commission may levy on and collect an annual assessment from each member state or impose fees on other parties to cover the cost of the operations and activities of the Commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount must be allocated based upon a formula to be determined by the Commission, which must promulgate a rule binding upon all member states;
 - d. The Commission must not incur obligations of any kind prior to securing the funds adequate to meet the same; nor should the Commission pledge the credit of any of the member states, except by and with the authority of the member state; and
 - e. The Commission must keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission must be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Commission must be audited yearly by a certified or licensed public accountant, and the report of the audit must be included in and become a part of the annual report of the Commission.
28. Stipulates qualified immunity, defense and indemnification as follows:
- a. The members, officers, executive director, employees and representatives of the Commission must be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties or responsibilities, provided that nothing must be construed to protect any such person from suit and/or liability for any damages, loss, injury or liability caused by the intentional or wilful or wanton misconduct of that person;
 - b. The Commission must defend any member, officer, executive director, employee or representative of the Commission in any civil action seeking to impose liability arising out of any actual or alleged act, error or omission that occurred within the scope of Commission employment, duties, or responsibilities or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities, provided that nothing should be construed to prohibit that person from retaining his or her own counsel, and provided further, that the actual or alleged act, error or omission did not result from that person's intentional or wilful or wanton misconduct; and
 - c. The Commission must indemnify and hold harmless any member, officer, executive director, employee or representative of the Commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error or omission that occurred within the scope of Commission employment, duties, or responsibilities, or that such person had a reasonable basis for believing occurred within the scope of Commission employment, duties or responsibilities, provided that the actual or alleged act, error or omission did not result from the intentional or wilful or wanton misconduct of that person.

Data System

29. Requires the Commission to provide for the development, maintenance and utilization of a coordinated database and reporting system containing licensure, adverse action and investigative information on all licensed individuals in member states.
30. Directs a member state to submit a uniform data set to the data system on all individuals to whom this Compact is applicable as required by the rules of the Commission, including:
- a. Identifying information;
 - b. Licensure data;
 - c. Adverse actions against a license or Compact privilege;
 - d. Non-confidential information related to alternative program participation;
 - e. Any denial of application for licensure, and the reason(s) for such denial; and
 - f. Other information that may facilitate the administration of this Compact as determined by the rules of the Commission.
31. States that investigative information pertaining to a licensee in any member state will only be available to other party states.
32. Requires the Commission to promptly notify all member states of any adverse action taken against a licensee or an individual applying for a license. Adverse action information pertaining to a licensee in any member state will be available to any other member state.
33. Permits a member state contributing information to the data system to designate information that may not be shared with the public without the express permission of the contributing state.
34. Requires any information submitted to the data system that is subsequently required to be expunged by the laws of the member state contributing the information to be removed from the data system.

Rulemaking

35. Mandates the Commission to exercise its rulemaking powers pursuant to the rules adopted. Rules and amendments must become binding as of the date specified in each rule or amendment.
36. States that if a majority of the legislatures of the member states rejects a rule, by enactment of a statute or resolution in the same manner used to adopt the Compact within four years of the date of adoption of the rule, then such rule must have no further force and effect in any member state.
37. Clarifies that rules or amendments to the rules must be adopted at a regular or special meeting of the Commission.
38. Specifies that prior to promulgation and adoption of a final rule or rules by the Commission, and at least thirty days in advance of the meeting at which the rule will be considered and voted upon, the Commission must file a Notice of Proposed Rulemaking as follows:
 - a. On the website of the Commission or other publicly accessible platform; and
 - b. On the website of each member state physical therapy licensing board or other publicly accessible platform or the publication in which each state would otherwise publish proposed rules.
39. Stipulates the Notice of Proposed Rulemaking must include:
 - a. The proposed time, date and location of the meeting in which the rule will be considered and voted upon;
 - b. The text of the proposed rule or amendment and the reason for the proposed rule;
 - c. A request for comments on the proposed rule from any interested person; and
 - d. The manner in which interested persons may submit notice to the Commission of their intention to attend the public hearing, and any written comments.
40. Mandates the Commission allow persons to submit written data, facts, opinions and arguments that must be made available to the public.
41. Requires the Commission to grant an opportunity for a public hearing before it adopts a rule or amendment if a hearing is requested by:
 - a. At least 25 persons;
 - b. A state or federal governmental subdivision or agency; or
 - c. An association having at least 25 members.
42. Clarifies that if a hearing is held on the proposed rule or amendment, the Commission must publish the place, time and date of the scheduled public hearing. If the hearing is held via electronic means, the Commission must publish the mechanism for access to the electronic hearing as follows:
 - a. All persons wishing to be heard at the hearing must notify the executive director of the Commission or other designated member in writing of their desire to appear and testify at the hearing no less than five business days before the scheduled date of the hearing;
 - b. Hearings must be conducted in a manner that provides each person who wishes to comment a fair and reasonable opportunity to comment orally or in writing;
 - c. All hearings will be recorded. A copy of the recording will be made available upon request; and
 - d. Nothing must be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the Commission at the hearings.
43. Requires the Commission to consider all written and oral comments received following the scheduled hearing date, or by the close of business on the scheduled hearing date if the hearing was not held.
44. Allows the Commission to proceed with promulgation of the proposed rule without a public hearing if no written notice of intent to attend the public hearing by interested parties is received.
45. Mandates the Commission, by a majority vote of all members, to take final action on the proposed rule and determine the effective date of the rule, if any, based on the rulemaking record and the full text of the rule.
46. Permits the Commission, upon the determination that an emergency exists, to consider and adopt an emergency rule without prior notice, opportunity for comment or hearing provided that the usual rulemaking procedures provided in the Compact must be retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately in order to:
 - a. Meet an imminent threat to public health, safety or welfare;
 - b. Prevent a loss of Commission or member state funds;
 - c. Meet a deadline for the promulgation of an administrative rule that is established by federal law or rule; or
 - d. Protect public health and safety.

47. Allows for the Commission or an authorized committee of the Commission to direct revisions to a previously adopted rule or amendment for purposes of correcting typographical errors, errors in format, errors in consistency or grammatical errors. Public notice of any revisions must be posted on the website of the Commission. The revision must be subject to challenge by any person for a period of 30 days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge must be made in writing and delivered to the chair of the Commission prior to the end of the notice period. If no challenge is made, the revision will take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the Commission.

Oversight, Dispute Resolution, and Enforcement

48. Outlines oversight requirements as follows:
- a. The executive, legislative and judicial branches of state government in each member state must enforce this Compact and take all actions necessary and appropriate to effectuate the Compact's purposes and intent. The provisions of this Compact and the rules promulgated hereunder must have standing as statutory law;
 - b. All courts must take judicial notice of the Compact and the rules in any judicial or administrative proceeding in a member state pertaining to the subject matter of this Compact which may affect the powers; and
 - c. The Commission must be entitled to receive service of process in any such proceeding and must have standing to intervene in such a proceeding for all purposes. Failure to provide service of process to the Commission must render a judgment or order void as to the Commission, this Compact or promulgated rules.
49. Stipulates default, technical assistance and termination as follows:
- a. If the Commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this Compact or the promulgated rules, the Commission must:
 - i. Provide written notice to the defaulting state and other member states of the nature of the default, the proposed means of curing the default and/or any other action to be taken by the Commission; and
 - ii. Provide remedial training and specific technical assistance regarding the default.
 - b. If a state in default fails to cure the default, the defaulting state may be terminated from the Compact upon an affirmative vote of a majority of the member states, and all rights, privileges and benefits conferred by this Compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default.
 - c. Termination of membership in the Compact must be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate must be given by the Commission to the governor, the majority and minority leaders of the defaulting state's legislature and each of the member states;
 - d. A state that has been terminated is responsible for all assessments, obligations and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination;
 - e. The Commission must not bear any costs related to a state that is found to be in default or that has been terminated from the Compact, unless agreed upon in writing between the Commission and the defaulting state; and
 - f. The defaulting state may appeal the action of the Commission by petitioning the U.S. District Court for the District of Columbia or the Federal District where the Commission has its principal offices. The prevailing member must be awarded all costs of such litigation, including reasonable attorney's fees.
50. Provides dispute resolution requirements:
- a. Upon request by a member state, the Commission must attempt to resolve disputes related to the Compact that arise among member states and between member and non-member states; and
 - b. The Commission must promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate.
51. States enforcement provisions as follows:
- a. The Commission, in the reasonable exercise of its discretion, must enforce the provisions and rules of this Compact;
 - b. By majority vote, the Commission may initiate legal action in the United States District Court for the District of Columbia or the Federal District where the Commission has its principal offices against a member state in default to enforce compliance with the provisions of the Compact and its promulgated rules and bylaws. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing member must be awarded all costs of such litigation, including reasonable attorney's fees; and
 - c. The remedies herein must not be the exclusive remedies of the Commission. The Commission may pursue any other remedies available under federal or state law.

