

# ARIZONA STATE SENATE

## 50TH LEGISLATURE SECOND REGULAR SESSION

### MINUTES OF COMMITTEE ON COMMERCE AND ENERGY

**DATE:** March 14, 2012

**TIME:** 9:00 a.m.

**ROOM:** SHR 109

**CHAIRMAN:** Senator Al Melvin

**VICE- CHAIRMAN:** Senator Gail Griffin

**ANALYST:** Jennifer Thomsen

**INTERN:** Nick Jauhal

**ASSISTANT**

**ANALYST:** Bryan Durham

**COMMITTEE**

**SECRETARY:** Toy Brown

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#### ATTENDANCE

#### BILLS

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<u>Committee Members</u>	<u>Pr</u>	<u>Ab</u>	<u>Ex</u>	<u>Bill Number</u>	<u>Disposition</u>
Senator Cajero Bedford	X			HB 2126	DPA
Senator Meza	X			HB 2127	HELD
Senator Reagan			X	HB 2128	DP
Senator Yarbrough	X			HB 2129	DP
Senator Griffin, Vice-Chairman	X			HB 2150	DP
Senator Melvin, Chairman	X			HB 2157	DP
				HB 2200	DP
				HB 2225	DPA
				HB 2226	DP
				HB 2272	DPA/SE
				HB 2357	DP
				HB 2395	DP
				HB 2415	DPA/SE
				HB 2432	HELD
				HB 2601	DPA/SE
				HB 2642	HELD
				HB 2689	DPA
				HB 2778	DPA
				HB 2825	DPA

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#### EXECUTIVE NOMINATIONS

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<u>Name</u>	<u>Position</u>	<u>Recommendation</u>
Sharon L. Henry	Member, Arizona Sports and Tourism Authority	CONFIRMATION
Nicholas P. Scutari	Member, Arizona State Lottery Commission	CONFIRMATION
Victor Gonzalez	Member, Arizona International Development Authority Board of Directors	CONFIRMATION
Terry R. Gleeson	Member, Board of Manufactured Housing	CONFIRMATION

Chairman Melvin called the meeting to order at 9:07 a.m. and attendance was taken.

## **APPROVAL OF MINUTES**

**Senator Melvin stated that without objection, the minutes of March 7, 2012 were approved.**

## **EXECUTIVE NOMINATIONS**

### **Sharon L. Henry, Member, Arizona Sports and Tourism Authority – CONFIRMATION RECOMMENDED**

Ms. Henry gave an overview of her resume and answered questions posed by the Committee.

**Senator Griffin moved the Committee on Commerce and Energy recommend to the full Senate the CONFIRMATION of Sharon L. Henry as a Member of the Arizona Sports and Tourism Authority. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 1).**

### **Nicholas P. Scutari, Member, Arizona State Lottery Commission – CONFIRMATION RECOMMENDED**

Mr. Scutari gave an overview of his resume and answered questions posed by the Committee.

**Senator Griffin moved the Committee on Commerce and Energy recommend to the full Senate the CONFIRMATION of Nicholas P. Scutari as a Member of the Arizona State Lottery Commission. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 2).**

### **Victor Gonzalez, Member, Arizona International Development Authority Board of Directors – CONFIRMATION RECOMMENDED**

Mr. Gonzalez gave an overview of his resume and answered questions posed by the Committee.

**Senator Griffin moved the Committee on Commerce and Energy recommend to the full Senate the CONFIRMATION of Victor Gonzalez as a Member of the Arizona International Development Authority Board of Directors. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 3).**

### **Terry R. Gleeson, Member, Board of Manufactured Housing – CONFIRMATION RECOMMENDED**

Mr. Gleeson gave an overview of his resume and answered questions posed by the Committee.

**Senator Griffin moved the Committee on Commerce and Energy recommend to the full Senate the CONFIRMATION of Terry R. Gleeson as a Member of the Board of Manufactured Housing. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 4).**

## **CONSIDERATION OF BILLS**

### **HB 2127 – landlord tenant; material breach – HELD**

Senator Melvin announced that HB 2127 would be **HELD**.

### **HB 2432 – secured appearance bond exoneration; remission (now: secured appearance bond; exoneration) – HELD**

Senator Melvin announced that HB 2432 would be **HELD**.

