

COMMITTEE ON COMMERCE

2-22-16

Report of Regular Meeting
Wednesday, February 10, 2016
House Hearing Room 1 -- 9:30 a.m.

Convened 9:34 a.m.
Recessed
Reconvened
Adjourned 10:39 a.m.

Members Present

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

Members Absent

Agenda

Original Agenda – Attachment 1

Request to Speak

Report – Attachment 2

Committee Action

<u>Bill</u>	<u>Action</u>	<u>Vote</u>	<u>Attachments</u> <u>(Summaries,</u> <u>Amendments, Roll Call,</u> <u>Attendance)</u>
HB2232	Discussed and Held		3, 4, 5
HB2475	DP	8-0-0-0	6, 7
HB2579	DP	5-3-0-0	8, 9
HB2523	HELD		10, 11
Committee Attendance			12



Heather Covert, Chairman Assistant
February 18, 2016

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

Conv: 9:34am
Adj: 10:39am

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - Second Regular Session

REGULAR MEETING AGENDA

COMMITTEE ON COMMERCE

DATE Wednesday, February 10, 2016

ROOM HHR 1

TIME 9:30 A.M. NOTE TIME CHANGE
9:00 A.M.

Members:

Mr. Espinoza
Mr. Lawrence
Ms. Mach

Ms. Plumlee
Mr. Rivero
Mr. Shope

Mrs. Norgaard, Vice-Chairman
Mr. Petersen, Chairman

Bills	Short Title	Strike Everything Title
HB2232	<u>DISC</u> job training fund; lottery revenues (Bolding, Andrade, Espinoza, et al)	S/E: homeowners' associations; condominiums; late fees
	<u>HELD</u> COM, APPROP, RULES	
HB2475	<u>DP</u> funeral establishments; procurement organizations (Norgaard, Mendez: Bowers, et al)	
	<u>8-0-0-0</u> COM, RULES	
HB2523	<u>HELD</u> contact lenses; prescriptions. (Carter: Petersen)	
	COM, RULES	
HB2579	<u>DP</u> nonwage compensation; minimum wage (Mesnard: Petersen)	
	<u>5-3-0-0</u> COM, RULES	

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

HC
2/4/16

People with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. If you require accommodations, please contact the Chief Clerk's Office at (602) 926-3032, TDD (602) 926-3241.

Information Registered on the Request to Speak System

House Commerce (2/10/2016)

HB2232, job training fund; lottery revenues

Support:

Amanda Rusing, Arizona Bio Industry Association

Oppose:

Kevin DeMenna, COMMUNITY ASSOCIATIONS INSTITUTE; Jason Barraza, Associate Director, AZ ASSN OF COMMUNITY MANAGERS (AACM)

All Comments:

Kevin DeMenna, COMMUNITY ASSOCIATIONS INSTITUTE: Respectfully oppose the strike everything amendment;
Jason Barraza, AZ ASSN OF COMMUNITY MANAGERS (AACM): Opposed to the SE amendment.

HB2475, funeral establishments; procurement organizations

Support:

Marilyn Purvis, SCI AZ FUNERAL SERVICES INC; Jay Kaprosy, SCI Arizona Funeral Services; Don Isaacson, Science Care

All Comments:

Marilyn Purvis, SCI AZ FUNERAL SERVICES INC: We support this legislation on behalf of SCI.

HB2523, contact lenses; prescriptions.

Support:

Joseph Pikosz, representing self; Karen Mackean, representing self; Chalon Hutson, representing self; Boaz Witbeck, AMERICANS FOR PROSPERITY AZ; Tom Jenney, AMERICANS FOR PROSPERITY AZ; Thomas Woodrow, representing self; Kevin DeMenna, 1800CONTACTS; Justin Marino, 1-800 Contacts; Warde Nichols, 1-800 Contacts; Michael Hunter, BARRY GOLDWATER INSTITUTE FOR PUBLIC POLICY RESEARCH; Justin French, representing self; Chase Everton, representing self; Scot Mussi, Arizona Free Enterprise Club; Bryan Lee Briggs, representing self

Oppose:

