

ARIZONA STATE SENATE

51ST LEGISLATURE SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON APPROPRIATIONS

DATE: March 25, 2014

TIME: 10:30 A.M.

ROOM: SHR109

CHAIRMAN: Senator Don Shooter

VICE-CHAIRMAN: Senator Rick Murphy

ANALYST: Carolyn Speroni

**COMMITTEE
SECRETARY:** Shelley Ponce

ATTENDANCE

BILLS

<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 2044	DPA/SE
Senator Crandell	X			HB 2238	DP
Senator Griffin	X			HB 2240	DP
Senator Melvin	X			HB 2241	DP
Senator Pancrazi	X			HB 2264	DPA
Senator Tovar	X			HB 2272	DP
Senator Ward	X			HB 2276	DPA
Senator Murphy, Vice-Chairman	X			HB 2343	DPA/SE
Senator Shooter, Chairman	X			HB 2414	DPA/SE
				HB 2415	DPA/SE
				HB 2428	DPA
				HB 2462	DPA/SE
				HB 2485	DPA/SE
				HB 2490	DP
				HB 2509	DP
				HB 2523	DP
				HB 2547	DP
				HB 2625	DP
				HB 2637	DP
				HB 2648	DP
				HB 2661	DPA
				HB 2663	DP
				HB 2674	DP
				HB 2691	DP
				HB 2692	DP
				SB 1494	DPA

Chairman Shooter called the meeting to order at 10:40 a.m. and attendance was taken.

APPROVAL OF MINUTES

Senator Shooter stated that without objection, the minutes of March 18, 2014 were approved.

CONSIDERATION OF BILLS

HB 2238 - ADE; appropriation; geographic literacy – DO PASS

Brandi Peplinski, Education Committee Intern, explained HB 2238.

Representative Alston, bill sponsor, further explained HB 2238.

Senator Murphy moved HB 2238 be returned with a DO PASS recommendation.

Gale Ekiss, Coordinator, Arizona Geographic Alliance, testified in support of HB 2238 and answered questions posed by the Committee.

Ken de Masi, Arizona Geographic Alliance, distributed a copy of his testimony (Attachment A) and testified in support of HB 2238. Mr. de Masi answered questions posed by the Committee.

Senator Shooter called for a vote on the motion to return HB 2238 with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-3-1 (Attachment 1).

Senators Crandell, Ward and Griffin explained their votes.

SB 1494 – district charter schools; governance; finance – DO PASS AMENDED

Kody Kelleher, Education Committee Analyst, explained SB 1494 and the 3-page Crandell amendment dated 03/25/14 at 10:12 a.m. (Attachment B).

Senator Biggs, bill sponsor, further explained SB 1494 and answered questions posed by the Committee.

Stacey Morley, Arizona Department of Education, answered questions posed by the Committee.

Senator Biggs gave additional testimony on SB 1494 and answered questions from the Committee.

Ms. Morley answered additional questions from the Committee regarding SB 1494.

Senator Biggs gave additional testimony on SB 1494 and answered questions from the Committee.

Sabrina Vazquez, Arizona School Administrators Association, introduced Superintendent Mark Joraanstad and Superintendent Howard Carlson to testify on SB 1494.

Dr. Mark Joraanstad, Saddle Mountain Unified School District, testified in opposition to SB 1494 and answered questions posed by the Committee.

Ms. Morley answered additional questions posed by the Committee.

Dr. Howard Carlson, Wickenburg School District, testified in opposition to SB 1494 and answered questions posed by the Committee.

Mr. Kelleher answered additional questions posed by the Committee.

Kevin McCarthy, President, Arizona Tax Research Association, testified in support of SB 1494 and answered questions posed by the Committee.

Senator Murphy moved SB 1494 be returned with a DO PASS recommendation.

Senator Murphy stated without objection he moved the 3-page Crandell amendment dated 03/25/14 at 10:12 a.m. (Attachment B) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved SB 1494 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-4-0 (Attachment 2).

Senators Cajero Bedford, Crandell, Griffin, Pancrazi, Tovar, Ward, Murphy and Shooter explained their votes.

RECESS

At 12:43 p.m. Senator Shooter recessed the Committee to the sound of the gavel.

RECONVENED

At 1:43 p.m. Senator Shooter reconvened the Committee.

HB 2648 - reimbursement; orthotic and prosthetic devices – HELD (continued)

Senator Shooter stated that HB 2648 would be HELD.

HB 2547 - major event public safety reimbursement – DO PASS

Carolyn Speroni, Appropriations Committee Analyst, explained HB 2547.

Representative Gowan, bill sponsor, further explained HB 2547.

Mayor Jerry Weiers, City of Glendale, testified in support of HB 2547 and answered questions posed by the Committee.

