ARIZONA HOUSE OF REPRESENTATIVES

Fifty-third Legislature - Second Regular Session

MAJORITY CAUCUS CALENDAR #5

**February 19, 2018**

**All Bills Pending Rules Action**

Bill Number Short Title Committee Date Action

**Committee on Appropriations**

**Chairman: David Livingston, LD22 Vice Chairman: Vince Leach, LD11**

**Analyst: Jennifer Thomsen Intern: Adam Ciampaglio**

[HB 2391](#hb2391) historical society; chapter funds; matching

SPONSOR: RIVERO, LD21 HOUSE

APPROP 2/14 DPA (13-0-0-0-0)

**Committee on Banking and Insurance**

**Chairman: David Livingston, LD22 Vice Chairman: Eddie Farnsworth, LD12**

**Analyst: Paul Benny Intern: Lauren Kinzle**

[HB 2545](#hb2545) EORP; cost-of-living adjustment.

SPONSOR: LIVINGSTON, LD22 HOUSE

BI 2/12 DPA (8-0-0-0-0)

[HB 2564](#hb2564) court fees; EORP; state contribution

SPONSOR: LIVINGSTON, LD22 HOUSE

BI 2/12 DPA (7-1-0-0-0)

(No: FARNSWORTH E)

[HCR 2032](#hcr2032) public retirement systems.

SPONSOR: LIVINGSTON, LD22 HOUSE

BI 2/12 DPA (8-0-0-0-0)

**Committee on Commerce**

**Chairman: Jeff Weninger, LD17 Vice Chairman: Jill Norgaard, LD18**

**Analyst: Diana Clay Intern: Josefina Torres**

[HB 2064](#hb2064) medical marijuana; packaging; labeling

SPONSOR: LEACH, LD11 HOUSE

COM 2/13 DP (9-0-0-0-0)

[HB 2154](#hb2154) personal information; data security breaches

SPONSOR: SHOPE, LD8 HOUSE

COM 2/13 DP (9-0-0-0-0)

[HB 2333](#hb2333) home-based businesses; local regulation

SPONSOR: WENINGER, LD17 HOUSE

COM 1/30 DPA (6-3-0-0-0)

(No: ESPINOZA,EPSTEIN,CHÁVEZ)

[HB 2464](#hb2464) sale of eggs; expiration date

SPONSOR: NORGAARD, LD18 HOUSE

COM 2/13 DPA (9-0-0-0-0)

[HB 2478](#hb2478) sports authority districts; extension

SPONSOR: CLODFELTER, LD10 HOUSE

COM 2/13 DP (9-0-0-0-0)

[HB 2550](#hb2550) contractors; inactive licenses

SPONSOR: TOMA, LD22 HOUSE

COM 2/13 DP (9-0-0-0-0)

[HB 2579](#hb2579) video service; certificates of authority

SPONSOR: NORGAARD, LD18 HOUSE

COM 2/13 DP (7-2-0-0-0)

(No: ESPINOZA,EPSTEIN)

[HB 2589](#hb2589) department of gaming omnibus

SPONSOR: COOK, LD8 HOUSE

COM 2/13 DPA (9-0-0-0-0)

[HB 2601](#hb2601) securities; crowdfunding; virtual coin offerings

SPONSOR: WENINGER, LD17 HOUSE

COM 2/13 DPA (9-0-0-0-0)

[HB 2602](#hb2602) running nodes; blockchain; regulation prohibition

SPONSOR: WENINGER, LD17 HOUSE

COM 2/13 DP (9-0-0-0-0)

[HB 2603](#hb2603) corporations; blockchain technology

SPONSOR: WENINGER, LD17 HOUSE

COM 2/13 DP (9-0-0-0-0)

[HCR 2028](#hcr2028) wages; leave; retaliation presumption; repeal

SPONSOR: MESNARD, LD17 HOUSE

COM 2/13 DP (6-3-0-0-0)

(No: ESPINOZA,EPSTEIN,CHÁVEZ)

**Committee on Education**

**Chairman: Paul Boyer, LD20 Vice Chairman: Douglas Coleman, LD16**

**Analyst: Aaron Wonders Intern: Ileen Younan**

[HB 2037](#hb2037) schools; statewide college readiness examination

SPONSOR: CARTER, LD15 HOUSE

ED 2/12 DP (9-0-0-2-0)

(Abs: BOWERS,STRINGER)

[HB 2216](#hb2216) schools; dropout recovery programs; report

SPONSOR: LEACH, LD11 HOUSE

ED 2/12 DP (9-0-0-2-0)

(Abs: BOWERS,STRINGER)

[HB 2435](#hb2435) English language learners; instruction; budgeting

SPONSOR: BOYER, LD20 HOUSE

ED 2/12 DPA (10-0-0-1-0)

(Abs: STRINGER)

[HB 2482](#hb2482) foster care tuition waiver

SPONSOR: SHOPE, LD8 HOUSE

ED 2/12 DP (10-0-0-1-0)

(Abs: BOLDING)

[HB 2489](#hb2489) schools; anonymous reporting; dangerous activity

SPONSOR: BOYER, LD20 HOUSE

ED 2/12 DP (9-2-0-0-0)

(No: NORGAARD,STRINGER)

[HB 2502](#hb2502) child abuse prevention education; schools

SPONSOR: BOYER, LD20 HOUSE

ED 2/12 DP (9-1-1-0-0)

(No: NORGAARD; Present: BOLDING)

[HB 2520](#hb2520) schools; reading requirements

SPONSOR: COLEMAN, LD16 HOUSE

ED 2/12 DP (9-0-0-2-0)

(Abs: BOWERS,STRINGER)

[HB 2524](#hb2524) school facilities board; underutilized schools

SPONSOR: CLODFELTER, LD10 HOUSE

ED 2/12 DPA (6-5-0-0-0)

(No: ALSTON,BOLDING,COLEMAN,SALDATE,UDALL)

[HB 2526](#hb2526) career technical education districts.

SPONSOR: CLODFELTER, LD10 HOUSE

ED 2/12 DP (9-0-0-2-0)

(Abs: BOWERS,STRINGER)

[HB 2534](#hb2534) teachers; certification requirements

SPONSOR: CARTER, LD15 HOUSE

ED 2/12 DPA (9-1-0-1-0)

(No: ALSTON; Abs: BOLDING)

[HB 2536](#hb2536) dual enrollment; homeschooled children

SPONSOR: BOWERS, LD25 HOUSE

ED 2/12 DP (9-1-0-1-0)

(No: ALSTON; Abs: BOLDING)

[HB 2561](#hb2561) schools; civics literacy state seal.

SPONSOR: BOYER, LD20 HOUSE

ED 2/12 DPA (9-0-0-2-0)

(Abs: BOWERS,STRINGER)

[HB 2563](#hb2563) postsecondary institutions; free expression policies

SPONSOR: BOYER, LD20 HOUSE

ED 2/12 DPA (8-3-0-0-0)

(No: ALSTON,BOLDING,SALDATE)

[HB 2578](#hb2578) damaged school facilities; replacement; grants

SPONSOR: JOHN, LD14 HOUSE

ED 2/12 DP (10-0-0-1-0)

(Abs: BOLDING)

**Committee on Energy, Environment and Natural Resources**

**Chairman: Russell "Rusty" Bowers, LD25 Vice Chairman: Brenda Barton, LD6**

**Analyst: Sharon Carpenter Intern: Adrienne Austill**

[HB 2512](#hb2512) water program amendments.

SPONSOR: BOWERS, LD25 HOUSE

EENR 2/13 DPA (6-3-0-0-0)

(No: GONZALES,DESCHEENIE,ENGEL)

[HB 2542](#hb2542) water resources; annual presentation

SPONSOR: BOWERS, LD25 HOUSE

EENR 2/13 DP (5-2-0-2-0)

(No: GONZALES,ENGEL; Abs: LEACH,DESCHEENIE)

[HB 2543](#hb2543) San Pedro water district; report

SPONSOR: BOWERS, LD25 HOUSE

EENR 2/13 DP (5-3-0-1-0)

(No: GONZALES,DESCHEENIE,ENGEL; Abs: LEACH)

[HB 2551](#hb2551) water; desalination action plan.

SPONSOR: BOWERS, LD25 HOUSE

EENR 2/13 DPA (9-0-0-0-0)

[HB 2553](#hb2553) adequate water supply; county review.

SPONSOR: BOWERS, LD25 HOUSE

EENR 2/13 DPA (6-3-0-0-0)

(No: GONZALES,DESCHEENIE,ENGEL)

[HB 2556](#hb2556) environment; water quality; brine

SPONSOR: NUTT, LD14 HOUSE

EENR 2/13 DPA (6-2-0-1-0)

(No: GONZALES,ENGEL; Abs: LEACH)

[HB 2596](#hb2596) natural resource conservation districts; administration.

SPONSOR: TOMA, LD22 HOUSE

EENR 2/13 DPA (5-3-0-1-0)

(No: GONZALES,DESCHEENIE,ENGEL; Abs: LEACH)

**Committee on Federalism, Property Rights and Public Policy**

**Chairman: Bob Thorpe, LD6 Vice Chairman: Mark Finchem, LD11**

**Analyst: Brittany Green Intern: Amanda Higby**

[HB 2121](#hb2121) ballot measures; paid circulator definition

SPONSOR: LEACH, LD11 HOUSE

FPRPP 2/13 DP (5-2-0-2-0)

(No: HERNANDEZ,BLANC; Abs: STRINGER,NAVARRETE)

[HB 2395](#hb2395) service animals; identification cards

SPONSOR: THORPE, LD6 HOUSE

FPRPP 2/13 DP (7-2-0-0-0)

(No: GRANTHAM,BLANC)

[HB 2500](#hb2500) real estate signs; cities; counties

SPONSOR: GRANTHAM, LD12 HOUSE

FPRPP 2/13 DP (8-1-0-0-0)

(No: BLANC)

[HCR 2024](#hcr2024) Article V convention; term limits.

SPONSOR: MITCHELL, LD13 HOUSE

FPRPP 2/6 DP (7-2-0-0-0)

(No: BLANC,NAVARRETE)

**Committee on Government**

**Chairman: Douglas Coleman, LD16 Vice Chairman: Bob Thorpe, LD6**

**Analyst: Michael Hans Intern: Stiv Fico**

[HB 2021](#hb2021) JLAC; auditor general

SPONSOR: ALLEN J, LD15 HOUSE

GOV 2/15 DPA (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HB 2062](#hb2062) permits; licenses; denials; agency hearings

SPONSOR: SHOPE, LD8 HOUSE

GOV 2/15 DPA (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HB 2065](#hb2065) public meetings; definition; penalties

SPONSOR: LEACH, LD11 HOUSE

GOV 2/1 DPA (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HB 2156](#hb2156) legislative vacancy; appointment; time frame

SPONSOR: COLEMAN, LD16 HOUSE

GOV 1/25 DP (5-2-0-1-0)

(No: CLARK,SALMAN; Abs: UGENTI-RITA)

[HB 2304](#hb2304) public buildings; omnibus

SPONSOR: CAMPBELL, LD1 HOUSE

GOV 2/15 DP (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HB 2414](#hb2414) state employee health plan; incentives

SPONSOR: KERN, LD20 HOUSE

GOV 2/15 DP (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HB 2509](#hb2509) Lees Ferry bell; governmental mall.

SPONSOR: BARTON, LD6 HOUSE

GOV 2/15 DP (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HB 2516](#hb2516) school buildings; airports

SPONSOR: COLEMAN, LD16 HOUSE

GOV 2/15 DPA/SE (6-0-0-2-0)

(Abs: UGENTI-RITA,JOHN)

[HB 2538](#hb2538) U.S. House vacancy; special election

SPONSOR: COLEMAN, LD16 HOUSE

GOV 2/8 DPA (8-0-0-0-0)

[HB 2591](#hb2591) fallen correctional employees memorial; extension

SPONSOR: SHOPE, LD8 HOUSE

GOV 2/15 DP (7-0-0-1-0)

(Abs: UGENTI-RITA)

[HCR 2006](#hcr2006) four-year terms; legislature.

SPONSOR: JOHN, LD14 HOUSE

GOV 2/1 DP (5-2-0-1-0)

(No: CLARK,SALMAN; Abs: UGENTI-RITA)

[HCR 2007](#hcr2007) clean elections; unlawful contributions; rulemaking

SPONSOR: COLEMAN, LD16 HOUSE

GOV 2/8 DPA (4-3-0-1-0)

(No: CLARK,SALMAN,MARTINEZ; Abs: UGENTI-RITA)

[HCR 2039](#hcr2039) legislature; initial assembly; sine die

SPONSOR: MESNARD, LD17 HOUSE

GOV 2/15 DPA (4-3-0-1-0)

(No: CLARK,SALMAN,MARTINEZ; Abs: UGENTI-RITA)

**Committee on Health**

**Chairman: Heather Carter, LD15 Vice Chairman: Regina E. Cobb, LD5**

**Analyst: Rick Hazelton Intern: Tyler Stephens**

[HB 2042](#hb2042) insurance coverage; telemedicine; urology

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HB 2067](#hb2067) unlawful medical marijuana recommendation

SPONSOR: LEACH, LD11 HOUSE

HEALTH 2/15 DP (6-3-0-0-0)

(No: POWERS HANNLEY,BUTLER,NAVARRETE)

[HB 2084](#hb2084) indoor tanning; minors; restricted use

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/1 DP (8-1-0-0-0)

(No: LAWRENCE)

[HB 2107](#hb2107) prescription drug costs; patient notification

SPONSOR: SYMS, LD28 HOUSE

HEALTH 2/15 DPA/SE (9-0-0-0-0)

[HB 2135](#hb2135) AHCCCS; chiropractic services.

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HB 2194](#hb2194) podiatrists; dispensing registration; repeal

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DPA/SE (9-0-0-0-0)

[HB 2196](#hb2196) certificates of necessity; hearings; duration

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/8 DP (9-0-0-0-0)

[HB 2197](#hb2197) health professionals; workforce data

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DP (9-0-0-0-0)

[HB 2250](#hb2250) physician assistants; prescribing authority; delegation

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/8 DPA (9-0-0-0-0)

[HB 2256](#hb2256) podiatrists; examination; repeal

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/8 DP (8-1-0-0-0)

(No: POWERS HANNLEY)

[HB 2258](#hb2258) diabetes; annual report

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HB 2321](#hb2321) acupuncture board; visiting professor certificate

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/8 DPA/SE (9-0-0-0-0)

[HB 2322](#hb2322) health insurers; provider credentialing

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HB 2389](#hb2389) syringe access programs; authorization

SPONSOR: RIVERO, LD21 HOUSE

HEALTH 2/15 DPA (8-1-0-0-0)

(No: LAWRENCE)

[HB 2411](#hb2411) homeopathic physicians; board; repeal

SPONSOR: MOSLEY, LD5 HOUSE

HEALTH 2/15 DPA/SE (8-1-0-0-0)

(No: LAWRENCE)

[HB 2449](#hb2449) child care assistance; tiered reimbursement

SPONSOR: UDALL, LD25 HOUSE

HEALTH 2/8 DP (9-0-0-0-0)

[HB 2450](#hb2450) genetic testing information; confidentiality; exceptions

SPONSOR: UDALL, LD25 HOUSE

HEALTH 2/8 DPA (8-1-0-0-0)

(No: LAWRENCE)

[HB 2501](#hb2501) PTSD; workers' compensation; presumption

SPONSOR: BOYER, LD20 HOUSE

HEALTH 2/8 DPA (9-0-0-0-0)

[HB 2529](#hb2529) sober living homes; certification.

SPONSOR: CAMPBELL, LD1 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HB 2548](#hb2548) health professionals; continuing education; opioids

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DP (9-0-0-0-0)

[HB 2549](#hb2549) controlled substances; dosage limit

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HB 2633](#hb2633) pharmacists; controlled substances

SPONSOR: COBB, LD5 HOUSE

HEALTH 2/15 DPA (9-0-0-0-0)

[HCR 2034](#hcr2034) Reyna Estrada; mental health; support

SPONSOR: CARTER, LD15 HOUSE

HEALTH 2/15 DP (9-0-0-0-0)

**Committee on Judiciary and Public Safety**

**Chairman: Eddie Farnsworth, LD12 Vice Chairman: Anthony T. Kern, LD20**

**Analyst: Katy Proctor Intern: Samantha Cox**

[HB 2006](#hb2006) marriage; minimum age

SPONSOR: UGENTI-RITA, LD23 HOUSE

JPS 2/14 DPA/SE (8-1-0-0-0)

(No: STRINGER)

[HB 2118](#hb2118) public records; denial of access

SPONSOR: KERN, LD20 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2239](#hb2239) AZPOST board; membership

SPONSOR: FARNSWORTH E, LD12 HOUSE

JPS 2/14 DPA/SE (9-0-0-0-0)

[HB 2259](#hb2259) juvenile court facilities; shelters; use

SPONSOR: CARTER, LD15 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2283](#hb2283) sexual offenses; definition; defenses

SPONSOR: KERN, LD20 HOUSE

JPS 2/14 DPA/SE (8-1-0-0-0)

(No: BOYER)

[HB 2312](#hb2312) setting aside conviction; requirements

SPONSOR: FARNSWORTH E, LD12 HOUSE

JPS 2/14 DPA (9-0-0-0-0)

[HB 2313](#hb2313) sentencing; monetary obligations; fine mitigation

SPONSOR: FARNSWORTH E, LD12 HOUSE

JPS 2/14 DPA (9-0-0-0-0)

[HB 2327](#hb2327) supreme court; annual report; fees

SPONSOR: FARNSWORTH E, LD12 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2328](#hb2328) concealed weapons permit; electronic reports

SPONSOR: FARNSWORTH E, LD12 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2356](#hb2356) juvenile court; jurisdiction; age

SPONSOR: BOWERS, LD25 HOUSE

JPS 2/14 DPA (9-0-0-0-0)

[HB 2454](#hb2454) sexual assault; rental agreement termination

SPONSOR: HERNANDEZ, LD2 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2471](#hb2471) electronic wills and trusts.

SPONSOR: LEACH, LD11 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2505](#hb2505) converted entities; claims

SPONSOR: COBB, LD5 HOUSE

JPS 2/14 DP (9-0-0-0-0)

[HB 2522](#hb2522) traffic violations; penalties

SPONSOR: SYMS, LD28 HOUSE

JPS 2/14 DP (8-1-0-0-0)

(No: STRINGER)

[HB 2523](#hb2523) administrative hearings; procedures

SPONSOR: SYMS, LD28 HOUSE

JPS 2/14 DP (7-1-0-1-0)

(No: GONZALES; Abs: HERNANDEZ)

[HB 2535](#hb2535) DCS; prohibited acts; firearms

SPONSOR: PAYNE, LD21 HOUSE

JPS 2/14 DP (5-4-0-0-0)

(No: GONZALES,HERNANDEZ,ENGEL,SYMS)

**Committee on Land, Agriculture and Rural Affairs**

**Chairman: Brenda Barton, LD6 Vice Chairman: Darin Mitchell, LD13**

**Analyst: Sharon Carpenter Intern: Adrienne Austill**

[HB 2267](#hb2267) appropriation; noncertified livestock inspectors

SPONSOR: THORPE, LD6 HOUSE

LARA 2/1 DP (7-0-0-1-0)

(Abs: BENALLY)

APPROP 2/14 DPA/SE (13-0-0-0-0)

[HB 2498](#hb2498) historic preservation; rangeland improvements; requirements

SPONSOR: COOK, LD8 HOUSE

LARA 2/8 DP (5-2-0-1-0)

(No: GABALDÓN,PETEN; Abs: BENALLY)

[HB 2503](#hb2503) building code exemptions; public notice

SPONSOR: BARTON, LD6 HOUSE

LARA 2/15 DP (7-1-0-0-0)

(No: BENALLY)

[HB 2598](#hb2598) titer test; rabies; administration; authority

SPONSOR: PAYNE, LD21 HOUSE

LARA 2/15 DP (5-3-0-0-0)

(No: GABALDÓN,BENALLY,PETEN)

**Committee on Local and International Affairs**

**Chairman: Tony Rivero, LD21 Vice Chairman: Todd A. Clodfelter, LD10**

**Analyst: Michael Hans Intern: Stiv Fico**

[HB 2497](#hb2497) county attorney; county sheriff; salaries

SPONSOR: BOYER, LD20 HOUSE

LIA 2/14 DP (6-1-0-0-0)

(No: BLANC)

[HB 2518](#hb2518) prosecution expenses; county reimbursement; repeal

SPONSOR: KERN, LD20 HOUSE

LIA 2/14 DP (4-3-0-0-0)

(No: GABALDÓN,BLANC,CHÁVEZ)

[HB 2532](#hb2532) occupational regulation; municipalities; counties; prohibition

SPONSOR: PAYNE, LD21 HOUSE

LIA 2/14 DP (4-3-0-0-0)

(No: GABALDÓN,BLANC,CHÁVEZ)

[HB 2558](#hb2558) drug disposal; education

SPONSOR: COBB, LD5 HOUSE

LIA 2/14 DPA (7-0-0-0-0)

[HB 2562](#hb2562) crime; emergency services; summaries; websites

SPONSOR: GRANTHAM, LD12 HOUSE

LIA 2/14 DPA (6-1-0-0-0)

(No: BLANC)

[HB 2622](#hb2622) international trade; authority; transportation

SPONSOR: RIVERO, LD21 HOUSE

LIA 2/14 DP (7-0-0-0-0)

**Committee on Military, Veterans and Regulatory Affairs**

**Chairman: Jay Lawrence, LD23 Vice Chairman: Mark Finchem, LD11**

**Analyst: Brittany Green Intern: Amanda Higby**

[HB 2371](#hb2371) mobile food vendors; state licensure

SPONSOR: PAYNE, LD21 HOUSE

MVRA 2/12 DPA (7-2-0-0-0)

(No: ANDRADE,ESPINOZA)

[HB 2513](#hb2513) hyperbaric oxygen therapy; veterans; fund

SPONSOR: FINCHEM, LD11 HOUSE

MVRA 2/12 DP (9-0-0-0-0)

**Committee on Transportation and Infrastructure**

**Chairman: Noel W. Campbell, LD1 Vice Chairman: Drew John, LD14**

**Analyst: Liam Maher Intern: Samuel Rosenberg**

[HB 2342](#hb2342) off-highway vehicles; definition; user indicia

SPONSOR: JOHN, LD14 HOUSE

TI 2/14 DPA (7-1-0-0-0)

(No: MOSLEY)

[HB 2383](#hb2383) authorized emergency vehicles; probation officers

SPONSOR: CLODFELTER, LD10 HOUSE

TI 2/7 DPA (5-3-0-0-0)

(No: ANDRADE,SALDATE,PETEN)

[HB 2455](#hb2455) commercial vehicles definition; driver licenses

SPONSOR: COOK, LD8 HOUSE

TI 2/14 DP (8-0-0-0-0)