### **HB 2642 – public bodies; lobbying expenditures; reports – HELD**

Senator Melvin announced that HB 2642 would be **HELD**.

### **HB 2272 – technical correction; overtaking bicycles (now: sales finance company; definition) – DO PASS AMENDED/STRIKE EVERYTHING**

**Liisa Laikko, Education Committee Analyst**, explained the 3-page Melvin strike everything amendment dated 3/12/12 at 12:25 p.m. (Attachment A) and answered questions posed by the Committee.

**Representative Williams, bill sponsor**, further explained HB 2272 and answered questions posed by the Committee.

**Joan Koerber-Walker, President of Arizona Small Business Association**, testified in support of HB 2272.

**Timothy Bee, Associate Vice President, State Relations, University of Arizona**, testified in support of HB 2272.

**Ken Quartemain, Representative, Arizona Technology Council**, testified in support of HB 2272.

**Senator Griffin moved HB 2272 be returned with a DO PASS recommendation.**

**Senator Griffin moved the 3-page Melvin strike everything amendment dated 3/12/12 at 12:25 p.m. (Attachment A) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Griffin moved HB 2272 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 5).**

### **HB 2395 – scrap metal dealers; prohibited transactions – DO PASS**

**Nick Jauhal, Commerce and Energy Committee Intern**, explained HB 2395 and the 4-line Melvin amendment dated 3/13/12 at 10:52 a.m. (Attachment B).

Senator Melvin stated that the amendment dated 3/13/12 at 10:52 a.m. (Attachment B) would not be offered.

**Representative Forese, bill sponsor**, further explained HB 2395.

**Nick Simonetta, Government Affairs Consultant, Arizona Scrap Recyclers Association**, testified in support of HB 2395.

**Theresa Clark, Police Sergeant, City of Phoenix**, testified in support of HB 2395.

**William Stiles, Asset Manager, NAIOP-Arizona**, presented pictures of damaged air conditioners. Mr. Stiles testified in support of HB 2395.

**Layla Ressler, Pick a Part**, testified in support of HB 2395.

**Robert Stinger, representing himself**, testified in support of HB 2395.

Representative Forese further answered questions posed by the Committee.

**Doug Nick, Arizona Attorney General's Office**, testified in support of the strike everything amendment to HB 2395.

**Rob Dalager, City of Phoenix**, testified in support of the amendment to HB 2395.

**Senator Griffin moved HB 2395 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-1-1 (Attachment 6).**

Senators Yarbrough and Griffin explained their votes.

**HB 2157 – salon managers; requirements – DO PASS**

**Nick Jauhal, Commerce and Energy Committee Intern**, explained HB 2157.

**Representative Kavanagh, bill sponsor**, further explained HB 2157.

**Rick Weston, representing himself**, testified in support of HB 2157.

**Senator Griffin moved HB 2157 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 7).**

**HB 2150 – unemployment insurance; independent contractor; appeals – DO PASS**

**Jennifer Thomsen, Commerce and Energy Committee Analyst**, explained HB 2150.

**Representative Forese, bill sponsor**, further explained HB 2150.

**Michael Schafer, representing himself**, testified in support of HB 2150 and answered questions posed by the Committee.

**Ellen Katz, Litigation Director, William E. Morris Institute for Justice**, testified in opposition to HB 2150 and answered questions posed by the Committee.

**Marcus Osborn, Manager of Government and Public Affairs, Arizona Manufacturers Council**, testified in support of HB 2150.

**Senator Griffin moved HB 2150 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 3-2-1 (Attachment 8).**

### **HB 2357 – real estate brokers; education – DO PASS**

**Nick Jauhal, Commerce and Energy Committee Intern**, explained HB 2357.

**Representative Fann, bill sponsor**, further explained HB 2357.

**Kimberly Clifton, Owner/Designated Broker, Tierra Antigua Realty**, testified in support of HB 2357.

**Kim Horn, Nextage Southwest Realty**, testified in support of HB 2357.

**Holly Eslinger, Exclusive Homes and Land**, testified in support of HB 2357.

**Dan Shaw, Pine Country Mortgage**, testified in support of HB 2357.

**Senator Yarbrough moved HB 2357 with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-0-2 (Attachment 9).**

### **HB 2126 – handyman exemptions; applicability – DO PASS AMENDED**

**Nick Jauhal, Commerce and Energy Committee Intern**, explained HB 2126 and the 9-line Melvin amendment dated 3/13/12 at 2:58 p.m. (Attachment C).