Senator Murphy moved HB 2547 be returned with a DO PASS recommendation.

Ms. Speroni answered questions posed by the Committee.

Senator Shooter called for a vote on the motion to return HB 2547 with a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 3).

Senators Crandell, Pancrazi and Ward explained their votes.

HB 2509 – interstate compact; health care – DO PASS

Marianne Yamnik, Health and Human Services Committee Analyst, explained HB 2509.

Representative Seel, bill sponsor, further explained HB 2509 and answered questions posed by the Committee.

Senator Murphy moved HB 2509 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-3-0 (Attachment 4).

HB 2691 - highway patrol officers; salary; appropriations – DO PASS

Carolyn Speroni, Appropriations Committee Analyst, explained HB 2691.

Kelsey Lundy, R & R Partners, representing Associated Highway Patrolmen of Arizona, testified in support of HB 2691 and answered questions posed by the Committee.

Ms. Speroni answered questions posed by the Committee.

Senator Murphy moved HB 2691 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 5).

Senators Crandell and Griffin explained their votes.

HB 2490 – appropriation; mental health first aid – DO PASS

Marianne Yamnik, Health and Human Services Committee Analyst, explained HB 2490.

Representative Steele, bill sponsor, further explained HB 2490.

Senator Griffin moved HB 2490 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 6).

Senators Tovar, Ward and Crandell explained their votes.

HB 2663 - state budget; consensus forecast – DO PASS

Carolyn Speroni, Appropriations Committee Analyst, explained HB 2663.

Representative Mesnard, bill sponsor, further explained HB 2663 and answered questions posed by the Committee.

Senator Griffin moved HB 2663 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-2 (Attachment 7).

Senators Crandell, Ward and Shooter explained their votes.

HB 2523 - projects; water supply development – DO PASS

Carolyn Speroni, Appropriations Committee Analyst, explained HB 2523 and answered questions posed by the Committee.

Representative Barton, bill sponsor, further explained HB 2523 and answered questions posed by the Committee.

Senator Murphy moved HB 2523 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 8).

Senator Ward explained her vote.

HB 2661 - domestic farm wineries; fruit pomace – DO PASS AMENDED

Jennifer Thomsen, Commerce, Energy and Military Committee Analyst, explained HB 2661 and the 11-line Shooter amendment dated 03/24/14 at 2:04 p.m. (Attachment C).

Representative Barton, bill sponsor, further explained HB 2661 and answered questions posed by the Committee.

Senator Murphy moved HB 2661 be returned with a DO PASS recommendation.

Senator Murphy moved the 11-line Shooter amendment dated 03/24/14 at 2:04 p.m. (Attachment C) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2661 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 9).

HB 2343 - supplemental appropriation; state forester (now: forest health management) – DO PASS AMENDED/STRIKE EVERYTHING

Liisa Laikko, Natural Resources and Rural Affairs Committee Analyst, explained the 2-page Shooter strike everything amendment dated 03/21/14 at 8:39 a.m. (Attachment D).

Representative Barton, bill sponsor, further explained the strike everything amendment and answered questions posed by the Committee.

Sandy Bahr, Chapter Director, Sierra Club's Grand Canyon Chapter, testified in opposition to the strike everything amendment.

Art Harding, Arizona Attorney General's Office, answered questions posed by the Committee.

Representative Otondo testified in support of the strike everything amendment.

Senator Murphy moved HB 2343 be returned with a DO PASS recommendation.

Senator Murphy moved the 2-page Shooter strike everything amendment dated 03/21/14 at 8:39 a.m. (Attachment D) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2343 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 10).

HB 2462 – life sentence; parole eligibility – DO PASS AMENDED/STRIKE EVERYTHING

Nick Jones, Elections Committee Intern, explained the 4-page Shooter strike everything amendment dated 03/21/14 at 2:37 p.m. (Attachment E).

Senator Worsley further explained the strike everything amendment.

Senator Murphy moved HB 2462 be returned with a DO PASS recommendation.

Senator Murphy moved the 4-page Shooter strike everything amendment dated 03/21/14 at 2:37 p.m. (Attachment E) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2462 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 8-1-0 (Attachment 11).

Senators Crandell, Griffin, Melvin and Pancrazi explained their votes.

HB 2276 – premium tax reduction – DO PASS AMENDED

Callie Flinn, Finance Committee Intern, explained HB 2276 and the 15-line Melvin amendment dated 03/24/14 at 3:17 p.m. (Attachment F).

Representative Livingston, bill co-sponsor, further explained HB 2276 and answered questions posed by the Committee.

Michael Low, representing Prudential and American Council Life Insurers, answered questions posed by the Committee.

Garrick Taylor, Arizona Chamber Of Commerce and Industry, testified in support of HB 2276 and answered questions posed by the Committee.