[HB 2510](#hb2510) auto dealers; task force; fund

SPONSOR: JOHN, LD14 HOUSE

TI 2/14 DP (7-0-0-1-0)

(Abs: MOSLEY)

[HB 2514](#hb2514) HURF distribution; cities, towns, counties

SPONSOR: COOK, LD8 HOUSE

TI 2/14 DP (5-3-0-0-0)

(No: ANDRADE,SALDATE,PETEN)

[HB 2527](#hb2527) driver license testing; required question

SPONSOR: CLODFELTER, LD10 HOUSE

TI 2/14 DP (6-2-0-0-0)

(No: ANDRADE,SALDATE)

[HB 2537](#hb2537) license plates; vehicle sales

SPONSOR: CAMPBELL, LD1 HOUSE

TI 2/14 DP (7-1-0-0-0)

(No: ANDRADE)

[HB 2575](#hb2575) license; nonoperating identification; homeless veterans

SPONSOR: BOLDING, LD27 HOUSE

TI 2/14 DP (8-0-0-0-0)

**Committee on Ways and Means**

**Chairman: Michelle B. Ugenti-Rita, LD23 Vice Chairman: Vince Leach, LD11**

**Analyst: Michael Madden Intern: Elizabeth Lange**

[HB 2003](#hb2003) coal mining; TPT; repeal

SPONSOR: FINCHEM, LD11 HOUSE

WM 2/14 DPA (6-3-0-0-0)

(No: BOLDING,CARDENAS,EPSTEIN)

[HB 2126](#hb2126) government property; abatement; slum; blight

SPONSOR: LEACH, LD11 HOUSE

WM 2/14 DP (7-0-1-1-0)

(Abs: PAYNE; Present: BOLDING)

[HB 2280](#hb2280) universities; lease-back financing

SPONSOR: LEACH, LD11 HOUSE

WM 1/31 DPA (5-4-0-0-0)

(No: BOLDING,CARDENAS,LAWRENCE,EPSTEIN)

[HB 2377](#hb2377) teachers' school supplies; tax credit

SPONSOR: CLODFELTER, LD10 HOUSE

WM 2/7 DP (5-3-0-1-0)

(No: BOLDING,LAWRENCE,EPSTEIN; Abs: CARDENAS)

ED 2/12 DP (6-3-0-2-0)

(No: ALSTON,BOLDING,SALDATE; Abs: BOWERS,STRINGER)

[HB 2456](#hb2456) stadium district; extension; Rio Nuevo

SPONSOR: FINCHEM, LD11 HOUSE

WM 2/14 DP (7-2-0-0-0)

(No: UGENTI-RITA,WENINGER)

[HB 2459](#hb2459) income tax; child tax credit

SPONSOR: MOSLEY, LD5 HOUSE

WM 2/7 DPA (5-4-0-0-0)

(No: BOLDING,CARDENAS,LAWRENCE,EPSTEIN)

[HB 2479](#hb2479) TPT; digital goods and services

SPONSOR: UGENTI-RITA, LD23 HOUSE

WM 2/14 DPA (8-1-0-0-0)

(No: EPSTEIN)

[HB 2528](#hb2528) capital gains; income tax subtraction

SPONSOR: MESNARD, LD17 HOUSE

WM 2/14 DP (6-3-0-0-0)

(No: BOLDING,CARDENAS,EPSTEIN)

[HCR 2029](#hcr2029) personal property tax exemption

SPONSOR: MESNARD, LD17 HOUSE

WM 2/14 DP (6-3-0-0-0)

(No: BOLDING,CARDENAS,EPSTEIN)

**All Bills Pending Rules Action**

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2391:** historical society; chapter funds; matching | |
| **PRIME SPONSOR:** Representative Rivero, LD 21  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70173" \o "Bill Status Inquiry)   |  | | --- | | APPROP: DP 13-0-0-0 | | **Legend:**  Fund – Historical Society Chapter Building Enhancement Fund  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the Arizona Historical Society.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Creates a Historical Society Chapter Building Enhancement Fund, that is continuously appropriated, for each chapter of the Arizona Historical Society. (Sec. 2)
2. Directs donations, gifts and contributions to the chapter, as well as operational proceeds, to be deposited into the Fund. (Sec. 2)
3. Allows chapters to seek contributions for and expend monies from the Funds. (Sec. 1)
4. ~~Requires~~ **ALLOWS,** subject to legislative appropriation, the state to match dollar-for-dollar contributions in the following FY, up to $500,000 per Fund or $1,000,000 for all Funds. (Sec. 2) (*APPROP)*
5. Requires the state to allocate matching monies on a pro-rata basis if there is a shortfall in matching monies. (Sec. 2)
6. Allows the chapters to use Fund monies to acquire, enhance and maintain, through any means, buildings and facilities. (Sec. 2)
7. Instructs chapters to prepare an annual report for the Arizona Historical Society overviewing Fund revenues, expenditures and projected expenditures by December 1each year. (Sec. 2)
8. Directs the state Treasurer to invest and divest monies in the Fund and credits all earned monies to the Fund. (Sec. 2)
9. Exempts Fund monies from lapsing. (Sec. 2)
10. Defines b*uilding enhancement.* (Sec. 2)

**Current Law**

The Arizona Historical Society can establish chapters that have their own boards. These boards function as local advisories to the state board and have various responsibilities including fundraising for the Arizona Historical Society and nominating state board members ([A.R.S. § 41-821](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/00821.htm)).

**Additional Information**

Currently there are five regional chapters that are governed by chapter boards. The chapters are designated as the Central Arizona Board, Eastern Arizona Board, Northern Arizona Board, Southern Arizona Board and Rio Colorado Board. The state board allocates money to the chapter boards through a portion of membership dues, with the total cost of membership having levels between $25-$1000 dollars ([Arizona Historical Society Membership Website](http://www.arizonahistoricalsociety.org/membership/), [Arizona Historical Society FY 19 Budget Request](http://www.arizonahistoricalsociety.org/wp-content/upLoads/Membership_AHS-Budget-FY-19_Report.pdf)). Currently, chapters meet in Arizona Historical Society facilities, if they exist in their regional area, or in regional museums or county historical societies ([AZ Historical Society Meeting Minutes](http://www.arizonahistoricalsociety.org/welcome-to-the-board-of-directors/)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2545:** EORP; cost-of-living adjustment. | |
| **PRIME SPONSOR:** Representative Livingston, LD 22  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70783)   |  | | --- | | BI: DPA 8-0-0-0 | | **Legend:**  COLA – Cost-of-Living Adjustment  EORP – Elected Officials' Retirement Plan  PBI – Permanent Benefit Increase  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to EORP COLA.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Repeals statutes relating to EORP PBI. (Sec. 1)
2. Establishes a compounding COLA in the base benefit for EORP retired members.
   1. The COLA amount is based on the average annual percentage change in the Metropolitan Phoenix-Mesa consumer price index with the immediately preceding year as the base year, capped at 2%.
   2. States the first COLA payment is prorated based on the date of retirement and paid every July 1 in subsequent years. (Sec. 2)
3. Directs the EORP actuary to include the projected cost of providing the COLA in the calculation of normal cost and accrued liability. (Sec. 2)
4. Contains a conditional enactment clause. (Sec. 3)
5. **ADDS A BILL REFERENCE AS APPROPRIATE. (BI)**

**Current Law**

Retired EORP members are eligible to receive a permanent increase in the base benefit:

1. For members hired before January 1, 2012, the amount of the increase is based on excess investment returns that exceed 9%. The maximum amount of benefit increase is 4% ([A.R.S. § 38-818](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00818.htm)).
2. For members hired on or after January 1, 2012, the amount of the increase is based on excess investment returns that exceed 10.5% with a fund ratio of 60% or more. The maximum amount of benefit increase, which is based on the fund ratio, is between 2% and 4% ([A.R.S. § 38-818.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00818-01.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2564:** court fees; EORP; state contribution | |
| **PRIME SPONSOR:** Representative Livingston, LD 22  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70803)   |  | | --- | | BI: DPA 7-1-0-0 | | **Legend:**  EORP – Elected Officials' Retirement Plan  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to distribution of court fees.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Increases various base fees for the superior court and justice court. (Sec. 1, 3)
2. Modifies the distribution formulas for superior court and justice court fees by:
   1. Creating a 6% allocation to EORP for the purposes of funding a portion of the state employers' contributions; and
   2. Reducing existing allocations. (Sec. 2, 3) (BI)

**Current Law**

The clerk of superior court receives case filing fees for the preparation of copies of papers and records, issuing certificates, subpoena issues in a civil proceeding, or an act in which a fee is not outlined by law ([A.R.S. § 12-284](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00284.htm)). Monies collected from court fees are distributed to various funds as specified in statute ([A.R.S. § 12-284.03](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00284-03.htm)).

The justice of peace receives case filing fees transmitted to the county treasurer for the judicial collection enhancement fund, the alternative dispute resolution fund, EORP, and the county general fund. Counties keep and use the filing fees transmitted to improve, maintain, and enhance the ability to manage the money received, improve court automation, improve case processing, and administer justice ([A.R.S. § 22-281](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/22/00281.htm)).

**Additional Information**

Pursuant to A.R.S. § 38-810, monies collect from the Arizona Supreme Court, court of appeals, superior court, and justice court fees are deposited in EOPR. According to the Joint Legislative Budget Committee, in FY 2016 and FY 2017 $8.6 million was received in fees for each year.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR2032:** public retirement systems. | |
| **PRIME SPONSOR:** Representative Livingston, LD 22  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70784)   |  | | --- | | BI: DPA 8-0-0-0 | | **Legend:**  CORP – Corrections Officer Retirement Plan  EORP – Elected Official Retirement Plans  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to public retirement system benefits.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Excludes, upon voter approval, the following adjustments to CORP and EORP from the constitutional prohibition of diminishment or impairment of benefits:
   1. CORP as provided in Senate Bill 1442 enacted by the 53rd Legislature, First Regular Session.
   2. EORP as provided in House Bill 2545 enacted by the 53rd Legislature, Second Regular Session.
2. Requests SOS return Senate Concurrent Resolution 1023, 53rd Legislature, First Regular Session.
3. Requires SOS to submit this proposition to the voters at the next general election.
4. **ADDS A BILL REFERENCE AS APPROPRIATE. (BI)**

**Current Law**

Public retirement systems are funded with contributions and investment earnings using actuarial methods and assumptions. These assets are separate and independent trust funds which must be invested, administered and distributed as determined by law. Membership in a public retirement system is a contractual relationship and benefits are prohibited from being diminished or impaired ([Arizona Constitution, Article XXIX, § 1](https://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/const/29/1.htm)).

**Additional Information**

The next general election will be held on November 6, 2018.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2064:** medical marijuana; packaging; labeling | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69730)   |  | | --- | | COM: DP 9-0-0-0 | | **Legend:**  Dispensary- Medical Marijuana Dispensary  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to medical marijuana labeling and packaging.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits a Dispensary from acquiring, possessing, manufacturing, or selling marijuana products that are packaged or labeled in a manner that is *attractive to minors*. (Sec. 1)
2. Defines *attractive to minors* as packaging, labeling or marketing that features any of the following:
   1. A cartoon,
   2. A design, brand or name that is commonly marketed to minors,
   3. A symbol or celebrity that is commonly marketed to minors,
   4. An image of minors, and
   5. Language that refers to products that are commonly associated with minors or marketed by minors. (Sec. 1)

**Current Law**

[A.R.S. § 36-2806](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/02806.htm) states that a registered nonprofit Dispensary must be operated on a nonprofit basis. A Dispensary must include procedures for oversight and accurate record keeping. A Dispensary must always maintain appropriate security measures. A Dispensary cannot acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply, or dispense marijuana for any purpose except to assist registered qualified patients. A person cannot consume marijuana on the property of a Dispensary. Any cultivation of marijuana must take place in an enclosed, locked facility at a physical address which can only be accessed by Dispensary employees.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2154:** personal information; data security breaches | |
| **PRIME SPONSOR:** Representative Shope, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69875)   |  | | --- | | COM: DP 9-0-0-0 | | **Legend:**  AG- Attorney General  Breach- Security System Breach  CRA- Consumer Reporting Agency  Data- Unencrypted or Unredacted Computerized Data  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to data security breaches and notification requirements.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Adds Article 4 (Data Security Breaches) to Title 18 (Information Technology), Chapter 5 (Network Security) statutes. (Sec. 1)
2. Requires a person who owns or licenses Data to notify the AG in writing and the individuals affected, pending the needs of law enforcement, in the event of a Breach within 30 days.
   1. Notification must be made to law enforcement and CRA's promptly and without unreasonable delay if more than 1,000 Arizona residents are affected by the Breach.
   2. Instructs a person who maintains Data to immediately inform the owner in the event of a Breach and follow protocol as outlined. States that the person who maintains Data is not required to provide notice to affected individuals or CRA's unless an agreement between the person and the owner of the Data stipulate otherwise. (Sec. 2)
3. Requires the notification of a Breach to include the following:
   1. The approximate date of the Breach;
   2. A brief description of the personal information included in the Breach;
   3. The toll-free numbers and addresses for the three largest CRA's; and
   4. The toll-free number, address and website address for the Federal Trade Commission or any federal agency that assists consumers with identity theft. (Sec. 2)
4. Requires direct telephonic contact with an affected individual of a Breach, rather than a prerecorded message. (Sec. 2)
5. Allows substitute notification of a Breach if the cost of providing notice would exceed $250,000. (Sec. 2)
6. Stipulates that a Breach is not required to be disclosed if an independent third-party forensic auditor has determined that a Breach has not occurred. (Sec. 2)
7. Removes the AG's ability to impose a civil penalty not to exceed $10,000 per Breach or series of Breaches that are discovered during an investigation. (Sec. 2)
8. Defines pertinent terms. (Sec. 1)
9. Makes technical changes and conforming changes. (Sec. 2-4)

**Current Law**

A person who owns or licenses Data is required to investigate a potential Breach. If the investigation determines that here has been a breach, the person must notify the individuals affected. The notification must be made, pending the needs of law enforcement, in the most expedient manner possible. A person that maintains Data must notify and cooperate with the owner or licensee of the Data in the event of a Breach. Cooperation includes sharing information relevant to the Breach. Any notification may be delayed if a law enforcement agency determines that it will compromise a criminal investigation. Notifications must be made using the following methods: written, electronic, telephonic, or substitute notice. Substitute notice can only be used if the cost of providing notice would exceed $50,000 or the affected individuals exceeds 100,000. A person is not required to disclose a breach if it is determined by the person or a law enforcement agency that a Breach did not occur. Only the AG can enforce this section. The AG may impose a civil penalty not to exceed $10,000 per Breach or series of Breaches that are discovered during an investigation. ([A.R.S. § 18-545](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/18/00545.htm))

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2333:** home-based businesses; local regulation | |
| **PRIME SPONSOR:** Representative Weninger, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70124)   |  | | --- | | COM: DPA 6-3-0-0 | | **Legend:**  Business – No impact home-based business  HOA – common interest ownership community  Residence – Residential Dwelling  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Related to local restrictions on home businesses.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***Municipalities & Counties – Restrictions on Home Businesses***

1. Declares the right to use a Residence for a home-based business, except when there are land use restrictions or any master deed, bylaw or other document that applies to an HOA. (Sec. 1, 2)
2. Stipulates that a municipality or county cannot restrict Business operations or require any license, permit, registration, variance or prior approval to function. (Sec. 1, 2)
3. Details qualifications of a Business as follows:
   1. The employees of the business are residents of the home or immediate family members and no more than three employees are not residents.
   2. Business is conducted as follows: the sale of goods and services is lawfully conducted inside the Residence; involve more than one client on the premises at a time (current law for counties); require no on-street parking or increase in traffic (current law for counties); activities are not visible from the street and do not violate municipal or county regulations. (Sec. 1, 2)
4. Authorizes a municipality or county to enact reasonable regulations on a home-based business as follows:
   1. Protect the public health and safety as outlined.
   2. Ensure compatibility with the residential use of the property, secondary to its use as a Residence.
   3. Prohibit home-based business activity for any of the following: selling illegal drugs or liquor; operating or maintaining a structured sober living home; pornography; obscenity; having nude or topless dancing; or, other adult-oriented business. (Sec. 1, 2)
5. Prohibits a municipality or county to require a person, as a condition to operate a home-based business, to do any of the following:
   1. Rezone the property for commercial use.
   2. Obtain a Business license or any other license.
   3. Install or equip the Residence with fire sprinklers. (Sec. 1, 2)
6. Establishes that whether a regulation complies with the bill's provisions is a judicial question and the municipality or county that enacted a certain regulation must establish by clear and convincing evidence that the regulation complies with the provisions of this bill. (Sec. 1, 2)

***Miscellaneous***

1. Prescribes defined terms for municipalities: *goods; home-based business; immediate family member; no-impact home-based business*. (Sec. 1)
2. Defines and revises the definitions section for counties: *home-based business; no-impact home-based business*. (Sec. 2)
3. Strikes the requirement to obtain a county home-based business license. (Sec. 2)
4. **CLARIFIES RESIDENTIAL USE RESTRICTIONS AND ELIGIBLE EMPLOYEES THAT ARE IMMEDIATE FAMILY MEMBERS.** *(COM)*

**Current Law**

A county ordinance may not restrict a licensed home-based business from the following:

1. Installing fixtures for use by the home-based business.
2. Displaying a 24-inch by 24-inch temporary sign during business hours.
3. Offering or selling goods.
4. Traffic generated by the home-based business, if the traffic remains reasonable and does not obstruct access.
5. Having more than one customer on the property at one time.
6. Employing a resident of the home, an immediate family member, or one or two individuals from outside of the home.

The county may impose reasonable operating requirements on a home-based business ([A.R.S. § 11-820](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00820.htm)).

**Additional Information**

Laws 2017, Chapter 228 added county ordinance exemptions for licensed home-based business regarding traffic generated by the home-based business, having more than one customer on the property at one time and employing a resident of the home, an immediate family member, or one or two individuals from outside of the home.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2464:** sale of eggs; expiration date | |
| **PRIME SPONSOR:** Representative Norgaard, LD 18  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70436)   |  | | --- | | COM: DPA 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Related to the sale of eggs.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

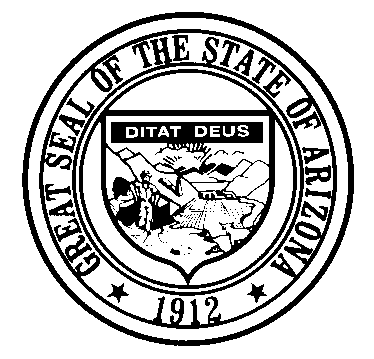
**Provisions**

1. Changes the *sell by* date of an egg to ~~45~~ **24** days **FOR GRADE AA AND 45 DAYS FOR GRADE A** after the egg is *candled*. (Sec. 1)
2. Makes technical changes. (Sec. 1)

**Current Law**

Statute requires chicken eggs to be accurately identified by size, grade and have an expiration date placed on the carton, container or case, along with the producer, dealer or retailer name for whom the eggs were graded. Size and grade are marked plainly and conspicuously on cases of loose eggs in bold-faced type at least ¼" to ½" in height (on one outward end) according to number of eggs per case. There are similar requirements for labeling the tops of cartons and containers. ([A.R.S. § 3-719](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F3%2F00719.htm))

E*gg* is defined as being in the shell and from a chicken, duck, goose or any other fowl and has an expiration date of 24 days after it is *candled*. *Candling* is defined as being visually inspected by transmitted light that establishes its quality, cleanliness, size and condition of the aircell, yolk and white. The *expiration date* means the *sell by* date or *buy thru* date for an egg. ([A.R.S. § 3-701](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/3/00701.htm))

**ARIZONA HOUSE OF REPRESENTATIVES**

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| **HB 2478:** sports authority districts; extension | |
| **PRIME SPONSOR:** Representative Clodfelter, LD 10  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70532)   |  | | --- | | COM: DP 9-0-0-0 | | **Legend:**  Director- Director of Legislative Council  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to authorization to form a sports authority district.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. States that if an election is not held before *December 1, 2028* to establish a sports authority district, then the pertinent statutes automatically repeal.
2. Directs the clerk of the board of supervisors holding the election to notify the Director in writing of the election's outcome.

**Additional Information**

Each session, Legislative Council prepares the reviser's technical corrections bill for the Legislature's consideration. The bill corrects defective or conflicting statutory language from previous enactments. A bill is introduced each regular session to address these technical changes.

