

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature – First Regular Session

COMMITTEE ON COMMERCE

Report of Regular Meeting
Wednesday, March 11, 2015
House Hearing Room 1 -- 9:30 a.m.

Convened 9:34 a.m.

Recessed

Reconvened

Adjourned 10:15 a.m.

Members Present

Mr. Espinoza
Mrs. Fernandez
Mr. Lawrence
Ms. Mach
Mr. Shope
Mrs. Norgaard, Vice-Chairman
Mr. Petersen, Chairman

Members Absent

Mr. Rivero

Request to Speak

Report – Attachment 1

Presentations

Name

None

Organization

Attachments (Handouts)

Committee Action

Bill

Action

Vote

**Attachments (Summaries,
Amendments, Roll Call)**

SB1098 DP

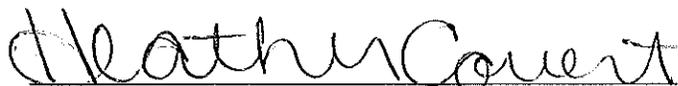
7-0-0-1

2, 3

SB1320 DP

6-1-0-1

4, 5



Heather Covert, Chairman Assistant

Wednesday, March 11, 2015

(Original attachments on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)

Information Registered on the Request to Speak System

House Commerce (3/11/2015)

SB1098, public service corporations; hearings; exception

Testified in support:

Lori Lustig, Arizona Corporation Commission; Paul Walker, ARIZONANS FOR RESPONSIBLE WATER POLICY

Support:

Philip Bashaw, GRAND CANYON STATE ELECTRIC COOP ASSN; Chad Guzman, AZ PUBLIC SERVICE COMPANY (APS); Steven Eddy, TUCSON ELECTRIC POWER COMPANY

Neutral:

Leonard Clark Clark, representing self

All Comments:

Lori Lustig, Arizona Corporation Commission: This an AZ Corporation Commission authored bill to update rule-making and preserve the current rate-making process for small utilities; Paul Walker, ARIZONANS FOR RESPONSIBLE WATER POLICY: Responsible Water, comprised of Arizona Water Company, Global Water, and Liberty Utilities supports SB 1098. SB 1098 will reduce rate case expense for small companies, saving customers and the Commission time and money, without reducing oversight.

SB1320, cosmetology board; makeup artists; exemption

Testified in support:

Leiah Scheibel, representing self

Testified as neutral:

Jessica Rainbow, Arizona State Board Of Cosmetology

Support:

Alexandra Bradberry , representing self; Joseph Costa, representing self; Kileen Lindgren, representing self



HOUSE OF REPRESENTATIVES

SB 1098

public service corporations; hearings; exception

Sponsor: Senator Kavanagh

X Committee on Commerce

Caucus and COW

House Engrossed

OVERVIEW

HB 1098 revises the maximum gross operating revenue for small public service corporations (Corporations) that request a rate increase from the Arizona Corporation Commission (Commission) without having an administrative hearing.

HISTORY

The Commission is established by Article XV of the Arizona State Constitution, consisting of five members elected to four year terms in the general election.

Arizona Revised Statutes (A.R.S.) § 40-202 authorizes the Commission to regulate all Corporations in the state. The definition of a Corporation includes all corporations other than municipal engaged in services involving gas, oil, electricity, water, fire protection, sewage and other related services. Arizona Administrative Code, Title 14, Chapter 2, classifies fixed utilities, which are broken down into five categories based on annual operating revenue.

A.R.S. § 40-250 prohibits Corporations from increasing rates, or making alterations that result in a rate increase, without first showing the Commission that the increase is justified. Current law authorizes Corporations with gross operating revenues of less than \$250,000, including any requested rate of relief, to request a rate increase without having an administrative hearing.

PROVISIONS

1. Increases the maximum gross operating revenue for Corporations to request a rate increase from the Commission without having an administrative hearing from \$250,000 to \$1,000,000.
2. Makes technical changes.



HOUSE OF REPRESENTATIVES

SB 1320

cosmetology board; makeup artists; exemption

Sponsors: Senators Yee, Allen, Barto, et al.

X Committee on Commerce

Caucus and COW

House Engrossed

OVERVIEW

SB 1320 exempts people who apply makeup, including eyelash enhancements, from the statutory provisions pertaining to cosmetology, except in the practice of aesthetics or cosmetology.

HISTORY

Arizona Revised Statutes (A.R.S.) Title 32, Chapter 5, establishes the Arizona State Board of Cosmetology (Board) to protect the public through the licensure and regulation of the cosmetology industry. The Board currently issues licenses to cosmetologists, aestheticians, nail technicians and instructors as well as salons and schools. Current statute requires the Board to fulfill many functions, including the adoption, administration and enforcement of rules and the preparation, administration and grading of exams. The Board is also authorized to inspect schools and salons during business hours.

A.R.S. § 32-506 currently exempts multiple makeup-related services from the statutory provisions pertaining to cosmetology, including: people employed by theatrical groups who apply makeup; people who apply makeup, oils or cosmetics in the process of selling these products; and, people who apply makeup, oils and cosmetics to patients in hospitals, nursing homes or residential care institutions.

PROVISIONS

1. Exempts people who apply makeup, including eyelash enhancements, from the statutory provisions pertaining to cosmetology, except in the practice of aesthetics or cosmetology.
2. Requires makeup artists who are exempt from the statutory provisions pertaining to cosmetology to conspicuously post a sign in their place of business stating that their services are not regulated by the Board.
3. Makes technical changes.