**Representative Urie, bill sponsor**, deferred questions to Barry Aarons, Lobbyist, Construction Trades Coalition.

**Barry Aarons, Lobbyist, Construction Trades Coalition**, further explained HB 2126.

**Senator Yarbrough moved 2126 be returned with a DO PASS recommendation.**

**Senator Yarbrough moved the 9-line Melvin amendment dated 3/13/12 at 2:58 p.m. (Attachment C) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Yarbrough moved HB 2126 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 4-0-2 (Attachment 10).**

**HB 2778 – state board of appraisal – DO PASS AMENDED**

**Bryan Durham, Commerce and Energy Committee Assistant Analyst**, explained HB 2778 and the 6-line Melvin amendment dated 3/13/12 at 4:06 p.m. (Attachment D).

**Representative McLain, bill sponsor**, further explained HB 2778 and answered questions posed by the Committee.

**Joanna Conde, Arizona Association of Real Estate Appraisers**, testified in support of HB 2778 and answered questions posed by the Committee.

**Bill Barnes, Arizona Association of Real Estate Appraisers**, testified in support of HB 2778.

**Ben Alteneder, Coalition of Arizona Appraisers**, testified as neutral to HB 2778.

**Debra Rudd, Vice Chairperson for Arizona State Board of Appraisers**, testified in opposition to HB 2778 and answered questions posed by the Committee.

Representative McLain further answered questions posed by the Committee.

**Senator Yarbrough moved HB 2778 be returned with a DO PASS recommendation.**

**Senator Yarbrough moved the 6-line Melvin amendment dated 3/13/12 at 4:06 p.m. (Attachment D) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Yarbrough moved HB 2778 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 3-1-2 (Attachment 11).**

Senator Yarbrough explained his vote.

**HB 2225 – trust land; agricultural classification; agriculture – DO PASS AMENDED**

**Michael Combrink, Natural Resources and Transportation Committee Intern**, explained HB 2225 and the 3-line Cajero Bedford amendment dated 3/12/12 at 12:42 p.m. (Attachment E).

**Senator Yarbrough moved HB 2225 be returned with a DO PASS recommendation.**

**Senator Yarbrough moved the 3-line Cajero Bedford amendment dated 3/12/12 at 12:42 p.m. (Attachment E) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Yarbrough moved HB 2225 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 4-0-2 (Attachment 12).**

**HB 2689 – real estate transfer affidavit; exemptions – DO PASS AMENDED**

**Nick Jauhal, Commerce and Energy Committee Intern**, explained HB 2689 and the 2-line Reagan amendment dated 3/13/12 at 4:32 p.m. (Attachment F).

**Representative Brophy McGee, bill sponsor**, further explained HB 2689.

**Yvonne Hunter, Fennemore Craig**, answered questions posed by the Committee.

**Senator Yarbrough moved HB 2689 be returned with a DO PASS recommendation.**

**Senator Yarbrough moved the 2-line Reagan amendment dated 3/13/12 at 4:32 p.m. (Attachment F) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Yarbrough moved HB 2689 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 4-0-2 (Attachment 13).**

**HB 2825 – telephone solicitations; business opportunities – DO PASS AMENDED**

**Jennifer Thomsen, Commerce and Energy Committee Analyst**, explained HB 2825 and the 2-line Melvin amendment dated 3/13/12 at 10:28 a.m. (Attachment G).

**Representative Brophy McGee, bill sponsor**, further explained HB 2825.

**Nancy Anger, Assistant Attorney General, Attorney General's Office**, further explained HB 2825. Ms. Anger testified in support of HB 2825.

**Senator Yarbrough moved HB 2825 be returned with a DO PASS recommendation.**

**Senator Yarbrough moved the 2-line Melvin amendment dated 3/13/12 at 10:28 a.m. (Attachment G) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Yarbrough moved HB 2825 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 4-0-2 (Attachment 14).**

**HB 2226 – property tax; algaculture – DO PASS**

**Michael Combrink, Natural Resources and Transportation Committee Intern**, explained HB 2226.

**Representative Heinz, bill sponsor**, further explained HB 2226.

**Senator Yarbrough moved HB 2226 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-0-2 (Attachment 15).**

Senator Cajero Bedford explained her vote.

