ARIZONA STATE SENATE

47TH LEGISLATURE
SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON FINANCE

DATE: March 23, 2006 **TIME:** 9:00 a.m. **ROOM:** SHR1

CHAIRMAN: Senator Martin **VICE CHAIRMAN:** Senator Harper

ANALYST: Sean Laux **INTERN:** Garrett Collier

ASSISTANT ANALYST: Heidi Gannuscio **COMMITTEE SECRETARY:** Shelley Ponce

ATTENDANCE **BILLS**

Committee Members	Pr	Ab	Ex	Bill Number	Disposition
Senator Burns	X			HB 2054	DP
Senator Cheuvront	X			HB 2101	DPA
Senator Garcia	X			HB 2113	DPA
Senator Gould	X			HB 2132	DP
Senator Johnson	X			HB 2335	DP
Senator Miranda	X			HB 2377	DPA
Senator Tibshraeny	X			HB 2560	DPA
Senator Harper, Vice Chairman	X			HB 2686	HELD
Senator Martin, Chairman	X			HB 2821	DPA

Vice-Chairman Harper called the meeting to order at 9:10 a.m., and attendance was taken.

APPROVAL OF MINUTES

> **Senator Martin moved the minutes of March 16, 2006 be approved. Without objection, the minutes were approved as distributed.**

CONSIDERATION OF BILLS

HB 2335 – ASRS; return to work requirement (now: continuation; ASRS) – DO PASS

Sean Laux, Finance Committee Analyst, explained HB 2335.

> **Senator Gould moved HB 2335 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-4 (Attachment 1).**

HB 2686 – enterprise zones; reauthorization - HELD

Heidi Gannuscio, Finance Committee Assistant Analyst, explained HB 2686 and the following amendments:

2 line Martin amendment dated 03/15/06 at 9:35 a.m. (Attachment A)
5 line Cheuvront amendment dated 03/15/06 at 2:52 p.m. (Attachment B)

Kevin McCarthy, President, Arizona Tax Research Association, testified in opposition to HB 2686.

Elaine Arena, Printing Industries Association Inc. of Arizona, testified in support of HB 2686.

Senator Harper read the names of individuals who registered their position on the bill (Attachment C).

Gerald Gulick, Controller, Shamrock Foods, testified in support of HB 2686.

Senator Martin announced that HB 2686 will be HELD.

HB 2560 – charitable organizations; tax credit – DO PASS AMENDED

Heidi Gannuscio, Finance Committee Assistant Analyst, explained HB 2560 and the 16 line Martin amendment dated 03/22/06 at 2:50 p.m. (Attachment D).

Senator Martin stated that he wanted to provide a verbal amendment to change the year on the amendment.

Representative Anderson, bill sponsor, further explained HB 2560.

> **Senator Harper moved HB 2560 be returned with a DO PASS recommendation.**

Senator Harper read the names of individuals who registered their position on the bill (Attachment C).

> **Senator Harper moved the 16 line Martin amendment dated 03/22/06 at 2:50 p.m. be ADOPTED.**

Senator Harper moved the following verbal amendment to the amendment:
Page 1, line 15, strike "2007", insert "2006" (Attachment E)
The motion CARRIED by voice vote.

Senator Harper moved the 16 line Martin amendment dated 03/22/06 at 2:50 p.m. be ADOPTED AS AMENDED. The motion CARRIED by voice vote.

Senator Harper moved HB 2560 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 6-2-1 (Attachment 2).

HB 2132 – municipal tax exemption; fairs – DO PASS

Heidi Gannuscio, Finance Committee Assistant Analyst, explained HB 2132.

Representative J.P. Weiers, bill sponsor, further explained HB 2132.

Alberto Gutier, representing self, RCS Inc. Phoenix, testified in support of HB 2132 and answered question posed by the Committee.

Senator Harper read the names of individuals who registered their position on the bill (Attachment C).

Senator Harper moved HB 2132 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-2 (Attachment 3).

HB 2821 – property tax assessment, valuation, appeals – DO PASS AMENDED

Sean Laux, Finance Committee Analyst, explained HB 2821 and the 3 page Martin amendment dated 03/22/06 at 5:42 p.m. (Attachment F).

Senator Martin announced that the 3 page Martin amendment dated 03/22/06 at 5:42 p.m. was distributed late and would be accepted without objection.