Joan Koerber-Walker, representing self; James Hamilton, NOVARTIS PHARMACEUTICALS CO; Don Isaacson, AZ OPTOMETRIC ASSN; Paul Senseman, Johnson & Johnson; Annette Hanian, representing self; Karen Walker OD, representing self; Gary Scheer, representing self; John Chrisagis OD, representing self; Ric Rios OD, representing self; Stacia Decker, representing self; Cathy Hollenbach, representing self; Christine Sorenson, representing self; Rand Siekert, representing self; Mike Kozlowski, representing self; Richard Kalina, representing self; Jim Frank, representing self; David Coulson, representing self; Eric Clyde, representing self; Camille Chung, representing self;

Joel Ackerman, representing self; Christopher Marmo, representing self; Amy Czyz, representing self; David Rockwell, representing self; Alicia McCallen, representing self; James Abbott, representing self; Christina Olivetti, representing self; Donna Van Nostrand, representing self; Michael Lamb, representing self; William Schiff, representing self; Susan Reckell, representing self; Maury Kessler, representing self; Doyle Holle, representing self; Joshua Baker, representing self; Logan Ragan, representing self; Tim Hanian, representing self; Gary Greene, representing self; Stuart Greenberg, representing self; Debbie Duong, representing self; Stephen Cohen, representing self; Chad Burton, representing self; Gaill Bass-Dercheid, representing self; Tom Babu, representing self; Vasvi Babu, representing self; Stuart Bark, representing self; Gilbert Wong, representing self; Roger Juarez, representing self; Gary Morgan, representing self; Robert Harper, representing self; Cynthia Harper, representing self; John Rinehart, representing self; Bob Maynard, representing self; Steven Burns, representing self; Aleta Gong, representing self; Larry Holle, representing self; Tom Czyz, representing self; Megan VanOver, representing self; Shannon Steinhauer, representing self; Frank Akers, representing self; Leslie Falcon, representing self; Michelle Kohls, representing self; Jan McVey, representing self; Chris Parot, representing self; Ken Johnson, representing self; Eric Emmert, Azbio; Robert Esposito, representing self; Mike Hanley, representing self; Dawn Heffelfinger, representing self; John Markham, representing self; Tim McAuliffe, representing self; Beth Deemer, representing self; Matthew Sullivan, representing self; Monica Diamos, representing self; Jill Caporelli, representing self; Jeff Bergeson, representing self; Tania Sobchuk, representing self; Troy Ford, representing self; John Fornara, representing self; Nick Koshuta, representing self; Jennifer Samuel, representing self; V. Craig Stuart, representing self; Serge Wright, representing self; Patrick Barry, representing self; Curtis Dechant, representing self; Bob Mulgrew, representing self; Bart Pemberton, representing self; Cheryl Schmitt, representing self; Chuck Edmonds, representing self; Marla Husz, representing self; Chad Carlsson, representing self; Roger Ethington, representing self; Jack Hostetler, representing self; Tom Wilson, representing self; Jonathan Wold, representing self; Paul Woolf, representing self; Tom Determan, representing self; Stephen Spencer, representing self; Lilien Vogl, representing self; Lincoln Daynes, representing self; Neha Amin-Lacorte, representing self; Marc Bloomenstein, representing self; Dawn Clary, representing self; Lindsey Clyde, representing self; Richard Glonek, representing self; Caroline Griego, representing self; Justin Kohls, representing self; David Kaplan OD, representing self; jeff buel, Johnson & Johnson; Jamie Kuhn, representing self; Garrick Taylor, Arizona Chamber Of Commerce And Industry; Barry Aarons, Coopervision; Todd Geiler, representing self; Cheyenne Walsh, AZ OPTOMETRIC ASSN; Trish Hart, AZ OPTHALMOLOGICAL SOCIETY; Amanda Rusing, Coalition For Patient Vision Care Safety; Jeff Sandquist, Coalition For Patient Vision Care Safety; Marilyn Purvis, Coalition For Patient Vision Care Safety; jeff buel, representing self; Lori Scott, representing self; Margaret Whelan, Arizona State Board Of Optometry; Stacey Meier, representing self; Brian Mach, representing self

All Comments:

Joan Koerber-Walker, Self: Extending the period of the prescription to 3 years is not in the best interest of protecting the patient's eye health.; Annette Hanian, Self: Representing AZ Optometric Association; Karen Walker OD, Self: Contact lenses are medical devices, and it is improper for the legislature to interfere with the patient/doctor relationship, or involve itself in things not understood. The legislature should serve the public, not out-of-state corporate interests.; Gary Scheer, Self: As President of the Arizona Association of Dispensing Opticians, representing and on the behalf of the Opticians of Arizona, I strongly object to any change in the expiration date specifications for contact lens prescriptions.; John Chrisagis OD, Self: President of AZ Board of Optometry; Stacia Decker, Self: For the health and safety concern of the patients of Optometrists in the state of Arizona, I strongly object the any change in the contact lens prescription expiration and believe it should never be valid for more than 1 year.; Donna Van Nostrand, Self: As Executive Director of the Arizona Association of Dispensing Opticians and our 256 Optician members, it is our position to object to any change in the contact lens prescription expiration.; jeff buel, Johnson & Johnson: Dr. Carol Alexander and Anthony Perlozzo Johnson & Johnson Vision Care; Justin

French, Self: LD 23 Constituent - please support this bill. My contact lens prescription has not changed in 5 years. The state should not mandate annual eye exams for contact lens wearers.; Chase Everton, Self: 1-800 contacts; Trish Hart, AZ OPHTHALMOLOGICAL SOCIETY: We are opposed to a 3 year prescription term for contact lenses. We are supportive of a two year term if there is a hard stop at the end of the 2 year term and the doctor is able to write a prescription for one year if they choose.; jeff buel, Self: dr carol alexander to speak please; Margaret Whelan, Arizona State Board Of Optometry: State Board of Optometry opposes the two-year time frame set forth in the bill as it conflicts with the Standard of Care defined by the American Optometric Assn. as a one-year requisite for eye exams, including prescriptions for both CL & eyeglasses.

HB2579, nonwage compensation; minimum wage

Support:

Farrell Quinlan, State Director, NATIONAL FEDERATION OF INDEPENDENT BUSINESS; Trish Hart, AZ FOOD MARKETING ALLIANCE; Michelle Ahlmer, AZ RETAILERS ASSN; Spencer Kamps, HOME BUILDERS ASSOCIATION OF CENTRAL AZ; Mike Huckins, GREATER PHOENIX CHAMBER OF COMMERCE; Chianne Hewer, AZ RESTAURANT AND HOSPITALITY ASSN; Garrick Taylor, Arizona Chamber Of Commerce And Industry; Eric Emmert, East Valley Chambers Of Commerce Alliance ; Nick Debus, CHANDLER CHAMBER OF COMMERCE

Oppose:

Samantha Pstross, AZ ADVOCACY NETWORK, Self; Jay Gittrich, representing self; Kelly Griffith, SOUTHWEST CENTER FOR ECONOMIC INTEGRITY; Rebekah Friend, Arizona AFL-CIO; Kitty Kennedy, representing self; Barbara Matteson, representing self; Tory Anderson, AZ ALLIANCE FOR RETIRED AMERICANS; Molly McGovern, representing self; Luci Messing, representing self; Eric Schindler, representing self; Sam Wercinski, representing self

All Comments:

Samantha Pstross, AZ ADVOCACY NETWORK, Self: .; Chianne Hewer, AZ RESTAURANT AND HOSPITALITY ASSN: The ARA supports this bill and wishes to speak.; Kitty Kennedy, Self: Strongly oppose this bill; Barbara Matteson, Self: Please oppose this bill. Tucson should have the right to manage their own regulations; Tory Anderson, AZ ALLIANCE FOR RETIRED AMERICANS: AZ Alliance for Retired Americans, representing over 44,000 AZ retirees, opposes HB2579. We support working families and paid family leave helps to strengthen retirement security for our generation and future generations.; Luci Messing, Self: I oppose this bill. Once again the State Legislature attempts to over reach and tell cities how to conduct their business. Such hypocrisy when you also attempt to disobey federal mandates. Cities elect their own officials by their constituents.; Eric Schindler, Self: Less state government interference in local affairs. Cities should be allowed to pass legislation they view as helpful. Earned sick time is so important



HOUSE OF REPRESENTATIVES

HB 2232

job training fund; lottery revenues

Prime Sponsor: Representative Bolding, LD 27

X Committee on Commerce
Committee on Appropriations
Caucus and COW
House Engrossed

STRIKE-EVERYTHING SUMMARY

HB 2232 limits the amount of fees condominium and planned community associations (HOAs) can charge their members to one-half of the regular monthly assessment.

