

ARIZONA HOUSE OF REPRESENTATIVES
Forty-ninth Legislature – Second Regular Session

COMMITTEE ON GOVERNMENT

Minutes of Meeting
Tuesday, February 23, 2010
House Hearing Room 4 -- 2:00 p.m.

Chairman Burges called the meeting to order at 2:56 p.m. and roll call was taken by the secretary.

Members Present

Mr. Antenori
Mr. Campbell CH
Mr. Driggs

Mr. Gowan
Mr. Nichols
Mrs. Tovar

Mr. Montenegro, Vice-Chairman
Mrs. Burges, Chairman

Members Absent

Mr. Chabin (excused)

Committee Action

HB2162 – DPA S/E (5-2-0-2)
HB2244 – ~~DPA~~ FAILED (2-6-0-1)
HB2382 – DP (6-2-0-1)
HB2395 – DP (6-1-0-2)
HB2441 – DP (6-1-0-2)
HB2452 – DP (7-0-0-2)
HB2542 – DP (6-1-0-2)
HB2611 – DP (8-0-0-1)

HB2641 – DPA S/E (7-1-0-1)
HB2648 – DPA (8-0-0-1)
HB2676 – DPA (6-1-0-2)
HB2701 – DPA (5-2-0-2)
HB2729 – DP (8-0-0-1)
HCM2009 – DP (7-0-0-2)
HCR2039 – DP (6-2-0-1)
HCR2041 – DP (6-2-0-1)

CONSIDERATION OF BILLS

HB2611 – official state beverage – DO PASS

Vice-Chairman Montenegro moved that HB2611 do pass.

Stephanie Johnson, Majority Research Intern, explained that HB2611 establishes milk as the official state beverage of Arizona (Attachment 1).

Representative Frank Pratt, sponsor, stated this was brought to him by a constituent. He said he believes it is important to recognize the impact of the dairy industry in the State of Arizona. He represents Pinal County where there are 19 dairies that produce 450,000 gallons of milk per day. Dairies have a \$5 billion impact in a \$9 billion agricultural economy in the state.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2611 but did not speak:

Jeff Sandquist, representing United Dairymen of Arizona
Philip Bashaw, Arizona Farm Bureau Federation

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2611 but did not speak:

Ryan Denke, representing self
Elizabeth Mendoza, representing self

Question was called on the motion that HB2611 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 2).

HB2648 – rules committee; budget reconciliation bills – DO PASS AMENDED

Vice-Chairman Montenegro moved that HB2648 do pass.

Vice-Chairman Montenegro moved that the Driggs 14-line amendment to HB2648 dated 2/22/10 (Attachment 3) be adopted.

Michelle Hindman, Majority Research Analyst, explained that HB2648 prescribes statutory duties for the House of Representatives and Arizona State Senate Rules Committees (Attachment 4). The amendment contains the following provisions (Attachment 3):

- Requires the Rules Committee to compile a list of substantive policy items in the budget reconciliation bills (BRBs) and provide the list to each Member of the Legislature with a notice that it will not consider any item unless a Member publicly claims the item as the Member's own proposal, and notifies the Rules Committee.
- States that the Rules Committee shall not consider any substantive policy item in a BRB unless a Member of the Legislature has publicly claimed the item as the Member's own proposal.
- Allows the Rules Committee to take public testimony and adopt substantive amendments to a BRB.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2648 but did not speak:

Craig McDermott, representing self

Mr. Driggs, sponsor, stated that he came up with this idea after a few sessions in which he noticed that policy, oftentimes with fiscal impacts or even without fiscal impacts, was included in the budget. He is not trying to stop that; the goal is to provide transparency in the process.

Mr. Campbell asked if there could be unintended consequences by allowing substantive amendments to be offered in the Rules Committee. Mr. Driggs surmised that there could be situations where a substantive policy is added after the Rules Committee during Committee of the Whole, but he is willing to address any ideas. Good and bad policy has been included in the

budget, and there may be occasions where good policy will not be included, but it will have to make it on its own with transparency, so he does not anticipate any negative consequences.

Question was called on the motion that the Driggs 14-line amendment to HB2648 dated 2/22/10 (Attachment 3) be adopted. The motion carried.

Vice-Chairman Montenegro moved that HB2648 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 5).

HB2729 – election equipment certification committee; membership – DO PASS

Vice-Chairman Montenegro moved that HB2729 do pass.

Christopher Stapley, Majority Assistant Research Analyst, explained that HB2729 modifies the membership of the statutory committee that reviews recording or tabulating machines or devices for election purposes (Attachment 6).

Representative Chris Deschene, sponsor, stated that this bill seeks to address testing and investigating various types of voter recording and tabulating machines. He said he believes it will strengthen that requirement and protect the fundamental right to vote. He plans to have a Floor amendment to further define the definition of *expert*.

Mr. Antenori asked if it will be difficult for the Secretary of State to find an expert. Representative Deschene replied that it will depend on how *expert* is defined.

Ken Bennett, Secretary of State, related that he visited with Representative Deschene about the fact that the term *expert* is not defined and they will work together on clarification; however, there is the possibility that anyone can allege that someone is not an expert. In response to a question, he indicated that he believes two of the three current members of the statutory committee could be considered experts.

Question was called on the motion that HB2729 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 7).

HB2244 – posting of notices; websites – ~~DO PASS AMENDED~~ FAILED

Vice-Chairman Montenegro moved that HB2244 do pass.

Vice-Chairman Montenegro moved that the Burges two-line amendment to HB2244 dated 2/19/10 (Attachment 8) be adopted.

Michelle Hindman, Majority Research Analyst, explained that HB2244 eliminates the newspaper publications of various Arizona Corporation Commission (ACC) filings (Attachment 9). The amendment makes a technical change (Attachment 8).

Brian Tassinari, Lobbyist, Lake Havasu City, spoke in support of HB2244. He stated that this bill is good public policy from the perspectives of transparency and money. Newspaper circulation in Arizona is about 10 percent of the population whereas Internet penetration of

homes is over 60 percent. About \$4 million of taxpayer money is spent every year purchasing ads to comply with Arizona state law, which in these difficult economic times could be better spent. It is time for some new thinking and the Internet is the way people are obtaining information, which should be reflected in statute. He added that the State of Montana has virtually all state publications online, saving the state millions of dollars, and citizens were issued a tax cut; it is one of the few states in the country that does not have a budget deficit.