Representative Burges, bill sponsor, further explained HB 2821.

Senator Harper read the names of individuals who registered their position on the bill (Attachment C).

Jennifer Sweeney, Public Affairs Specialist, Arizona Association of Counties, testified in opposition to HB 2821.

Senator Harper moved HB 2821 be returned with a DO PASS recommendation.

Senator Harper moved the 3 page Martin amendment dated 03/22/06 at 5:42 p.m. be ADOPTED. The motion CARRIED by voice vote.

Senator Harper moved HB 2821 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-3 (Attachment 4).

HB 2054 – tax check-off; veterans' donations fund – DO PASS

Garrett Collier, Finance Committee Intern, explained HB 2054.

Senator Martin read the names of individuals who registered their position on the bill (Attachment C).

Senator Harper moved HB 2054 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-3 (Attachment 5).

HB 2101 – ASRS; terminated employees; contribution refunds – DO PASS AMENDED

Garrett Collier, Finance Committee Intern, explained HB 2101 and the following amendments:
9 line Martin amendment dated 03/22/06 at 3:09 p.m. (Attachment G)
2 line Martin amendment dated 03/22/06 at 4:26 p.m. (Attachment H)

Shirley Gunther, Arizona State Retirement System, answered questions posed by the Committee.

Senator Harper moved HB 2101 be returned with a DO PASS recommendation.

Senator Harper moved the 2 line Martin amendment dated 03/22/06 at 4:26 p.m. be ADOPTED. The motion CARRIED by voice vote.

Senator Harper moved the 9 line Martin amendment dated 03/22/06 at 3:09 p.m. be ADOPTED. The motion CARRIED by voice vote.

Senator Harper moved HB 2101 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-1-3 (Attachment 6).

HB 2113 – technical correction; minimum wages (now: PSPRS; CORP; EORP, continuation) – DO PASS AMENDED

Garrett Collier, Finance Committee Intern, explained HB 2113 and the 21 line Martin amendment dated 03/22/06 at 2:16 p.m. (Attachment I).

James Hacking, Administrator, Public Safety Personnel Retirement System, testified in support of HB 2113.

Senator Martin read the names of individuals who registered their position on the bill (Attachment C).

Senator Harper moved HB 2113 be returned with a DO PASS recommendation.

Senator Harper moved the 21 line Martin amendment dated 03/22/06 at 2:16 p.m. be ADOPTED. The motion CARRIED by voice vote.

Senator Harper moved HB 2113 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-4 (Attachment 7).

HB 2377 – state board of equalization; members – DO PASS AMENDED

Garrett Collier, Finance Committee Intern, explained HB 2377 and the 8 line Martin amendment dated 03/22/06 at 3:01 p.m. (Attachment J).

Jeffrey Hill, SAGE TAX GROUP, testified in support of HB 2377.

Harold Scott, Chairman, State Board of Equalization, distributed a handout "HB2377 Talking Points" (Attachment K) and testified in opposition to HB 2377.

Senator Martin read the names of individuals who registered their position on the bill (Attachment C).

Susan Fair, Board Member, State Board of Equalization, representing self, testified in opposition to HB 2377.

Michael Racy, Arizona Association of Property Tax Agents, testified in support of HB 2377 with the amendment.

Sandor Shuch, Board Member, State Board of Equalization, representing self, testified in opposition to HB 2377.

Joy Gomez, Tax Consultant, representing self, testified in opposition to HB 2377.

Jennifer Sweeney, Public Affairs Specialist, Arizona Association of Counties, testified in opposition to HB 2377.

> **Senator Harper moved HB 2377 be returned with a DO PASS recommendation.**
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> **Senator Harper moved the 8 line Martin amendment dated 03/22/06 at 3:01 p.m. be ADOPTED. The motion CARRIED by voice vote.**
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> **Senator Harper moved HB 2377 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-2 (Attachment 8).**

In explanation of his vote, Senator Burns stated "I believe I heard in the testimony that if the bill passes there might be a need for some additional appropriation and so if that is the case this bill may need to be additionally assigned to appropriations to make that happen and with that I vote "aye".

There being no further business, the meeting was adjourned at 10:25 a.m.

Respectfully submitted,

Shelley Ponce
Committee Secretary

(Tapes and attachments on file in the Secretary of the Senate's Office/Resource Center, Room 115.)