PROVISIONS

1. States that late fees, penalties, interest, charges, costs or fees, or attorney fees charged by an HOA cannot exceed one-half of the regular monthly general assessment.
2. Instructs HOAs using an annual regular general assessment to use a monthly pro rata formula when calculating applicable fees.
3. Allows an exception for the liability of actual assessments.
4. Makes conforming changes.

CURRENT LAW

A.R.S. § 33-1242 allows a condominium HOA to impose charges for late payment for assessments, and impose reasonable fees for violations of the declarations or bylaws and rules. The statutes also allow reasonable charges for the preparation and recordation of amendments or statements of unpaid assessments.

A.R.S. §33-1803 specifies that charges for late payments on assessments are limited to the greater of \$15 or 10% of the amount of the unpaid assessment. A payment is late if it remains unpaid 15 days after its due date. An HOA for a planned community association may impose reasonable monetary penalties for violations of the declaration, bylaws and rules of the association. If the penalties remain unpaid, the HOA can charge a late fee equal to the greater of \$15 or 10% of the unpaid amount.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2232

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 33-1242, Arizona Revised Statutes, is amended to
3 read:

4 33-1242. Powers of unit owners' association; limitation on
5 fees, charges; notice to unit owner of violation

6 A. Subject to the provisions of the declaration, the association may:

7 1. Adopt and amend bylaws and rules.

8 2. Adopt and amend budgets for revenues, expenditures and reserves and
9 collect assessments for common expenses from unit owners.

10 3. Hire and discharge managing agents and other employees, agents and
11 independent contractors.

12 4. Institute, defend or intervene in litigation or administrative
13 proceedings in its own name on behalf of itself or two or more unit owners on
14 matters affecting the condominium.

15 5. Make contracts and incur liabilities.

16 6. Regulate the use, maintenance, repair, replacement and modification
17 of common elements.

18 7. Cause additional improvements to be made as a part of the common
19 elements.

20 8. Acquire, hold, encumber and convey in its own name any right, title
21 or interest to real or personal property, except that common elements may be
22 conveyed or subjected to a security interest only pursuant to section
23 33-1252.

24 9. Grant easements, leases, licenses and concessions through or over
25 the common elements.

26 10. Impose and receive any payments, fees or charges for the use,
27 rental or operation of the common elements other than limited common elements

1 described in section 33-1212, paragraphs 2 and 4 and for services provided to
2 unit owners.

3 11. Impose charges for late payment of assessments and, after notice
4 and an opportunity to be heard, impose reasonable monetary penalties ~~upon~~ ON
5 unit owners for violations of the declaration, bylaws and rules of the
6 association.

7 12. Impose reasonable charges for the preparation and recordation of
8 amendments to the declaration or statements of unpaid assessments.

9 13. Provide for the indemnification of its officers and executive
10 board of directors and maintain directors' and officers' liability insurance.

11 14. Assign its right to future income, including the right to receive
12 common expense assessments, but only to the extent the declaration expressly
13 provides.

14 15. Be a member of a master association or other entity owning,
15 maintaining or governing in any respect any portion of the common elements or
16 other property benefitting or related to the condominium or the unit owners
17 in any respect.

18 16. Exercise any other powers conferred by the declaration or bylaws.

19 17. Exercise all other powers that may be exercised in this state by
20 legal entities of the same type as the association.

21 18. Exercise any other powers necessary and proper for the governance
22 and operation of the association.