Senator Murphy moved HB 2276 be returned with a DO PASS recommendation.

Senator Murphy moved the 15-line Melvin amendment dated 03/24/14 at 3:17 p.m. (Attachment F) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2276 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 12).

Senator Murphy explained his vote.

HB 2674 - tobacco settlement agreement – DO PASS

Bill Ritz, Finance Committee Analyst, explained HB 2674.

Representative Shope, bill sponsor, further explained HB 2674.

Senator Murphy moved HB 2674 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 13).

HB 2485 - technology-based language development software – DO PASS AMENDED/STRIKE EVERYTHING

Catcher Baden, Government and Environment Committee Intern, explained the 8-page Crandell strike everything amendment dated 03/21/14 at 12:33 p.m. (Attachment G).

Jim Drake, Assistant Secretary of State, Arizona Secretary of State’s Office, testified in support of the strike everything amendment.

Senator Murphy moved HB 2485 be returned with a DO PASS recommendation.

Senator Murphy moved the 8-page Crandell strike everything amendment dated 03/21/14 at 12:33 p.m. (Attachment G) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2485 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 14).

HB 2428 - appropriation; ADE; reading program grants – DO PASS AMENDED

Brandi Peplinski, Education Committee Intern, explained HB 2428 and the 2-line Shooter amendment dated 03/17/14 at 10:40 a.m. (Attachment H).

Representative Cardenas, bill sponsor, further explained HB 2428 and answered questions posed by the Committee.

Kody Kelleher, Education Committee Analyst, answered questions posed by the Committee.

Stacey Morley, Arizona Department of Education, answered questions posed by the Committee.

Senator Murphy moved HB 2428 be returned with a DO PASS recommendation.

Senator Murphy moved the 2-line Shooter amendment dated 03/17/14 at 10:40 a.m. (Attachment H) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2428 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 6-3-0 (Attachment 15).

Senators Crandell, Ward and Shooter explained their votes.

HB 2637 - ADE; program administration – DO PASS

Kody Kelleher, Education Committee Analyst, explained HB 2637 and answered questions posed by the Committee.

Stacey Morley, Arizona Department of Education, answered questions posed by the Committee.

**Senator Murphy moved HB 2637 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 9-0-0 (Attachment 16).**

Senators Crandell and Murphy explained their votes.

HB 2625 - penalty assessment; victims' rights enforcement – DO PASS

Jake Agron, Judiciary Committee Analyst, explained HB 2625.

Rebecca Baker, Legislative Liaison, Maricopa County Attorney's Office, testified in support of HB 2625 and answered questions posed by the Committee.

**Senator Murphy moved HB 2625 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 9-0-0 (Attachment 17).**

Senators Crandell, Griffin and Ward explained their votes.

HB 2692 - DPS; operating expenses; appropriation; intent – DO PASS

Carolyn Speroni, Appropriations Committee Analyst, explained HB 2692.

Ken Strobeck, Executive Director, League of Arizona Cities and Towns, testified in support of HB 2692.

**Senator Griffin moved HB 2692 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 7-1-1 (Attachment 18).**

Senators Tovar and Murphy explained their votes.

**HB 2414 – information technology; professional development; staff – DO PASS
AMENDED/STRIKE EVERYTHING**

Sharon Langford, Government and Environment Committee Analyst, explained the 2-page Shooter strike everything amendment dated 03/20/14 at 3:23 p.m. (Attachment I) and the 5-line Shooter amendment dated 03/24/14 at 1:51 p.m. (Attachment J) to the strike everything amendment.

Chris Moeser, Attorney, Steptoe and Johnson, representing KPNX Broadcasting, testified in opposition to the strike everything amendment.

Carolyn Speroni, Appropriations Committee Analyst, answered questions posed by the Committee.

Ms. Langford answered questions posed by the Committee.

Rene Guillen, Legislative Liaison, League of Arizona Cities and Towns, testified as neutral on the strike everything amendment and answered questions posed by the Committee.

Senator Murphy moved HB 2414 be returned with a DO PASS recommendation.

Senator Murphy moved the 2-page Shooter strike everything amendment dated 03/20/14 at 3:23 p.m. (Attachment I) be ADOPTED.

Senator Murphy moved the 5-line Shooter amendment dated 03/24/14 at 1:51 p.m. (Attachment J) to the strike everything amendment be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved the 2-page Shooter strike everything amendment dated 03/20/14 at 3:23 p.m. (Attachment I) AS AMENDED be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2414 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 19).

Senator Pancrazi explained her vote.

HB 2415 – information technology; interoperable radio communications – DO PASS AMENDED/STRIKE EVERYTHING

Nick Jones, Elections Committee Analyst, explained the 15-page Melvin strike everything amendment dated 03/21/14 at 9:27 a.m. (Attachment K).