Laws 2010, Chapter 117, Section 18, stipulated that if a majority of the qualified electors voting on the issue of forming a sports authority district, reject the levy of taxes and issuing bonds for that purpose, then the pertinent statutory language repeals. The 2010 legislation required the clerk of the board of supervisors conducting the election to provide written notification to the Director of the election results.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2550:** contractors; inactive licenses | |
| **PRIME SPONSOR:** Representative Toma, LD 22  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70789)   |  | | --- | | COM: DP 9-0-0-0 | | **Legend:**  License- Contractor's license  Registrar- Registrar of contractors  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Related to the inactive contractor's license.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Changes the amount of time a contractor may have an inactive License from 5 years to 15 years. (Sec. 1)
2. Permits a contractor to inactivate a License for two 15-year periods. (Sec. 1)
3. Makes technical changes. (Sec.1)

**Current Law**

A contractor may make a written request to the Registrar to inactivate a License for a period of five years. The contractor may not have any pending disciplinary proceedings or suspensions and must pay the required fee. The Registrar then issues an inactive license certificate. Statute authorizes a License that is not suspended or revoked to be reactivated as an active License upon payment of the current renewal fee and 30 days' written notice to the Registrar. No examination is required. If a License is not reactivated within five years, a new application is required, unless the contractor requests in writing to be inactive for an additional five years. A contractor may not inactivate a License more than twice. ([A.R.S. § 32-1125.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/01125-01.htm))

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2579:** video service; certificates of authority | |
| **PRIME SPONSOR:** Representative Norgaard, LD 18  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70817)   |  | | --- | | COM: DP 7-2-0-0 | | **Legend:**  Certificate- Certificate of Authority  HCO- Holdover Cable Operator  ICO- Incumbent Cable Operator  SOS- Secretary of State  VS- Video Services  VSP- Video Service Provider  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to certificates of authority for video service providers.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Adds Chapter 37 (Video Service) to Title 44 (Trade and Commerce) statutes.
2. Asserts the statewide concern for the regulation and use of VS and states the VSPs are not subject to further regulation. (Sec. 2)

***Taxes and Fees***

1. Stipulates that a political subdivision may require a telecommunications corporation to pay the reasonable cost associated with the repair of a public highway resulting from construction and maintenance of a telecommunication facility.
   1. Except a political subdivision must:
      1. Pay the excess costs, if the political subdivision requires repairs that are above the cost to restore a public highway to its previous condition before the damage; and,
      2. Reimburse the telecommunication corporation in full for excess costs incurred within two months after delivering an invoice itemizing the expenditures.
      3. Requires arbitration for disputed excess costs.
      4. Applies to all franchises, licenses and permits issued to a telecommunications corporation by a political subdivision. (Sec. 1)
2. Prohibits a local government from levying a tax, rent, fee or charge on a VSP for the use of highways to provide VS. (Sec. 2)
3. Outlines a local government's capacity to charge a license fee to the VSP based on the gross revenue the VSP receives from local subscribers. (Sec. 2)
4. Prescribes a local government capacity to conduct an audit of a VSP once every three years to ensure payment of license fees. (Sec. 2)

***State Preemption (Sec. 2)***

1. Specifies that the regulation and use of a VSP are of statewide concern and not subject to further regulation by a county, city, town or other political subdivision of this state.
2. States that regulation of a VSP is to promote the following:
   1. Competitive video, telecommunications and information services throughout the state;
   2. Uniform regulation of competitive VS throughout the state; and
   3. Minimal interference regarding construction and operations across local government boundaries for a VSP to use highways to deliver video, telecommunications, information and other services.
3. Asserts the limits of a local government, beginning on January 1, 2020, to regulate or enforce all of the following:
   1. The application of cable television system statutes to a VSP;
   2. Any local law and local government agreements that do the following:
      1. Require a person to obtain a license or permit to provide or construct a VS network using highways, unless the person is an HCO.
      2. Regulate VS or the construction of a VS network.
   3. Impose an infrastructure, facility, or equipment requirement on a VSP;
   4. Require a VSP to obtain a license or authorization from a local government to provide telecommunication, information, interactive computer or other services using its VS network within the boundaries of the local government; and
   5. Require a VSP to place its facilities on ducts, conduits, or poles owned or leased by the local government. (Sec. 2)

***Application (Sec. 2)***

1. Stipulates the provisions do not:
   1. Authorize the SOS to regulate or exercise oversight of VSP except as outlined in the bill;
   2. Prevent a telecommunications provider from exercising any rights or authority as a public utility under federal or state law;
   3. Affect any authority of a local government or district to determine the rates or terms of use of utility poles on highways; and
   4. Grant the Arizona Corporation Commission (ACC) jurisdiction over VS, VSP or VS networks regarding rates and terms of utility pole attachments under federal law. (Sec. 2)
2. Authorizes the SOS to have exclusive authority to issue a Certificate to a VSP to construct and operate a VS network in any service area in Arizona beginning on January 1, 2020. (Sec. 2)
3. Requires the SOS to establish administrative procedures for the VS statute. (Sec. 2)
4. Except as provided by the bill, an entity may not act as a VSP to construct or operate a VS network within the boundaries of a local government without possessing a Certificate. (Sec. 2)

***Video Service Fee Fund (Sec. 2)***

1. Establishes the Video Service Fee Fund which is subject to the following:
   1. Administration by the SOS including deposits into the Fund;
   2. Any monies from the Fund are used only for administration and enforcement purposes;
   3. Excess monies in the Fund do not revert to the GF; and
   4. Monies in the Fund are exempt from lapsing and are continuously appropriated.
2. Allows the SOS to adopt rules regarding the amount or rate of fees and modifications or exemptions of fees.
3. Prohibits a VSP from passing the cost of fees onto subscribers of VS and requires a VSP to submit to the SOS an attestation of this provision.
4. States that the failure of a VSP to comply with provisions in the bill may result in the suspension or revocation of the VSP's Certificate by the SOS.

***Incumbent Cable Operator (Sec. 2)***

1. Allows an ICO, beginning January 1, 2020, to do the following:
   1. Continue to operate within a service area as defined in statute; and
   2. Terminate the ICO's local license for a service area by applying for and receiving a Certificate.
2. Requires an ICO, beginning on July 1, 2020, to apply for a Certificate in the same manner as a VSP.
3. Asserts that if an ICO obtains a Certificate, the following apply:
   1. The ICO's local license is terminated on the date the Certificate is issued;
   2. No later than five days after issuance of the Certificate, the ICO must file a statement notifying the local government of the Certificate and the termination of the local license;
   3. The ICO must operate within the confines of the local license, unless an application for a Certificate to expand the service area falls within the boundaries of a local government has been submitted.

***Incumbent cable Operator Procedure Under a Local License (Sec. 2)***

1. Allows a cable operator to continue to use a local license until its expiration if the Operator decides not to apply for a Certificate.
   1. The cable operator then becomes an HCO under the aforementioned provision.
2. Prohibits a local government from renewing or extending the local license.
3. Requires compliance from the local government and the HCO regarding local licenses as outlined.
4. Requires the HCO to apply for and obtain a Certificate once a local license expires.
5. Stipulates that if an HCO is issued a Certificate with a service area that matches the local license, the Certificate does not become effective until the local license expires.
6. Requires the HCO that decides to apply for a Certificate to do so one month before the local license expires.

***Certificate of Authority (Sec. 2)***

1. Outlines requirements to obtain a Certificate.
2. Requires an application for a Certificate to include the following:
   1. The name of each local government in which the applicant intends to provide VS;
   2. The applicant's primary business address including the name of the principal executive officers or the general partners and any changes to the aforementioned information;
   3. The term of the Certificate which may not exceed 8 years; and
   4. Certifications that the applicant agrees to follow all applicable federal, state and local laws.
3. States that if the SOS determines an application to be incomplete the SOS must provide written notice within 15 days of submission explaining the deficiency and specify the information needed.
4. Outlines requirements for a revised application.
5. Asserts that the copy of the application submitted to the local government is for informational purposes only and does not permit the local government to do any of the following:
   1. Charge a fee more than $20 for filing the copy;
   2. Vote or take other official action regarding the application; and
   3. Require the applicant to obtain approval from the local government.

***Authority Granted by a Certificate of Authority (Sec. 2)***

1. Requires the SOS to issue a Certificate no later than 20 days after the submission of an application.
2. Asserts that the Certificate issued by the SOS is a nonexclusive state-issued license and authorizes the applicant to do the following:
   1. Provide VS in each service area designated in the application;
   2. Construct and operate a VS network using the highways in the service area in compliance with state and local laws; and
   3. Maintain the VS network installed on the highways in the service area.
3. Prohibits the SOS from limiting a Certificate by implementing the following:
   1. Impose an infrastructure, facility, or equipment requirement; and
   2. Require a fee not authorized in the bill.

***Amendment of a Certificate of Authority (Sec. 2)***

1. Permits an amendment to a Certificate to add one or more new service areas by filing with the SOS and paying the applicable fees.
2. Requires the applicant to provide a copy to each local government named in the amendment within five days of submission.

***Termination of Service (Sec. 2)***

1. Allows a VSP to terminate VS in service areas authorized under the Certificate if the VSP files a written notice with the SOS and pays the associated fees.
2. Stipulates that the termination of service may begin once the written notice has been filed with the SOS.
3. Requires the VSP to file the notice of termination of service with each local government affected.

***Transfer of A Certificate of Authority (Sec. 2)***

1. Allows a Certificate to be transferred to any person through any type of transaction and does not function as an instrument to secure indebtedness.
2. Requires the Certificate holder to submit a written notice to the SOS of the transfer within 10 days after completion.
3. Requires the holder to provide a copy to each local government affected within five days of completion.

***Miscellaneous***

1. Requires a local government to notify a VSP if the boundaries of a local government change due to annexation or de-annexation. (Sec. 2)
2. Requires the Certificate holder to file an extension with the SOS at least one month before expiration for a period not to exceed 10 years and file a notice with each local government affected. (Sec. 2)
3. Requires a Certificate holder to provide VS to at least one subscriber in each authorized service area within 24 months or risk revocation of the Certificate by the SOS. (Sec. 2)
4. Outlines VSP semiannual reporting requirements to a local government that is receiving VS. (Sec. 2)
5. Lists the requirements for a VSP to be compliant with federal law. (Sec. 2)
6. Specifies a VSP's requirements to a local government regarding construction, installation and repairs of highways. or repairing facilities in, on, under, or over any highway in the affected service area. (Sec. 2)
7. Outlines television channel requirements a local government may impose on a VSP. (Sec. 2)
8. Prohibits a city or town from acquiring an ownership interest in a VS network. (Sec. 2)
9. Outlines the complaint process and the statute of limitations for a local government and a VSP. (Sec. 2)
10. Contains a legislative intent clause. (Sec. 3)
11. Specifies a general effective date of January 1, 2020. (Sec. 4)
12. Defines pertinent terms. (Sec. 1,2)

**Current Law and Additional Information**

Laws 2017, Chapter 124, established a permit process for a wireless provider to install, maintain or replace a wireless facility, utility pole or monopole inside or outside a right-of-way as outlined. Details the following: approval process; fee and height limitations; requirements to collocate and consolidate an application; and timeframe for project completion. The new law preserves existing agreements and details a termination process. Statute outlines exemptions that include private easements and certain authorities within 10 miles of the Mexican border as noted.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2589:** department of gaming omnibus | |
| **PRIME SPONSOR:** Representative Cook, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70828)   |  | | --- | | COM: DPA 9-0-0-0 | | **Legend:**  Division – Division of Racing  Director – Director of Division of Racing  Fund – Racing Regulation Fund  RWA – Regulatory Wagering Assessment  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the regulation of the horse racing industry.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Places the regulation of racing as a *Division* under the Arizona Department of Gaming (Department). (Sec. 1)
2. States the *Director* position is the Director of the Division, rather than the Department. (Sec. 2)
3. Stipulates that at the end of each fiscal year (FY): the Division may retain up to 20% of the unexpended and unencumbered monies in the Racing Regulation Fund, **BUT EXCLUDES THE BALANCE OF THE FUND AT THE END OF FY 2018**; and, any remaining monies in the Fund must be used to reduce the RWA. (Sec. 22) *(COM)*
4. Caps the RWA of pari-mutuel pools **IN FY 2019** at .5%. (Sec. 22) *(COM)*
5. Modifies the Arizona Racing Commission (Commission) by adding an additional member of the horse or harness racing industry and removes the dog racing industry member. (Sec. 2)
6. Increases the licensing period from three to five years maximum. (Sec. 3)
7. Clarifies the annual racing report is submitted to the Arizona Secretary of State, rather than the Arizona State Library, Archives and public records. (Sec. 3)
8. Rewrites and clarifies the Boxing and Mixed Martial Arts provisions of law and places the language into its own separate section of statute, directly under the regulatory authority of the Department. (Sec. 27)
9. Contains Session Law as follows:
   1. Confirms the retention of members on the Arizona Racing Commission and authorizes their replacements through governor appointment as terms expire. (Sec. 31)
   2. Exempts the Department from rulemaking for one year after this legislation's effective date to adopt pertinent rules that include a pari-mutuel wager known as *Cactus Pick 6*. (Sec. 32)
   3. Establishes the Rural County Fair Racing Fund administered by the Department as follows:
      1. Transfers $200,000 in FY 2019 ~~and FY 2020~~ from the Racing Regulation Fund to the Rural County Fair Racing Fund. (Sec. 33) *(COM)*
      2. Directs the Department to set up matching grants for application by counties with a population of less than 800,000 persons if they operate county fair racing. (Sec. 33)
      3. Charges the Racing Commission with establishing application requirements, reviewing all applications and distributing grants on a first come, first serve basis. (Sec. 33)
      4. Excludes counties unless they agree to contribute county fair revenues equal to at least 50% of the grant amount. (Sec. 33)
      5. Caps the grant awards for any county to a maximum $40,000 during any FY. (Sec. 33)
      6. Repeals the grant program on July 1, 2020 and transfers any unspent/unencumbered monies remaining in the Rural County Fair Racing Fund to the Racing Regulation Fund. (Sec. 33)
10. Removes and repeals obsolete language. (Sec. 2, 3, 5)
11. Defines terms. (Sec. 1)
12. Makes technical and conforming changes. (Sec. 1-4, 6-30)

**Current Law**

***Arizona Racing Commission***

The Arizona Racing Commission consists of five members appointed by the governor, who have been Arizona residents for at least five years before their appointment ([A.R.S. § 5-103](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/5/00103.htm))

The Arizona Racing Commission's duties include, in part: issuing racing dates; preparing and adopting rules for meetings to protect and promote the safety and welfare of animals participating in racing meets; protecting and promoting the public health and safety during racing and pari-mutuel wagering; conducting hearings on applications for permits and reviewing all applications for capital improvements at racetracks. ([A.R.S. § 5-104](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/5/00104.htm))

***Arizona State Boxing and Mixed Martial Arts Commission***

Laws 2015, Chapter 19, placed the Arizona State Boxing and Mixed Martial Arts Commission (Boxing and MMA Commission) under the Department of Gaming, Division of Racing. Laws 2016, Chapter 22, continued the Boxing and MMA Commission for two years, until July 1, 2018.

The Boxing and MMA Commission consists of three members appointed by the Governor and confirmed by the Senate to serve three year terms (A.R.S. § 5-223). The Boxing and MMA Commission licenses fighters, promoters, trainers, managers and officials to ensure that all laws and rules are followed (A.R.S. § 5-228).

**Additional Information**

[HB 2170](https://apps.azleg.gov/BillStatus/BillOverview) this session (boxing; mixed martial arts; continuation) continues the Arizona State Boxing and Mixed Martial Arts Commission for eight years until July 1, 2026.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2601:** securities; crowdfunding; virtual coin offerings | |
| **PRIME SPONSOR:** Representative Weninger, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70840)   |  | | --- | | COM: DPA 9-0-0-0 | | **Legend:**  ACC: Arizona Corporation Commission  Director: Director of the Arizona Corporation Commission's Securities Division  NCSL: National Conference of State Legislatures  SEC: Security and Exchange Commission  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to crowdfunding exemptions and virtual coin offerings.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Rewrites the statutory exemption pertaining to securities transaction, including crowdfunding and virtual coining offering. (Sec. 2)
2. Establishes residency for any entity created before January 1, 2018 or that invests up to 95% of its investment assets in offerings. (Sec. 2)
3. Increases the aggregate limit an issuer is allowed to raise to $5M in a 12-month period. (Sec. 2)
4. Modifies the necessary requirements for filing notice with the Director. (Sec. 2)
5. Allows all proceeds to be deposited into any depository institution, whether physical or virtual, that is authorized to do business in the state. (Sec. 2)
6. Requires the issuer to file an amendment in writing to the Director within 30 days if any information on the notice is inaccurate. (Sec. 2)
7. Asserts that a purchaser compliant with the exemption is not considered an underwriter unless a purchaser purchases more than half of securities or virtual coins offered for sale. (Sec. 2)
8. Specifies any claim relating to an offering shall be resolved by private arbitration between the parties. (Sec. 2)
9. Allows the Director to solicit offers with federal, state, and foreign regulators. (Sec. 2)
10. Specifies that a person who facilitates the exchange of a virtual coin is not the dealer. (Sec. 2)
11. Defines *crowdfunding* as raising small sums of money from a large group of people to fund a project. (Sec. 1)
12. Confirms that ~~regardless of the defined term,~~ *security* **WITH REFERENCE TO A VIRUTAL COIN** should not be more broadly construed than either securities act or pertinent federal regulation. (Sec. 1) *(COM)*
13. **APPLIES THE STATUTORY PROVISIONS AGAINST FRAUD TO TRANSACTIONS INVOLVING VIRTUAL COINS.** *(COM)*
14. Defines *virtual coin* as a value represented digitally that can be traded digitally and functions as a means of exchange, a unit of account and value. (Sec. 1)
15. Prescribes a *virtual coin offering* as an offer for sale of a *security* or transaction pertaining to an intrastate offering or crowdfunding as outlined and further stipulates exclusions. (Sec. 1)
16. ~~Strikes the definition of~~ *~~self-regulatory organization~~* ~~or~~ *~~SRO~~*~~. (Sec. 1)~~ *(COM)*
17. Strikes archaic language. (Sec. 2)
18. Makes technical and conforming changes. (Sec. 1, Sec. 2)

**Current Law**

[A.R.S. § 44-1844](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/44/01844.htm) outlines specific criteria required for issuers to be exempted from statutory registration requirements.

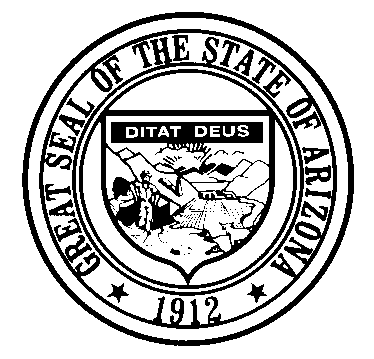
*Blockchain technology* is defined in [A.R.S. § 44-7061](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/44/07061.htm).

**Additional Information**

The registration, offering and sale of securities in the state of Arizona is regulated by the ACC under the Arizona Securities Act, which protects state residents from the fraudulent offering of securities in accordance with rules set forth by the SEC and applicable state laws. Under the Arizona Securities Act, the offers and sales of securities that are made to persons that reside in the same state as the issuer of the security are exempt from registration requirements under an intrastate exemption. In the implementation of this exemption, the SEC adopted rules relating to intrastate offers and sales ([17 CFR § 230.147](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=237eeca2af5e17fb88cfabd68aebdd8b&mc=true&n=pt17.3.230&r=PART&ty=HTML#se17.3.230_1147)) and the intrastate sales exemption ([17 CFR § 230.147A](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=237eeca2af5e17fb88cfabd68aebdd8b&mc=true&n=pt17.3.230&r=PART&ty=HTML#se17.3.230_1147a)).

Under the SEC intrastate sales exemption, the *issuer* is described in part as "a person resident and doing business within the state or territory in which all of the sales are made."

According to [NCSL](http://www.ncsl.org/research/financial-services-and-commerce/crowdfunding-state-laws.aspx), 31 states and the District of Columbia have either passed some form of crowdfunding legislation or have accomplished the same goal through rulemaking.

**ARIZONA HOUSE OF REPRESENTATIVES**

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| **HB 2602:** running nodes; blockchain; regulation prohibition | |
| **PRIME SPONSOR:** Representative Weninger, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70841)   |  | | --- | | COM: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the regulation of blockchain technology nodes.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Defines *running a node on blockchain technology* as delivering the computerized processing power to confirm or encrypt transactions in the blockchain. (Sec. 1, 2)
2. Declares that regulating the act of *running a node on blockchain technology* in a person’s residence is of statewide concern and prohibits further regulation by any city, town or county. (Sec. 1, 2)
3. Prohibits a city, town or county from impeding a person *running a node on blockchain technology* in a residence. (Sec. 1, 2)

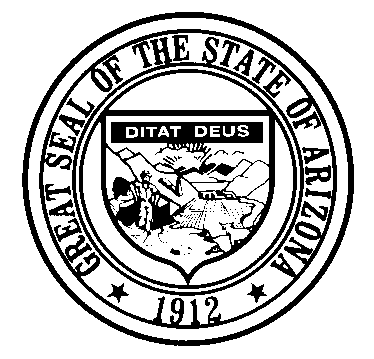
**Current Law**

Laws 2017, Chapter 97, classifies a signature, record or contract secured through *blockchain technology* as an official electronic form of signature or record. Further, this law authorizes a *smart contract* in commerce transactions and confirms the validity, which cannot be denied legal standing or enforceability solely due to its smart contract term. ([A.R.S. § 44-7061](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/44/07061.htm))

**Additional Information**

National Conference of State Legislatures (NCSL) issued a [Legisbrief](http://www.ncsl.org/research/fiscal-policy/blockchain-technology-an-emerging-public-policy-issue.aspx) in November 2017 that explains the blockchain process and describes blockchain as *a shared ledger database that records and shares every transaction that occurs in the network of users*.

According to NCSL, five states— Arizona, Delaware, Illinois, Nevada and Vermont—have adopted blockchain legislation.

**ARIZONA HOUSE OF REPRESENTATIVES**

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| **HB 2603:** corporations; blockchain technology | |
| **PRIME SPONSOR:** Representative Weninger, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70842)   |  | | --- | | COM: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to corporations and blockchain technology.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

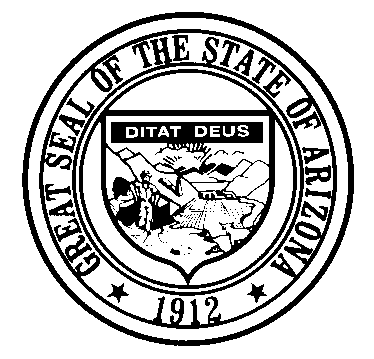
1. States that the terms *written* or any *writing* within Title 10 (Corporations and Associations) sections of law apply to blockchain technology. (Sec. 1)
2. Establishes that blockchain technology applies to electronic transactions within Title 10 (Corporations and Associations). (Sec. 1)

**Current Law**

Current law stipulates that blockchain technology applies to transactions within the Uniform Commercial Code for sales, leases and documents of title. The provisions apply to an electronic record or electronic signature. ([A.R.S. § 44-7003](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/44/07003.htm))

**Additional Information**

Laws 2017, Chapter 97, added blockchain technology to the Arizona Revised Statutes, Title 44 (Trade and Commerce), Chapter 26 (Electronic Transactions). The new law applies to Title 47 ([Uniform Commercial Code](http://www.azleg.gov/arsDetail/?title=47)), [Chapter 2](http://www.azleg.gov/viewdocument/?docName=http%3A%2F%2Fwww.azleg.gov%2Fars%2F47%2F02104.htm) (Sales), [Chapter 2A](http://www.azleg.gov/viewdocument/?docName=http%3A%2F%2Fwww.azleg.gov%2Fars%2F47%2F2a102.htm) (Leases) and Chapter 7 (Documents of Title). Among other things, the new law classifies a signature obtained through *blockchain technology* as an electronic form of signature and designates a record or contract secured through blockchain technology as an electronic record form. Additionally, the law authorizes a *smart contract* in commerce transactions and confirms the validity of the contract, which cannot be denied legal standing or enforceability solely due to its smart contract term. Finally, the law maintains a person's right to ownership and use of information secured using blockchain technology for interstate or foreign commerce.

**ARIZONA HOUSE OF REPRESENTATIVES**

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| **HCR 2028:** wages; leave; retaliation presumption; repeal | |
| **PRIME SPONSOR:** Representative Mesnard, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70763)   |  | | --- | | COM: DP 6-3-0-0 | | **Legend:**  ICA - Industrial Commission of Arizona  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to employment practices.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Eliminates the rebuttable presumption that an adverse action was retaliation, if the action was taken by the employer within 90 days of a person asserting a wage or benefits claim or assisting or informing another person of those rights. (Sec. 1)
2. Makes conforming changes by eliminating the standard of evidence for rebutting the presumption. (Sec. 1)
3. Requires the Secretary of State to submit the proposition to the voters at the next general election. (Sec. 1)
4. Becomes effective if passed by the voters and on proclamation of the Governor.