23 B. NOTWITHSTANDING ANY PROVISION IN THE CONDOMINIUM DOCUMENTS AND ANY
24 OTHER PROVISION OF LAW AND EXCEPT FOR LIABILITY FOR ASSESSMENTS, THE
25 ASSOCIATION MAY NOT CHARGE AND A UNIT OWNER IS NOT LIABLE FOR LATE FEES,
26 PENALTIES, INTEREST, CHARGES, COSTS OR FEES, INCLUDING ATTORNEY FEES, IN ANY
27 COMBINATION AND HOWEVER DESIGNATED OR ACCRUED, IN ANY AMOUNT IN EXCESS OF
28 ONE-HALF OF THE AMOUNT OF THE MONTHLY REGULAR GENERAL ASSESSMENT. FOR A
29 CONDOMINIUM IN WHICH ASSESSMENTS ARE NOT MADE MONTHLY, THE LIMITATION
30 PRESCRIBED BY THIS SUBSECTION SHALL BE DETERMINED BASED ON THE MONTHLY PRO
31 RATA SHARE OF THE ANNUAL AMOUNT OF THE REGULAR GENERAL ASSESSMENT.

32 ~~B-~~ C. A unit owner who receives a written notice that the condition
33 of the property owned by the unit owner is in violation of a requirement of
34 the condominium documents without regard to whether a monetary penalty is
35 imposed by the notice may provide the association with a written response by
36 sending the response by certified mail within ten business days after the

1 date of the notice. The response shall be sent to the address identified in
2 the notice.

3 D. Within ten business days after receipt of the certified mail
4 containing the response from the unit owner, the association shall respond to
5 the unit owner with a written explanation regarding the notice that shall
6 provide at least the following information unless previously provided in the
7 notice of violation:

8 1. The provision of the condominium documents that has allegedly been
9 violated.

10 2. The date of the violation or the date the violation was observed.

11 3. The first and last name of the person or persons who observed the
12 violation.

13 4. The process the unit owner must follow to contest the notice.

14 E. Unless the information required in subsection D, paragraph 4
15 of this section is provided in the notice of violation, the association shall
16 not proceed with any action to enforce the condominium documents, including
17 the collection of attorney fees, before or during the time prescribed by
18 subsection D of this section regarding the exchange of information between
19 the association and the unit owner. At any time before or after completion
20 of the exchange of information pursuant to this section, the unit owner may
21 petition for a hearing pursuant to section 41-2198.01 if the dispute is
22 within the jurisdiction of the department of fire, building and life safety
23 as prescribed in section 41-2198.01, subsection B.

24 Sec. 2. Section 33-1803, Arizona Revised Statutes, is amended to read:

25 33-1803. Assessment limitatoin; penalties; limitation on fees,
26 charges; notice to member of violation

27 A. Unless limitations in the community documents would result in a
28 lower limit for the assessment, the association shall not impose a regular
29 assessment that is more than twenty percent greater than the immediately
30 preceding fiscal year's assessment without the approval of the majority of
31 the members of the association. Unless reserved to the members of the
32 association, the board of directors may impose reasonable charges for the
33 late payment of assessments. A payment by a member is deemed late if it is
34 unpaid fifteen or more days after its due date, unless the community
35 documents provide for a longer period. Charges for the late payment of
36 assessments are limited to the greater of fifteen dollars or ten percent of
37 the amount of the unpaid assessment. Any monies paid by the member for an

1 unpaid assessment shall be applied first to the principal amount unpaid and
2 then to the interest accrued.

3 B. After notice and an opportunity to be heard, the board of directors
4 may impose reasonable monetary penalties on members for violations of the
5 declaration, bylaws and rules of the association. Notwithstanding any
6 provision in the community documents, the board of directors shall not impose
7 a charge for a late payment of a penalty that exceeds the greater of fifteen
8 dollars or ten percent of the amount of the unpaid penalty. A payment is
9 deemed late if it is unpaid fifteen or more days after its due date, unless
10 the declaration, bylaws or rules of the association provide for a longer
11 period. Any monies paid by a member for an unpaid penalty shall be applied
12 first to the principal amount unpaid and then to the interest accrued.
13 Notice pursuant to this subsection shall include information pertaining to
14 the manner in which the penalty shall be enforced.