In response to a question about HB2302, publication of notices; committee, Mr. Tassinari responded that he does not support that bill because it establishes a three-year Study Committee, which is an excessive length of time to study something like this. A Study Committee was contemplated last year and now, a year later, another \$4 million was spent to publish ads in newspapers.

Ginger Lamb, Publisher, Arizona News Service; Arizona Capitol Times; Legislative Chair, Arizona Newspapers Association, opposed HB2244. She said she is concerned that if HB2244 passes, there could be many unintended consequences including the possibility of legal ramifications. Newspapers have had a long history of providing this information and are the stewards of public notice, which is taken very seriously. Newspapers ensure the records are searchable and credible. The private sector will always perform this service more meaningfully, efficiently and cost effectively than government. She asked the Members to oppose HB2244 and support HB2302, which will allow a meaningful debate about public notice.

Manuel Coppola, Publisher, Wick Communications Company, Dallas, Texas, opposed HB2244. He stated that public notice laws in Arizona are intended to provide the taxpaying public advance notice of government actions that may affect their interest and rights. While everyone can agree that the Internet can and does play a role in a better informed citizenry, it is important to realize that government websites simply cannot and should not replace the value delivered by newspapers. Despite declining circulation in some markets, 86 percent of adults read America's local newspapers. A fundamental flaw of this bill is that it ignores the inherent costs necessary to provide public notice information, which would need to be incurred by government before offering similar services to the public. The worst time to consider compromising open government is during tough economic times. He asked the Members to oppose the bill.

Tom Arviso Jr., Chief Executive Officer/Publisher, Navajo Times, Window Rock, opposed HB2244. He stated that the *Navajo Times* is the largest Native American newspaper in the world and it is read by over 150,000 people every week. The two sources of information in the Window Rock area are the radio and newspaper, which provide public notices about proceedings that affect people's daily lives. It is not about the money but providing a service that is valuable and important to readers. He urged the Members to think about what this action will do to individuals who do not have access to the Internet on a regular basis, and to consider supporting HB2302 instead.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2244 but did not speak:

Heather Bernacki, Government Relations Associate, East Valley Chambers of Commerce Alliance

Anne Hamilton, Senior Account Executive, City of Yuma

Michelle Gramley, Town of Gilbert

Scott Butler, City of Mesa
Patrice Kraus, Intergovernmental Affairs Coordinator, City of Chandler
Mike Williams, representing City of Tempe; Town of Queen Creek
Greg Patterson, IOWUA Director, representing self

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2244 but did not speak:

John Moody, Attorney, Arizona Newspapers Association
Joe Liston, Advertising Manager, Phoenix Newspapers, Incorporated
Ondrea Sheppard, Supervisor, Arizona Business Gazette
Peter Bengtson, representing self
Julie Lanley, representing self
Laura Kaminski, Public Notices Advertising Manager, representing self
Tom Lee, The Daily Territorial (Tucson)
Tom Lukas, representing self
Paula Casey, representing self
Janet Del Tufo, representing self
David P. Snider, Supervisor, Pinal County Board of Supervisors
Sandy Bahr, Conservation Director, Sierra Club - Grand Canyon Chapter
Maria Engelmann, representing self
Linda McCurdy, representing self
Laurene Pitzer, representing self
Laurinda Cook, representing self
Dick Larson, representing self
Wendy Briggs, Lobbyist, Wick Communications
Diane Brown, Executive Director, Arizona Public Interest Research Group
David Bodney, Attorney, Phoenix Newspapers, Incorporated
Diane Heuel, representing self
Teri Hayt, representing self

Question was called on the motion that the Burges two-line amendment to HB2244 dated 2/19/10 (Attachment 8) be adopted. The motion carried.

Vice-Chairman Montenegro moved that HB2244 as amended do pass. The motion failed by a roll call vote of 2-6-0-1 (Attachment 10).

HB2382 – schools; student data collection – DO PASS

Vice-Chairman Montenegro moved that HB2382 do pass.

Zach Tretton, Majority Research Analyst, Education Committee, explained that HB2382 requires the Arizona Department of Education (ADE) to collect and compile data relating to students who are enrolled in a public school and cannot prove their lawful presence in the United States (Attachment 11). In response to a question, he advised that there is no funding included.

Representative Carl Seel, sponsor, stated that this bill relates to a generic overall count of these students. If the Supreme Court ruled that these students must be educated, taxpayers have the

right to know what it costs to comply with that decision. He clarified that the data will not include names, but only the number of students that fit this definition.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2382 but did not speak:

Buffalo Rick Galeener, representing self
Timothy Rafferty, representing self
Kevin Myers, United for A Sovereign America, representing self
Richard Hanson, representing self
Charlene Hanson, representing self
Richard Martin, representing self
Pamela Pearson, representing self
Albert Fernandez, representing self

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2382 but did not speak:

Alessandra Meetze, Executive Director, Arizona Civil Liberties Union of Arizona
Seth Apfel, representing self
Lydia Guzman, representing self
Sam Polito, representing Tucson Area School Districts
Jennifer Allen, Executive Director, Border Action Network
Molly McGovern, Service Employees International Union Arizona
Ellen Katz, Litigation Director, William E. Morris Institute for Justice
Craig McDermott, representing self
Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association
Martin Quezada, representing self
Jennifer Loreda, Arizona Education Association
Frank Bing, Vice President, Arizona Education Association - Retired, representing self
Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials

Question was called on the motion that HB2382 do pass. The motion carried by a roll call vote of 6-2-0-1 (Attachment 12).

HB2641 – condominiums; declaration; amendment; consent requirement – DO PASS

AMENDED S/E

S/E: regulation; fireworks

Vice-Chairman Montenegro moved that HB2641 do pass.

Vice-Chairman Montenegro moved that the Burges 15-page S/E amendment to HB2641 dated 2/19/10 (Attachment 13) be adopted.

Christopher Stapley, Majority Assistant Research Analyst, explained that the S/E amendment to HB2641 permits the sale of consumer fireworks by a retail establishment to persons at least 16 years old, unless prohibited by a governing body of a city or town, requires the Fire Marshal to adopt rules relating to consumer fireworks and allows the Marshal to impose a civil penalty for prohibited use (Attachment 14).