Date of Implementation of the Interstate Commission for Physical Therapy Practice and Associated Rules, Withdrawal and Amendment

52. Requires the Compact to go into effect on the date on which the Compact statute is enacted into law in the tenth member state. The provisions, which become effective at that time, must be limited to the powers granted to the Commission relating to assembly and the promulgation of rules. Thereafter, the Commission must meet and exercise rulemaking powers necessary to the implementation and administration of the Compact.
53. Mandates any state that joins the Compact subsequent to the Commission's initial adoption of the rules be subject to the rules as they exist on the date on which the Compact becomes law in that state. Any rule that has been previously adopted by the Commission must have the full force and effect of law on the day the Compact becomes law in that state.
54. Provides withdrawal requirements as follows:
 - a. A member state's withdrawal must not take effect until six months after enactment of the repealing statute; and
 - b. Withdrawal must not affect the continuing requirement of the withdrawing state's physical therapy licensing board to comply with the investigative and adverse action reporting requirements of this act prior to the effective date of withdrawal.
55. States that nothing contained in this Compact must be construed to invalidate or prevent any physical therapy licensure agreement or other cooperative arrangement between a member state and a non-member state that does not conflict with the provisions of this Compact.
56. Permits the Compact to be amended by the member states. No amendment to this Compact must become effective and binding upon any member state until it has enacted into the laws of all member states.

Construction and Severability

57. Stipulates the Compact to be liberally construed so as to effectuate the purposes thereof. The provisions of this Compact must be severable and if any phrase, clause, sentence or provision of this Compact is declared to be contrary to the constitution of any party state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person or circumstance must not be affected thereby. If this Compact must be held contrary to the constitution of any party state, the Compact must remain in full force and effect as to the remaining party states and in full force and effect as to the party state affected as to all severable matters.

Miscellaneous

58. Defines terms.

AMENDMENTS

COMMITTEE ON HEALTH

The strike-everything amendment was adopted.

CURRENT LAW

Contained within Title 32, Chapter 19 are the laws relating to the practice of physical therapy. Included therein are education and licensing requirements and applicable regulations.

ADDITIONAL INFORMATION

The Federation of State Boards of Physical Therapy has launched a project to develop Compact with the purpose to increase consumer access to physical therapy services by reducing regulatory barriers to interstate mobility and cross-state practice [Physical Therapy Licensure Compact](#).



HOUSE OF REPRESENTATIVES

HB 2445

motor vehicle insurance; nonrenewal

Prime Sponsor: Representative Livingston, LD 22

DPA Committee on Insurance

X Caucus and COW

House Engrossed

OVERVIEW

HB 2445 allows an auto insurer to non-renew a policy provided certain requirements are met.

PROVISIONS

1. Permits an auto insurer to non-renew a policy provided that a notice of non-renewal for reasons other than nonpayment of the premium is mailed to the insured at least 45 days prior to the effective date of non-renewal.
2. Authorizes an insurer to refund any unearned premium by electronic means.
3. Authorizes an auto insurer to non-renew an insurance policy if the named insured establishes a primary residence in another state.
4. Allows an auto insurer to transfer any of its policies to an affiliated insurer.
5. Asserts a person who believes non-renewal was made unlawfully may file a written objection with the director of the Department of Insurance (Director).

AMENDMENT BY INSURANCE COMMITTEE

1. Adds that an insurance producer is prohibited from inquiring on whether an applicant has been non-renewed by an insurer.

CURRENT LAW

Pursuant to A.R.S. § 20-1631, an auto insurer cannot cancel a policy that has been in effect for sixty days, or fail to renew a policy unless:

1. The insured:
 - a. Fails to pay the premium,
 - b. Has had their driver licenses suspended or revoked,
 - c. Develops a permanent disability that impairs their ability to drive,
 - d. Has been convicted of criminal negligence, a DUI, leaving the scene of an accident, reckless driving, or made false statements in the driver license's application,
2. The insurance was obtained through fraudulent misrepresentation,
3. The insurer is placed in rehabilitation or receivership,
4. The insured vehicle is used for commercial purpose, or is used for transportation network services without proper coverage,
5. The Director determines that continuing the policy is in violation of law or jeopardizes the solvency of the insurer, or
6. The insured's eligibility for insurance due to employment is terminated.



HOUSE OF REPRESENTATIVES

HB 2261

electronic benefit transfers; prohibitions; violations
Prime Sponsor: Representative Brophy McGee, LD 28

DP Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

HB 2261 establishes a Class 1 misdemeanor for the unlawful use of cash assistance EBT cards at specific locations.

PROVISIONS

1. Makes it a Class 1 misdemeanor (up to six months in jail, \$2,500 fines plus surcharges) for any of the following businesses to operate on their licensed premises an automatic teller machine (ATM) or a point-of-sale terminal (POS terminal) that accepts cash assistance EBT cards and processes cash assistance *EBT card transactions*:
 - a. A liquor store;
 - b. A commercial horse racing or dog racing facility;
 - c. An *adult oriented entertainment establishment (AOB)*.
2. Prohibits the use of cash assistance *EBT card transactions* at a medical marijuana dispensary. Makes a violation a Class 1 misdemeanor.
3. Removes municipal licensing and permitting requirements for AOBs.
4. Clarifies that having an ATM or POS terminal that accepts cash assistance EBT cards at an AOB is a license violation, instead of both a license and permit violation.
5. Makes technical and conforming changes.

CURRENT LAW

[Laws 2013, Chapter 207](#) added [A.R.S § 46-297](#), which prohibits the use of cash assistance EBT cards at the following locations:

- A liquor store;
- A commercial horse racing or dog racing facility;
- A casino, gambling casino or gaming establishment, or a gaming facility; or
- An AOB.

[A.R.S § 46-297](#) also outlines specific requirements for municipalities that license or regulate AOBs. An AOB that violates the prohibition on the placement of an ATM or POS terminal that accepts EBT card transactions subject to licensing or permit action. A.R.S § 46-297 defines both *AOBs* and *EBT card transactions*.

A.R.S. Title 46, Article 5 governs the Temporary Assistance for Needy Families Program. Cash assistance is administered by the Department of Economic Security. To be eligible for cash assistance, a person must meet specific criteria outline in [A.R.S § 46-292](#).



HOUSE OF REPRESENTATIVES

HB 2382

property; declaration amendment; procedure
Prime Sponsor: Representative Farnsworth E, LD 12

DPA Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

HB 2382 creates a process for amending a community declaration.