**Current Law**

[A.R.S. § 23-364](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/23/00364.htm) prohibits an employer or any other person from discriminating or subjecting any person to retaliation for asserting a claim related to the minimum wage or earned paid sick time requirements, for assisting another person in doing so or for informing any person about his or her rights. Statute defines *retaliation* as a threat, discharge, suspension, demotion, reduction of hours, or any other adverse action taken against an employee. Statute establishes a rebuttable presumption that an adverse action is retaliation if the employer takes such action against the person within 90 days of the person engaging in the above-mentioned activities. An employer may rebut that presumption by clear and convincing evidence that the action was taken for other permissible reasons. Further, an employer who retaliates against an employee or other person must pay the employee an amount set by the ICA or court "sufficient to compensate the employee and deter future violations." The amount must be at least $150 for each day the violation continued or until legal judgment is final.

**Additional Information**

The Arizona voters approved Proposition 206, the Fair Wages and Healthy Families Act, on November 8, 2016, which establishes a new state minimum wage and requires employers to provide earned paid sick time benefits to employees, effective July 1, 2017. The ICA administers and enforces the wage and benefit provisions.

Claims for retaliation or discrimination must be filed with the Labor Department of the ICA within one year from the date of the alleged violation or when the employee knew or should have known of the alleged violation ([A.A.C. R20-5-1211](http://apps.azsos.gov/public_services/register/2017/42/06_final.pdf)). Additionally, the Attorney General or a city, town or county attorney or any private party injured by a violation may bring a civil action for enforcement purposes.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2037:** schools; statewide college readiness examination | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus and COW](https://apps.azleg.gov/BillStatus/BillOverview/69682)   |  | | --- | | ED: DP 9-0-0-2 | | **Legend:**  LEA – Local Education Agency  SBE – Arizona State Board of Education  SY – School Year  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to statewide college readiness examinations.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Directs SBE to administer a statewide college readiness examination that includes a science component to all high school students beginning in SY 2019. (Sec. 1)
2. Prohibits SBE from administering the statewide assessment to 11th-grade students or the assessments of academic standards in science to high school students beginning in SY 2019. (Sec. 1)
3. Makes technical changes. (Sec. 1)

**Current Law**

SBE is required to adopt and implement a statewide assessment to measure student achievement of academic standards in reading, writing and mathematics in at least four grades. SBE may also administer assessments of the academic standards in social studies and science, but students are not required to meet or exceed those standards. Any additional assessments for high school students adopted by SBE after November 24, 2009 must be designed to measure college and career readiness ([A.R.S. § 15-741](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00741.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2216:** schools; dropout recovery programs; report | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69980)   |  | | --- | | ED: DP 9-0-0-2 | | **Legend:**  ADE – Department of Education  SBE – State Board of Education  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to dropout recovery reporting.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Instructs SBE to provide an annual report to the Governor, Speaker of the House of Representatives, President of the Senate and Secretary of State that details the outcomes of dropout recovery programs, including the number of students who participate and the number who graduate. (Sec. 1)
2. Makes a conforming change. (Sec. 1)

**Current Law**

School districts and charter schools that offer high school instruction are authorized to provide dropout recovery programs. SBE prescribes standards and testing requirements for the programs that include requiring aligned curriculum, providing standardized tests and meeting the state graduation requirements. Eligible students have a written learning plan developed by the student's mentor that outlines courses to take, expectations and the anticipated timeframe for ending the plan. School districts are required to report monthly participation in dropout recovery programs to ADE and include newly enrolled students with a learning plan, students who met the satisfactory monthly progress expectation, students who did not meet the progress expectation and students who met expectations for program reentry ([A.R.S. § 15-901.06](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00901-06.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2435:** English language learners; instruction; budgeting | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70298)   |  | | --- | | ED: DPA 10-0-0-1 | | **Legend:**  ADE – Arizona Department of Education  ELL – English Language Learner  OAG – Office of the Auditor General  SBE – State Board of Education  SEI – Structure English Immersion  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to ELL instructional models.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. ~~Prohibits the SEI model from requiring specific daily amounts of English language development, but requires the model to be at least two hours per day.~~ (Sec. 2)*(ED)*
2. **INSTRUCTS SBE TO ADOPT SEI MODELS THAT INCLUDE AT LEAST THE FOLLOWING AMOUNT OF ENGLISH LANGUAGE DEVELOPMENT:**
   1. **FOR K-6, 120 MINUTES PER DAY, 600 MINUTES PER WEEK OR 360 HOURS PER YEAR.**
   2. **FOR 7-12, 100 MINUTES PER DAY, 500 MINUTES PER WEEK OR 300 HOURS PER YEAR.** (Sec. 2)*(ED)*
3. Directs SBE to adopt alternative English instruction models that are evidence and research based.
   1. Includes alternative models in statutory requirements for SBE's adopted models. (Sec. 2)
4. **ALLOWS SCHOOL DISTRICTS AND CHARTER SCHOOLS TO SUBMIT MODELS FOR SEI AND ALTERNATIVE ENGLISH INSTRUCTION TO SBE FOR APPROVAL.** (Sec. 2)*(ED)*
5. **DIRECTS SBE TO ESTABLISH A FRAMEWORK FOR EVALUATING MODELS FOR APPROVAL, OUTLINES CRITERIA FOR THE FRAMEWORK AND REQUIRES SBE TO SOLICIT INPUT FROM EXPERIENCED EDUCATORS.** (Sec. 2)*(ED)*
6. **REMOVES THE REQUIREMENT TO ADOPT SEI MODELS DEVELOPED BY THE ELL TASK FORCE.** (Sec. 2)*(ED)*
7. **ELIMINATES THE REQUIREMENT FOR SEI MODELS TO BE LIMITED TO PROGRAMS NOT INTENDED TO EXCEED ONE YEAR.** (Sec. 2)*(ED)*
8. ~~Removes the authorization for compensatory instruction and repeals the Compensatory Instruction Fund. (Sec. 2, 10)~~ *(ED)*
9. Removes the offset for federal and desegregation monies in annual SEI budget requests and the exclusion of incremental costs for students who have been classified as an ELL for more than two years. (Sec. 2)
10. **ASSERTS THAT ELLS ARE NOT RESTRICTED FROM BEING CONCURRENTLY ENROLLED IN SEI AND AN ALTERNATIVE ENGLISH INSTRUCTION MODEL.** (Sec. 2)*(ED)*
11. Removes the prohibition on distributing SEI Fund and ELL Weight monies for the same student for more than two years. (Sec. 5)
12. Renames the SEI Fund to the ELL Fund. (Sec. 5)
13. Removes the annual reenrollment testing requirement for students who were ELLs within the last two years. (Sec. 6)
14. Eliminates reporting requirements related to federal monies received for ELLs, ~~compensatory instruction,~~ ELL programs and funding and the success of schools at achieving ELL English proficiency. (Sec. 3, 9)*(ED)*
15. Requires ADE to provide an annual report on ELL programs to the SBE, OAG, Governor, Secretary of State, President of the Senate and Speaker of the House of Representatives by December 1 that includes:
    1. A detailed description of adopted models, the number of schools using each model and the number of students enrolled in each model.
    2. The length of ELL classifications.
    3. The statewide assessment performance for the two years after achieving English proficiency.
    4. A summary of information relating to successes of schools at achieving English proficiency. (Sec. 7)
16. Deletes the monthly 300 ELL random sampling requirement. (Sec. 8)
17. Requires OAG to analyze the effectiveness of SBE's adopted models and identify the most effective models. (Sec. 11)
18. Makes technical and conforming changes. (Sec. 1-5, 8, 9, 11, 12)

**Current Law**

All children in Arizona's public schools are required to be taught English by having classes taught in English language classrooms. Children who are identified as an ELL are directed to be educated through SEI during a temporary transition that is not intended to exceed one year. Once ELL students have acquired a good working knowledge of English and can do regular school work in English, they are no longer classified as ELL and are directed to be placed in an English language mainstream classroom ([A.R.S. § 15-752](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00752.htm)). SBE is charged with adopting research-based models of SEI programs for school district and charter school use. Models are required to take district size, location, grade levels and the number and percentage of ELL students into account. SBE is additionally charged with developing a separate model for first year ELL students that requires at least four hours per day of English language development ([A.R.S § 15-756.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00756-01.htm)). SEI models are limited to the regular school day and school year, except that instruction outside of those requirements may be funded by the Compensatory Instruction Fund. Schools submit SEI budget requests to SBE that are the incremental costs of the selected model offset by federal funding, impact aid, a portion of desegregation monies and the ELL Support Level Weight. The incremental costs for students who have been classified as ELLs for more than two years must be excluded from budget requests, except that those students may be provided funding through the Compensatory Instruction Fund.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2482:** foster care tuition waiver | |
| **PRIME SPONSOR:** Representative Shope, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70543)   |  | | --- | | ED: DP 10-0-0-1 | | **Legend:**  ABOR – Arizona Board of Regents  DCS – Department of Child Safety  FAFSA – Free Application for Federal Student Aid  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a postsecondary tuition waiver.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Instructs ABOR and the community colleges to provide a tuition waiver scholarship to a person who:
   1. Is or was in foster care at the age of at least 13 or was adopted at the age of at least 13;
   2. Is under 26 years of age and resides in the state;
   3. Is a U.S. citizen or a lawfully present noncitizen;
   4. Has total personal assets under $10,000, excluding scholarships and grants;
   5. Is accepted or enrolled into a public postsecondary institution;
   6. Has submitted a FAFSA before each year and
   7. Remains in good standing with their institution. (Sec. 1)
2. Permits community college tuition waiver scholarships to be reduced by the amount of public aid a student receives, excluding awards from DCS's Arizona Education and Training Voucher Program. (Sec. 1)
3. Prohibits university tuition waiver scholarships from being reduced by the amount of public aid the student receives. (Sec. 1)
4. Defines *tuition*. (Sec. 1)

**Current Law**

[Laws 2013, Chapter 237](https://apps.azleg.gov/BillStatus/GetDocumentPdf/228502) instructed ABOR and each community college district to conduct a five-year pilot program to provide tuition waiver scholarships to persons who:

* Are or were in foster care at the age of at least 16 or were adopted after the age of 16;
* Reside in the state and are either a U.S. citizen or a lawfully present noncitizen;
* Have total personal assets under $10,000, excluding scholarships and grants;
* Are under 21 years during the first scholarship award and are making satisfactory progress toward a degree or certificate;
* Are accepted or enrolled into a public postsecondary institution;
* Complete at least 30 hours of volunteer service annually; and
* Remain in good standing with the institution.

In addition, to remain eligible for a scholarship the person must demonstrate continuous progress towards a degree or certificate up to the age of 23. Awards are reduced by the amount of public grants received, excluding grants through the Education and Training Voucher Program. The program is scheduled to sunset on July 1, 2018.

**Additional Information**

The Auditor General was instructed to complete an audit of the program which may be found [here](https://www.azauditor.gov/sites/default/files/17-106_Report.pdf).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2489:** schools; anonymous reporting; dangerous activity | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70564)   |  | | --- | | ED: DP 9-2-0-0 | | **Legend:**  ADE – Arizona Department of Education  FY – Fiscal Year  GF – State General Fund  LEA – Local Education Agency  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to anonymous reporting for school safety.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Instructs ADE to establish the Safe-to-Tell Program for anonymous reporting of violent or unlawful activity being conducted or threatened on school property, a school bus or a school-sponsored activity. (Sec. 1)
2. Requires ADE to:
   1. Manage the program with a counterterrorism information center;
   2. Post information about the program on it's website;
   3. Provide program materials to all public schools;
   4. Offer program training to law enforcement personnel and LEA employees. (Sec. 1)
3. Prohibits the disclosure of any information reported through the program, unless disclosure is legally required for a criminal investigation or proceeding. (Sec. 1)
4. Authorizes ADE to enter into agreements with a third-party to operate a hotline or call center for receiving and forwarding reports. (Sec. 1)
5. Outlines requirements for the program's methods and procedures. (Sec. 1)
6. Establishes the Safe-to-Tell Fund, to be administered by ADE for the operation of the program.
   1. Monies are continuously appropriated. (Sec. 1)
7. Allows ADE to accept and deposit federal monies, private grants, gifts and contributions. (Sec. 1)
8. Appropriates $400,000 from the GF to ADE in FY 2019 for the Safe-to-Tell Program. (Sec. 2)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2502:** child abuse prevention education; schools | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70623)   |  | | --- | | ED: DP 9-1-1-0 | | **Legend:**  DCS – Department of Child Safety  ESSA – Every Student Succeeds Act  LEA – Local Education Agency  SY – School Year  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to child abuse prevention education and training.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Instructs LEAs to establish education and training on child abuse prevention for employees and students, beginning in SY 2019. (Sec. 1)
2. Requires LEAs to provide the training and education:
   1. At least twice per year for students and ensure each student attends at least once per year;
      1. Parents may opt their children out of the instruction.
   2. For all new school employees during orientation; and
   3. For all existing employees on a schedule adopted by the LEA. (Sec. 1)
3. Requires signs for reporting emergencies, abuse or neglect be placed in each school and provides content, size and placement requirements. (Sec. 1)
4. Exempts teachers and administrators from the training requirement if they completed a child abuse or sexual abuse prevention and training program in that SY. (Sec. 1)
5. Outlines the requirements for the education and training and allows LEAs to choose the delivery method for the instruction. (Sec. 1)
6. Authorizes LEAs to develop their own training or work in conjunction with a community organization to provide the instruction if the organization:
   1. Has an existing research-based curriculum; and
   2. Has provided comprehensive child abuse prevention and victim advocacy services for at least 20 years. (Sec. 1)
7. Allows LEAs to pay for the cost of the training or enter agreements with a qualifying community organization to provide the training at no cost. (Sec. 1)
8. Permits LEAs to use grant monies from the ESSA for the program requirements. (Sec. 1)
9. Asserts that the required instruction does not expand sex education requirements or impair any rights associated with parental involvement in schools. (Sec. 1)
10. Instructs LEAs to include a description of the child abuse prevention education and training in an informational handbook or on their website. (Sec. 1)
11. Authorizes a parent or guardian of a minor student review the materials for the education and training program after making a written request to the school principal. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2520:** schools; reading requirements | |
| **PRIME SPONSOR:** Representative Coleman, LD 16  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70754)   |  | | --- | | ED: DP 9-0-0-2 | | **Legend:**  ADE – Arizona Department of Education  ELL – English Language Learners  LEA – Local Education Agency  MOWR – Move on When Reading  SBE – Arizona State Board of Education  SY – School Year  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to early literacy programs and interventions.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires applicants for a Standard Elementary Education Teaching Certificate to complete 45 classroom hours, or three credit hours, in research-based reading instruction from a public or private provider. (Sec. 1)
2. Limits the use of K-3 reading support level weight monies to evidence-based instructional programs and practices. (Sec. 2)
3. Instructs ADE to ensure that the program implementation guidance include the most current evidence-based practices by consulting with public universities. (Sec. 2)
4. Directs ADE's best practice examples of reading intervention and remedial reading strategies to be selected from LEAs showing the most improvement on 3rd-grade reading proficiency. (Sec. 3)
5. Authorizes ADE to use up to 1% of the monies in the Early Literacy Grant Program Fund per year to administer the grants. (Sec. 4)
6. Instructs ADE to award early literacy grants based on applications from eligible schools rather than on a per pupil basis. (Sec. 4)
7. Directs ADE to develop an application process for early literacy grants that requires schools to provide detailed descriptions of how the monies will increase reading proficiency. (Sec. 4)
8. Modifies the MOWR retention requirements as follows:
   1. Requires a 3rd-grade student be retained if the student does not demonstrate sufficient reading skills, rather than if the student's reading falls far below the 3rd-grade level; and
   2. Prohibits a student from being retained if assessment data is not available before the end of the current SY, rather than the beginning of the next SY. (Sec. 5)
9. Allows an ELL student, or student with limited English proficiency, to be promoted regardless of the amount of English language instruction the student has received. (Sec. 5)
10. Allows a student to be promoted if the student demonstrates sufficient reading skills or adequate progress through a collection of SBE-approved assessments.
    1. SBE-approved alternative standardized reading assessments may be used to demonstrate adequate progress. (Sec. 5)
11. Requires LEAs that promote students through a MOWR exemption to submit an annual report to ADE of the number of students promoted because of an exemption, the number retained and the interventions administered. (Sec. 5)
12. Increases the number of SBE-approved intervention and remedial strategies a LEA must offer to students who are retained in 3rd grade because of insufficient reading skills. (Sec. 5)
13. Prescribes the following modifications for SBE-approved intervention and remedial strategies:
    1. For students assigned to a different teacher for reading instruction, the teacher must be designated as highly effective or effective in the most recent performance evaluation;
    2. Online reading instruction components must be used through small group and teacher-led evidence-based reading instruction. (Sec. 5)
14. Directs LEAs to identify each student who is at risk of reading below grade level in grade K-3 and provide a notice to the student's parent that include a description of the student's specific individual needs, in addition to other outlined information. (Sec. 5)
15. Requires the notice to instruct the parent to consult the student's teacher when choosing the most appropriate intervention and remediation strategies to be provided for the student. (Sec. 5)
16. Requires diagnostic information to be used for planning appropriate instruction. (Sec. 7)
17. Expands the definition of *eligible expenses* to include evidence-based summer programs. (Sec. 4)
18. Modifies the definitions of *essential components of reading instruction* and *reading*. (Sec. 7)
19. Makes technical and conforming changes. (Sec. 1-7)

**Current Law**

ADE administers a K-3 reading program to improve reading proficiency. ADE is required to prioritize supports and interventions for LEAs that have the highest percentage of students failing to demonstrate sufficient reading skills.

LEAs are required to submit a K-3 Literacy Plan to improve reading proficiency of their students. The plan must include baseline data on reading proficiency, a budget for monies from the K-3 Support Level Weight and the K-3 Reading Support Level Weight. LEAs are also required to submit an updated plan, with data on expenditures and results, to ADE. LEAs assigned an *A* or *B* letter grade may submit updated plans every two years. LEAs assigned *C, D* or *F* letter grades, or LEAs with more than 10% of their 3rd-grade students failing to demonstrate proficient reading skills, must have their plan reviewed by ADE and approved by SBE before they are eligible for the K-3 Reading Support Level Weight ([A.R.S. § 15-211](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00211.htm)).

The MOWR retention requirements prohibit a 3rd grade student from being promoted if the student scores far below the 3rd-grade reading level on the statewide assessment, with exceptions ([A.R.S. § 15-701](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00701.htm)). Schools that provide instruction in grades K-3 are required to:

1. Adopt an evidence-based curriculum;
2. Provide ongoing professional development on reading research to teachers;
3. Administer reading assessments, screenings and ongoing diagnostics;
4. Monitor student progress; and
5. Plan appropriate instruction and intervention for each student ([A.R.S. § 15-704](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00704.htm)).

In addition to the K-3 Reading Program and Support Level Weight, ADE also administers the Early Literacy Grant Program Fund. Grants are awarded in 3-year cycles on a per-pupil basis to LEAs with 90% free and reduced-price lunch eligibility rates ([A.R.S. § 15-249.09](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00249-09.htm)).

**Additional Information**

The 2017 MOWR Annual Report can be found [here](https://cms.azed.gov/home/GetDocumentFile?id=5a5000c83217e104582e831f).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2524:** school facilities board; underutilized schools | |
| **PRIME SPONSOR:** Representative Clodfelter, LD 10  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70758)   |  | | --- | | ED: DPA 6-5-0-0 | | **Legend:**  **FUND – UNDERUTILIZED SCHOOL FACILITIES FUND**  SFB – School Facilities Board  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to transfer of ownership of underutilized schools.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Directs SFB to take ownership of a district school facility upon determining the current enrollment is below 25% capacity. (Sec. 1)
2. Instructs SFB to reimburse the school district for 10% of the assessed value of either the school facility or of the land, whichever is greater. (Sec. 1)
3. **CREATES THE FUND FOR REIMBURSING SCHOOL DISTRICTS FOR UNDERUTILIZED SCHOOL FACILITIES.**
   1. **MONIES IN THE FUND ARE EXEMPT FROM LAPSING AND SUBJECT TO LEGISLATIVE APPROPRIATION.** (*ED*)
4. **DIRECTS SFB TO ADMINISTER THE FUND.** (*ED*)
5. **PROHIBITS SFB FROM TAKING OWNERSHIP OF A SCHOOL FACILITY UNLESS SUFFICIENT MONIES HAVE BEEN APPROPRIATED TO THE FUND.** (*ED*)
6. Authorizes SFB to transfer ownership of the school facility to an adjacent school district if the adjacent district:
   1. Is assigned an A, B or C letter grade;
   2. Has experienced enrollment growth in at least three of the five previous fiscal years; and
   3. The governing board votes to assume ownership of the facility. (Sec. 1)
7. Stipulates that the transfer of a school facility is contingent upon the revision of school district boundaries. (Sec. 1)
8. Requires SFB to facilitate any fiduciary agreements for the transfer of a school facility between the two districts. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2526:** career technical education districts. | |
| **PRIME SPONSOR:** Representative Clodfelter, LD 10  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70760)   |  | | --- | | ED: DP 9-0-0-2 | | **Legend:**  CTE – Career and Technical Education  JTED – Joint Technical Education District  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Related to renaming JTEDs.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Renames JTEDs to Career Technical Education Districts. (Sec. 1-35)
2. Makes technical and conforming changes. (Sec. 4-11, 15-19, 21, 24, 25, 27, 29, 31-35)

**Current Law**

JTEDs offer CTE courses and programs that meet statutory requirements and are composed of more than one member district. Courses may be offered at member school districts or charter schools as a satellite program or offered at a centralized JTED campus. Students attending JTED satellite programs may generate up to an additional 0.25 ADM and students attending a centralized campus may generate up to an additional 0.75 ADM. The additional monies generated by JTED students are required to be used to supplement and not supplant base year CTE courses and directly related equipment and facilities ([A.R.S. § 15-393](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00393.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2534:** teachers; certification requirements | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70771)   |  | | --- | | ED: DPA 9-1-0-1 | | **Legend:**  CTE – Career and Technical Education  FPCC – Fingerprint Clearance Card  JTED – Joint Technical Education District  SBE – State Board of Education  STEM – Science, Technology, Engineering and Mathematics  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to teaching certificates.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Transfers teacher certification statutes to a new section of statute. (Sec. 2)
2. Instructs SBE to issue the following teaching certificates that reflect the source of each teacher's training:
   1. Standard Teaching Certificate;
   2. Postbaccalaureate Teaching Certificate;

*Currently named Alternative Teaching Certificate*

* 1. Subject-Matter Expert Teaching Certificate;
  2. Classroom-Based Teaching Certificate; and
  3. CTE Teaching Certificate. (Sec. 2)

1. Requires all certificated teachers, except those who provide instruction in CTE, to have a bachelor's degree. (Sec. 2)
2. Removes the authorization for a GED to be substituted for a high school diploma for Emergency Substitute Teacher Certification. (Sec. 1)
3. Limits 12-year issuance and renewal to Standard Teaching Certificates. (Sec. 2)
4. Excludes Standard Teaching Certificates from eligibility for renewal of an expired certificate, and any endorsements or approved areas related to the certificate, within 2-10 years of expiration. (Sec. 2)
5. Directs Legislative Council to prepare proposed legislation conforming the Arizona Revised Statutes to this act for consideration in the next legislative session. (Sec. 3)
6. Makes technical and conforming changes. (Sec. 1, 2) (*ED*)

**Current Law**

SBE oversees teacher certification and issues teaching certificates by grade levels and subject areas. An applicant who has a valid teaching certificate from another state, a FPCC and is in good standing is eligible for a comparable standard certificate in Arizona. An in-state applicant for a standard teaching certificate may complete the required training through an alternative teacher and administrator preparation program, coursework and experience or professional experience. In addition to standard teaching certificates, SBE also oversees Substitute, CTE, STEM and Classroom-Based Teaching Certificates (A.R.S. §§ [15-203](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00203.htm), [15-553](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00553.htm) and [15-782.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00782-01.htm)).