15 C. NOTWITHSTANDING ANY PROVISION IN THE COMMUNITY DOCUMENTS AND ANY
16 OTHER PROVISION OF LAW AND EXCEPT FOR LIABILITY FOR ASSESSMENTS, THE
17 ASSOCIATION MAY NOT CHARGE AND A MEMBER IS NOT LIABLE FOR LATE FEES,
18 PENALTIES, INTEREST, CHARGES, COSTS OR FEES, INCLUDING ATTORNEY FEES, IN ANY
19 COMBINATION AND HOWEVER DESIGNATED OR ACCRUED, IN ANY AMOUNT IN EXCESS OF
20 ONE-HALF OF THE AMOUNT OF THE MONTHLY REGULAR GENERAL ASSESSMENT. FOR A
21 PLANNED COMMUNITY IN WHICH ASSESSMENTS ARE NOT MADE MONTHLY, THE LIMITATION
22 PRESCRIBED BY THIS SUBSECTION SHALL BE DETERMINED BASED ON THE MONTHLY PRO
23 RATA SHARE OF THE ANNUAL AMOUNT OF THE REGULAR GENERAL ASSESSMENT.

24 ~~0-~~ D. A member who receives a written notice that the condition of
25 the property owned by the member is in violation of the community documents
26 without regard to whether a monetary penalty is imposed by the notice may
27 provide the association with a written response by sending the response by
28 certified mail within ten business days after the date of the notice. The
29 response shall be sent to the address identified in the notice.

30 ~~0-~~ E. Within ten business days after receipt of the certified mail
31 containing the response from the member, the association shall respond to the
32 member with a written explanation regarding the notice that shall provide at
33 least the following information unless previously provided in the notice of
34 violation:

35 1. The provision of the community documents that has allegedly been
36 violated.

37 2. The date of the violation or the date the violation was observed.

House Amendments to H.B. 2232

1 3. The first and last name of the person or persons who observed the
2 violation.

3 4. The process the member must follow to contest the notice.

4 ~~E.~~ F. Unless the information required in subsection ~~D~~- E, paragraph 4
5 of this section is provided in the notice of violation, the association shall
6 not proceed with any action to enforce the community documents, including the
7 collection of attorney fees, before or during the time prescribed by
8 subsection ~~D~~- E of this section regarding the exchange of information between
9 the association and the member. At any time before or after completion of
10 the exchange of information pursuant to this section, the member may petition
11 for a hearing pursuant to section 41-2198.01 if the dispute is within the
12 jurisdiction of the department of fire, building and life safety as
13 prescribed in section 41-2198.01, subsection B."

14 Amend title to conform

DIEGO ESPINOZA

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02/04/2016
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ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON _____ COMMERCE _____ BILL NO. HB 2232

DATE February 10, 2016

MOTION: DDA 8/E
DISC. & HELD

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Espinoza					
Mr. Lawrence					
Ms. Mach					
Ms. Plumlee					
Mr. Rivero					
Mr. Shope					
Mrs. Norgaard, Vice-Chairman					
Mr. Petersen, Chairman					

Heather Couert
 COMMITTEE SECRETARY

APPROVED:

 WARREN H. PETERSEN, Chairman
 JILL NORGAARD, Vice-Chairman

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

HB 2475

funeral establishments; procurement organizations
Prime Sponsor: Representative Norgaard, LD 18

X Committee on Commerce

Caucus and COW

House Engrossed

OVERVIEW

HB 2475 makes it unlawful for an Arizona Board of Funeral Directors and Embalmers (Funeral Board) funeral establishment or licensee to have a financial or proprietary interest in a statutorily defined *procurement organization*, including a tissue bank, eye bank or other organ storage or harvesting business.

PROVISIONS

1. Prohibits any funeral establishment or licensee from having a financial or proprietary interest in a *procurement organization*.
2. References the health care statute to define *procurement organization*.
3. Authorizes reasonable payments to a funeral establishment or a licensee for the associated costs of transporting, storing and delivering a body to a procurement organization.

CURRENT LAW

Licensed drivers, or those with a state issued identification card, may register with Arizona's organ donation registry administered by Donor Network of Arizona, a nonprofit federally designated organ procurement organization. Registration may be done by checking the appropriate box when renewing or obtaining a new driver's license through your local Arizona Department of Transportation, Division of Motor Vehicles office. Any testing or other donation costs are the responsibility of the organ procurement organization. Organ donors can specify what they will donate, such as lungs, kidneys, heart, corneas, bones and skin. <http://www.dmv.org/az-arizona/organ-donor.php>

A.R.S. § 36-1301 defines *procurement organization* to include an *organ procurement organization* that is designated by the U.S. Department of Health and Human Services, a tissue bank, an eye bank and a federal or state-licensed or accredited storage facility that engages in the recovery, testing, processing, storage or distribution of human bodies or parts. A licensee is any funeral director, embalmer or intern authorized and licensed to operate a funeral establishment or crematory in Arizona. The statutes prescribe a Class 2 misdemeanor for any person who intentionally and knowingly violates the provisions of law relating to funeral establishment practices.