Chairman Burges announced the names of those who signed up in support of the S/E amendment to HB2641 but did not speak:

Mike Williams, representing United States Fire Safety Council

Chairman Burges announced the names of those who signed up in opposition to the S/E amendment to HB2641 but did not speak:

Craig McDermott, representing self

Question was called on the motion that the Burges 15-page S/E amendment to HB2641 dated 2/19/10 (Attachment 13) be adopted. The motion carried.

Vice-Chairman Montenegro moved that HB2641 as amended do pass. The motion carried by a roll call vote of 7-1-0-1 (Attachment 15).

HCR2039 – temporary suspension; voter-protected funding – DO PASS

Vice-Chairman Montenegro moved that HCR2039 do pass.

Michelle Hindman, Majority Research Analyst, explained that HCR2039 proposes a constitutional amendment that allows the Legislature to suspend voter-protected funding measures (Attachment 16).

Representative John Kavanagh, sponsor, stated that this bill will give the Legislature tools to balance the budget in these particularly difficult times by diverting up to 50 percent of revenue fund balances in voter-created funds, but only for four years. The monies can only be used for similar purposes to the measures, and the question will be placed on the ballot to ask voters for permission. Discussion followed about interpretation of *similar purposes*, First Things First funds and other alternatives.

Chris Maza, Teacher/Governing Board Member, Paradise Valley School District, opposed HCR2039. He asked the Members to respect his role as a voter and that of fellow voters and make sure these measures stay in place and cannot be raided when times are difficult.

Sandy Bahr, Conservation Director, Sierra Club - Grand Canyon Chapter, opposed HCR2039. She stated that the initiative and referendum process gives people a direct voice in democracy and has resulted in many good measures. This legislation is a step in the wrong direction and sends a message to voters that the Legislature does not care what voters do relative to the initiative and referendum process. It is up to legislators to send wise referendums to the ballot and this is unwise.

Emily Jenkins, President/Chief Executive Officer, Arizona Council of Human Service Providers, opposed HCR2039. She expressed concern about the potential impact on communities should this measure pass and people lose Arizona Health Care Cost Containment System (AHCCCS) coverage and behavioral health services.

Vice-Chairman Montenegro announced the names of those who signed up in support of HCR2039 but did not speak:

Tom Dorn, Lobbyist, East Valley Chambers of Commerce Alliance
Kevin McCarthy, President, Arizona Tax Research Association
Steve Voeller, President, Arizona Free Enterprise Club

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HCR2039 but did not speak:

Philip Carpenter, Executive Director, Arizonans Concerned About Smoking
Jennifer Loreda, Arizona Education Association
Lori Bruns, Teacher, Deer Valley Unified School District
Linda Brown, Arizona Advocacy Network
Suzanne Schunk, Director, Family Support Services, representing self
Elizabeth Woodin, representing self
Peter Bengtson, representing self
Bonnie Danowski, Valley Interfaith Project, representing self
James Danowski, representing self
Karen McLaughlin, Director of Budget & Research, Children's Action Alliance
Tim Vaske, Director of Government Affairs, American Heart Association
Guy Mikkelsen, President/Chief Executive Officer, Foundation for Senior Living, representing self
Seth Apfel, representing self
Tara Plese, Arizona Association of Community Health Centers
Ryan Harper, representing Abrazo Health Care; Vanguard Health Systems
Timothy Schmaltz, Coordinator, Protecting Arizona's Family Coalition
Elizabeth Mendoza, representing self
Tom Finnerty, Arizona State Retired Employees Association
Amy Schwabenlender, representing self
Lucy Howell, Diocesan Board, Society of St. Vincent de Paul
Rebekah Friend, Lobbyist, Arizona AFL-CIO
Peri Jude Radecic, Director of Public Advocacy, Arizona Center for Disability Law
Molly McGovern, representing Service Employees International Union Arizona
Janice Miano, representing self
Kendra Leiby, Arizona Coalition Against Domestic Violence
Cindy Hallman, Chief Executive Officer, John C. Lincoln Hospital
Barbara Burkholder, representing self
Craig McDermott, representing self
Kay Martin, representing self
Jennifer Mionske, representing self
Amy Hayhurst, representing self
Katrina Gardner, representing self
Diane Brown, Executive Director, Arizona Public Interest Research Group
Katie Hobbs, Director of Government Relations, Sojourner Center
Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association
Laurie Liles, Senior Vice President, Public Affairs, Arizona Hospital and Healthcare Association
Doris N. Flax, Education Director, League of Women Voters of Arizona
Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials

Sam Polito, representing Tucson Area School Districts
Kristen Boilini, Lobbyist, Arizona Association of Community Health Centers
W. Mark Clark, CODAC Behavioral Health Services of Pima County, Incorporated
Eric Ehst, representing National Organization for Women
Bil Bruno, Chairman, Board of Directors, Maricopa Integrated Healthcare System
William Thornton, Arizona Heritage Alliance
Melissa Keckler, Political Coordinator, Voters of Arizona
Mara Deluca, representing self
Janet Kahler, representing self
Alex Romero, ACAS
Jack Beveridge, Chief Executive Officer, Arizona Public Health Association
Michael Fronske, Assistant Deputy Director, Maricopa Integrated Health System
Thomas Hulen, representing self
Frank Bing, Vice President, Arizona Education Association -Retired, representing self
Brenda Aguirre, representing self
Jay Hardenbrook, AARP
Jeff Schlegel, representing self

Question was called on the motion that HCR2039 do pass. The motion carried by a roll call vote of 6-2-0-1 (Attachment 17).

HCR2041 – funding ballot measures; reauthorization. – DO PASS

Vice-Chairman Montenegro moved that HCR2041 do pass.

Stephanie Johnson, Majority Research Intern, explained that HCR2041 proposes a constitutional amendment that requires reauthorization of initiative or referendum measures after eight fiscal years and applies retroactively to all previous ballot measures that authorize or require the expenditure of state monies (Attachment 18).

Representative David Stevens, sponsor, stated that there has been such a large increase in Arizona's population over the last 10 to 12 years. This measure provides a chance to reevaluate where the state is and the direction to move toward. There will be a Floor amendment to clarify that the money spent does not include administrative costs.

Sandy Bahr, Conservation Director, Sierra Club - Grand Canyon Chapter, opposed HCR2041. She stated that it is a lot of work to obtain and verify signatures for an initiative. Having to redo campaigns this frequently does not make sense when the Legislature has the power any time, through a simple majority vote, to refer a specific initiative back to the voters, which is a better option than this broad-based approach.