Certificates are issued and renewed for 12 years, and cannot require more than 15 hours of continuing education credits per year for renewal. Additionally, a certificate and endorsements related to a certificate may be renewed between 2 and 10 years after it expires if the certificate holder is in good standing, has at least 10 years of verified experience and a valid FPCC. All certificates require a bachelor's degree, except for CTE Teaching Certificates, Subject-Matter Expert Standard Teaching Certificate and Emergency Substitute Teaching Certificate (A.R.S. §§ [15-203](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00203.htm) and [15-782.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00782-01.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2536:** dual enrollment; homeschooled children | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70774)   |  | | --- | | ED: DP 9-1-0-1 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to dual enrollment eligibility.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Permits homeschooled children to fully participate in dual enrollment. (Sec. 1)
2. Makes technical changes. (Sec. 1)

**Current Law**

Community college districts are authorized to offer college courses during the school day that may be counted towards both high school and college graduation requirements through a contract with a high school. Contracts are required to outline financial provisions for the billing of services, tuition and financial aid policies, accountability provisions and the type and quality of instruction. Students may participate in dual enrollment in the junior or senior year if necessary prerequisites are satisfied, except that the community college can waive the class year requirement for 25% of enrolled students. To participate the school district is required to ensure that students are full-time students, excluding seniors who have met all graduation requirements ([A.R.S. § 15-1821.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/01821-01.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2561:** schools; civics literacy state seal. | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70800)   |  | | --- | | ED: DPA 9-0-0-2 | | **Legend:**  ASU – Arizona State University  SBE – State Board of Education  SPI – Superintendent of Public Instruction  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to establishing a State Seal of Civics Literacy.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Directs the SPI to establish a State Seal of Civics Literacy Program that recognizes public school graduates who have achieved a high level of civics proficiency. (Sec. 1)
2. Instructs the SPI to create the seal to affix to diplomas and transcripts and deliver the seal to each participating public school. (Sec. 1)
3. Permits school districts and charter schools to voluntarily participate by notifying the SPI and directs participants to identify qualifying students and award the seal. (Sec. 1)
4. Directs SBE, in addition to Social Studies graduation requirements, to collaborate with the School of Civic and Economic Thought and Leadership at ASU **and other experts on civic knowledge and literacy at Arizona universities** to adopt a list of proficiency tests using research-based methodology. (Sec. 1)*(ED)*
5. Permits SBE to adopt necessary rules. (Sec. 1)
6. Directs the seal to be awarded to students who complete all Social Studies graduation requirements with at least a 2.0 GPA and pass the adopted test. (Sec. 1)
7. Sunsets the Program on July 1, 2028. (Sec. 1)

**Current Law**

To graduate from high school a student must successfully complete 22 credits, of which 3 are required to be in Social Studies ([A.A.C. R7-2-302](http://apps.azsos.gov/public_services/Title_07/7-02.pdf)). The required credits consist of one credit in American and Arizona history, one credit of world history and geography, half a credit of American and Arizona government and half a credit of economics. In addition to the required credits, beginning in SY 2017 students are required to pass a test that is identical to the civics portion of the naturalization test ([A.R.S. § 15-701.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/00701-01.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2563:** postsecondary institutions; free expression policies | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70802)   |  | | --- | | ED: DPA 8-3-0-0 | | **Legend:**  ABOR – Arizona Board of Regents  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to free expression policies.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Allows universities and community colleges to restrict student speech to achieve a compelling governmental interest rather than be narrowly tailored to a significant governmental interest. (Sec. 1)
2. Requires restrictions on student speech to be the least restrictive means to further the compelling governmental interest. (Sec. 1)
3. Prohibits restricting student speech that provides for spontaneous assembly and distribution of literature. (Sec. 1)
4. Permits lawfully present persons to protest on public postsecondary campuses unless conduct materially and substantially infringes on the rights of others to engage in expressive activity.
   1. Excludes faculty members maintaining classroom order. (Sec. 1)
5. Asserts that public areas of public postsecondary campuses are public forums and the campuses are open to any speaker invited by a student, student group or faculty member. (Sec. 1)
6. Requires public postsecondary institutions to make all reasonable efforts to ensure the safety of invited speakers and attendees and prohibits security fees from being charged based on the content of a speech.
   1. Allows nonpublic facilities to be restricted to invited persons. (Sec. 1)
7. Allows individual students, faculty and staff members to take a position on public policy controversies and encourages the institutions to remain neutral. (Sec. 1)
8. Prohibits public postsecondary institutions from taking action on public policy controversies in a way that requires students or faculty to endorse a particular view. (Sec. 1)
9. Authorizes persons to bring court action against violations by a university, community college, ~~student,~~ faculty member~~,~~ **OR** administrator ~~or other person~~. (Sec. 1)(*ED)*
10. Instructs the court to award damages of the greater of $1,000 or actual damages. (Sec. 1)
11. Requires ABOR and the community colleges to develop and adopt a policy on free expression that contains:
    1. Specified statements regarding the function and role of free expression on higher education campuses and associated disciplinary action.
    2. For all disciplinary proceedings involving **STUDENTS, INCLUDING PROCEEDINGS INVOLVING,** expressive conduct procedures, requirements for a hearing that includes advanced written notice, evidence review, confronting witnesses who testify, presenting a defense, calling witnesses, a decision by an impartial person or panel, appeal and, for suspensions over 30 days and expulsions, active assistance of counsel. (Sec. 2)*(ED)*
12. Asserts that outlined requirements supersede previous institutional policies and requires the institutions to review policies or rules to comply. (Sec. 2)
13. Permits the adoption of rules. (Sec. 2)
14. Permits the restriction of student expression for activities not protected by the first amendment of the U.S. Constitution and outlines circumstances that are not protected. (Sec. 2)
15. Requires universities and community colleges to include information in freshman orientations describing policies and rules relating to free expression. (Sec. 2)
16. Defines terms*.* (Sec. 2)***(ED)***
17. Makes conforming changes. (Sec. 1)

***Committee on Free Expression***

1. Directs ABOR and the community colleges to jointly establish a committee on free expression of at least 15 members. (Sec. 2)
2. Requires an annual report from the Committee by September 1 to ABOR, the community colleges, the Governor, Secretary of State, the Speaker of the House of Representatives and the President of the Senate that includes:
   1. Descriptions of barriers or disruptions to free expression.
   2. Descriptions of administrative handling and discipline related to barriers or disruptions.
   3. Descriptions of difficulties in maintaining institutional neutrality.
   4. Assessments or recommendations from the committee.
   5. Accounting of how student activity fees were allocated. (Sec. 2)
3. Requires public postsecondary institutions to post the annual report on their websites. (Sec. 2)
4. Sunsets the Committee on July 1, 2026. (Sec. 2)
5. Defines *student activity fees*. (Sec. 2)

**Current Law**

Public postsecondary institutions are prohibited from restricting a student's right to speak in a public forum or impose restrictions on protected first amendment speech in a public forum, unless restrictions are reasonable, justified, narrowly tailored to serve a significant governmental interest and leave ample alterative channels of communication open. The Attorney General and a student who has had their expressive rights violated are permitted to bring an action in court for violations of these requirements within one year of the violation ([A.R.S. § 15-1864](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/01864.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2578:** damaged school facilities; replacement; grants | |
| **PRIME SPONSOR:** Representative John, LD 14  **BILL STATUS:** [Caucus and COW](https://apps.azleg.gov/BillStatus/BillOverview/70816)   |  | | --- | | ED: DP 10-0-0-1 | | **Legend:**  BRG – Building Renewal Grant Fund  Building – School building or facility  JCCR – Joint committee on Capital Review  SFB – School Facilities Board  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to replacement of damaged school buildings.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Directs SFB to submit a proposal to JCCR to replace a damaged building with BRG monies if:
   1. A school district submits information on the damaged building to SFB;
   2. SFB or the school district obtains an estimate of the cost to replace the building; and
   3. The cost to repair the building exceeds the cost to replace it. (Sec. 1)
2. Allows SFB to award monies to a school district from the BRG to replace a building if JCCR approves the project proposal. (Sec. 1)

**Current Law**

SFB distributes monies from the BRG based on grant requests from school districts to fund primary building renewal projects. SFB is required to prioritize projects, with priority given to districts that: 1) have provided routine preventative maintenance, and 2) can provide a match of monies provided by the BRG. SFB may only approve projects that will be completed in one year, unless similar projects take longer to complete.

A school district that receives monies from the BRG for: 1) major renovations and repairs, 2) upgrading systems and areas that will maintain or extend the useful life of the building, or 3) infrastructure costs.

A district may not use monies from the BRG for: 1) new construction, 2) interior remodeling for aesthetic or preferential reasons, 3) exterior beautification, 4) demolition, 5) routine preventative maintenance, or 6) a project in a building or part of a building that is being leased to another entity ([A.R.S. § 15-2032](https://www.azleg.gov/ars/15/02032.htm)).

**Additional Information**

The FY 2018 budget included $33.8 million from the GF for the BRG. ([JLBC](http://www.azleg.gov/jlbc/18AR/sfb.pdf)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2512:** water program amendments. | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Energy, Environment & Natural Resources](https://apps.azleg.gov/BillStatus/BillOverview/70742)   |  | | --- | | 02-06-18 EENR: DISC/HELD | | 02-08-18 EENR: DISC/HELD  02-08-18 EENR: DPA 6-3-0-0 | | **Legend:**  ADEQ – Arizona Department of Environmental Quality  ADWR – Arizona Department of Water Resources  AF – acre feet  AMA – active management area  BOS – board of supervisors  CAP – Central Arizona Project  CAWCD – Central Arizona Water Conservation District  GWAC – Governor's Water Augmentation Council  IGFR – Irrigation Grandfathered Right  NRCD – Natural Resource Conservation District  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to water.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***County Adequate Water Supply (Sec. 1)***

1. Requires a county BOS to review an adopted adequate water supply provision within 5 years.
2. Allows the county BOS to **VOTE NOT TO** readopt the provision ~~by unanimous consent~~ at least every 10 years but not more frequently than every 5 years. (*EENR*)
3. **DECLARES THE PROVISION REMAINS IN EFFECT IF THE COUNTY BOS DOES NOT:**
   1. **VOTE UNANIMOUSLY NOT TO READOPT THE PROVISION; OR**
   2. **VOTE ON THE PROVISION AFTER REVIEW.** (*EENR*)
4. Stipulates that if the provision is not readopted:
   1. the county BOS must provide written notice to the ADWR Director, the ADEQ Director and the State Real Estate Commissioner; and
   2. the provision has no further force if certain water conservation measures are in effect at the time of the vote.

***NRCDs (Sec. 2-5, 22 and 30)***

1. Transfers administration of NRCDs from ASLD to the Arizona Department of Forestry and Fire Management.
2. Establishes the State Forester as the NRCD Commissioner and expands the duties to include:
   1. public recognition of water conservation measures or projects; and
   2. promotion of water-related advancements and their effect on watersheds, forest health, multiple uses and storm water runoff protection programs.
3. Adds the State Forester as an ex-officio member of the Arizona Water Protection Fund Commission.
4. ~~Contains a blank delayed effective date~~ **PROVIDES AN EFFECTIVE DATE OF JANUARY 1, 2020**. (*EENR)*

***Effluent (Sec. 10)***

1. Enables ADWR to use the term *recycled water* instead of *effluent* for informational purposes.

***Desalination Action Plan (Sec. 11)***

1. Instructs the ADWR Director to prepare a desalination action plan that includes:
   1. an identification of:
      1. areas with significant amounts of brackish groundwater;
      2. areas that may benefit from treated brackish groundwater;
      3. potential funding sources for the treatment and delivery of the brackish groundwater.
   2. a cost estimate to treat and deliver brackish groundwater for an economically viable use.
   3. an evaluation of:
      1. the feasibility and cost of the disposal of the brine byproduct; and
      2. **ISSUES RELATED TO THE SOURCES OF BRACKISH GROUNDWATER AND ITS OWNERSHIP.** (*EENR*)
2. Permits the plan to identify and evaluate potential binational agreements or projects to treat brackish groundwater or sea water.
3. Requires submission of the plan to the Governor and the Legislature by September 30, 2019, with an update on the plan and its results every two years.
4. Defines *brackish groundwater*.

***Transportation of Water out of State (Sec. 12)***

1. Instructs the ADWR Director to notify the Legislature on approval of an application to withdraw, or divert, and transport water out of Arizona.
   1. Includes surface water, groundwater~~, Colorado River water~~ or other sources. (*EENR*)
2. Requires the Legislature to consider the application and, if approved through legislative enactment signed by the Governor, the proposed action may proceed.

***Pinal AMA (Sec. 13)***

1. Requires the ADWR Director to recalculate the amount of groundwater available for use in the Pinal AMA for determining an Assured Water Supply ~~after reviewing and eliminating those proposed uses that are no longer economically practicable for actual development and future use~~.
2. Instructs the ADWR Director to adopt rules to calculate **THE INITIAL VOLUME OF** extinguishment credits **OF A GRANDFATHERED RIGHT** in the Pinal AMA rules by January 1, 2019, **AS FOLLOWS:**
   1. **FOR A TYPE 2 RIGHT, THE NUMBER OF AF MULTIPLIED BY 100;**
   2. **FOR A TYPE 1 RIGHT, THE NUMBER OF ACRES MULTIPLIED BY 100, SUBTRACTING THE AMOUNT IN THEIR FLEXIBILITY ACCOUNT; AND**
   3. **AFTER SEPTEMBER 1, 2018, THE INITIAL VOLUME MULTIPLIED BY:**
      1. **75% FOR CREDITS REMAINING AFTER THE 6TH ANNIVERSARY;**
      2. **50% FOR CREDITS REMAINING AFTER THE 11TH ANNIVERSARY;**
      3. **25% FOR CREDITS AFTER THE 16TH ANNIVERSARY; AND**
      4. **0% FOR CREDITS AFTER THE 21ST ANNIVERSARY.**
3. Declares the rules have an immediate effective date.
4. Exempts ADWR from the rulemaking process except that the ADWR Director must file a notice of exempt rulemaking with the Secretary of State.

***IGFRs (Sec. 14)***

1. Declares the use of groundwater for containerized plants on or above ground is a *non-irrigation use* **IN AN AMA**.
2. Allows a person who holds an IGFR in an AMA to withdraw groundwater for containerized plants on or above the surface of certificated acres if the plants are grown for:
   1. sale or human consumption; or
   2. ~~plant research or breeding; or~~
   3. livestock or poultry feed.
3. Requires separate measurement of groundwater for containerized plants and groundwater used for an irrigation use.
4. Prohibits the total amount of water used for containerized plants from exceeding the farm's allotted amount.
5. Prohibits the registration of credits to a farm's flexibility account in any year groundwater is used for containerized plants.
6. Requires, on request, separation of an IGFR certificate into:
   1. one certificate for those certificated acres use groundwater for containerized plants; and
   2. one certificate for those certificated acres that groundwater is used for an irrigation purpose.
7. Prohibits separation of an IGFR certificate if it would result in the issuance of a certificate for less than two certificated acres.
8. Specifies the certificated acres associated with each certificate are considered a separate farm.
9. Defines *certificated acres*.

***Sixth Management Period (Sec. 15-21, 27)***

1. Establishes a sixth management period from 2025 to 2035.
2. Requires the ADWR Director to adopt a management plan for each AMA in accordance with specific guidelines and mandatory conservation requirements for agriculture, municipal and industrial users by January 1, 2023.
3. Instructs the ADWR Director to evaluate the conservation requirements and irrigation water duties required for the fifth and sixth management periods to determine if changes are appropriate.
4. Requires establishment of one or more advisory committees for each AMA to assist in the evaluation and allows ADWR to contract with an independent researcher.
5. Specifies the report and recommendations must be submitted to the Governor and the Legislature by December 31, 2030.
6. **MAKES TECHNICAL CHANGES.** (*EENR*)

***CAWCD (Sec. 25, 26)***

1. Prohibits CAWCD from asserting the defense of immunity under the [11th Amendment of the US Constitution](https://www.congress.gov/content/conan/pdf/GPO-CONAN-2017-10-12.pdf) in litigation brought by a water user to enforce the terms of a water delivery contract or subcontract.
2. Requires prompt notification between CAWCD and the ADWR Director on discussions or negotiations of interstate agreements or agreements with the US involving the use, storage or conservation of Colorado River water.
3. **MAKES TECHNICAL CHANGES.** (*EENR*)

**Current Law**

***County Adequate Water Supply***

The developer of a proposed subdivision outside an AMA is required to submit plans to the ADWR Director for the subdivision's water supply and demonstrate the adequacy of the water supply to meet the projected needs ([A.R.S. § 45-108](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00108.htm)). The ADWR Director must evaluate the proposed water source and determine if there is an adequate water supply for the subdivision. A copy of the report must be provided to the State Real Estate Commissioner and the city, town or county responsible for platting the subdivision. If the ADWR Director determines the water supply is inadequate, the developer may still sell the lots but all promotional material and contracts must adequately disclose the inadequacy ([A.R.S. § 32-2181](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/02181.htm)).

An *adequate water supply* means: 1) sufficient groundwater, surface water or effluent of adequate quality will be continuously, legally and physically available to satisfy the needs of the proposed use for at least 100 years; and 2) the financial capability has been demonstrated to construct the water facilities necessary to make the water supply available for the proposed use, including a delivery system and any storage facilities or treatment works ([A.R.S. § 45-108](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00108.htm)).

A county may adopt, by unanimous consent, an ordinance requiring new subdivisions to obtain a determination of an adequate 100-year water supply to receive final plat approval ([A.R.S. § 11-823](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00823.htm)).

Cochise and Yuma counties have adopted the adequate water supply provision ([ADWR](http://www.azwater.gov/AzDWR/WaterManagement/AAWS/documents/List_of_Mandatory_Adequacy_Jurisdictions_2-17-09_000.pdf)).

***NRCDs***

NRCDs are a division of the ASLD and provide for the restoration and conservation of lands and soil resources, the preservation of water rights and the control and prevention of soil erosion ([A.R.S. § 37-1001](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/37/01001.htm)). NRCD powers include: 1) conducting soil and farming operations research; 2) conducting demonstrations on NRCD land with owner consent; 3) entering into agreements for land use; 4) acquiring land; 5) developing plans for water and soil conservation; 6) applying for and spending Arizona Water Protection Fund monies; and 7) establishing education centers ([A.R.S. § 37-1054](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/37/01054.htm)).

Arizona has 32 NRCDs administered by the ASLD and 10 NRCDs authorized under federal tribal law ([ASLD](https://land.az.gov/natural-resources/natural-resource-conservation-districts)).

The Arizona Water Protection Fund Commission consists of two ex officio members, two advisory members and nine appointed members ([A.R.S § 45-2103](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/02103.htm)).

***Effluent***

*Effluent* is wastewater from homes and businesses collected in a sanitary sewer for delivery to a wastewater treatment plant ([A.R.S. § 45-101](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00101.htm)). Use is regulated by ADEQ and may be used for agriculture, golf courses, parks, industrial cooling or to recharge aquifers.

***Desalination Action Plan***

The terms *desalination* or *desalting* means the use of any process or technique for the removal and, when feasible, adaptation to beneficial use, of organic and inorganic elements and compounds from saline or biologically impaired waters, by itself or in conjunction with other processes. *Saline water* means sea water, brackish water, and other mineralized or chemically impaired water ([U.S.C. § 42-10301](http://uscode.house.gov/view.xhtml?path=/prelim@title42/chapter109&edition=prelim)).

The GWAC was established through [Executive Order 2015-13](file:///C:\Files\Downloads\eo2015-13_0.pdf). In 2016, GWAC formed the Desalination Committee to explore opportunities for in-state desalination with a focus on brackish groundwater and effluent supplies ([GWAC](https://new.azwater.gov/water-initiative/governor-water-augmentation-council)).

***Transportation of Water out of State***

A person may withdraw, or divert, and transport water out of Arizona for a reasonable and beneficial use in another state if, after an administrative hearing, the application is approved by the ADWR Director. This does not apply to an interstate compact, federal law or international treaty ([A.R.S. § 45-292](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00292.htm)).

***Pinal AMA***

The Pinal AMA management goal is to allow development of non-irrigation uses and to preserve existing agricultural economies for as long as feasible, consistent with the necessity to preserve future water supplies for non-irrigation uses ([A.R.S. § 45-562](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00562.htm)). The owner of an irrigation or non-irrigation grandfathered right may permanently retire their right, in full or part, in exchange for extinguishment credits that may be sold to another party and transferred within the same AMA, with exceptions. Extinguishment credits may be pledged to a subdivision to reduce the volume of groundwater used to meet the assured water supply program requirements.

In the Pinal AMA, the ADWR Director is required to calculate extinguishment credits as outlined in rule ([R12-15-725.01](http://apps.azsos.gov/public_services/Title_12/12-15.pdf)), which includes an allocation factor associated with the year the grandfathered right is extinguished. The extinguishment credits given for the retirement of grandfathered rights in the Pinal AMA will be reduced beginning in 2019, phasing down to 0% after 2059 ([ADWR](http://www.azwater.gov/AzDWR/WaterManagement/AMAs/PinalAMA/documents/PinalAMAExtinguishment.pdf)).

***IGFRs***

In an AMA a person who was legally withdrawing and using groundwater as of the AMA designation date or who owns land legally entitled to be irrigated with groundwater has the right to withdraw or receive and use groundwater as determined by the ADWR Director ([A.R.S. § 45-462](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00462.htm)). To *irrigate* means the application of water to two or more acres of land to produce plants for sale or human consumption or for use as livestock or poultry feed ([A.R.S. § 45-402](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00402.htm)). A person who uses less water than the amount allowed may use the remaining amount in a succeeding accounting period or convey or sell the credits, with limitations ([A.R.S. § 45-467](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F45%2F00467.htm)).