PROVISIONS

1. Allows a community declaration to be amended by the association or a property owner by an affirmative vote or written consent of the number of eligible voters required under the declaration. This option is only applicable after the period of declarant control.
2. Allows an amendment to apply to fewer than all of the lots or less than all of the property, if:
 - a. The amendment receives the affirmative vote or written consent of the number of voters required by the declaration, and
 - b. The amendment receives the affirmative vote or written consent of all of the owners that the amendment applies to.
3. Requires the association or an owner to prepare, execute and record a written instrument outlining the amendment within 30 days of adoption.
4. Makes an amendment to the declaration effective immediately when the instrument is recorded in the county where the property is located, regardless of any other provision in the declaration requiring periodic renewal.
5. Applies this process to planned communities and *private covenants*.

JUDICIARY COMMITTEE AMENDMENTS

1. Exempts condominiums, planned communities and timeshares from the section relating to *private covenants*.
2. Clarifies that an amendment may occur during the period of declarant control if written consent of the declarant is provided.
3. Provides that the asset of any individuals or entities specified in the declaration are required to amend the declaration.
4. Makes technical and clarifying changes.

CURRENT LAW

A.R.S. Title 33, Chapter 4 outlines requirements for conveyances and deeds. Under A.R.S. § 33-440, a property owner may enter into a private covenant that is valid and enforceable as long as specific conditions are met. The statute defines a *private covenant* as any uniform or non-uniform covenant, restriction or condition regarding real property that is contained in any deed, contract, agreement or other recorded instrument affecting real property.

A.R.S. Title 33, Chapter 16 governs planned communities. [A.R.S. § 33-1802](#) defines relevant terms, including an *association*, *planned community* and a *declaration*. *Declaration* is defined as any instruments, however denominated, that establish a planned community and any amendment to those instruments. A.R.S. 33-440 uses the same definition of a *declaration* as is provided in A.R.S. § 33-1802.



HOUSE OF REPRESENTATIVES

HB 2386

patent troll prevention act

Prime Sponsor: Representative Farnsworth E, LD 12

DPA Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

HB 2386 prohibits patent infringement claims that are made in bad faith.

PROVISIONS

1. Prohibits a person from asserting patent infringement in bad faith. Outlines the following factors that the court may consider (non-exclusive) as evidence of a bad faith claim:
 - a. The demand does not contain the following:
 - i. The patent number;
 - ii. The name and address of the patent owner or assignee, if any;
 - iii. Facts relating to the specific areas where the product, service or technology infringes on the patent or is covered by the patent's claims.
 - b. The target of the claim has requested information outlined above and it hasn't been provided within a reasonable time.
 - c. No analysis was made in advance of the demand to compare the claims in the patent to the target of the claim's product, service or technology. If an analysis was made, it does not identify specific areas where the product, service or technology is covered by claims in the patent.
 - d. The demand requests a response or payment of licensing fee within an unreasonably short period of time.
 - e. The person making the assertion of infringement knew or should have known that the assertion is without merit.
 - f. The assertion of infringement contains false, misleading or deceptive information.
 - g. The person or a subsidiary/affiliate has previously filed or threatened to file a lawsuit(s) based on the same or substantially equivalent assertion and the court previously found the person's assertion without merit.
 - h. Any other factor deemed relevant by the court.
2. Outlines the following factors that the court may consider as evidence that a person has made an assertion of infringement in good faith:
 - a. If the demand didn't contain the information outlined above, it is provided within a reasonable period of time after being requested.
 - b. The person has:
 - i. Engaged in an analysis to establish a reasonable, good faith basis for believing the target infringed on the patent;
 - ii. Attempted to negotiate an appropriate remedy in a reasonable manner;
 - iii. The person has made a substantial investment in the use of the patent or in the production or sale of a product covered under the patent;
 - iv. The person either:
 - Demonstrated reasonable business practices to enforce the patent, or
 - Successfully enforced the patent or one substantially similar, through litigation
 - v. The person is either:
 - The inventor or original assignee, or
 - An institution of higher education or an affiliated technology transfer organization.
 - vi. Any other factor deemed relevant by the court.
 3. Provides that it is not an unfair or deceptive trade practice for a person who has the right to license or enforce a patent to do any of the following, as long as it is not done in bad faith:
 - a. Advise others of that ownership or right of license or enforcement;

- b. Communicate to others that the patent is available for license or sale;
 - c. Notify that the patent has been infringed pursuant to federal law ([35 USC § 287](#)).
 - d. Seek compensation for infringement or license to the patent, if it is reasonable to believe that the person may owe compensation or may need or want a license to the patent.
4. States that any act or practice that does not comply with these requirements is unlawful under [A.R.S. § 44-1522 \(consumer fraud\)](#). Allows the Attorney General (AG) to investigate and enforce violations using consumer fraud statutes.
 5. Exempts demands or assertions of infringement that meet specific federal criteria (biological products and drugs).
 6. Allows the act to be cited as the “Patent Troll Prevention Act.”
 7. Contains a severability clause.

JUDICIARY COMMITTEE AMENDMENT

1. Adds as evidence of a bad faith assertion of patent infringement if a demand does not contain an explanation of why the person making the assertion has standing, if the person is not identified as the patent owner by the US Patent and Trademark Office.
2. Makes clarifying changes.

CURRENT LAW

A.R.S. Title 44, Chapter 10, Article 7 provides for enforcement against acts of consumer fraud. [A.R.S. § 44-1522](#) outlines practices that are considered unlawful as related to fraud. [A.R.S. 44-1524](#) allows the AG to investigate unlawful acts. [A.R.S. 44-1528](#) allows the AG to seek an injunction in court to prevent current or future unlawful acts while [A.R.S. § 44-1531](#) provides civil penalties of up to \$10,000 per violation.

ADDITIONAL INFORMATION

According to the National Conference of State Legislatures, as of November 2015, 26 states had enacted legislation to deter bad-faith assertions of patent infringement (commonly referred to as “patent trolling”). Information on the bills enacted in those states is available [here](#).



HOUSE OF REPRESENTATIVES

HB 2446

prohibited weapon; definition; exclusions

Prime Sponsor: Representative Livingston, LD 22

DPA

S/E

Committee on Judiciary

X

Caucus and COW

House Engrossed

STRIKE EVERYTHING SUMMARY

The strike-everything amendment makes clarifying changes to an exception in the *prohibited weapons* statute.

PROVISIONS

1. Excludes specific firearms or devices that are possessed, manufactured or transferred in compliance with federal law from the definition of a *prohibited weapon*.
2. Makes technical and conforming changes.

JUDICIARY COMMITTEE AMENDMENT

The strike-everything amendment was adopted.

CURRENT LAW

[A.R.S. § 13-3101](#), Subsection A, paragraph 8 includes the following in the definition of a *prohibited weapon*:

- An item that is a bomb, grenade, rocket having a propellant charge of more than four ounces of mine and that is explosive, incendiary or poison gas;
- A device designed, made, or adapted to muffle the report of a firearm;
- A firearm that is capable of shooting more than one shot automatically, without manual reloading, by a single function on the trigger;
- A rifle with a barrel length of less than 16 inches, or shotgun with a barrel length of less than 18 inches, or any firearm that is made from a rifle or shotgun and that, as modified, has an overall length of less than 26 inches.

Under A.R.S. § 13-3101(B), these items are excluded from the definition of a *prohibited weapon* if registered in the National Firearms Registry and Transfer Records of the Treasury Department, or if the firearm has been classified as a curio or relic by the Treasury Department.

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) was transferred from the Treasury Department to the Department of Justice through the [Homeland Security Act of 2002](#). The National Firearms Registration and Transfer Record is maintained by the ATF.



HOUSE OF REPRESENTATIVES

HB 2537

supreme court justices; number

Prime Sponsor: Representative Mesnard, LD 17

DP Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

HB 2537 adds two Justices to the Arizona Supreme Court.