Representative Stevens commented that more signatures are not required; the initiative would go back on the ballot just like it was the first time.

Vice-Chairman Montenegro announced the names of those who signed up in support of HCR2041 but did not speak:

Kevin McCarthy, President, Arizona Tax Research Association

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HCR2041 but did not speak:

Peter Bengtson, representing self

Gini McGirr, Legislative Chair, League of Women Voters of Arizona

Linda Brown, Arizona Advocacy Network

Rebekah Friend, Lobbyist, Arizona AFL-CIO

Barbara Burkholder, Legislative Co-Chair, representing self

Diane Brown, Executive Director, Arizona Public Interest Research Group

Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association

Doris N. Flax, Education Director, League of Women Voters of Arizona

Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials

Sam Polito, representing Tucson Area School Districts

Jennifer Loreda, Arizona Education Association

Eric Ehst, representing National Organization for Women

Brenda Aguirre, representing self

Question was called on the motion that HCR2041 do pass. The motion carried by a roll call vote of 6-2-0-1 (Attachment 19).

HB2701 – electric utilities; renewable energy standards – DO PASS AMENDED

Vice-Chairman Montenegro moved that HB2701 do pass.

Vice-Chairman Montenegro moved that the Burges 10-page amendment to HB2701 dated 2/18/2010 (Attachment 20) be adopted.

Rene Guillen, Majority Research Analyst, Water & Energy Committee, explained that HB2701 establishes a renewable energy (RE) policy for the state, requiring utilities to derive at least 15 percent of electricity through renewable energy sources (Attachment 21). The amendment to HB2701 contains the following provisions (Attachment 20):

- Makes technical and clarifying changes.
- Adds electric cooperatives and requires them to develop a plan for acquiring RE.
- Adds combined heat and power systems to the list of customer incentives.
- Stipulates in a number of sections that the Legislature has exclusive authority to determine RE policy and that those sections do not authorize the Arizona Corporation Commission (ACC) to adopt RE standards.

Representative Debbie Lesko, sponsor, related that this bill gives the Legislature exclusive authority over setting RE policy and adds nuclear and hydroelectric to the mix of clean energy sources that can be used to reach a 15 percent clean energy goal. She introduced this bill for the following reasons:

- According to the Arizona Constitution, the ACC has authority over setting rates only; the Legislature has authority over setting policy.
- Renewable energy mandates imposed on utility companies by the ACC are costing utility customers millions of extra dollars every year.

- In these economic times, it is not right to ask hard-working Arizonans, senior citizens on fixed incomes and businesses to shoulder these extra costs.
- The ACC mandate actually limits clean energy sources.

Polly Shaw, Suntech America, opposed HB2701. She stated that broadening the definition of the renewable standard to include nuclear and hydropower will “gut” the renewable standard and obliterate demand for solar energy. If this bill passes, it will remove a very significant motivator for Suntech America to locate a factory in Goodyear. She added that other foreign companies considering location to Arizona are watching this decision. She responded to questions considering inclusion of nuclear as a RE source, the potential of solar energy as a base load power and the benefits of Suntech America locating in Arizona.

Bryan Crabb, Director, State Government Affairs, First Solar Incorporated, opposed HB2701. He said solar energy is one of the few growing sectors in the state’s economy and this bill has the potential to cost the state thousands of jobs. Over 300 solar companies are headquartered in Arizona. He urged the Members to reconsider and not pass this measure.

Lyndon Rive, Chief Executive Officer, SolarCity Corporation, opposed HB2701. He stated that SolarCity recently located to Arizona and plans to expand. Very few states have the long-term RE standard that Arizona has and it is difficult to find a state that has more sun. This bill will annihilate the solar industry. Arizona has an opportunity to become the “solar valley” of the country. Passing this bill will undo all the hard work that has been done. He provided a handout containing some of his comments (Attachment 22).

Tom Jones, Chief Executive Officer, Grand Canyon State Electric Cooperative Association, spoke in support of HB2701. He conveyed that electric cooperatives are public service corporations that are regulated in rates, financing and terms of service by the ACC, so they are subject to the RE rules. Regardless of what happens with this bill, electric cooperatives will continue with RE and collect a surcharge from consumer members to pay for it (\$2.5 million to \$3 million annually). He opined that all utilities will need a balanced portfolio of resources in order to meet obligations to serve consumers, and RE, solar, wind, hydropower and nuclear energy as the bill contemplates, are an important part of that mix.

Marv Worthen, Executive Director, Sun City Taxpayers’ Association, spoke in favor of HB2701. He stated that the goal of the Association is to preserve the ability of senior citizens to remain in their homes as long as it is medically possible, and tax and utility increases make this goal difficult. The cost of these tariffs is \$52,000 for the recreation center, and each of the residents has a \$3 or \$4 cost on top of that, so some residents have to give up something to find those extra dollars. He encouraged the Members to pass the bill.

Steve Voeller, President, Arizona Free Enterprise Club, spoke in favor of HB2701. He stated that the ACC’s rules prohibited compliance costs from being considered and the ACC’s own estimates are that RE standards will cost consumers \$1.2 billion over the next 10 years. Energy policy rests with the Legislature and not the ACC. Because the Legislature was silent on this issue, the courts ruled that the ACC was within its right to regulate these standards. With this bill, the Legislature is no longer silent and energy policy is back where it belongs at the Legislature. Companies can continue investments in solar, wind and other forms of RE if they

choose, but at least they will be able to take into account cost considerations associated with those decisions.

Tom Jenney, Director, Americans For Prosperity – Arizona Chapter, spoke in favor of HB2701. He stated that the ACC's constitutional job is to set rates, but it has no way of offsetting the costs and damage it is causing the Arizona economy, which is something the Legislature can do. If RE standards are moved under the Legislature and it decides to keep the same RE standard that exist under the ACC, he recommends balancing the economic damage to Arizona society with pro-growth tax cuts. Discussion followed between Mr. Jenney and Mr. Campbell about pro-growth tax cuts.