Dianne McCallister, Vieste Energy, testified in support of the strike everything amendment and answered questions posed by the Committee.

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

Senator Murphy moved the 15-page Melvin strike everything amendment dated 03/21/14 at 9:27 a.m. (Attachment K) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2415 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 7-2-0 (Attachment 20).

Senator Murphy explained his vote.

HB 2648 - reimbursement; orthotic and prosthetic devices – DO PASS

Senator Shooter stated that HB 2648, without objection, would be heard by the Committee. Senator Shooter explained the bill was held earlier in the Committee meeting.

Nicole Rivera, Health and Human Services Committee Intern, explained HB 2648.

Stuart Goodman, representing Hanger Orthotics, testified in support of HB 2648.

Senator Murphy moved HB 2648 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 21).

Senator Ward explained her vote.

HB 2240 - developmental disabilities; client income; retention – DO PASS

Marianne Yamnik, Health and Human Services Committee Analyst, explained HB 2240.

Kristin Cipolla, Legislative Liaison, County Supervisors Association of Arizona, testified in support of HB 2240.

Senator Murphy moved HB 2240 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 22).

Senator Crandell explained his vote.

HB 2044 – municipal improvement districts; sale certificate – DO PASS AMENDED/STRIKE EVERYTHING

Bryan Durham, Senate Assistant Analyst, explained the 17-page Shooter strike everything amendment dated 03/20/14 at 3:13 p.m. (Attachment L).

Nick Simonetta, City of Peoria, testified in support of the strike everything amendment.

Steve Kemp, City Attorney, City of Peoria, testified in support of the strike everything amendment and answered questions posed by the Committee.

Lee Miller, Arizona Fire District Association, testified in opposition to the strike everything amendment.

David Wilson, Chairman of the Board, Sun City West Fire District, distributed a handout from the Fire District of Sun City West regarding HB 2044 (Attachment M) and testified in opposition to the strike everything amendment.

Russ Warner, representing himself, testified in opposition to the strike everything amendment.

Nick Simonetta, City of Peoria, answered additional questions posed by the Committee.

Lee Miller, Arizona Fire District Association, further testified in opposition to the strike everything amendment.

Senator Murphy moved HB 2044 be returned with a DO PASS recommendation.

Senator Murphy moved the 17-page Shooter strike everything amendment dated 03/20/14 at 3:13 p.m. (Attachment L) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2044 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-4-0 (Attachment 23).

Senators Crandell, Griffin, Melvin, Tovar, Ward, Murphy and Shooter explained their votes.

HB 2241 - appropriation; client services trust fund – DO PASS

Nicole Rivera, Health and Human Services Committee Intern, explained HB 2241.

Brandy Petrone, Arizona Association of Providers for People with Disabilities, testified in support of HB 2241.

Senator Griffin moved HB 2241 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 24).

Senator Crandell explained his vote.

HB 2264 - Arizona job finance bonds (now: Arizona jobs bonds; finance) – DO PASS AMENDED

Bill Ritz, Finance Committee Analyst, explained HB 2264 and the 2-page Shooter amendment dated 03/24/14 at 10:40 a.m. (Attachment N).

Marc Osborn, Phoenix Industrial Development Authority, testified in support of HB 2264.

Senator Murphy moved HB 2264 be returned with a DO PASS recommendation.

Senator Murphy moved the 2-page Shooter amendment dated 03/24/14 at 10:40 a.m. (Attachment N) be ADOPTED. The motion CARRIED by voice vote.

Senator Murphy moved HB 2264 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 25).

HB 2272 - tax credits; capital investments; employment – DO PASS

Jennifer Thomsen, Commerce, Energy and Military Committee Analyst, explained HB 2272 and the 2-page Murphy amendment dated 03/24/14 at 2:42 p.m. (Attachment O).

Scot Mussi, Arizona Free Enterprise Club, testified in opposition to HB 2272 and in support of the Murphy amendment.

James Norton, Arizona Chamber of Commerce, testified in support of HB 2272 and answered questions posed by the Committee.

Chad Heinrich, Greater Phoenix Chamber of Commerce, testified in support of HB 2272 and in opposition to the Murphy amendment.

Sean Laux, Chief Legislative Liaison and Information Officer, Arizona Department of Revenue, answered questions posed by the Committee.

Senator Murphy stated he would not offer the 2-page Murphy amendment dated 03/24/14 at 2:42 p.m. (Attachment O).

**Senator Murphy moved HB 2272 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 6-3-0 (Attachment 26).**

Senators Griffin and Murphy explained their votes.

Attached is a list noting the individuals who registered their position on the bill (Attachment P).

There being no further business, the meeting was adjourned at 7:01 p.m.

Respectfully submitted,

Shelley Ponce
Committee Secretary

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