PROVISIONS

1. Increases the number of Supreme Court Justices from five to seven.
2. Makes technical changes.

CURRENT LAW

[Article 6 § 2 of the Arizona Constitution](#) states that the Supreme Court shall consist of no less than five Justices. The number of Justices on the Supreme Court was last increased in 1960. Prior to that, Article 6 § 2 allowed the Supreme Court to have three Justices and permitted the number to be increased or decreased from time to time by law.

[A.R.S. § 12-101](#) states that the Supreme Court shall consist of five judges. The term of office of each judge is six years.



HOUSE OF REPRESENTATIVES

HB 2539

sex offender registration; petition; termination

Prime Sponsor: Representative Bowers, LD 25

DPA Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

HB 2539 allows a sex offender who was convicted of sexual conduct with a minor to be relieved of the duty to register if specific conditions are met.

PROVISIONS

1. Allows a sex offender who was convicted of sexual conduct with a minor ([A.R.S. § 13-1405](#)) to petition the court to terminate his or her duty to register. Applies if the offender has completed a term of probation.
2. Requires the defendant to include in the petition a statement that none of the following apply to the offender:
 - a. Defendant was 22 years old or older at the time of the offense;
 - b. The victim was under 15 years of age at the time of the offense;
 - c. The conduct was not consensual;
 - d. The defendant was found at any time to have violated any sex offender terms of probation;
 - e. The defendant committed another felony offense or any sexual offense or any offense involving the sexual exploitation of children;
 - f. There is probable cause to believe that the defendant is a sexually violent person or a sexually violent person proceeding is currently pending;
 - g. There was more than one victim; and
 - h. The defendant was sentenced to prison for the offense.
3. Requires the court to set a hearing once the petition is received.
 - a. Court must provide sufficient notice to the state for notifying the victim.
 - b. The state has the burden of establishing by preponderance of the evidence that any of the factors outlined above exist.
 - c. Any party may introduce reliable and relevant evidence (including hearsay).
 - d. All parties must be given the opportunity to be heard (including the victim).
4. Requires the court to deny the petition if the court finds that any of the factors outlined above apply.
5. Allows the court to deny the petition if denial is:
 - a. In the best interests of justice, or
 - b. Tends to ensure the safety of the public.

JUDICIARY COMMITTEE AMENDMENT:

1. Makes clarifying changes.

CURRENT LAW

A.R.S. Title 13, Ch. 38, Article 3 governs the registration and monitoring of sex offenders. [A.R.S. § 13-3821](#) outlines which offenses require a person to register as a sex offender and includes the crime of sexual conduct with a minor ([A.R.S. § 13-1405](#)). Sex offender registration is a lifetime duty in Arizona, except in the following situations:

- If the offender was adjudicated delinquent for the offense requiring registration, the duty to register ends when the offender reaches age 25 (A.R.S. § 13-3821(D)).

- If the offender is on probation, under 22 years of age and was convicted of an offense that occurred before the offender turned 18, the offender can ask the court to consider ending the offender's duty to register. ([A.R.S. § 13-923](#))

Sexual conduct with a minor pursuant to ([A.R.S. § 13-1405](#)) is a Class 6 felony if the victim is 15, 16 or 17 years of age and the offender was not in a *position of trust* (defined in [A.R.S. § 13-1401](#)). It is a defense to prosecution if the victim is 15, 16 or 17 years of age, the conduct was consensual and the defendant is:

- Under 19 years of age or attending high school, and
- No more than 2 years older than the victim.

ADDITIONAL INFORMATION

According to the Arizona Department of Public Safety, there are approximately 15,438 registered sex offenders in Arizona.



HOUSE OF REPRESENTATIVES

HCM 2002

state bar; rules; first amendment

Prime Sponsor: Representative Kern, LD 20

DPA Committee on Judiciary

X Caucus and COW

House Engrossed

OVERVIEW

HCM 2002 requests that the Arizona Supreme Court modify its rules related to the State Bar of Arizona (SBA).

PROVISIONS

1. Asks the Supreme Court to ensure compliance with the *Keller v State Bar of California* decision by modifying its rules to protect the First Amendment freedoms of Arizona attorneys.
2. Directs the Secretary of State to transmit copies of the HCM to each Arizona Supreme Court Justice.

JUDICIARY COMMITTEE AMENDMENT

1. Requests that the Supreme Court establish improved transparency measures with respect to the practices and policies of the SBA in spending member dues.
2. Makes clarifying and conforming changes.

CURRENT LAW

The SBA was officially created by the Legislature in 1933 through the State Bar Act, which made membership in the SBA mandatory for lawyers practicing in Arizona. In 1973, the Supreme Court adopted rules concerning the governance of the SBA. From 1973 until the State Bar Act was allowed to sunset in 1984, the regulation of attorneys was accomplished through both court rules and statutes. Since the sunset, the Supreme Court has held through Rule the authority to regulate attorneys and exercise oversight over the SBA. [Rule 32](#) of the Arizona Supreme Court specifically outlines the organization of the SBA.

ADDITIONAL INFORMATION

In *Keller v State Bar of California*, 496 U.S. 1 (1990), the United States Supreme Court found that California's integrated bar interfered with the First Amendment freedoms of bar members by using dues for political and ideological activities. The Court held that dues could only be used for the regulation of attorneys or the improvement of legal systems.

The House Ad-Hoc Committee on Mandatory Bar Associations was created during the 2015 interim. The Committee held four meetings and adopted the following relevant recommendations at its final meeting on December 7, 2015:

- The Committee found that the process to determine how SBA member dues are spent in reference to political activity should be more transparent.
- The Committee recommended that the SBA adopt an opt-in policy for attorneys who wish to have any portion of their dues used beyond attorney regulation and discipline.
- The Committee recommended that legislation be drafted to call on the Arizona Supreme Court to:
 - Modify its rules related to the SBA to further respect and protect the first amendment freedoms of Arizona attorneys;
 - Establish improved transparency measures with relation to SBA practices and policies.



HOUSE OF REPRESENTATIVES

HB 2287

presiding constable; selection; duties

Prime Sponsor: Representative Bowers, LD 25

DPA Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

HB 2287 requires the constables of a county with four or more constables to elect a presiding constable and associate presiding constable for the county.

PROVISIONS

1. Requires the constables of a county with four or more constables to elect one constable to serve as the presiding constable and another to act as the associate presiding constable.
2. Prescribes that the duties of the presiding constable are:
 - a. To serve as the liaison between the constables within the county and the county manager or other departments;
 - b. To assign deputy constables within the county;
 - c. To assign and manage clerical staff for the county constables; and
 - d. To assign, in a constable's absence, any court orders in need of service to another constable within the county.
3. Stipulates that the associate presiding constable must perform the duties and exercise the powers of the presiding constable during the absence or inability to act of the presiding constable.
4. Allows a majority of the constables within a county to vote to remove the presiding constable or associate presiding constable and select a new constable to complete the term.
5. Sets the terms of the presiding constable and associate presiding constable at two-year terms.
6. Requires the constables within a county to elect a presiding constable and associate presiding constable by February 1, 2017 and every two years thereafter, or within 30 days of any vacancy.
7. Stipulates that the presiding judge of the superior court of the county must appoint a presiding constable or associate presiding constable if the constables within the county do not elect the positions by the required dates.

MILITARY AFFAIRS AND PUBLIC SAFETY COMMITTEE AMENDMENT

1. Requires the county manager to appoint interim board members if the vacancy is not filled in the time allotted.

CURRENT LAW

Constables are elected to four year terms by the qualified electors within a justice precinct to serve and return all processes, warrants, and notices directed or delivered to them by a justice of the peace or competent authority ([A.R.S. § 22-101](#) and [A.R.S. § 22-131](#)).



HOUSE OF REPRESENTATIVES

HB 2365

study committee; Arizona's 911 system

Prime Sponsor: Representative Thorpe, LD 6

DPA Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

HB 2365 establishes the study committee on Arizona's 911 system (committee).