***Sixth Management Period***

The 1980 Groundwater Management Act established levels of water management to respond to different groundwater conditions in Arizona, and created ADWR to administer the programs. The Act created AMAs in geographic areas where groundwater depletion is most severe. The five AMAs are Tucson, Phoenix, Prescott, Pinal and Santa Cruz (A.R.S. §§ [45-411](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00411.htm) and [45-411.03](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00411-03.htm)). ADWR is required to develop and implement water conservation requirements for agriculture, municipal and industrial water users in each AMA over five management periods. Rules for the fifth management period (2020-2025) must be promulgated by January 1, 2019. All persons must comply with the applicable irrigation water duty or conservation requirements no later than January 1, 2025, and remain in compliance until the Legislature determines otherwise ([A.R.S. § 45-468](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00568.htm)).

***CAWCD***

The CAWCD, established in 1971, operates the CAP and is governed by a 15-member board of directors elected from its three-county service area of Maricopa, Pima and Pinal ([A.R.S. § 48-3708](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/48/03708.htm)). The CAWCD is a special taxing district formed to: 1) contract with the US Secretary of the Interior for the delivery of CAP water; 2) repay CAP construction costs; and 3) operate and maintain the CAP aqueduct ([A.R.S. § 48-3703](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/48/03703.htm)). The CAWCD is a tax-leaving public improvement district and a municipal corporation to the extent of the powers and privileges conferred or granted generally by the Arizona Constitution or State law, including the immunities and exemptions provided by [Article XIII § 7](https://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/const/13/7.htm) of the Arizona Constitution ([A.R.S. § 48-3702](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/48/03702.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2542:** water resources; annual presentation | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70780)   |  | | --- | | EENR DPA: 5-2-0-2 | | **Legend:**  ADWR – Arizona Department of Water Resources  AMA – Active Management Area  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to an annual presentation by ADWR.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the ADWR Director to present the annual report before the:
   1. Senate Natural Resources, Energy and Water Committee or its successors; and
   2. House Energy, Environment and Natural Resources Committee or its successor Committee (Sec. 1)
2. Makes a conforming change. (Sec. 1)

**Current Law**

ADWR is required to provide a report to the Governor and the Legislature by July 1 of each year that includes suggestions to amend existing law or enact new legislation. The report must be published and made available to the public ([A.R.S. § 45-111](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00111.htm)).

Additionally, the ADWR is required to present information to the committees with jurisdiction over water issues in the House of Representatives and the Senate on: 1) the current status of Arizona's water supply; 2) issues of regional and local droughts and drought management efforts; 3) the status of current water conservation programs; 4) the state of each AMA and progress toward the goals; 5) issues affecting management of the Colorado river and Arizona's allocation of water; 6) the status of pending or likely litigation regarding surface water adjudications and other litigation; 7) the status of Indian water rights settlements and negotiations; and 8) other matters relating to the reliability of water, ADWR responsibilities and the adequacy of resources to meet Arizona's water management needs ([A.R.S. § 45-105](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00105.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2543:** San Pedro water district; report | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70781)   |  | | --- | | EENR DP: 5-3-0-1 | | **Legend:**  ADWR – Arizona Department of Water Resources  District – Upper San Pedro Water District  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the District annual report.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the District to provide a copy of the annual report to the ADWR Director. (Sec. 1)
2. Makes a conforming change. (Sec. 1)

**Current Law**

[Laws 2007, Chapter 252](https://apps.azleg.gov/BillStatus/BillOverview/22665) authorized the formation of the District, subject to voter approval in the November 2010 election, to maintain the aquifer and base flow conditions needed to sustain the Upper San Pedro River and assist in meeting the water supply needs and conservation requirements for Fort Huachuca and communities within the District ([A.R.S. § 48-6403](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/48/06403.htm)). If the District is not established by 2012, the authority and any intergovernmental agreements executed by the Organizing Board are terminated ([A.R.S. § 48-6416](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F48%2F06416.htm)).

The District is required to submit an annual report to the President of the Senate and Speaker of the House of Representatives of all actions taken to meet the District's objectives, including: 1) the amount and type of water used by the District for recharge and augmentation; 2) all projects implemented; 3) the District's finances; 4) permits obtained; and 5) progress towards the District's goal. The District also provides a copy of the report to the Arizona State Library, Archives and Public Records ([A.R.S. § 48-6435](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/48/06435.htm)).

**Additional Information**

The formation of the District was not approved by the voters at the 2010 election.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2551:** water; desalination action plan. | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70790)   |  | | --- | | EENR DPA: 9-0-0-0 | | **Legend:**  ADWR – Arizona Department of Water Resources  GWAC – Governor's Water Augmentation Council  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a desalination action plan.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Instructs the ADWR Director to prepare a desalination action plan that includes:
   1. an identification of:
      1. areas with significant amounts of brackish groundwater;
      2. areas that may benefit from treated brackish groundwater; and
      3. potential funding sources for the treatment and delivery of the brackish groundwater.
   2. a cost estimate to treat and deliver brackish groundwater for an economically viable use.
   3. an evaluation of the feasibility and cost of the disposal of the brine byproduct.
   4. **AN EVALUATION OF ISSUES RELATED TO THE SOURCES OF BRACKISH GROUNDWATER AND ITS OWNERSHIP.** (*EENR*) (Sec. 1)
2. Permits the plan to identify and evaluate potential binational agreements or projects to treat brackish groundwater or sea water. (Sec. 1)
3. Requires submission of the plan to the Governor and the Legislature by September 30, 2019, with an update on the plan and its results every two years. (Sec. 1)
4. Defines *brackish groundwater*. (Sec. 1)

**Additional Information**

The terms *desalination* or *desalting* mean the use of any process or technique for the removal and, when feasible, adaptation to beneficial use, of organic and inorganic elements and compounds from saline or biologically impaired waters, by itself or in conjunction with other processes. *Saline water* means sea water, brackish water, and other mineralized or chemically impaired water ([U.S.C. § 42-10301](http://uscode.house.gov/view.xhtml?path=/prelim@title42/chapter109&edition=prelim)).

The GWAC was established through [Executive Order 2015-13](file:///C:\Files\Downloads\eo2015-13_0.pdf). In 2016, GWAC formed the Desalination Committee to explore opportunities for in-state desalination with a focus on brackish groundwater and effluent supplies ([GWAC](https://new.azwater.gov/water-initiative/governor-water-augmentation-council)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2553:** adequate water supply; county review. | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70792)   |  | | --- | | EENR: DPA 6-3-0-0 | | **Legend:**  ADEQ – Arizona Department of Environmental Quality  ADWR – Arizona Department of Water Resources  BOS – board of supervisors  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to an adopted water adequacy supply provision.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires a county BOS to review an adopted adequate water supply provision:
   1. within 5 years; and
   2. at least every 10 years but not more frequently than every 5 years. (Sec. 1)
2. **ALLOWS THE BOARD TO VOTE TO NOT READOPT THE PROVISION AT A PUBLIC MEETING.**
3. **DECLARES THE PROVISION REMAINS IN EFFECT IF THE BOARD DOES NOT:**
   1. **VOTE UNANIMOUSLY TO NOT READOPT THE PROVISION; OR**
   2. **VOTE ON THE PROVISION AFTER REVIEW.**
4. ~~Allows the county BOS to readopt the provision by unanimous consent~~. (Sec. 1)
5. Stipulates that if the provision is not readopted:
6. the county BOS must provide written notice to the ADWR Director, the ADEQ Director and the State Real Estate Commissioner; and
7. the provision has no further force if certain water conservation measures are in effect at the time of the vote. (Sec. 1)
8. Makes conforming changes. (Sec. 1)

**Current Law**

The developer of a proposed subdivision outside an AMA is required to submit plans for the subdivision's water supply and demonstrate the adequacy of the water supply to meet the needs projected by the developer to the ADWR Director ([A.R.S. § 45-108](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00108.htm)). The ADWR Director must evaluate the proposed water source and determine if there is an adequate water supply for the subdivision. A copy of the report must be provided to the State Real Estate Commissioner and the city, town or county responsible for platting the subdivision. If the ADWR Director determines the water supply is inadequate, the developer may still sell the lots but all promotional material and contracts must adequately disclose the inadequacy ([A.R.S. § 32-2181](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/02181.htm)).

An *adequate water supply* means: 1) sufficient groundwater, surface water or effluent of adequate quality will be continuously, legally and physically available to satisfy the needs of the proposed use for at least 100 years; and 2) the financial capability has been demonstrated to construct the water facilities necessary to make the water supply available for the proposed use, including a delivery system and any storage facilities or treatment works ([A.R.S. § 45-108](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/00108.htm)).

A county may adopt, by unanimous consent, an ordinance requiring new subdivisions to obtain a determination of an adequate 100-year water supply to receive final plat approval ([A.R.S. § 11-823](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00823.htm)).

**Additional Information**

Cochise and Yuma counties have adopted the adequate water supply provision ([ADWR](http://www.azwater.gov/AzDWR/WaterManagement/AAWS/documents/List_of_Mandatory_Adequacy_Jurisdictions_2-17-09_000.pdf)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2556:** environment; water quality; brine | |
| **PRIME SPONSOR:** Representative Nutt, LD 14  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70795)   |  | | --- | | EENR: DPA 6-2-0-1 | | **Legend:**  ADEQ – Arizona Department of Environmental Quality  AMA – Active Management Area  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to water quality standard limitations.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the ADEQ Director to:
   1. review existing limitations on the use and reuse of high salinity water, including brine, to determine potential for improving its quality and suitability;
   2. **CONSIDER APPROPRIATE LOCATIONS, INCLUDING HYDROLOGICALLY ISOLATED AREAS, AS POTENTIAL SOURCES OF HIGH SALINITY WATER.** (*EENR*)
2. Makes technical changes. (Sec. 1)

**Current Law**

The ADEQ Director is required to adopt aquifer water quality standards to preserve and protect the quality of those waters for present and reasonably foreseeable future uses ([A.R.S. § 49-221](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/49/00221.htm)). All aquifers identified in [A.A.C. R18-11, Article 4](http://apps.azsos.gov/public_services/Title_18/18-11.pdf) are classified as drinking water protected use ([A.R.S. § 42-223](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F49%2F00223.htm)).

The ADEQ Director may change the aquifer classification after a public hearing and consultation with the appropriate groundwater users advisory council, if the aquifer is in an AMA, if: 1) the identified aquifer is or will be hydrologically isolated and there is no reasonable probability that poorer quality water will cause or contribute to a violation of aquifer water quality standards; 2) water from the identified aquifer is not being used for drinking water; and 3) the short-term and long-term benefits to the public significantly outweigh the short-term and long-term costs ([A.R.S. § 49-224](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/49/00224.htm)).

**Additional Information**

According to [ADEQ](http://legacy.azdeq.gov/environ/water/standards/index.html), no aquifers have been reclassified to a non-drinking water protected use.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2596:** natural resource conservation districts; administration. | |
| **PRIME SPONSOR:** Representative Toma, LD 22  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70835)   |  | | --- | | EENR: DPA 5-3-0-1 | | **Legend:**  ADFFM – Arizona Department of Forestry and Fire Management  ASLD – Arizona State Land Department  NRCD – Natural Resource Conservation District  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the transfer NRCDs to the ADFFM.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Transfers administration of NRCDs from ASLD to ADFFM. (Sec. 2)
2. Establishes the State Forester as the NRCD Commissioner and expands the duties to include:
   1. public recognition of water conservation measures or projects; and
   2. promotion of water-related advancements and their effect on watersheds, forest health, multiple uses and storm water runoff protection programs. (Sec. 3, 4)
3. Adds the State Forester as an ex-officio member of the Arizona Water Protection Fund Commission. (Sec. 9)
4. Transfers all contracts, orders, judicial actions, personnel, property, records, data, obligations and unspent appropriated monies from the ASLD to the ADFFM. (Sec. 12)
5. Declares all adopted ASLD rules remain in effect until superseded by rules adopted by the ADFFM. (Sec. 12)
6. ~~Contains a blank delayed effective date~~ **PROVIDES AN EFFECTIVE DATE OF JANUARY 1, 2020**. (*EENR)* (Sec. 13)
7. Makes technical and conforming changes. (Sec. 1-12)

**Current Law**

NRCDs are a division of the ASLD and provide for the restoration and conservation of lands and soil resources, the preservation of water rights and the control and prevention of soil erosion ([A.R.S. § 37-1001](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/37/01001.htm)). NRCD powers include: 1) conducting soil and farming operations research; 2) conducting demonstrations on NRCD land with owner consent; 3) entering into agreements for land use; 4) acquiring land; 5) developing plans for water and soil conservation; 6) applying for and spending Arizona Water Protection Fund monies; and 7) establishing education centers ([A.R.S. § 37-1054](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/37/01054.htm)).

The Arizona Water Protection Fund Commission consists of two ex officio members, two advisory members and nine appointed members ([A.R.S § 45-2103](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/45/02103.htm)).

**Additional Information**

Arizona has 32 NRCDs administered by ASLD and 10 NRCDs authorized under federal tribal law ([ASLD](https://land.az.gov/natural-resources/natural-resource-conservation-districts)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2121:** ballot measures; paid circulator definition | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69823)  FPRPP: DP 5-2-0-2   |  | | --- | |  | | **Legend:**  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to paid circulators.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Expands the definition of *paid circulators* to include anyone who receives monetary or other compensation for obtaining petition signatures, regardless of the number of signatures obtained. (Sec. 1)
2. Makes conforming changes. (Sec. 1)

**Current Law**

All non-resident circulators and all paid circulators who receive monetary or other compensation based on the number of signatures obtained on a petition or the number of petitions circulated for a statewide ballot measure are required to register as circulators with the SOS before circulating any petitions. The SOS is required to disqualify all signatures collected by a circulator who fails to register ([A.R.S. § 19-118](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/19/00118.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB2395:** service animals; identification cards | |
| **PRIME SPONSOR:** Representative Thorpe, LD 6  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70185)   |  | | --- | | FPRPP: DP 7-2-0-0 | | **Legend:**  ADOT – Arizona Department of Transportation  Handler – Service animal handler  ID – Identification Card  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to service animal IDs.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Allows handlers to apply for a service animal ID.
2. *Specifies that a service animal ID is not required for a service animal to enter a public place*. (Sec. 1)
3. States that when handlers do not have a service animal ID, it does not create a presumption that:
4. An animal is not a service animal; or
5. A handler is not entitled to service animal rights. (Sec. 1)
6. Directs ADOT, on receipt of an application, to issue a service animal ID that contains:
7. A distinguishing identification number;
8. An expiration date;
9. The handler's name and address;
10. The service animal's name, photograph and description;
11. A brief list of the tasks that the service animal was trained to perform;
12. Specified emergency contact information;
13. The statement: "Arizona identification card-trained service animal, not a pet";
14. A statement that the ID must be in plain view on the service animal; and
15. A notice that alerts operators of public places to the statutes relating to service animal rights. (Sec. 2)
16. Requires handlers to use a service animal ID only for identifying a service animal. (Sec. 2)
17. Specifies that service animal IDs are solely for the use and convenience of the applicant for identifying a service animal. (Sec. 2)
18. Directs ADOT to use an issuance process that prohibits the ability to superimpose a photograph on the service animal ID without ready detection. (Sec. 2)
19. Requires handlers to provide ADOT with the following when applying for service animal ID:
    1. An attestation from the trainer or prescribing doctor that the animal is a service animal;
    2. Satisfactory proof of the handler's name and address; and
    3. Any other identifying or validating information required by ADOT. (Sec. 2)
20. Requires service animal IDs be distinguishable from nonoperating or driver's licenses. (Sec. 2)
21. States that service animal IDs are valid for the lesser of either five years or the period that the service animal is in service. (Sec. 2)
    1. *Allows for renewal of the service animal ID.* (Sec. 2)
22. Permits ADOT to mail a service animal ID card to a handler's residence on request. (Sec. 2)
23. Requires ADOT to adopt rules for issuing service animal IDs and establishing a fee.
24. *States that the intent is for the fee to be the same amount as the nonoperating license fee.* (Sec. 2)
25. Defines *service animal*. (Sec. 2)
26. Makes technical and conforming changes. (Sec. 1)

**Current Law**

A person or entity operating a public place is prohibited from discriminating against individuals with disabilities who use a service animal if the work performed by the service animal are related to the individual's disability. A violation is considered a Class 2 misdemeanor ([4 months/up to $750 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)).

Excluding a service animal from a public place is not considered discriminatory if the animal: 1) poses a direct threat to the health or safety of others; 2) fundamentally alters the nature of the public place or the goods, services or activities provided; 3) poses an undue burden; 4) is out of control and the handler does not take effective action to control the animal; or 5) is not housebroken. Public places can maintain a general no pets policy if: 1) it is not used to exclude service animals; and 2) it does not grant rights to any person to bring the person's pet into a public place that otherwise does not permit pets.

A *service animal* is defined as any dog or miniature horse that is individually trained or in training to do work or perform tasks for the benefit of an individual with a disability. A service animal does not include other species of animals, whether wild, domestic, trained or untrained ([A.R.S. § 11-1024](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01024.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2500:** real estate signs; cities; counties | |
| **PRIME SPONSOR:** Representative Grantham, LD 12  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70621)  FPRPP: DP 8-1-0-0   |  | | --- | |  | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to real estate signs.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. States that a municipality or county cannot prohibit an owner of real property or the owner's agent from displaying real estate signs in an authorized area that displays the following:
   1. That the property is for sale, rent, lease by the owner or owner's agent.
   2. An open house.
   3. The owner's or agent's name.
   4. The legal name of the agent's employing broker or the name under which the broker is doing business as designated on the license certificate.
   5. The address and phone number of the owner, agent or both. (Sec. 1,2)
2. Specifies that a municipality or county can enforce reasonable time, place and manner restrictions on signs advertising a property for sale, rent or lease and may not:
   1. Limit the size of a sign or sign rider to less than the industry standard size.
   2. Restrict the location of a sign within an authorized area if the sign is in plain view of the public and does not adversely affect public health, safety or welfare.
   3. Limit the duration of display to less than the period that begins on the date the property is offered for sale, rent or lease and ends seven days after the date of the closing. (Sec. 1,2)
3. Specifies that a municipality or county can enforce reasonable time, place and manner restrictions on open house and directional signs and may not:
   1. Restrict the type of sign.
   2. Limit the number of signs that may be displayed at one time within an authorized area. (Sec. 1,2)
4. Defines *authorized area* and *industry standard size*. (Sec. 1,2)

**Current Law**

Before placing or erecting a sign giving notice that a property is being offered for sale, lease or rent, a salesperson or broker must secure the written consent of the property owner, and the sign must be promptly removed upon request of the property owner. A broker that uses a trade name owned by another person at the place of business must: 1) place the broker’s name, as licensed by the Arizona Department of Real Estate; and 2) the broker must include the following legend, “Each office is independently owned and operated" ([A.A.C. R4-28-502](http://apps.azsos.gov/public_services/Title_04/4-28.pdf)).

**Additional Information**

In the US Supreme Court case [*Reed v. Town of Gilbert*](https://www.supremecourt.gov/opinions/14pdf/13-502_9olb.pdf), the court held that sign restrictions were subject to strict scrutiny because they were content-based restrictions. Content-bases restrictions were defined as restrictions applied differently depending on a signs message.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR2024:** Article V convention; term limits. | |
| **PRIME SPONSOR:** Representative Mitchell, LD 13  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70399)   |  | | --- | | FPRPP: DP 7-2-0-0 | | **Legend:**  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to congressional term limits.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Calls an Article V Convention to propose an amendment to the Constitution to set a limit on the number of terms a person may be elected as a Member of the U.S. House of Representatives and the U.S. Senate.
2. States that this application constitutes a continuing application until two thirds of the states have created a similar application.
3. Specifies that this application will cover the same matters as the applications from other states to Congress proposing an Article V Convention.
4. Requires the SOS to transmit a copy of this Resolution to the President and Secretary of the U.S. Senate, the Speaker, the Clerk, and the Judiciary Committee Chair of the U.S. House of Representatives, each member of Congress from Arizona and the presiding officers of the state legislatures.