Martin Shultz, Vice President, Pinnacle West Capital Corporation; Arizona Public Service Company, opposed HB2701. He stated that a renewable energy standard (RES) is in place in Arizona after many years of discussion, negotiation and workshops. It is incorporated into recent settlement agreements with over 20 parties at the ACC. The charge per month for a residential customer is \$3.46 on an average bill; the total collected for RES is \$81 million per year. APS intends to comply with the RES established by the ACC no matter the disposition of the bill because it is integrated into the company's business plan. He asked the Members not to pass this bill.

Amy Love, Legislative Liaison, Arizona Corporation Commission (ACC), conveyed that the five commissioners voted unanimously to oppose this legislation because of constitutional concerns about applicability to public service corporations, implementation problems in light of conflicting ACC rules that were lawfully enacted and potential unintended consequences to Arizona's feeble economy. She responded to a question about the constitutional authority of the ACC.

Mike Gleason, representing self, spoke in favor of HB2701. He related that he was the Chairman of the ACC at the time the RES was passed with a 4 to 1 vote, and he was the no vote. He stated that all of the fancy jobs and everything else is built on a subsidy from ratepayers. When RE becomes economical, there should be a lot of it without a subsidy, but the curve keeps changing. This bill will resolve that issue and put the policy responsibility where it should be, which is at the Legislature.

Names of persons in support of HB2701 who did not speak:

Tom Husband, representing self

Roy Miller, Defender of Liberty, representing self

Larry Woods, President, Sun City West PORA, representing self

Sydney Hay, representing Arizona Mining Association

Terrance Traylor, representing self

Lyle Tuttle, Chairman, LD-4 GOP, representing self

Farrell Quinlan, State Director, National Federation of Independent Business - Arizona

Royce Flora, Chairman, District 8 Republican Committee, representing self

Names of persons in opposition to HB2701 who did not speak:

Lori Lustig, SOLON Corporation

Ken Ekström, ETA Engineering

Sheridan Bailey, President, Ironco Enterprises LLC

Chad Corwin, Kyocera Solar
Michael Neary, Executive Director, Arizona Solar Energy Industries Association
Benjamin Montclair, representing self
Larry Lucero, Manager, Governmental Affairs, Tucson Electric Power Company
Robert Wanless, Business Development Manager, SOLON Corporation
Jeff Collins, Stirling Energy Systems
Robert Annan, Science Foundation Arizona
Renee Guillory, representing self
Jeff Schlegel, Southwest Energy Efficiency Project
Lee Feliciano, Executive Vice President, CarbonFree Technology Corporation
Sandy Bahr, Conservation Director, Sierra Club - Grand Canyon Chapter
James Drake, Staffing Director, eRenewable Resource Group
Jennifer Woolwich, representing self
James Beard, representing self
Peter Bengtson, representing self
Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials
Knox Kimberly, Lobbyist, SunRun, Incorporated
Joy Butler, American Solar Electric, Incorporated
Robin Blackwood, Arizonans for Clean Energy
Russell McGee, representing self
Michael Celaya, Intergovernmental Relations Director, City of Surprise
Mitch Menlove, Solar Alliance
John Gort, Gort Metals Corporation
Christian Stumpf, City of Flagstaff
Rick Gilliam, representing self
Judy Staley, Mainstream Energy Corporation
Diane Brown, Executive Director, Arizona Public Interest Research Group
Richard Hubbard, President/Chief Executive Officer, Valley Partnership
Tina Beattie, Republicans for Environmental Protection
Cynthia Zwick, Executive Director, Arizona Community Action Association
Leslie Cooper, Executive Director, Arizona Consumers Council
Stan Barnes, Stirling Energy Systems, Incorporated
Kari Smith, Sun Power
Virginia Land, representing self
Rhon Brown, representing self
John Cooley, representing self
Michael Rabstoff, representing self
Raymond Graap, representing self
William Chopak, representing self
Melissa Black, representing self
Patsy Stewart, representing self
Barbara Warren, Physicians for Social Responsibility
Gene Feldman, representing self
David Jones, President/Chief Executive Officer, Arizona Contractors Association, Incorporated
James McCay, AEE Solar, Incorporated
Barry Broome, Greater Phoenix Economic Council

Michelle Rider, Senior Vice President, External Relations, Greater Phoenix Economic Council
David Johnson, Intergovernmental Affairs Analyst, Town of Buckeye
Cary Hayes, REC Solar, Incorporated
Heidi Carlson, representing self
Alvin Pavelka, representing self
Kevin Somerville, Vice President of Estimating, Buesing Corporation
Yvonne Hunter, Pinnacle West Capital Corporation/Arizona Public Service Company
Jay Leopold, representing self
Catherine Myers, representing self
Romina Korkes, Director of Government Affairs, City of Goodyear
Randall Bauder, representing self
Ray Baxter, GM, representing self
Kenneth Beyer, representing self
Karen Maxwell, representing self
Felix Freudenberg, representing self
Rick Romain, representing self
Alice Thomas, representing self
Michelle Gramley, Town of Gilbert
Gregory Thompson, representing self
Ken Clark, representing self
Court Rich, Attorney, SolarCity Corporation
Christopher Buskirk, Managing Director, Commercial Plus LLC
Jordan Rose, SolarCity Corporation
Gerald Blomquist, Member, Mainspring Capital Group
Vern Haugen, representing self
R. Brown, representing self
Teresa Forst, Vice President, Business Development, R1 Solar Development
Michael Chung, representing self
Jeffrey Luth, President, LuthCommunications
Stacy Brimhall, representing self
Rick Lloyd, Solar Utilization Now, LLC
Stacey Bennett, Owner, Seven Ess Investments, LLC
Christopher Seybert, Estimator, Buesing Corporation
Daniel Zimmerman, Project Engineer, Buesing Corporation
Roger Pryor, The Wolff Company
Roman Black, Solar Gain, Incorporated
Michael Barber, representing self
Ryan Walmsley, Salt River Solar; Wind LLC
Sean Seitz, Chief Executive Officer, American Solar Electric
Marianne Doe, Operations Manager, Solar Industry/Sky High Energy
Larky Hodges, representing self
Dr. Bonnie Saunders, President, League of Women Voters of Arizona
David Bergay, representing self
Mel Dittmann, representing self
Tara Rutkowski, representing self
Todd Landfried, Ironco/Renewable Energy Contracting
Gregory Harris, Lobbyist, Abengoa Solar
Mike Scalia, representing self