PROVISIONS

1. Establishes the nine-member committee, consisting of the Governor or the Governor's designee, a member of the Senate, a member of the House of Representatives and members appointed by the Governor, Speaker of the House and President of the Senate, representing:
 - a. A city with a population over 1,000,000;
 - b. A town with a population under 100,000;
 - c. The law enforcement community;
 - d. The firefighter community; and
 - e. The telecommunications industry.
2. Requires the committee to examine and hold hearings related to:
 - a. The efficacy by which the telecommunication service excise tax is collected and remitted;
 - b. The impact that reductions in the telecommunication service excise tax and fund sweeps from the emergency telecommunication revolving fund have had on 911 services and the deployment of Arizona 911 wireless phase II and next generation transition;
 - c. The telecommunications service excise tax, the amount of funding collected and the expenditures made on 911 systems in other states;
 - d. The status of the deployment of Arizona 911 wireless phase II and the transition to next generation 911;
 - e. The necessity, requirements and costs to maintain the current 911 system; and
 - f. The funding mechanism required to provide and handle 911 calls.
3. Requires the committee to make recommendations by November 1, 2017, regarding funding mechanisms and upgrades to the 911 system.
4. Terminates the committee from and after December, 31, 2017.

MILITARY AFFAIRS AND PUBLIC SAFETY COMMITTEE AMENDMENT

Adds the Director of the Department of Public Safety (Director) or the Director's designee to the committee members and requires the committee appointing authorities to strive to achieve a bipartisan balance in the membership of the study committee.

CURRENT LAW

The Telecommunication Service Excise Tax (Title 42, Chapter 5, Article 5, Arizona Revised Statutes) is collected from public service corporations that offer telephone or telecommunications services, suppliers of wireless services and suppliers of any combination of wire and wireless services.



HOUSE OF REPRESENTATIVES

HB 2514

restricted vehicle use; DUI; repeal

Prime Sponsor: Representative Borrelli, LD 5

DPA S/E Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

STRIKE-EVERYTHING SUMMARY

The strike-everything amendment to HB 2514 exempts real estate, cemetery, and membership camping brokers and salespersons from the prohibition of a person convicted of, or awaiting trial for a DUI within five years of applying for a fingerprint clearance card from driving any vehicle to transport employees or clients as a part of their employment.

PROVISIONS

1. Exempts the following professions from the requirement that a person convicted of, or awaiting trial for a DUI within five years of applying for a fingerprint clearance card must not drive any vehicle to transport employees or clients as part of their employment:
 - a. Real estate brokers and salespersons;
 - b. Cemetery brokers and salespersons; and
 - c. Membership camping brokers and salespersons.
2. Clarifies that this exemption does not apply to employees of the State Real Estate Department and other specific state agencies.
3. Makes technical changes.

MILITARY AFFAIRS AND PUBLIC SAFETY COMMITTEE AMENDMENT

The strike-everything amendment was adopted.

CURRENT LAW

A.R.S. § 41-1758.03 prohibits any person who is awaiting trial for, or who has been convicted of a DUI within five years of applying for a fingerprint clearance card from driving any vehicle to transport employees or clients as part of their employment. Any person who is arrested for a DUI offense must have a driving restriction notification placed on their fingerprint clearance card (A.R.S. § 41-1758.04).



HOUSE OF REPRESENTATIVES

HCM 2006

toxic exposure; urging Congress

Prime Sponsor: Representative Andrade, LD 29

DPA Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

HCM 2006 urges Congress to adopt legislation similar to the Toxic Exposure Act of 2015.

PROVISIONS

1. Urges Congress to adopt legislation that would establish, within the U.S. Department of Veterans Affairs, a national center for research on the diagnosis and treatment of health conditions of the descendants of veterans exposed to toxic substances during service in the U.S. armed forces.
2. Directs the Arizona Secretary of State to transmit copies of this Memorial to the President of the U.S. Senate, the Speaker of the U.S. House of Representatives and each Member of Congress from the state of Arizona.

MILITARY AFFAIRS AND PUBLIC SAFETY AMENDMENT

Makes a technical change

CURRENT LAW

Not currently addressed in statute.

ADDITIONAL INFORMATION

[Toxic Exposure Act of 2015.](#)



HOUSE OF REPRESENTATIVES

HB 2009

veteran-owned businesses; procurement preference

Prime Sponsor: Representative Cardenas, LD 19

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

HB 2009 requires the Arizona Department of Administration (ADOA) to establish a veteran-owned business participation goal of awarding contracts to veteran-owned businesses.

PROVISIONS

1. Requires the Director of ADOA to establish a veteran-owned participation goal of awarding state contracts to veteran-owned businesses.
 - a. Specifies that the participation goal, by January 1, 2017, must be at least 1 1/2% and it is to increase to 3% or more every year thereafter.
2. Requires the Director of the Department of Veterans' Services (DVS) to establish a registry in order to verify eligibility and status of businesses on the registry.
3. Outlines the methods in which the Director of DVS is required to determine eligibility of businesses.
4. Requires the Director of ADOA to establish procedures for meeting the participation goal by using the DVS registry.
5. Permits the Director of ADOA, by rule, to allow a procurement officer to reserve certain procurements for veteran-owned businesses.
6. Requires a veteran-owned business to use at least 50% of the proceeds of a contract to pay the salaries of their employees.
 - a. Specifies that this provision does not apply to construction contracts.
7. Defines *veteran* and *veteran-owned business*.
8. Contains an effective date of January 1, 2017.

CURRENT LAW

Not currently addressed in statute.



HOUSE OF REPRESENTATIVES

HB 2324

G&F; military spouses; resident licenses

Prime Sponsor: Representative Pratt, et al., LD 8

DP Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

HB 2324 allows the spouse of an armed forces member who is stationed in this state to purchase a resident license.

PROVISIONS

1. Allows the spouse of an armed forces member who is stationed in this state on active duty or for either permanent or temporary duty to purchase a resident license permitting the taking of wildlife.

CURRENT LAW

A license is required by the Arizona Game and Fish Commission to take, handle or possess wildlife ([A.R.S. § 17-101](#) and [A.R.S. § 17-331](#)). [A.R.S. § 17-337](#) allows a member of the armed forces on active duty or stationed in the state to purchase a resident license permitting the taking of wildlife.



HOUSE OF REPRESENTATIVES

HB 2372

liquor licenses; stores; proximity; exception
Prime Sponsor: Representative Shope, LD 8

DP Committee on Rural and Economic Development

X Caucus and COW

House Engrossed

OVERVIEW

HB 2372 allows a grocery store within 300 feet of a church or a school to receive a liquor license, should they meet specified requirements.

PROVISIONS

1. Permits a grocery store within 300 feet of a church, a school or any fenced recreational area adjacent to that school, to receive a liquor license if the store meets all of the following requirements:
 - a. Has at least 4,500 square feet of retail space.
 - b. Derives less than 50% of its gross revenue, excluding sale of gasoline and diesel fuel, from the sale of spirituous liquor.
 - c. Offers fresh produce for sale.
2. Makes technical changes.

CURRENT LAW

A.R.S. § 4-207 prohibits a retail liquor license from being issued to a business located within 300 feet of a church, a school or any fenced recreational area adjacent to that school. Currently, the following businesses are specified exemptions: restaurant licenses; special event licenses; hotel-motel licenses; government licenses; the playing area of a golf course; and beer and wine licenses at a not-for-profit performing arts theatre with a permanent seating capacity of at least 250 persons.



HOUSE OF REPRESENTATIVES

HB 2022

special plates; regionally accredited institutions

Prime Sponsor: Representative Stevens, LD 14

DP Committee on Transportation and Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

HB 2022 establishes the Regionally Accredited Institution of Higher Education Special License Plate and Fund.