HOUSE OF REPRESENTATIVES

HB 2579

nonwage compensation; minimum wage

Prime Sponsor: Representative Mesnard, LD 17

X Committee on Commerce

Caucus and COW

House Engrossed

OVERVIEW

HB 2579 modifies the statutes relating to employee compensation and benefits. Contains a Proposition 105 clause.

PROVISIONS

1. Defines *minimum wage* as the nondiscretionary minimum compensation given to an employee, including commissions but excluding tips and gratuities.
2. Adds *nonwage compensation* to the list of employee regulations that are of statewide concern and not subject to further regulation by any city, town or political subdivision of the state.
3. Authorizes a political subdivision to establish a minimum wage equivalent to the statutory requirements of the Minimum Wage Act (Act).
4. Designates *nonwage compensation* as: fringe benefits, welfare benefits, child/adult care plans, sick pay, vacation pay, severance pay, commissions, bonuses, retirement plan/pension contributions, other federal employment benefits, other amounts more than the minimum compensation due to an employee.
5. Removes from the definition of *wages*: sick pay, vacation pay, severance pay, commissions, bonuses and other amounts promised by the employer who has a policy or practice of making such payments.
6. Contains a Proposition 105 clause.

CURRENT LAW

Arizona employers are required to pay regular employees at least the minimum wage, currently \$8.05 per hour. Proposition 202, a voter initiative passed in 2006 (effective January 1, 2007), established the Act, requiring an annual increase in minimum wage based on the Consumer Price Index of All Urban Consumers, Bureau of Labor Statistics, U.S. Department of Labor.

Wages means the nondiscretionary monies due to an employee in return for labor or services, whether determined by time, task, piece, commission or other means of calculation. *Wages* also includes sick, vacation and severance pay, commissions and bonuses, plus other amounts as promised by the employer as a policy or practice. (A.R.S. § 23-350)

The cash wage (\$3.00 less than minimum wage) is paid to employees who regularly and customarily receive tips or gratuities. If the cash wage plus tips do not equal the minimum wage, then employers are responsible for paying the difference to the employee. According to the Industrial Commission of Arizona (ICA), Labor Department, any person can file a complaint if the person is not receiving the state minimum wage or has been retaliated against for asserting a claim or right under the Act. (www.ica.state.az.us)

Fifty-second Legislature
Second Regular Session

Commerce

Attachment 8



HOUSE OF REPRESENTATIVES

HB 2523

contact lenses; prescriptions.

Prime Sponsor: Representative Carter, LD 15

X Committee on Commerce

Caucus and COW

House Engrossed

OVERVIEW

HB 2523 extends the expiration term for replacement soft contact lens prescriptions from one year to three years. Instructs physicians and optometrists to state any health-related reasons for issuing a prescription for a shorter term.

PROVISIONS

1. Changes the expiration term for replacement soft contact lens prescriptions from one year to three years.
2. Requires a physician or optometrist who issues a prescription for less than three years to state the health-related reasons for the shorter expiration term.
3. Stipulates that prescription refills issued within 60 days of the expiration date be filled in accordance with the United States Food and Drug Administration's packaging standards.
4. Makes technical changes.

CURRENT LAW

Federal and state law requires release of a contact lens prescription to the patient after an eye exam, except for documented medical reasons that require otherwise. A.R.S. § 32-1976 requires replacement soft contact lens prescriptions to be issued in the name of the prescribing physician or optometrist, the date of issue, the name of the contact lens brand and specifications that include lens type and tint. Statute prohibits any substitutions, and requires the lens be dispensed as prescribed. The expiration date is either the date on the prescription noted by the physician or optometrist or one year, whichever is earlier. Prescriptions that will expire within 60 days must be filled in a quantity that is appropriate through the prescription's expiration date. Prescriptions must include a written notice of warning and any advertisements by a pharmacy or pharmacist must include all charges associated with purchasing replacement soft contact lenses.