Wayne Cristwell, representing self
Theodore Kraver, Arizona Technology Council
George Villec, representing self
Kenneth Eastman, Project Manager, Carlson Solar Technologies
Terry Finefrock, representing self
Stacy Brimhall, representing self
Mark Walters, representing self
Craig Murphy, American Solar Electric
James Brown, American Solar Electric
Linda Peerson, Carlson Solar Technologies
Debby Weed, Carlson Solar Technologies
Andy Clemans, representing self
Craig Hanson, representing self
Steve Zylstra, Executive Director, Arizona Technology Council
Alfredo Della Rocco, representing self
Kim Cramtom, Harmon Solar
John Kaites, representing Arizona Technology Council
Duncan Chang, dChang Architects, LLC
Mark Holohan, Solar Division Manager, Wilson Electric
Ken Bonham, representing self
Lori Glover, SOLID Solar
Steve Werden, The Weitz Company
Edward Fedoruk, Owner, Southface Solar Electric
Henry Eilers, Chief Executive Officer, SOLID Solar
Corey Garrison, Southface Solar Electric
Victoria Feliciano, representing self
Ryan Hurley, representing self
Bryan McGinnis, Engineer, Tiedemann Globe Incorporated
Toby Rolt, representing self
Thomas Bohner, Sun Systems Incorporated
Leah Bushman, Consultant - Solar, Dependable Solar Products
Jonathan Blaich, Renewable Energy Analyst, Alpha Energy
David Bonds, Senior Project Manager, Alpha Energy
Greg Patterson, IOWUA Director, Arizona Competitive Power Alliance
Peter Rael, representing self
Aj Saferstein, Sales, representing self
Geoff Sutton, representing self

Question was called on the motion that the Burges 10-page amendment to HB2701 dated 2/18/2010 (Attachment 20) be adopted. The motion carried.

Vice-Chairman Montenegro moved that HB2701 as amended do pass. The motion carried by a roll call vote of 5-2-0-2 (Attachment 23).

HB2441 – presidential candidates; proof of qualifications – DO PASS

Vice-Chairman Montenegro moved that HB2441 do pass.

Christopher Stapley, Majority Assistant Research Analyst, explained that HB2441 provides a procedure for determining a presidential candidate's eligibility for office (Attachment 24).

Chairman Burges, sponsor, said this was brought to her by two constituents. The language is constitutional, which she would like to have codified into state statute to ensure the citizens of Arizona that attempts are being made to address their concerns for future Presidential elections.

Jeff Lichter, representing self, spoke in favor of HB2441. He stated that those who drafted the portion of the United States Constitution relating to the Presidency (Article 2, Section 1) wanted to make it clear that any candidate for the nation's highest office must have no allegiance whatsoever to any other country or interest than that of the United States. He asked the Members to protect and defend the U.S. Constitution by voting for this bill.

Matthew Benson, Arizona Secretary of State's Office, neutral on HB2442, expressed concern about the provision requiring the Secretary of State to keep a Presidential candidate off the ballot if there is reasonable cause to doubt the candidate's ability according to citizenship, age or residency, which may violate the Supremacy Clause.

Discussion followed about documentation for the Secretary of State's Office and potential violation of the Supremacy Clause.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2441 but did not speak:

Jim Wise, representing self

Ryan Denke, representing self

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2441 but did not speak:

Gini McGirr, Legislative Chair, League of Women Voters of Arizona

Seth Apfel, representing self

Elizabeth Mendoza, representing self

Frank Bing, Vice President, Arizona Education Association-Retired, representing self

Janie Hydrick, representing self

Question was called on the motion that HB2441 do pass. The motion carried by a roll call vote of 6-1-0-2 (Attachment 25).

THE MEETING RECESSED AT 6:54 P.M.

THE MEETING RECONVENED AT 7:09 P.M. ALL MEMBERS WERE PRESENT EXCEPT MR. CHABIN (EXCUSED) AND MRS. TOVAR.

HB2162 – technical correction; revenue bond authority – DO PASS AMENDED S/E
S/E: research development; production; incentive program

Vice-Chairman Montenegro moved that HB2162 do pass.

Vice-Chairman Montenegro moved that the Nichols 11-page S/E amendment to HB2162 dated 2/18/10 (Attachment 26) be adopted.

Jennifer Anderson, Majority Research Analyst, Ways and Means Committee, explained that the S/E amendment to HB2162 establishes a new individual and corporate income tax credit for research and development (R&D), production and delivery system costs associated with solar liquid fuel for tax year (TY) 2011 through TY 2021 (Attachment 27).

Mr. Nichols, sponsor, related that in the past, the Legislature supported different incentives for R&D and businesses that wanted to locate to Arizona and bring investment to the state. This bill is for a company that plans to relocate to Arizona, make a \$130 million investment and provide jobs.

Rick Shangraw, Vice President, Research and Economic Affairs, Arizona State University (ASU), indicated that ASU is interested in advancing Arizona in the area of converting solar energy into liquid fuel. The federal government is offering a \$122 million project to the winning state for research in this area. ASU and several other partners are in pursuit of this project, which if brought to Arizona will provide a large number of jobs as well as research companies. This bill provides a strong statement that Arizona is interested in this kind of research and that companies that locate in the state will be provided with incentives to remain.

In response to a question, Mr. Shangraw indicated that a number of private sector companies of small and medium scale are involved in this project. Some are located in Arizona and others are expected to relocate in Arizona if the state is awarded this research.

Dr. Gary Dirks, Director, LifeWorks, Arizona State University (ASU), advised that LifeWorks is a presidential initiative with the purpose of advancing light-based research at ASU with university partners. The intent of the program is to use carbon dioxide, water and sunlight to make diesel gasoline or jet fuel, which is done by a variety of different ways. The process can be done today using industrially-available technologies, but it is very expensive. He outlined the program assuming Arizona receives the grant, noting that during the research there will be technologies that can be taken off separately and commercialized.

Mr. Nichols asked for the Members' support and indicated that he is willing to work on any concerns.

Chairman Burges announced the names of those who signed up in opposition to the S/E amendment to HB2162 but did not speak:

Steve Voeller, President, Arizona Free Enterprise Club

Chairman Burges announced the names of those who signed up in support of the S/E amendment to HB2162 but did not speak:

Michael Haener, Director of Legislative Affairs, Arizona State University

Mitch Menlove, Arizona State University

Question was called on the motion that the Nichols 11-page S/E amendment to HB2162 dated 2/18/10 (Attachment 26) be adopted. The motion carried.