PROVISIONS

1. Establishes the Regionally Accredited Institution of Higher Education special license plate for institutions with at least one university campus in this state that pays \$32,000 to the Arizona Department of Transportation (ADOT) for implementation.
 - a. Requires the institution that provides the \$32,000 to design the special plate which is subject to approval by ADOT.
 - b. Allows a request for the Regionally Accredited Institution of Higher Education Special License Plate to be combined with a request for personalized plates.
2. Designates a \$25 fee for the original plate and renewals (\$17 for the donation and \$8 for the administration fee).
3. Mandates ADOT to deposit all special plate administration fees in the State Highway Fund and all donations collected in the Regionally Accredited Institution of Higher Education Special Plate Fund (Fund).
4. Establishes the Fund and requires the Director to administer the Fund.
5. Requires the first \$32,000 in the Fund to be reimbursed to the entity that paid the implementation fee.
6. Specifies that no more than 10% of monies deposited in the Fund can be used for administering the Fund.
7. Requires the Director to allocate money from the Fund to a foundation of a Regionally Accredited Institution of Higher Education within this state if both of the following apply:
 - a. The institution has more than 2,000 students residing on campus.
 - b. The institution has a nondiscrimination policy for admissions.
8. Mandates the State Treasurer to invest and divest monies from the Fund on notice from the Director of ADOT.
9. Makes conforming changes.



HOUSE OF REPRESENTATIVES

HB 2048

voter registration records; ADOT records

Prime Sponsor: Representative Stevens, LD 14

DP Committee on Transportation and Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

HB 2048 requires the Arizona Department of Transportation (ADOT) to provide the Arizona Secretary of State (SoS) with a monthly update of any name or address change in order to compare the information with the voter registration database.

PROVISIONS

1. Requires ADOT to monthly provide the SoS with an update of all address and name changes that the department has received within the previous month.
2. Allows the SoS to compare the voter registration database with ADOT records to find any discrepancies in the information.
3. Authorizes the SoS to annually require ADOT to provide any department records so that they may be compared with the voter registration records.

CURRENT LAW

A person with a current Arizona driver license must notify ADOT within 10 days of any name or address change (A.R.S. § 28-448). ADOT is permitted to update an address in the vehicle registration record if a traffic citation or records by another government agency indicate that a person's address has changed.



HOUSE OF REPRESENTATIVES

HB 2179

critical health information; emergency responders
Prime Sponsor: Representative Gabaldón, LD 2

DP Committee on Transportation and Infrastructure

DPA Committee on Health

X Caucus and COW

House Engrossed

OVERVIEW

HB 2179 allows a city, town or county to establish a program which provides emergency responders with critical health information about individuals who participate in the program by ordinance.

PROVISIONS

1. Permits a city, town or county to establish, by ordinance, a program which provides emergency responders with critical health information about individuals who participate in the program in order for emergency responders to aid participants who are involved in motor vehicle accidents or emergencies.
2. Outlines standards of such a program for a city, town or county as follows:
 - a. Requires an interested party (including local law enforcement agencies, fire departments and emergency medical services personnel) to consult with each other and design program materials, giving consideration to similar programs in other states for the purpose of uniformity. The program materials must include all of the following:
 - i. A yellow decal of uniform size and design that is to be placed on the rear driver's side window.
 - ii. A health information card that provides a recent photograph of the participant and indicate their name, emergency contact information, physician's names and contact information, medical conditions, recent surgeries, allergies, medications and any other information the city, town or county deems relevant.
 - iii. A yellow envelope for the health information card to be inserted into and placed in the participant's glove compartment.
 - b. Mandates the city, town or county to provide program materials to the public and to state and local law enforcement agencies.
 - c. Allows the city, town or county to charge a participant a fee which will be determined by the local entity.
3. Provides that a yellow decal on a motor vehicle involved in a vehicle accident or emergency:
 - a. Serves as a notification to an emergency responder that the driver or any of the passengers may be a program participant.
 - b. Authorizes the responding emergency provider to search the glove compartment for the yellow program envelope.
4. Allows the emergency provider to use the information contained in the yellow envelope for the following purposes:
 - a. To identify the program participant.
 - b. To determine whether the program participant has a medical condition that could impede communications with the emergency responder.
 - c. To communicate with the program participant's emergency contacts about the condition and location of the participant.
 - d. To consider the program participant's current medications or preexisting conditions when treatment is administered.
5. States that an emergency responder is not liable for civil damages resulting from acts or omissions that do not amount to wilful misconduct or gross negligence in response to incomplete, incorrect or outdated information provided on a health information card if the responder acted in good faith in the execution of care.
6. States that an emergency responder is not liable for damage to a program participant's vehicle when obtaining information if the participant is unresponsive.
7. Defines *emergency responder* and *program participant*.

CURRENT LAW

Currently not addressed in statute.

AMENDMENTS

1. Clarifies that the decal has a diameter of three and one-half inches and reads “saving lives” in the center. The decal also has an optional one-half inch border that lists the issuing city, town or county.



HOUSE OF REPRESENTATIVES

HB 2348

motor vehicle dealers; compensation

Prime Sponsor: Representative Gray, LD 21

DP Committee on Transportation and Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

HB 2348 establishes requirements and criteria for compensation paid to a new motor vehicle dealer (dealer) by a manufacturer or distributor of new vehicles for diagnostic work, repair service, labor and warranty service, including recalls. Stipulates audit and hearing process requirements for contested or fraudulent paid claims for service.

PROVISIONS

1. Requires a dealer to provide the buyer of a new motor vehicle with a signed copy of the manufacturer's or distributor's delivery and preparation requirements and indicate that all requirements have been performed.
2. Stipulates that a manufacturer or distributor must compensate a dealer who performs work to fix a product defect or warranty obligations, including recall obligations.
3. Requires compensation paid to a dealer by the manufacturer or distributor for diagnostic work or parts used in warranty or recall related service to be fair and reasonable.
4. Prescribes that time allowances given to a dealer by the manufacturer or distributor for performance of work must be reasonable and adequate.
5. Establishes required criteria for a dealer to establish the retail rate it charges for labor (average labor rate) and retail rate it charges for warranty parts (average percentage markup), and:
 - a. States that the average labor rate or average percentage markup (retail rate for parts and labor) is presumed to be fair and reasonable.
 - b. Allows the manufacturer or distributor to rebut the fairness of the average labor rate or average percentage markup by stating that the price is unfair and unreasonable compared to the practices of all other franchised dealers in the vicinity.
 - c. Requires the manufacturer or distributor to propose an adjustment of the average labor rate or average percentage markup within 30 days of submission and states that if the dealer refuses this adjustment, the dealer may file a protest with the Director of The Arizona Department of Transportation (Director) within 30 days of receipt.
 - d. Stipulates that the manufacturer or dealer has the burden of proving their rebut in protest hearings and that prehearing discovery must be conducted pursuant to Arizona rules of civil procedure.
 - e. States that the average labor rate or average percentage markup shall go into effect 30 days following its declaration, as long as it has not been rebutted.
 - f. Excludes the following work from being included in calculating the retail rate for parts and labor:
 - i. Repairs for manufacturer or distributor special events, specials, or promotional discounts for retail customer repairs.
 - ii. Parts sold at wholesale.
 - iii. Engine and transmission assemblies.
 - iv. Routine maintenance not covered under any retail customer warranty, such as fluids, filters and belts.
 - v. Nuts, bolts, fasteners and similar items without individual part numbers.
 - vi. Tires.
 - vii. Vehicle reconditioning.
6. Stipulates that in the case of a hearing regarding a protest of the retail rate for parts and labor:
 - a. The Director must:
 - i. Inform the manufacturer or distributor that a protest has been filed and a hearing will be held.
 - ii. Enter an order fixing the time and place of a hearing which must take place within 75 days of the order.
 - iii. Send a copy of the order by certified mail to the dealer and manufacturer.