**HB 2128 – landlord tenant; abandonment; personal property – DO PASS**

**Bryan Durham, Commerce and Energy Committee Assistant Analyst**, explained HB 2128.

**Representative Urie, bill sponsor**, further explained HB 2128.

**Mark Zinman, Attorney, representing himself**, testified in support of HB 2128.

**Ellen Katz, Litigation Director, William E. Morris Institute for Justice**, testified in opposition to HB 2128.

**Aaron Thomas, representing himself**, testified in opposition to HB 2128.

**Ken Volk, representing himself**, distributed a handout entitled "Analyses of HB 2128 & HB 2129" (Attachment H). Mr. Volk testified in opposition to HB 2128.

**John Starkey, Attorney, representing himself**, testified in opposition to HB 2128.

**Denise Holliday, Attorney, representing herself**, testified in support of HB 2128.

**Patricia Wyatt, representing herself**, testified in opposition to HB 2128.

Representative Urie further explained HB 2128 and answered questions posed by the Committee.

Ms. Katz further answered questions posed by the Committee.

**Senator Griffin moved HB 2128 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 3-2-1 (Attachment 16).**

**HB 2129 – landlord tenant; maintenance request; access – DO PASS**

**Bryan Durham, Commerce and Energy Committee Assistant Analyst**, explained HB 2129.

**Representative Urie, bill sponsor**, further explained HB 2129.

**Ellen Katz, Litigation Director, William E. Morris Institute for Justice**, testified in opposition to HB 2129.

**Ken Volk, representing himself**, testified in opposition to HB 2129.

**Denise Holliday, Attorney, representing herself**, testified in support of HB 2129.

Ms. Katz further spoke in opposition to HB 2129 and answered questions posed by the Committee.

**Senator Griffin moved HB 2129 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 17).**

**HB 2200 – forcible entry; detainer; judgment; bond – DO PASS**

Jennifer Thomsen, Commerce and Energy Committee Analyst, explained HB 2200.

Representative Urie, bill sponsor, further explained HB 2200.

Mark Zinman, Attorney, representing himself, testified in support of HB 2200 and answered questions posed by the Committee.

Ellen Katz, Litigation Director, William E. Morris Institute for Justice, testified in opposition to HB 2200.

Denise Holliday, Attorney, representing herself, testified in support of HB 2200.

**Senator Griffin moved HB 2200 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 3-2-1 (Attachment 18).**

**HB 2415 – board of cosmetology; member terms – DO PASS AMENDED/STRIKE EVERYTHING**

Tony DeMarco, Natural Resources and Transportation Committee Analyst, explained the 5-page Melvin strike everything amendment dated 3/5/12 at 12:52 p.m. (Attachment I).

Nick Simonetta, Government Affairs Consultant, ACT Towing, testified in support of the Melvin strike everything amendment dated 3/5/12 at 12:52 p.m. (Attachment I).

**Senator Griffin moved HB 2415 be returned with a DO PASS recommendation.**

**Senator Griffin moved the 5-page Melvin strike everything amendment dated 3/5/12 at 12:52 p.m. (Attachment I) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Griffin moved HB 2415 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 19).**

**HB 2601 – veteran supportive campuses; report – DO PASS AMENDED/STRIKE EVERYTHING**

Jennifer Thomsen, Commerce and Energy Committee Analyst, explained the 18-line Melvin strike everything amendment dated 3/9/12 at 12:08 p.m. (Attachment J).

**Senator Griffin moved HB 2601 be returned with a DO PASS recommendation.**

**Senator Griffin moved the 18-line Melvin strike everything amendment dated 3/9/12 at 12:08 p.m. (Attachment J) be ADOPTED. The motion CARRIED by voice vote.**

**Senator Griffin moved HB 2601 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-1 (Attachment 20)**

Attached is a list noting the individuals who registered their position on the agenda items (Attachment K).

There being no further business, the meeting was adjourned at 12:41 p.m.

Respectfully submitted,

Toy Brown  
Committee Secretary

(Audio recordings and attachments on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at <http://www.azsenate.gov>)