Vice-Chairman Montenegro moved that HB2162 as amended do pass. The motion carried by a roll call vote of 5-2-0-2 (Attachment 28).

HB2452 – cities; towns; urbanized areas; incorporation – DO PASS

Vice-Chairman Montenegro moved that HB2452 do pass.

Stephanie Johnson, Majority Research Intern, explained that HB2452 provides regulations regarding the creation of urbanized areas and procedures for incorporation of a territory by a city or town (Attachment 29).

Mr. Antenori, sponsor, stated that about 36 percent of Pima County is unincorporated, which drastically reduces state-shared revenues. Municipalities have been annexing areas that reach out more than six miles from an incorporated boundary to prohibit other communities from incorporating, but an annexation plan is never filed for those areas. This bill states that cities have five years to file a plan to annex the area; if not, the six-mile boundary no longer applies, which frees the communities to seek incorporation through the board of supervisors.

Vice-Chairman Montenegro announced the names of those who signed up as neutral on HB2452 but did not speak:

Jeffrey Kros, Legislative Director, League of Cities and Towns

Question was called on the motion that HB2452 do pass. The motion carried by a roll call vote of 7-0-0-2 (Attachment 30).

HB2542 – political signs; public right-of-way – DO PASS

Vice-Chairman Montenegro moved that HB2542 do pass.

Stephanie Johnson, Majority Research Intern, explained that HB2542 prohibits the removal of political signs that support or oppose candidates for public office or ballot measures from public rights-of-way during the period 60 days before a primary election until 15 days after the general election (Attachment 31).

Mr. Gowan, sponsor, stated that the bill provides a state standard for sign ordinances.

Jeffrey Kros, Legislative Director, League of Cities and Towns, opposed HB2542. He said he had extensive discussions with Mr. Gowan about public safety and aesthetic concerns, which they agreed to work on.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2542 but did not speak:

Mark Lewis, Member, Central Arizona Project Board

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2542 but did not speak:

Kevin Biesty, Legislative Liaison, Arizona Department of Transportation

Kevin B. DeMenna, representing City of Phoenix

Ryan DeMenna, Associate, City of Phoenix

Vice-Chairman Montenegro announced the names of those who signed up as neutral on HB2542 but did not speak:

Seth Apfel, representing self

Mr. Antenori, cosponsor, remarked that this bill passed out of the House and Senate last year. The Governor vetoed it because of a few technical issues, which will be worked on with the Arizona Department of Transportation.

Question was called on the motion that HB2542 do pass. The motion carried by a roll call vote of 6-1-0-2 (Attachment 32).

HCM2009 – medical isotopes – DO PASS

Vice-Chairman Montenegro moved that HCM2009 do pass.

Rene Guillen, Majority Research Analyst, Water & Energy Committee, explained that HCM2009 asks Congress to provide grant funding for studies on the domestic production and research of medical isotopes (Attachment 33).

Mr. Nichols, sponsor, advised that medical isotopes are used in the medical profession for x-rays and other purposes. These medical isotopes are only produced in a reactor in Canada, which was shut down, and two reactors in the Netherlands, one of which will be shut down in the spring for maintenance, which will make it difficult to obtain isotopes in the U.S. The federal government is considering “ramping up” existing small reactors at some universities, but it will not be enough. A company is considering locating in Arizona and building small reactors to create isotopes, so this is a postcard to Congress stating that Arizona is interested in this. The Governor is creating a Medical Isotope Commission by executive order to work on the issue.

Vice-Chairman Montenegro announced the names of those who signed up in support of HCM2009 but did not speak:

Mark Lewis, Executive Director, Water Resource Institute

Laura Knaperek, SMP Incorporated

Lori Lustig, representing self

Question was called on the motion that HCM2009 do pass. The motion carried by a roll call vote of 7-0-0-2 (Attachment 34).

HB2676 – energy park authority – DO PASS AMENDED

Vice-Chairman Montenegro moved that HB2676 do pass.

Vice-Chairman Montenegro moved that the Nichols four-page amendment to HB2676 dated 2/22/10 (Attachment 35) be adopted.

Rene Guillen, Majority Research Analyst, Water & Energy Committee, explained that HB2676 creates the Energy Park Authority, which administers monies primarily received from a new

property class designation for electric generation facilities in order to facilitate new transmission and renewable or noncarbon-based generation facilities (Attachment 36). He explained the provisions of the amendment (Attachment 35) and pointed out that a verbal amendment is needed.

Vice-Chairman Montenegro moved that the Nichols four-page amendment to HB2676 dated 2/22/10 (Attachment 35) be amended as follows:

Page 1, line 15, after “FIFTY” insert “THOUSAND”

Mr. Guillen noted that the amendment states that the maximum amount of tax the board can levy on an energy park is \$450, but it should be \$450,000.

Mr. Nichols, sponsor, said this bill is a work in progress, but it needs to go forward because Salt River Project and Arizona Public Service (APS) will be upside down on the grid if new energy does not come online. He said he believes the most economic way to do that is through nuclear power. Companies would like to locate reactors in Arizona and this bill provides that opportunity. Energy parks can utilize different technologies and will be funded through private investment.

Mark Lewis, Executive Director, Water Resource Institute, spoke in favor of HB2676. He stated that this bill provides a new concept for financing generation and transmission in Arizona and creates a category of energy called noncarbon-based energy (Attachment 37). Energy park financing authorities are needed because there is a severe limit on loans. He responded to questions concerning job opportunities, water availability for projects and accommodating local communities and municipalities where energy parks may be located.

Mr. Nichols commented that a study conducted by APS depicted the jobs and spinoff jobs by suppliers, restaurants, etc., when the Palo Verde Nuclear Power Plant was built. In response to a question, he stated that he is willing to include language giving a community that does not want an energy park in the area the ability to deny the request.

Mr. Lewis remarked that there is concern by stakeholders about Central Arizona Project (CAP) providing office and staff support to the Energy Park Authority at no cost to the Authority. He requested an amendment to remove CAP's ability to go into the generation business, noting that the issue will be worked on next session. Mr. Nichols remarked that an amendment will be offered on the Floor.