- iv. Appoint a member to the Arizona State Bar who must be designated as an administrative law judge to conduct the hearing and compensated under contract.
 - b. The administrative law judge may:
 - i. Issue subpoenas.
 - ii. Administer oaths.
 - iii. Compel the attendance of witnesses and production evidence.
 - iv. Apply to the Superior Court in the county in which the hearing is held for a court order.
 - c. A transcript of all testimony must be taken and preserved.
 - d. The administrative law judge must make written findings of fact and conclusions of law and enter a final finding within 45 days after the hearing;
 - e. A party to the hearing may appeal a decision to the Arizona Supreme Court, who has jurisdiction over judicial review of administrative decisions, with the appeal taking preference over all other civil matters.
 - f. As a condition of appeal, the appealing party must file a certain bonds or their equivalents with the Director and requires the bonds to be sufficient in amount to cover any damages incurred by the prevailing party, but not greater than \$50,000 or 10% of the appealing parties' net worth, whichever is less.
7. Prohibits a dealer from declaring the average labor rate or average percentage markup more than twice in one calendar year.
 8. Allows the manufacturer or distributor to reasonably and periodically audit a dealer to determine the validity of paid claims for any charge-backs for warranty parts or service compensation at any time, rather than within six months of the paid claim, if there is cause to believe that the claim is intentionally false or fraudulent.
 9. Allows the manufacturer or distributor to reasonably and periodically audit a dealer to determine the validity of paid claims for any charge-backs for consumer or dealer incentives at any time, rather than within one year of the paid claim, if there is cause to believe that the claim is intentionally false or fraudulent.
 10. Permits the manufacturer or distributor, after an audit to determine the validity of a paid claim, to charge back the dealer the amount of any previously paid claim, so long as the dealer has had notice and an opportunity to participate in all franchisor internal appellate processes and legal processes.
 11. Provides that all claims by dealers under this section for labor, parts and compensation relative to any sales incentive program must be paid within 30 days of approval by the manufacturer or distributor.
 12. Requires all claims to be approved or disapproved within 30 days after receipt on forms and in the manner specified by the manufacturer or distributor and stipulates that any receipt not disapproved in writing or by electronic transmission within 30 days is considered approved.
 13. Prohibits a manufacturer or distributor from requiring a dealer to establish the retail rate for parts and labor or require information, including part-by-part or transaction-by-transaction calculations, by an unduly burdensome or time consuming method.
 14. If a manufacturer or distributor provides a part or component to a dealer at no cost to perform recall repairs, campaign service action or warranty repair, the manufacturer or distributor must compensate the dealer with the average markup on the cost for the part or component as listed in the manufacturer's or distributor's price schedule
 15. Prohibits a manufacturer or distributor from denying a claim by a dealer for reimbursement based solely on a dealer's incidental failure to comply with a specific claim requirement, such as a clerical error or missing signatures, that does not put the legitimacy of the claim into question.
 16. Prescribes that if a claim is rejected for a clerical error or missing signature, that the dealer may resubmit a corrected claim in a timely manner at any time, regardless of an audit or rejection of the claim.
 17. Allows a distributor or importer, rather than just a manufacturer, to prove in an instance that a dealer sells or leases a vehicle to a customer who exports the vehicle to a foreign country that the dealer knew or reasonably should have known that the vehicle would be exported, in order to allow the manufacturer to:
 - a. Refuse to sell, allocate, or deliver new motor vehicles to the dealer;
 - b. Charge back or withhold payments to the dealer under the incentive program or contest;
 - c. Prevent a dealer from participating in any sales program or promotion;
 - d. Take adverse action against the dealer, including reducing vehicle allocations or terminating a dealer.
 18. Stipulates that a manufacturer or distributor may not recover any portion of its costs for compensating a dealer for warranty parts or service, including recalls, by either reduction in the amount due or separate charge, surcharge, administration fee or other imposition.

19. Defines *reasonable cause*.

20. Makes technical, clarifying and conforming changes.

CURRENT LAW

[A.R.S. § 28-4451](#) stipulates that any mechanical, body or parts defects in an automobile arising from any express or implied warranties of the manufacturer constitute the manufacturer's product or warranty liability. As such, the manufacturer must reasonably compensate an authorized dealer who performs work to rectify the manufacturer's product or warranty defects.



HOUSE OF REPRESENTATIVES

HB 2434

abandoned vehicles; towing reimbursement

Prime Sponsor: Representative Stevens, LD 14

DPA Committee on Transportation and Infrastructure

X Caucus and COW

House Engrossed

OVERVIEW

HB 2434 entitles a towing company which towed any abandoned vehicle to receive all towing fees, rather than \$100, from the fee collected by the Arizona Department of Transportation (ADOT).

PROVISIONS

1. Allows a towing company that has towed any abandoned vehicle to collect all towing fees, rather than \$100, collected from ADOT.

AMENDMENT OF THE TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

Entitles a towing company 20% of the fees collected by ADOT, rather than all.

CURRENT LAW

A.R.S. § 28-4805 states that if a vehicle is abandoned on national forest, state park, bureau of land management or state trust land and a towing fee was collected by ADOT, then the towing company which towed the vehicle off the land is entitled to receive \$100 of the fee collected by ADOT.



HOUSE OF REPRESENTATIVES

HB 2026

municipal tax exemption; residential lease

Prime Sponsor: Representative Mitchell, LD 13

DPA/SE Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2026 prohibits a city or town from levying any tax on the business of leasing or renting real property.

Summary of the Strike-Everything Amendment to HB 2026

The proposed strike-everything amendment to HB 2026 exempts an individual who owns three or fewer single family homes for use as rental property from municipal and special taxing district rental tax.

PROVISIONS

1. Specifies that an individual who owns three or fewer single family homes for use as residential rental property is exempt from municipal or special taxing district rental tax.
2. Stipulates that the single family homes must be titled and assessed in the name of the homeowner and located within the boundaries of the municipality or special taxing district.
3. Defines *single family dwelling*.
4. Makes technical and conforming changes.

AMENDMENTS IN WAYS AND MEANS COMMITTEE

1. The strike-everything amendment was adopted.
2. Adds an effective date of January 1, 2017.

CURRENT LAW

A.R.S. Title 42, Chapter 6, Article 1 governs municipal rental occupancy taxes. A rental occupancy tax is a transaction privilege, sales, use, franchise, license or other similar tax imposed on the business of renting or leasing real property. The Department of Revenue collects and administers the tax in the same manner as any transaction privilege tax. A municipality is prohibited from imposing or increasing the rate of a rental tax without approval by the voters at a regular municipal election.



HOUSE OF REPRESENTATIVES

HB 2055

class six property; elderly homeowners

Prime Sponsor: Representative Cardenas, LD 19

DPA Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2055 classifies a property owned by an individual who qualifies for senior citizen property valuation protection as a class six property.

PROVISIONS

1. Classifies a property used as the primary residence of an individual who qualifies for senior citizen property valuation protection as a class six property.
 - a. Stipulates the property must be valued at full cash value.
2. Prohibits the individual from having any legal, equitable, beneficial or security interest in any other real property except indirectly through an investment security that includes real property among its assets.
3. Specifies the property may include:
 - a. Up to 10 acres of land.
 - b. Between 10 and 40 acres of land if it is zoned exclusively for residential purposes or if it contains legal restrictions or physical conditions that prevent the division of the parcel.
4. Defines *physical conditions*.
5. Makes technical changes.

AMENDMENTS IN WAYS AND MEANS COMMITTEE

1. Stipulates a property with a full cash value of \$600,000 or over does not qualify as a class six property.
2. Modifies the definition of *person injured* relating to the Residential Contractors' Recovery Fund to include residents who qualify for a class six property under this Act.