**Current Law**

The U.S. Constitution outlines the procedures for proposing and ratifying an amendment. In order to propose an amendment to the U.S. Constitution, two thirds of Congress must deem it necessary, or two thirds of the states must call for a convention for proposing amendments. In order to adopt an amendment, it must be ratified by three fourths of the states or by convention in three fourths ([U.S. Constitution, Article V](https://www.gpo.gov/fdsys/pkg/CDOC-110hdoc50/pdf/CDOC-110hdoc50.pdf)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2021:** JLAC; auditor general | |
| **PRIME SPONSOR:** Representative Allen J, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69634)   |  | | --- | | GOV: DPA 7-0-0-1 | | **Legend:**  AG – Attorney General  COR – Committee of Reference  JLAC – Joint Legislative Audit Committee  OAG – Office of the Auditor General  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Provisions**

1. Requires the President of the Senate and Speaker of the House, rather than JLAC, to:
   1. Designate the chairman of each COR and assign agencies to their respective CORs for performance review; and
   2. Receive the following reports and assign them to the appropriate COR:
      1. The annual report of the Arizona Game and Fish Commission;
      2. The report required by a person or Legislator examining factors for assessing the impact of a Legislative proposal for mandated health coverage; and
      3. The report required a person that advocates a Legislative proposal that would mandate that an insurer or self-insured employer deem that a disease or condition has arisen out of employment or substantially modifies a statute that establishes a presumption of compensability. (Sec; 1-4, 15)
2. Removes the requirement that the COR provide a copy of its written report of recommendations to JLAC after receiving reports relating to presumption of compensability and mandated health coverage. (Sec. 2, 3, 4)
3. Requires JLAC to meet annually, rather than quarterly. (Sec. 6)
4. Removes the requirement that an OAG performance audit include all of the following, and instead permits the audit to address one or more of the following:
   1. Whether the audited agency is using its resources in an economical and efficient manner;
   2. Causes of any inefficiencies or uneconomic practices;
   3. Whether desired results are being achieved; or
   4. Whether established objectives are being met. (Sec. 5)
5. Makes the following changes relating to the powers and duties of the OAG;
   1. Requires annual, rather than biennial, financial and compliance audits of financial transactions and accounts kept by state agencies subject to federal single audit requirements;
   2. Removes the requirement that the OAG submit an annual report to the Governor and JLAC;
   3. Allows the OAG, **AS RESOURCES ALLOW**, to conduct an investigation **RELATED TO ALLEGATIONS OF FINANCIAL WRONGDOING** of a **STATE AGENCY OR** political subdivision **THAT IS FUNDED BY TAX REVENUE**:
      1. In connection with an authorized audit; **AND**
      2. On request of a public officer, sheriff, county attorney, municipal prosecutor, the AG **OR THEIR DESIGNEE REGARDING AN OPEN INVESTIGATION.**
   4. Requires an audit to be conducted by the OAG on any county's transportation excise tax after its first 5 years, rather than first 10 years;
   5. Removes the requirement that performance audits of school district spending conducted by the OAG include whether the district receive monies from the Arizona Structured English Immersion Fund and the Statewide Compensatory Instruction Fund;
   6. Requires school districts to submit a status report on the implementation of any recommendations made at the request of the OAG within a two-year period, rather than every six months; and
   7. Removes the requirement to review a school district's progress with implementation of any recommendations every six months. (Sec. 8) *(GOV)*
6. Requires the Joint Legislative Budget Committee to notify all Members of the Legislature of the cost of conducting any special audit authorized by Legislation based on information provided by the OAG.
   1. Specifies that the cost must be provided before the measure is scheduled for 3rd Read in the House or origin, in the House in which the special audit provision was added or before the measure is scheduled for final passage if the audit was added in a Conference Committee. (Sec. 8)
7. Requires the county treasurer that approved a transportation excise tax to:
   1. Cooperate with and provide necessary information to the OAG; and
   2. Reimburse the OAG for the cost of conducting the excise tax study or performance audit on Highway User Revenue Fund monies received by a county, city or town. (Sec. 8)
8. Permits the OAG to:
   1. Interview employees in the performance of its official functions; and
   2. Attend executive sessions of any entity subject to open meeting requirements. (Sec. 9)
9. Classifies knowingly obstructing or misleading the OAG in the execution of its duties as a [Class 2 misdemeanor](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf) (4 months/ $750 plus surcharges). (Sec. 9)
10. Requires all officers of a public body or state contractors to afford reasonable and needed facilities for OAG staff and make records available. (Sec. 9)
11. Requires the AG to supervise the prosecution of any person who violates requirements for cooperation with the OAG. (Sec. 9)
12. Permits the Audit Services Revolving Fund to be comprised of monies received from performing performance audits of federal funds, counties for which the OAG conducts transportation excise tax audits and any other authorized statutory source. (Sec. 10)
13. Removes the requirement that the OAG uniform expenditure reporting system for community college districts include:
    1. A reconciliation of the total expenditures reported within the financial statements to the total expenditures reported within the limitation report; nad
    2. The requirement that total budget expenditures, exclusions from local revenues and amounts be broken down by fund. (Sec. 11)
14. Requires the OAG to conduct financial statement audits, rather than financial and compliance audits of counties and community colleges and requires the audits to:
    1. Include, for counties that must comply with federal single audit requirements, compliance audits of financial transactions and applicable accounts;
    2. Be conducted in accordance with generally accepted auditing standards; and
    3. Include tests of accounting records and other auditing procedures as may be considered necessary. (Sec. 13)
15. Repeals the requirement that: county, community college and school district officers afford reasonable and needed facilities to the OAG, make returns and exhibits to the OAG and applicable penalties. (Sec. 14)
16. Modifies the factors the COR must consider and the written statement prepared by an agency during a sunset review in the following manner:
    1. Removes the requirement that the COR consider the extent to which:
       1. The agency services the entire state, rather than specific interest;
       2. The AG or other applicable agency has the authority to prosecute actions;
       3. The agency has used private contractors in the performance of its duties as compared to other states and how more effective use of private contractors could be accomplished;
    2. Requires the COR to consider the extent to which:
       1. The agency's key objectives and purposes duplicate the objectives and purposes of other governmental agencies;
       2. The agency has established safeguards against possible conflicts of interest;
       3. Statutory changes are necessary for the agency to better fulfil its objectives and purposes and eliminate responsibilities that are no longer necessary.
    3. Requires the written statement, rather than COR factors, to include the extent to which the agency creates unexpected negative consequences that might require additional review by the COR, including:
       1. Increasing the price of goods or affecting the availability of services;
       2. Limiting the ability of individuals and businesses to operate efficiently; and
       3. Increasing the cost of government.
    4. Requires the COR factors, rather than the written statement, to include the extent to which the agency's objectives and purposes duplicate the functions of other state agencies; and
    5. Removes the requirement that the agency statement contain:
       1. An identification of the problem or needs that he agency is intended to address; and
       2. A statement of the agency's agenda.
    6. Requires the agency statement to contain f the extent to which the agency has addressed deficiencies in its enabling statute. (Sec. 16)
17. Requires the OAG, rather than JLAC, to conduct a review at least every 10 years of the Arizona Department of Education's programs and activities, the programs and commissions within the judiciary and state universities. (Sec. 17)
18. Defines *political subdivision*. (Sec. 5)
19. Makes technical and conforming changes. (5, 7-10, 12, 13, 15-17)

**Current Law**

JLAC is a committee consisting of members of the Legislature appointed by the Speaker of the House and President of the Senate. JLAC is required to oversee all audit functions of the legislature and state agencies, including, sunset, performance, special and other audits ([A.R.S. § 41-1279](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/41/01279.htm)). Each standing committee of both legislative houses is required to appoint a subcommittee of five members. This subcommittee jointly constitutes a COR in its respective subject area. When an agency goes through the sunset review process, the COR is required to hold a public hearing to consider multiple factors relating to the agency and receive public testimony. After the hearing, the COR must issue a final sunset review report, which must include a written statement, containing recommendations of whether the agency should be continued, revised, consolidated or terminated ([A.R.S. § 41-2954](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/41/02954.htm)). The OAG is required to complete a number of performance, sunset, financial, compliance and other audits pursuant to [A.R.S. § 41-1279.03](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/41/01279-03.htm). The OAG is required to issue a list of all agencies scheduled for termination in the preceding 20 months and recommend review by either the OAG or a COR.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2062:** permits; licenses; denials; agency hearings | |
| **PRIME SPONSOR:** Representative Shope, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69728)  GOV: DPA 7-0-0-1 | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the rules and procedures of agency hearings.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires all agency hearings to comply with either the uniform administrative hearing procedures or the rules of procedure and evidence required in judicial proceedings, unless knowingly and voluntarily waived by the parties. (Sec. 1, 2)
   * *Currently, a contested case is permitted to be conducted in an informal manner without adherence to the rules of evidence required in judicial proceedings* (A.R.S. §§ [41-1062](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01062.htm) & [41-1092.07](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01092-07.htm)).
2. Removes language stating that neither the manner of conducting the hearing nor the failure to adhere to rules of evidence are grounds for reversing any administrative decision. (Sec. 1, 2)
3. **SPECIFIES THAT AT A HEARING IN WHICH AN APPLICANT SEEKS A REVIEW OF AN AGENCY'S DENIAL OF A LICENSE OR PERMIT OR MODIFICATION OF A LICENSE OR PERMIT, THE AGENCY HAS THE BURDEN OF PERSUASION**. (*GOV*)
4. ~~Specifies that an agency, rather than an applicant, has the burden of persuasion at a hearing on the agency's denial of a license or a permit or a request for modification of a license or permit.~~ (Sec. 2) (*GOV*)
5. States that the burden of proof in all agency hearings is the preponderance of the evidence (Sec. 2)
6. Stipulates that an agency must clearly and unambiguously state the criteria for approval of a license or permit that is required before a person engages in a constitutionally protected activity, **UNLESS THE CRITERIA IS ESTABLISHED BY FEDERAL LAW**.
   1. Requires a court of competent jurisdiction to determine whether the language is clear and unambiguous without deference to the Legislature or agency. (Sec. 3) (*GOV*)
7. **SPECIFIES THAT IF A WRITTEN CLARIFICATION IS ISSUED BY AN AGENCY OR A RULE IS ADOPTED, THE LANGUAGE OF ANY APPROVAL CRITERIA IS CONSIDERED CLEAR AND UNAMBIGUOUS**. (*GOV*)
8. Entitles an applicant for a license or permit to review and determination of approval or denial by the appropriate agency within 30 days of submission, unless a different time frame is specified by law **OR RULE**. (Sec. 3) (*GOV*)
9. Makes technical and conforming changes. (Sec. 1, 2, 3)

**Current Law**

All persons and agencies in a contested case are required to be afforded an opportunity for a hearing after a reasonable notice ([A.R.S. § 41-1061](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01061.htm)). In contested cases, a hearing may be conducted in a formal manner and without adherence to the rules of evidence required in judicial proceedings. Neither the manner of conducting the hearing or the failure to adhere to the rules of evidence are considered grounds for reversing any administrative decision or order ([A.R.S. § 41-1062](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01062.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2065:** public meetings; definition; penalties | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69731)   |  | | --- | | GOV: DPA 7-0-0-1 | | **Legend:**  AG – State Attorney General  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to open meeting requirements and violations.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the minutes of meetings of public bodies to include a record of how each member voted and the names of members who propose each motion. (Sec. 2)
2. Permits the AG to commence a suit in superior court against an individual member of a public body for knowingly violating open meeting requirements.
   1. Specifies that a suit against an individual member must occur in the county in which the public body usually meets. (Sec. 3)
3. Permits the court to impose a civil penalty not to exceed ~~$5,000~~ **$2,500** on any person who knowingly commits a second or subsequent open meeting violation. (Sec. 3) *(GOV)*
   * *Currently, the court may impose a civil penalty of up to $500 for each violation (*[*A.R.S. § 38-431.07*](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00431-07.htm)*).*
4. **PROHIBITS A PUBLIC BODY FROM INDEMNIFYING OR PAYING A CIVIL PENALTY ON BEHALF OF AN INDIVIDUAL WHO IS PENALIZED FOR VIOLATING OPEN MEETING REQUIREMENTS.** (Sec. 3) *(GOV)*
5. Stipulates that the court may only impose a civil penalty on a person who knowingly violates open meeting requirements. (Sec. 3)
6. Stipulates that if the court finds that person who might otherwise be liable for an open meeting violation objected on a public record to the action of the public body, the court may choose not to impose a civil penalty on that person. (Sec. 3)
7. Stipulates that a public officer with intent to deprive the public of information must have knowingly violated open meeting requirements in order for the court to remove that officer from public office and find them liable for all costs and attorney fees awarded to the plaintiff. (Sec. 3)
8. Expands the definition of *meeting* relating to open meeting requirements to include:
   1. A one-way electronic communication sent from one member of a public body to a quorum of the members and that proposes legal action; and
   2. An exchange of electronic communications among a quorum of the members of a public body that involves a discussion, deliberation or legal action on a matter that may likely come before the body. (Sec. 1)
9. Makes technical and conforming changes. (Sec. 1, 2, 3)

**Current Law**

All meetings of public bodies must be public meetings open to all persons desiring to be permitted to attend or listen to the deliberations and proceedings. All legal actions of public bodies are required to occur during public meetings. All public bodies are required to provide minutes of their meetings which must include: the time and location of the meeting; attendance of the members; a general description of considered items; and an accurate description of all legal actions taken ([A.R.S. § 38-431.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00431-01.htm)). All legal action transacted by a public body during a meeting held in violation of open meeting requirements is considered null and void ([A.R.S. § 38-431.05](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00431-05.htm)).

Upon receipt of a written complaint alleging a violation of open meeting requirement, the AG or county attorney may begin an investigation ([A.R.S. § 38-431.06](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F38%2F00431-06.htm)). Any person affected by an alleged violation, the AG or the county attorney may commence a suit in superior court for the purpose of requiring compliance with open meeting law requirements. The court may impose a civil penalty of up to $500 for each violation against a person who violates open meeting requirements.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2156:** legislative vacancy; appointment; time frame | |
| **PRIME SPONSOR:** Representative Coleman, LD 16  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69877)   |  | | --- | | GOV: DP 5-2-0-1 | | **Legend:**  BOS – Board of Supervisors  PC – Precinct Committeemen  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the appointment of Legislative vacancies.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Modifies the process for appointing a Legislative vacancy if the vacant seat was represented by a political party with less than 30 PCs from precincts in the district as follows:
   1. Directs the SOS to notify the BOS of the vacancy;
   2. Requires the BOS to appoint a citizen's panel within seven business days of notification by the SOS;
   3. Requires the citizen's panel to submit the names of three qualified electors from the same political party to the BOS within:
      1. 21 days if the Legislature is not in session; or
      2. 5 days if the Legislature is in session.
   4. Directs the BOS, by a majority vote, to appoint one person from the list of names submitted by the citizen's panel to fill the vacancy. (Sec. 1)
2. Requires the qualified electors to be individuals not registered with a political party if the person elected or appointed to the office before the vacancy was not registered with a political party. (Sec. 1)
3. Makes technical and conforming changes. (Sec. 1)

**Current Law**

The process for filling a vacant Legislative seat that was represented by a political party with less than 30 PCs from precincts in the district is as follows:

* Within three business days after a vacancy, the BOS must appoint a citizen's panel to submit the names of three qualified electors to fill the vacancy.
* The citizen's panel is required to submit the names of the three qualified electors to the BOS within seven business days.
* Within five business days after receiving the names, the BOS appoints one person to fill the vacancy.

The process for filling a vacant Legislative seat that was represented by a political party with at least 30 PCs from precincts in the district is as follows:

* SOS is required to notify the state party chairman of the vacancy.
* Within three days after notification by the SOS, the state party chairman must give written notice of the meeting to fill the vacancy to all elected PCs from precincts in the district.
* After notification by the SOS, the elected PCs must nominate three qualified electors from the same political party within:
  + 21 days if the Legislature is not in session; or
  + 5 days if the Legislature is in session.
* The state party chairman forwards the names of the three qualified electors to the BOS.
* The BOS appoints a person from the three nominees submitted ([A.R.S. § 41-1202](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01202.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2304:** public buildings; omnibus | |
| **PRIME SPONSOR:** Representative Campbell, LD 1  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70084)   |  | | --- | | GOV: DP 7-0-0-1 | | **Legend:**  Agent – county, municipality or political subdivision  FAA – Federal Aviation Administration  FTA – Federal Transit Administration  RFQ – request for qualifications  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to procurement of contracts for construction and professional services by public bodies.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Permits an agent to employ an architect using specific procurement methods, if the contract is for an amount less than $500,000, rather than $250,000 or less. (Sec. 1)
   * *Currently, technical registrants other than architects can be employed using these methods for contracts less than $500,000* [*(A.R.S. § 34-103*](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/34/00103.htm)*).*
2. Requires an agent to procure professional services from an architect using certain authorized procurement methods if the contract is for more than $500,000. (Sec. 2)
3. Prohibits an agent from procuring any horizontal construction using the construction-manager-at-risk, design-build or job-order-contracting method of project delivery after June 30, 2025, rather than 2020. (Sec. 3)
   * *Horizontal construction includes construction of highways, roads, streets, bridges, canals, and light rail and airport runways (*[*A.R.S. § 34-101*](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/34/00101.htm)*).*
4. Prohibits an agent from procuring any construction-manager-at-risk construction using a specified two-step competition process after June 30, 2025, rather than 2018, for projects that meet the following requirements:
   1. The contract is a single-contract for horizontal construction in which FAA or FTA monies are used and price competition is required by the federal agency or federal law; and
   2. The agent is a city with a population of 1,000,000 or more or a separate legal entity of the city formed by intergovernmental agreement and designated as its sub-grantee. (Sec. 2)
5. Specifies that an agent who violates public procurement and contracting requirements for technical registrants is liable of a civil penalty in the following amounts, rather than $5,000, per violation:
   1. $10,000 for a first violation;
   2. $25,000 for a second violation; or
   3. $75,000 for a third violation. (Sec. 4)
6. Contains a retroactive effective date of June 30, 2018 for requirements relating to FAA & FTA project procurement. (Sec. 5)
7. Makes technical and conforming changes. (Sec. 1-4)

**Current Law**

If authority is given to a county, municipality or political subdivision to construct or alter a building or structure, the entity must employ an architect or engineer, as warranted by the type of construction. Agents are required to procure professional services of technical registrants. For contracts under $500,000 (or $250,000 for architects), the agent may use direct selection, public competition or the use of a selection committee to procure the registrant. For projects above this amount, the agent must procure design and construction services using the following delivery methods: design-bid-build, construction-manager-at-risk, design-build or job-order-contracting (A.R.S. §§ [34-103](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/34/00103.htm) & [34-602](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/34/00602.htm)). An agent must procure a single contract for specific architect, construction, engineer and land surveying services. The single contract must be awarded based on demonstrated competence and qualifications for the type of service required.

In order to procure for a single contract for professional or construction services, the agency must appoint a selection committee which is prohibited from considering fees, price, man-hours or any other cost information during the initial selection process. An agent is required to issue an RFQ and provide notice for each procurement. The selection committee must determine the persons or firms to be interviewed by reviewing the RFQ and submitted performance data and select those to be included on a final list. An agent must either 1.) enter into negotiations with the highest qualified person on the final list, which must include consideration of compensation and other contract terms that are fair and reasonable; or 2.) develop a scoring method to choose from the final list

For procurement contracts for construction-manager-at-risk construction services that use FAA or FTA money and that require price competition by the federal funding agency, procurement must be done through a two-step competition process using a designated scoring method. The competition process must require each offeror to submit a qualitative and technical proposal and a separate price proposal. The agent's selection committee must first score the qualitative and technical proposals. After evaluation of all qualitative and technical proposals, the selection committee must score price proposals and add the two together to develop a total score, the highest of which is considered the winning offeror ([A.R.S. § 34-603](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F34%2F00603.htm)).

*Construction-manager-at-risk* is a project delivery method in which there is a separate contract for design and construction services. Separate contracts for constructions services can be used during the design and construction phases.

*Design-bid-build* is a project delivery method in which there is a sequential award of two separate contracts: first for design and second for construction.

*Design-build* is a project delivery method in which there is a single contract for design services and construction services.

*Job-order-contracting* is a project delivery method in which the contract is a requirements contract for indefinite quantities of construction in which the construction is performed as specified in job orders issued during the contract.

[A.R.S. § 34-101](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/34/00101.htm) outlines further requirements of each project delivery method.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2414:** state employee health plan; incentives | |
| **PRIME SPONSOR:** Representative Kern, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70244)   |  | | --- | | GOV: DP 7-0-0-1 | | **Legend:**  ADOA – Arizona Department of Administration  JLBC – Joint Legislative Budget Committee  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to health and accident insurance for public officers and employees.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires ADOA to complete a cost-effectiveness analysis of implementing an incentive-based program for group health and accident coverage for current enrollees and retirees.
   1. Requires the analysis to be completed within one year of the effective date. (Sec. 1)
2. Requires any program found to be cost effective to be implemented as part of the next open enrollment. (Sec. 1)
3. Directs ADOA to communicate, in writing, the rationale for its decision and the details of any proposed incentive -based program to JLBC. (Sec. 1)

**Current Law**

ADOA is permitted to expend public monies appropriated to procure health and accident coverage for full-time officers and employees of the state and its department and agencies ([A.R.S. § 38-651](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00651.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2509:** Lees Ferry bell; governmental mall. | |
| **PRIME SPONSOR:** Representative Barton, LD 6  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70737)   |  | | --- | | GOV: DP 7-0-0-1 | | **Legend:**  ADOA-Arizona Department of Administration Commission-Governmental Legislative Mall Commission  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a Lees Ferry bell monument.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Authorizes ADOA to provide for the placement of a Lees Ferry bell monument on the governmental mall. (Sec. 1)
2. Specifies that all fundraising and contracts for artistic design and construction of the monument are the sole responsibility for the proponents. (Sec. 1)
3. Contains a delayed repeal date of October 1, 2021. (Sec. 1)

**Current Law**

All monuments and memorials in the governmental mall must be authorized by legislation. In order for a monument or memorial to be placed in the government mall, the proponents must first submit a concept to ADOA for the design and location for the memorial. ADOA must then review the concept and determine the most appropriate location and dimensions for placement on the governmental mall. After the review, ADOA must submit its recommendations to the Commission. Once the review and recommendation process is completed, ADOA and the Commission must finalize the plans for the monument and the proponents of the bill must enter into a contract with ADOA specifying the conditions of the design, dimensions, location of the monument or memorial and other specified information. The approved monument must be built within two years of the effective authorization date. ([A.R.S 41-1363](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01363.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2516:** S/E airports; school buildings | |
| **PRIME SPONSOR:** Representative Coleman, LD 16  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70747)   |  | | --- | | GOV: DPA/SE: 6-0-0-2 | | **Legend:**  FAA – Federal Aviation Administration  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to school buildings near airports.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires a charter school or school district seeking to locate a school within ~~three~~ **TWO** miles of a public use airport runway to ~~submit~~ **OBTAIN** a determination of no hazard from the FAA before commencing construction. (Sec. 1)
2. **EXEMPTS A CHARTER SCHOOL OR DISTRICT SCHOOL THAT EXISTS WITHIN TWO MILES OF A PUBLIC USE AIRPORT RUNWAY AS OF JANUARY 1, 2015, UNLESS THE CHARTER SCHOOL SEEKS TO BUILD A NEW STRUCTURE.**
3. Contains a delayed effective date of September 1, 2018. (Sec. 2)

**Additional Information**

The FAA conducts an aeronautical study when requested by the sponsor of any proposed construction or alteration, or if it deems a study is necessary. The study is conducted to determine the impact of a proposed structure or alteration on aeronautical operations, procedures and the safety of flight. The FAA issues a determination stating whether certain proposed constructions or alterations would be a hazard to air navigation and makes the determinations based on the aeronautical study findings. The FAA issues either a determination of hazard or a determination of no hazard. A determination of no hazard is issued when the study concludes that the proposed construction or alteration will exceed an obstruction standard, but would not have a substantial impact to air navigation and may include: 1) conditional provisions of a determination; 2) limitations necessary to minimize potential problems; 3) supplemental notice requirements; and 4) marking and lighting recommendations ([14 CFR, Part 77(D)](https://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=14:2.0.1.2.9#sp14.2.77.d)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2538:** U.S. House vacancy; special election | |
| **PRIME SPONSOR:** Representative Coleman, LD 16  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70776)  GOV: DPA 8-0-0-0 | **Legend:**  BOS – Board of Supervisors  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a special election to fill a U.S. House vacancy.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires a special primary election to fill a vacancy in the U.S. House of Representatives to be held ~~95-105~~ **120-133** days, rather than 80-90 days, after the vacancy occurs. (Sec. 1)
2. **REQUIRES THE SPECIAL GENERAL ELECTION TO FILL A U.S. HOUSE VACANCY TO BE HELD 70-80 DAYS, RATHER THAN 50-60 DAYS AFTER THE SPECIAL PRIMARY ELECTION.** (*GOV*)
3. Requires the clerk of the BOS of each county participating in a special election to post a notice stating the dates of the special primary and general election, rather than publish a copy of the Governor's election proclamation in an official newspaper of the county. (Sec. 2)
4. Makes technical and conforming changes. (Sec. 1, 2)

**Current Law**

The Governor is required to call a special primary and general election if a vacancy occurs in the U.S. House of Representatives and the next general election will not be held within 6 months. The Governor must call the election within 72 hours after the office is officially declared vacant. Within 10 days of the vacancy occurring, the Governor must issue a proclamation containing a statement of the time and offices to be filled in the election. The special primary must be held 80-90 days after the occurrence of the vacancy and the general must be held 50-60 days after the primary. Nomination papers and petitions must be filed within 30 days of the Governor's proclamation of the election (A.R.S. §§ [16-222](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/16/00222.htm) & [16-223](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/16/00223.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2591:** fallen correctional employees memorial; extension | |
| **PRIME SPONSOR:** Representative Shope, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70830)   |  | | --- | | GOV: DP 7-0-0-1 | | **Legend:**  ADOA- - Arizona Department of Administration  Commission-Governmental Legislative Mall Commission  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the Fallen Correctional Employees Memorial.