Don Isaacson, representing Central Arizona Project (CAP), neutral on HB2676, stated that he and Mr. Lewis agreed to removal of lines 4 and 5 on page 4 of the amendment (Attachment 35).

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2676 but did not speak:

Traceylee Neiman, Water Resources Institute

Peter Bengtson, representing self

Nick Simonetta, Government Affairs Consultant, Kai Farms

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2676 but did not speak:

Sandy Bahr, Conservation Director, Sierra Club - Grand Canyon Chapter
Diane Brown, Executive Director, Arizona Public Interest Research Group

Vice-Chairman Montenegro announced the names of those who signed up as neutral on HB2676 but did not speak:

Martin Shultz, Vice President, Pinnacle West Capital Corporation/Arizona Public Service Company

Yvonne Hunter, Pinnacle West Capital Corporation/Arizona Public Service Company

Question was called on the motion that the Nichols four-page amendment to HB2676 dated 2/22/10 (Attachment 35) be amended as follows:

Page 1, line 15, after “FIFTY” insert “THOUSAND”

The motion carried.

Vice-Chairman Montenegro moved that the Nichols four-page amendment to HB2676 dated 2/22/10 (Attachment 35) as amended be adopted. The motion carried.

Vice-Chairman Montenegro moved that HB2676 as amended do pass. The motion carried by a roll call vote of 6-1-0-2 (Attachment 38).

HB2395 – schools; payroll deductions; union dues – DO PASS

Vice-Chairman Montenegro moved that HB2395 do pass.

Michelle Hindman, Majority Research Analyst, explained that HB2395 prohibits a school district governing board from authorizing an automatic payroll deduction for dues to a recognized certificated teacher and administrator association (Attachment 39).

Representative Laurin Hendrix, sponsor, provided a handout (Attachment 40), noting that it is an advertisement about a Arizona Local Progressive Candidate Training Program, which is sponsored by the Arizona Education Association, Planned Parenthood Arizona and the Center for Progressive Leadership. He opined that taxpayers should not be facilitating the transfer of funds to any of those groups to be used for political advocacy. He asked the Members to support the bill. When asked why teachers are being singled out, Mr. Hendrix stated that it is the only group that affects the education budget, but said other groups could be added.

Andrew Morrill, Vice President, Arizona Education Association (AEA), opposed HB2395. He stated that he made a personal decision to join the AEA because it is important to him. His dues are paid through payroll deduction, which is also the method used to pay his healthcare benefits, retirement, and other items. This bill impedes the personal freedom of teachers to choose how to manage and distribute their hard-earned money.

Cora Hydrick, teacher, Mesa Unified School District, representing self, asked the Members to vote no on HB2395, which infringes on her right to manage her own personal business and clearly singles out teachers. In response to a question, she stated that AEA dues are spent on professional development, so without dues, there would be no program revenue. She indicated that political action committee (PAC) dues are a separate deduction.

Marcus Osborn, Manager of Government and Public Affairs, Arizona Chamber of Commerce; Arizona Manufacturing Council, spoke in favor of HB2395. He suggested taking the state out of this activity and letting direct contributions flow directly from the employee's checking account to pay dues, etc. With the *Citizens United* case, the amount of political activity that will be authorized directly from union dues will increase dramatically, so it is necessary to be careful about the role the state will have in facilitating that kind of political activity.

Barry Aarons, Senior Fellow, Americans for Tax Reform, spoke in favor of HB2395. He related that organizations like the AEA engage in a variety of advocacy, support and opposition for ballot propositions, etc. With the recent Supreme Court ruling, corporations and unions have the right to engage in political activities, which means it is probably no longer acceptable for the state or a political subdivision, such as a school district, to continue to pay or absorb any type of cost or responsibility for collecting dues that may be used for independent advocacy work.

Vice-Chairman Montenegro announced the names of those who signed up in support of HB2395 but did not speak:

Allison Bell, Arizona Chamber of Commerce & Industry
Kevin McCarthy, President, Arizona Tax Research Association
Sydney Hay, representing self
Tom Jenney, Arizona Director, Americans for Prosperity
Steve Voeller, President, Arizona Free Enterprise Club

Vice-Chairman Montenegro announced the names of those who signed up in opposition to HB2395 but did not speak:

Rebekah Friend, Lobbyist, Arizona AFL-CIO
Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials
Seth Apfel, representing self
Sam Polito, representing Tucson Area School Districts
Molly McGovern, Service Employees International Union Arizona
Elizabeth Mendoza, representing self
Dan Lawrence, representing self
Jerry Spreitzer, Arizona Federation of Teachers
Craig McDermott, representing self
Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association
Doris N. Flax, Education Director, League of Women Voters of Arizona
Jennifer Loreda, Arizona Education Association
David Mendoza, Legislative Director, American Federation of State, County and Municipal Employees
Lori Bruns, teacher, Deer Valley Unified School District
Frank Bing, Vice President, Arizona Education Association - Retired, representing self
Mary De Nitto, representing self
Jason Schnee, Creighton Education Association
Rhonda Ball, teacher, representing self
John Wright, Vice President, Arizona Education Association

Rachel Stafford, teacher, representing self, opposed HB2395. She said she and her husband are teachers and members of the AEA, and it would be a financial burden not to have the option of deduction of dues from their paychecks. In response to questions, she stated that many members pay AEA dues but do not contribute to the PAC.

Chris Maza, Teacher/Governing Board Member, Washington Elementary School District, opposed HB2395. He stated that he lives paycheck to paycheck and payroll deduction allows him to have his AEA dues spread out over a period of time. He noted that school boards are allowed to say no to this and some school boards do so. He asked that the school board retain the authority to allow him to pay union dues just as he pays for health benefits, United Way, etc.

After some discussion about political and nonpolitical activities, Mr. Nichols stated that he is curious about the percentage of AEA members who donate to the PAC. The perception at the Capitol is that members of the AEA support the PAC and its doings.

Mr. Morill clarified that the handout provided by Representative Hendrix is funded by PAC money because it is political. Mr. Nichols noted that there is no indication on the flyer that it is paid by PAC contributions. Mr. Morill indicated that he will provide follow-up information.

Question was called on the motion that HB2395 do pass. The motion carried by a roll call vote of 6-1-0-2 (Attachment 41).

Without objection, the meeting adjourned at 9:39 p.m.

Linda Taylor, Committee Secretary
March 15, 2010

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at <http://www.azleg.gov>)