CURRENT LAW

Article 9, Section 18 of the Arizona Constitution allows a homeowner who is 65 years of age or older to apply to the county assessor for property valuation protection, freezing the value of the homeowner's property for three years. The homeowner must have resided at the residence for at least two years and must have an annual income below \$35,184 or \$43,980 if the property is owned by two or more individuals. The resident must reapply for the protection every three years.



HOUSE OF REPRESENTATIVES

HB 2256

tax subtraction; uniformed services pay

Prime Sponsor: Representative Brophy McGee, LD 28

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2256 allows an income tax deduction for income received for active service as a member of the Uniformed Services.

PROVISIONS

1. Extends the tax deduction for active duty members of the Armed Forces to all uniformed services, including United States Public Health Services (USPHS) officers and National Oceanic and Atmospheric Administration (NOAA) officers.
2. Makes technical changes.

CURRENT LAW

A.R.S. § 43-1022 authorizes an income tax deduction for income received as a member of the reserves, the national guard or armed forces of the United States, including service in a combat zone.

10 U.S. Code § 101 defines *Armed Forces* as the Army, Navy, Air Force, Marine Corps and Coast Guard and *Uniformed Services* as the armed forces as well as the commissioned corps of USPHS and NOAA.



HOUSE OF REPRESENTATIVES

HB 2476

school property; sales; leases; use

Prime Sponsor: Representative Norgaard, LD 18

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2476 repeals and replaces A.R.S. § 15-1102 relating to the sale or lease of school property.

PROVISIONS

1. Repeals and replaces A.R.S. § 15-1102 relating to the sale or lease of school property.
2. Allows a common school district or a high school district with an outstanding bond indebtedness of, at most, 7% of the assessed valuation or a unified school district with an outstanding bond indebtedness of, at most, 14% of the assessed valuation to use proceeds from the sale or lease of school property as follows:
 - a. The total proceeds from the sale of school property to another school before July 1, 2016 or from the lease of school property for more than one year to anyone that is not a school:
 - i. Any amount may be used for maintenance & operation (M&O), up to 15% of the Revenue Control Limit (RCL).
 - ii. Any amount may be used towards capital outlay.
 - b. The total proceeds from the sale of school property, sold after June 30, 2016, exceeding \$100,000 to any one that is not a school may only be used for capital outlay.
3. Allows a common school district or a high school district with an outstanding bond indebtedness greater than 7% of the assessed valuation or a unified school district with an outstanding bond indebtedness greater than 14% of the assessed valuation to use proceeds from the sale or lease of school property as follows:
 - a. The total proceeds from the sale of school property to another school before July 1, 2016 or from the lease of school property for more than one year to anyone that is not a school:
 - i. No more than 25% of the monies may be used for M&O and cannot exceed 15% of the RCL.
 - ii. Any amount may be used for capital outlay.
 - b. The total proceeds from the sale of school property, sold after June 30, 2016, exceeding \$100,000 to anyone that is not a school:
 - i. No monies may be used for M&O
 - ii. At least 38% of proceeds must be used for the payment of any outstanding bonded indebtedness or for the reduction of taxes.
 - iii. All remaining monies may be used for capital outlay.
4. Combines the three school plant funds into one.
5. Removes language allowing a school district governing board to use proceeds from the sale of school property before July 1, 1998 or from the lease of school property for additional M&O expenses incurred from operating a year-round school.
6. Strikes the requirement that proceeds from the sale of school property that have been approved by the voters be put into a separate fund for the approved purpose.
7. Specifies that the restrictions on proceeds from the sale and lease of school property established by this Act do not apply to proceeds from:
 - a. leases of school property to other schools;
 - b. leases of school property for less than one year; or
 - c. sales of school property of less than \$100,000.
8. Stipulates that a lease of school property for less than one year that includes an automatic lease renewal extending the lease over a year is considered a lease of more than one year.

9. Contains a retroactive effective date of July 1, 2016.

CURRENT LAW

School district governing boards are locally elected governing bodies charged with administering the schools within the district. A.R.S. § 15-342 provides school district governing boards with discretionary powers including the authority to sell school sites and enter into leases or lease-purchase agreements. School district governing boards are required to call an election to approve the sale or lease of property that is over \$50,000 in value, with certain exceptions.

A.R.S. § 15-1102 authorizes a school district governing board to expend the proceeds from the sale or lease of school property on any outstanding bond indebtedness or to reduce district taxes, without limitations. Additionally, proceeds may be expended for M&O or capital outlay purposes, with limitations. Limitations on the expenditure for M&O or capital outlay purposes are broken into two categories. For non-unified school districts with an outstanding bond indebtedness of 7% of the assessed valuation or less or 14% or less for unified districts, the following apply:

- Proceeds from the sale of property before Fiscal Year (FY) 1998 or the lease of property expended for M&O are prohibited from exceeding 15% of the RCL of which 10% may be utilized without an election and the remaining 5% is subject to voter approval.
- Proceeds from property sold after FY 1998 are prohibited from being used for M&O.
- If a district has an override in place the total increase to the RCL may not exceed 15% with specifications to where the increase is attributable.

For non-unified school districts with an outstanding bond indebtedness of greater than 7% of the assessed valuation or greater than 14% for unified districts, the following apply:

- M&O expenditures are prohibited from exceeding the lesser of a 15% increase to the RCL or a quarter of the amount of proceeds from the lease of property.
- Capital outlay expenditures using proceeds from the lease of property are unlimited.
- Capital outlay expenditures using proceeds from the sale of property are prohibited from exceeding 62% of the proceeds.

Governing boards are permitted to use the proceeds from the sale of property July 1, 1998 or the lease of property for the additional M&O expenses incurred from operating a year round school, subject to the previous limitations. School districts are required to establish three plant funds to place the proceeds of sale or lease of property in the district with specifications on the monies that may be deposited in each fund. If a school district's voters approve the sale of school property and the use of proceeds for construction, improvement or furnishing of school facilities, that money is required to be placed in a separate fund.



HOUSE OF REPRESENTATIVES

HB 2538

municipal bonds; tax levy

Prime Sponsor: Representative Mesnard, LD 17

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2538 expands the list of expenses that an annual tax levy for bond payments may be used for.

PROVISIONS

1. Adds each of the following to the list of expenses that an annual levy for bond or refunded bond payments may not exceed:
 - a. Projected payments of principal and interest on new debt for the ensuing year.
 - b. Amounts used for early defeasance of existing debt.
 - c. Amounts necessary to correct prior year shortages in the levy.
2. Makes technical changes.

CURRENT LAW

A county or municipality is required to annually levy a tax on all taxable property within its jurisdiction to pay the annual interest on issued bonds and to redeem the bonds when the date of maturity is reached. The annual levy cannot exceed the net amount necessary to make the annual payment, a reasonable delinquency factor, an amount necessary to correct prior year errors in the levy and any expenses and fees necessary for complying with federal income tax laws. The same levy requirements apply to refunding bonds as well. (A.R.S. §§ 35-458 and 35-474).



HOUSE OF REPRESENTATIVES

HB 2570

local government bonds; ballot statement

Prime Sponsor: Representative Allen J, LD 15

DP Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2570 specifies information required to appear on municipal, county, school district and special taxing district bond election ballots.

PROVISIONS

1. Requires municipal, county, school district and special taxing district bond election ballots to include the annual and lifetime costs of the bond for a home valued at the median full cash value (FCV) of property in the political subdivision.
 - a. The median FCV of property in the political subdivision itself must appear on the ballot.
2. Makes technical and conforming changes.

CURRENT LAW

A.R.S. § 35-454 specifies information required to be provided on bond election pamphlets and ballots. Any written information provided by a political subdivision pertinent to the bond election must include financial information showing the estimated average tax rate for the proposed bond authorization. The election ballot must include the phrase "The issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on bonds", along with statements explaining that a "Yes" vote authorizes the governing body of the subdivision to issue and sell bonds of the proposed dollar amount and a "No" vote does not authorize the issuance and sale of bonds.