**Provisions**

1. Extends the date of which the Fallen Correctional Employees Memorial must be completed from October 1, 2020 to October 1, 2021. (Sec. 1)
2. Changes the northern boundary of where the memorial must be placed from Jefferson Street to Adams Street and the eastern boundary from 16th Avenue to 12th Avenue. (Sec. 1)
3. Makes conforming changes. (Sec.1)

**Current Law**

All monuments and memorials in the governmental mall must be authorized by legislation. In order for a monument or memorial to be placed in the government mall, the proponents must first submit a concept to ADOA for the design and location for the memorial. ADOA must then review the concept and determine the most appropriate location and dimensions for placement on the governmental mall. After the review, ADOA must submit its recommendations to the Commission. Once the review and recommendation process is completed, ADOA and the Commission must finalize the plans for the monument and the proponents of the bill must enter into a contract with ADOA specifying the conditions of the design, dimensions, location of the monument or memorial and other specified information. The approved monument must be built within two years of the effective authorization date [(A.R.S § 41-1363).](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01363.htm)

[Laws 2015, Chapter 42](https://apps.azleg.gov/BillStatus/GetDocumentPdf/411275) authorized ADOA to provide for the placement of a memorial commemorating fallen state correctional officers on the governmental mall. The monument must be placed between a: western boundary of 17th Avenue, northern boundary of Jefferson Street, eastern boundary of 16th Avenue and southern boundary of Madison Street.

[Laws 2017, Chapter 91](https://apps.azleg.gov/BillStatus/GetDocumentPdf/452424) required the monument to be completed by October 1, 2020.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR 2006:** four-year terms; legislature. | |
| **PRIME SPONSOR:** Representative John, LD 14  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69872)   |  | | --- | | GOV: DP 5-2-0-1 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to term limits for State Legislators.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Sets the terms of office for State Legislators to four years, beginning with in 2023. (Sec. 1)
2. Specifies that Legislators who serve:
   1. Three consecutive terms beginning in January of 2017 are eligible to serve one additional consecutive term.
   2. Two consecutive terms beginning in January of 2019 are eligible to serve one additional consecutive term.
   3. One term beginning in January of 2021 are eligible to serve two additional consecutive terms. (Sec. 1)
3. Prohibits Legislators, whose term begins after January 1, 2023, from serving more than two consecutive four-year terms in the same office. (Sec. 1)
4. Requires the SOS to submit this proposition to the voters at the next general election. (Sec. 1)
5. Makes technical and conforming changes. (Sec. 1)

**Current Law**

The term of office for State Legislators is two years. Legislators are prohibited from serving more than four consecutive terms in the same office. After serving the maximum number of terms, Legislators may not serve in the same office until the Legislator has been out of office for at least one full term ([Arizona Constitution, Article IV, Part 2, § 21](https://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/const/4/21.p2.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR 2007:** clean elections; unlawful contributions; rulemaking | |
| **PRIME SPONSOR:** Representative Coleman, LD 16  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69902)   |  | | --- | | GOV: DPA 4-3-0-1 | | **Legend:**  CCEC – Citizens Clean Election Commission  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to unlawful contributions from a candidate's clean election account.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Designates it an unlawful contribution to directly or indirectly make a payment from a clean election account to:
   1. A political party, except for bona fide payment in exchange for voter files; and
   2. **A TAX EXEMPT 501(A) ORGANIZATION THAT IS ELIGIBLE TO ENGAGE IN ACTIVITIES TO INFLUENCE THE OUTCOME OF A CANDIDATE ELECTION**. (*GOV*) (Sec. 1)
2. Removes the CCEC's exemption from rulemaking requirements. (Sec. 2)
3. Defines *voter file*. (Sec. 1)
4. Makes technical and conforming changes. (Sec. 1-3)
5. Requires the SOS to submit this proposition to the voters at the next general election. (Sec. 3)

**Current Law**

A participating clean elections candidate is required to conduct all financial activity through a single campaign account of the candidate's campaign committee. A candidate may designate other individuals with the authority to withdraw funds if the candidate and the designated individual sign the required joint statement under oath promising to comply with all state law relating to elections and electors. The candidate or authorized individual is required to pay money from the campaign account directly to any person providing goods and services to the campaign and file a report containing all the statutorily required information ([A.R.S. § 16-948](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/16/00948.htm)).

The CCEC may adopt rules to carry out its duties and to govern procedures and is exempt from statutory rulemaking requirements. The CCEC is required to propose and adopt rules in public meetings, with at least a 60-day period for interested parties to comment on the proposed rules. After consideration of the comments received, the CCEC may adopt rules in an open meeting and file the rules with the SOS ([A.R.S. § 16-956](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/16/00956.htm)).

**Additional Information**

Tax-exempt 501(a) organizations include 501(c) nonprofit organization, 501(d) religious and apostolic organizations and 401(a) pension, profit sharing and stock bonus plans (IRC §§ [401](https://www.gpo.gov/fdsys/pkg/USCODE-2010-title26/pdf/USCODE-2010-title26-subtitleA-chap1-subchapD-partI-subpartA-sec401.pdf) & [501](https://www.gpo.gov/fdsys/pkg/USCODE-2011-title26/pdf/USCODE-2011-title26-subtitleA-chap1-subchapF-partI-sec501.pdf)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR 2039:** legislature; initial assembly; sine die | |
| **PRIME SPONSOR:** Representative Mesnard, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70884)   |  | | --- | | GOV: DPA 4-3-0-1 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the time frame of the Legislative session.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Modifies the time frame of the Legislative session to:
   1. Commence on the fourth Monday of January each year; and
   2. Adjourn sine die by the last Friday in April each year. (Sec. 1)
2. Requires this Act to be approved by the voters. (Sec. 1)
3. Makes technical changes. (Sec. 1, 2) (***WM***)

**Current Law**

The Legislative session is required to commence on the second Monday in January of each year ([Arizona Constitution, Article IV, Part 2, § 3](https://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/const/4/3.p2.htm)).

**Additional Information**

Pursuant to [Rule 2](https://www.azleg.gov/alispdfs/53leg/House/53rd_leg_Rules.pdf) of the House of Representatives and [Rule 27](https://www.azleg.gov/alispdfs/53leg/senate/RULES_2017_2018.pdf) of the Senate, regular sessions are required to be adjourned sine die no later than Saturday of the week in which the 100th day of each regular session falls. The Speaker and the President are permitted to authorize the extension of session for a period of no more than seven additional days. Thereafter, the session can only be extended by a majority vote.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2042:** insurance coverage; telemedicine; urology | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69687)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to urology and telemedicine services covered by insurance.

**Provisions**

1. Adds urology, **PAIN MEDICINE AND SUBSTANCE ABUSE** to the list of health care services provided through telemedicine that must be covered by insurance. (Sec. 1 – 4) (*Health*)
2. Includes an effective date of January 1, 2020. (Sec. 5)

**Current Law**

[A.R.S. § 20-841.09](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/20/00841-09.htm) defines *telemedicine* as the interactive use of audio, video or other electronic media for the purpose of diagnosis, consultation or treatment. The delivery of health care through telemedicine is regulated by [A.R.S. § 36-3602](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/36/03602.htm) and requires the treating health care provider to obtain verbal or written informed consent from the patient or the patient's health care decision maker.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2067:** unlawful medical marijuana recommendation | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69733)   |  | | --- | | Health: DP 6-3-0-0 | | **Legend:**  ADHS – Arizona Department of Health Services  Card – Medical Marijuana Card  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to physicians and medical marijuana.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prescribes a Class 6 felony ([1 year, up to $150,000 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)) for any Allopathic, Naturopathic, Osteopathic or Homeopathic physician who intentionally or knowingly violates any law, rule or standard regarding a recommendation for medical marijuana. (Sec. 1)
2. Requires the SOS to receive mandated annual reports concerning unprofessional conduct of specified physicians and medical marijuana recommendations. (Sec. 1)
3. Makes technical and conforming changes. (Sec. 1)

**Current Law**

A person diagnosed by a physician with a debilitating medical condition is permitted to apply for a Card. When applying to ADHS for a Card, an applicant must submit documentation from a physician, pay a $150 fee and turn in an application containing statutorily outlined information ([A.R.S. § 36-2804](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/02804.htm)).

Allopathic, Naturopathic, Osteopathic and Homeopathic physicians can make recommendations for a Card if the patient suffers from a debilitating medical condition ([A.R.S. § 36-2801](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/02801.htm)). It is considered unprofessional conduct for a physician to make a Card recommendation for a patient who does not suffer from a debilitating medical condition ([A.R.S. § 32-3215](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/03215.htm)).

Each respective Board who licenses physicians that make recommendations is required to submit an annual report to the Governor, Speaker of the House and the President of the Senate outlining the number of suspected unprofessional conduct allegations and subsequent investigations regarding erroneous medical marijuana recommendations ([A.R.S. § 32-3215](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/03215.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2084:** indoor tanning; minors; restricted use | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69755)   |  | | --- | | Health: DP 8-1-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to indoor tanning and minors.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires a person using a tanning facility to provide a photo ID proving they are at least 18 years of age. (Sec. 1)
2. Prohibits operators or employees of a tanning facility from allowing a person under the age of 18 to use a tanning device. (Sec. 1)
3. Requires a tanning facility to post signage stating that it is unlawful for operators or employees to allow a person under 18 to use any tanning device. (Sec. 1)
4. Exempts personal use of a tanning device in an individual's private residence. (Sec. 1)
5. Requires a tanning facility to maintain a record of each customer who uses a tanning device for at least two years after their last use. (Sec. 1)
6. Requires the record maintained by a tanning facility to include:

a) The age and name of the customer;

b) The time and date of the customer's use of the tanning device;

c) The customer's length of time using a tanning device; and

d) Any known injury or illness resulting from the use of a tanning device. (Sec. 1)

1. Prohibits a tanning facility from claiming the use of a tanning device is safe, free from risk or has a medical benefit through advertisement or promotional materials. (Sec. 1)
2. Requires the act to be known as the "Skin Cancer Preventative Act of 2018." (Sec. 2)
3. Defines *tanning device*, *tanning facility* and *ultraviolet radiation*. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2107:** S/E pharmacies; practices; pharmacy benefits managers | |
| **PRIME SPONSOR:** Representative Syms, LD 28  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69803)   |  | | --- | | Health: DPA/SE 9-0-0-0 | | **Legend:**  PBM- Pharmacy Benefits Manager  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to prohibitions on a PBM.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits a PBM from:
   1. Restricting a pharmacist or pharmacy from providing information to an insured individual regarding the amount of their cost share for a prescription drug or the clinical efficiency of an available alternative drug;
      1. Specifies that a PBM may not penalize a pharmacy or pharmacist for disclosing or selling the alternative prescription drug.
   2. Charging or collecting a copayment from an insured individual that exceeds the total submitted charges by the network pharmacy; and
   3. Prohibiting a pharmacy from dispensing a 90-day fill of a non-specialty, maintenance prescription medication if allowed by the individual's health and pharmacy benefit design.
      1. Excludes the dispensing schedule II, III or IV controlled substances from the prohibition. (Sec. 1)
2. Stipulates that federal law applies if there are any conflicts regarding PBM prohibitions. (Sec. 1)
3. States that a PBM who violates any of the outlines prohibitions is guilty of an unlawful practice regarding consumer fraud.
   1. Permits the Attorney General to investigate and take action regarding violations. (Sec. 1)
4. Applies the prohibitions to all contracts between a PBM and a pharmacy that are entered into or renewed after the effective date. (Sec. 1)
5. Permits this act to be known as the "*Prescription Drug Pricing Patient Protection Act*." (Sec. 2)
6. Defines *cost share* and *pharmacy benefits manager*. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2135:** AHCCCS; chiropractic services. | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69842)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  AHCCCS – Arizona Health Care Cost Containment System  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to chiropractic services and AHCCCS.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Adds chiropractic services to the list of services covered by AHCCCS. (Sec. 1)
2. **PROHIBITS HOSPITAL ASSESSMENT FUND MONIES FROM BEING USED TO PROVIDE CHIROPRACTIC SERVICES.** (*Health*)
3. **PERMITS AHCCCS TO PROVIDE CHIROPRACTIC SERVICES IF APPROVED BY CMS.** (*Health*)
4. **REQUIRES AHCCCS TO:**
   1. **PRESCRIBE QUALIFYING CONDITIONS UNDER WHICH CHIROPRACTIC SERVICES MAY BE USED;**
   2. **PRESCRIBE PROVIDER QUALIFICATIONS FOR CHIROPRACTIC SERVICES; AND**
   3. **DIRECT CONTRACTORS TO REPORT ON THE USES OF CHIROPRACTIC SERVICES, INCLUDING ALTERNATIVE TREATMENTS.** 
      1. **REPORTING DATA MUST BE USED TO DETERMINE WHETHER COST SAVINGS WERE ACHIEVED.** (*Health*)
5. **REQUIRES AHCCCS TO SUBMIT A COST SAVINGS REPORT TO THE LEGISLATURE AND EXECUTIVE BY JANUARY 1, 2022.** (*Health)*
6. **REPEALS SESSION LAW PROVISIONS ON JULY 1, 2022.** (*Health*)

**Current Law**

[A.R.S. § 36-2907](http://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/ars/36/02907.htm) outlines medically necessary services that are required to be provided by AHCCCS contractors.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2194:** S/E podiatrists; special meetings | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69956)   |  | | --- | | Health: DPA/SE 9-0-0-0 | | **Legend:**  Board – Arizona State Board of Podiatry Examiners  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to podiatrists and special meetings.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Allows special meetings to be called on the written request of any three members of the Board. (Sec 1)

**Current Law**

[A.R.S. § 32-803](https://www.azleg.gov/ars/32/00803.htm) states the Board shall elect a president and secretary from its membership at the annual meeting held in January. The Board shall meet at least twice each year and special meetings may be called by the president or any three members.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2196:** certificates of necessity; hearings; duration | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69958)   |  | | --- | | Health: DP 9-0-0-0 | | **Legend:**  ADHS – Arizona Department of Health Services  ALJ – Administrative Law Judge  CON – Certificate of Necessity  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to ADHS and CON hearings.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits a CON hearing from lasting longer than ten days, unless the ALJ determines in writing, that there is an extraordinary need for more hearing days. (Sec. 1)
2. Defines *hearing day*. (Sec. 1)
3. Makes technical changes. (Sec. 1)

**Current Law**

The Director of ADHS must hold a public hearing on any proposed action involving rates, fares, charges, operating or response times, bases of operation or A CON. A CON hearing is required to be held in accordance with statute governing the Office of Administrative Hearings. The Director must mail a hearing notice to all ambulance providers in the region affected by the hearing no less than 15 days before the hearing. The Director may immediately suspend a CON without a hearing if a threat to public health and safety exists ([A.R.S. § 36-2234).](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/02234.htm)

# State Seal ARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2197:** health professionals; workforce data | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69959)   |  | | --- | | Health: DP 9-0-0-0 | | **Legend:**  Board- Health Professional Regulatory Board  Database- Health Professional Workforce Database  DHS- Department of Health Services  Director- Director of the Department of Health Services  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the compilation of health professional workforce data.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires each Board to collect information for the Database from individuals seeking initial or renewal licenses beginning on January 2, 2020.
   1. Personal identifiable information is not considered public record. (Sec. 1)
2. Requires the Director to adopt rules regarding the collection of information for the Database. (Sec. 2)
3. Defines *board*, *database*, *designated database information* and *director*. (Sec. 1)
4. Makes technical changes. (Sec. 2)

**Current Law**

The Director can make and amend rules as necessary in relation to public health ([A.R.S. § 36-136](https://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/ars/36/00136.htm)).

**Additional Information**

The Ad Hoc Committee on Health Care Workforce made [recommendations](https://www.azleg.gov/iminute/house/53leg/1r/012918AdHocCommitteeHealthCareWorkforceFinalReport.pdf) for the collection of relevant data concerning the health care professions workforce.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2250:** physician assistants; prescribing authority; delegation | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69999)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  Board – Arizona Regulatory Board of Physician Assistants  ED – Executive Director of the Arizona Regulatory Board of Physician Assistants  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to physician assistants and prescribing authority.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Modifies the definition of *unprofessional conduct* by:
   1. Removing habitual intemperance relating to alcohol or substance abuse; and
   2. Including exhibiting a pattern of being under the influence or using alcohol or drugs while performing health care tasks or impairing judgement and detrimentally affecting the ability to perform health care tasks. (Sec. 1)
2. **REQUIRES THE BOARD TO CERTIFY PHYSICIAN ASSISTANTS FOR 90-DAY, RATHER THAN 30-DAY, PRESCRIPTION PRIVILEGES FOR SCHEDULE II OR III CONTROLLED SUBSTANCES THAT ARE NOT OPIOIDS OR BENZODIAZEPINES IF THE PHYSICIAN ASSISTANT MEETS CERTAIN CRITERIA.** (*Health*)
3. Permits the Board to delegate licensing and regulatory duties to the ED. (Sec. 2)
4. Requires the Board to adopt a substantive policy statement for licensing and regulatory authorities delegated to the ED. (Sec. 2)
5. Removes the requirement that prescription orders issued by a physician assistant contain the identifying information of a supervising physician. (Sec. 3)
6. Requires all prescription orders issued by a physician assistant to contain the name, address and phone number of the physician assistant. (Sec. 3)
7. ~~Allows a physician assistant to refill a prescription for a schedule II or III drug without the written consent of a supervising physician. (Sec. 3)~~ (*Health*)
8. **ALLOWS A PHYSICIAN ASSISTANT TO DISPENSE A NON-SCHEDULE II OR III CONTROLLED SUBSTANCE FOR A PERIOD OF USE NOT TO EXCEED NINETY DAYS IN AN EMERGENCY.** (*Health*)
9. Requires drugs dispensed by a physician assistant to be prepackaged by a pharmacist, rather than a supervising physician or pharmacist acting on a supervising physician's written order. (Sec. 3)
10. Makes technical and conforming changes. (Sec. 1-3)

**Current Law**

[A.R.S. Title 32, Chapter 25](https://www.azleg.gov/arsDetail/?title=32) establishes the Board and its duties.

Prescription orders issued by a physician assistant must contain the name, address and phone number of a supervising physician. Physician assistants are prohibited from prescribing schedule II or III controlled substances for longer than three days as well as prescribing the drug more than five times in a six-month period. Prescriptions for a schedule II or III drug is not allowed to be refilled without the written consent of a supervising physician.

Drugs dispensed by a physician assistant are required to be prepackaged by a supervising physician or a pharmacist acting on the supervising physician's written order. The drugs are also required to have the supervising physician's and physician assistant's name on the label ([A.R.S. § 32-2532](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/02532.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2256:** podiatrists; examination; repeal | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70016)   |  | | --- | | Health: DP 8-1-0-0 | | **Legend:**  Board – State Board of Podiatry Examiners  Exam – Jurisprudence Exam  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to Podiatrists and licensure.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Removes the Exam as a condition for licensure as a podiatrist and conforms Board statutes. (Sec. 1, 2, 4-10)
2. Requires applications for licensure to contain an oath stating that the applicant understands all Board rules and statutes. (Sec. 4)
3. Requires the Board, rather than the Secretary of the Board, to deposit monies received by the Board. (Sec. 3)
4. Requires an applicant for licensure or reciprocal licensure to submit an application to the Board, rather than the Secretary of the Board. (Sec. 4)
5. Clarifies that a deficiency in a prospective licensee's application constitutes a denial of the application. (Sec. 4)
6. Stipulates that an applicant for licensure must successfully complete a residency program, rather than a one-year internship to receive a license. (Sec. 7)
7. Makes technical and conforming changes. (Sec. 1-10)

**Current Law**

An applicant seeking to become a podiatrist must successfully complete an Exam to receive a Board issued license ([A.R.S. § 32-822](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/00822.htm)). An application must be filed with the Board at least 90 days prior to taking the Exam. The Exam is held in June and December each year. The Exam consists of a state oral examination and a national board examination. Applicants must receive a score of at least 75% on each portion of the Exam to pass ([A.R.S. § 32-825](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F32%2F00825.htm)).

The Board can employ practicing podiatrists as well as other medical specialists to assist in giving the Exam ([A.R.S. § 32-802](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/00802.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2258:** diabetes; annual report | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70020)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  ADHS – Arizona Department of Health Services  Program – Arizona Diabetes Program  Team – Diabetes Action Plan Team  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to diabetes reporting.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. ~~Requires the Program to work with various state agencies and private entities to compile an annual report with the following information:~~ **ESTABLISHES THE TEAM WITHIN ADHS CONSISTING OF VARIOUS STATE AGENCIES AND PRIVATE ENTITIES.** (*Health)*
2. **REQUIRES THE TEAM TO COMPILE A REPORT EVERY TWO YEARS WITH CONTAINING THE FOLLOWING INFORMATION:** 
   1. The prevalence of prediabetes and diabetes;
   2. Diabetes costs to the state;
   3. The Program's plan for reducing diabetes **AND** improving care~~, prioritized public policy recommendations and an estimated budget plan~~; and
   4. A description of the level of coordination between ADHS and specified groups on activities and the level of communication on dealing with diabetes and its complications. (Sec. 1) (*Health)*
3. Limits report requirements to information within each agency prior to the general effective date, unless there is diabetes funding that may be used for new research, data or reporting. (Sec. 1)
4. Requires ADHS to submit the report to the Legislature and the Executive by ~~February 1~~~~st~~ ~~of each year~~ **JANUARY 1, 2019 AND ONCE EVERY TWO YEARS THEREAFTER**. (Sec. 1) (*Health)*

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2321:** S/E auricular acupuncturists; fingerprinting | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70119)   |  | | --- | | Health: DPA/SE 9-0-0-0 | | **Legend:**  Board – Board of Acupuncture Examiners  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the Board and fingerprinting.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires an applicant for auricular acupuncture certification to:
   1. Submit a set of fingerprints to get a criminal records check, beginning January 1, 2019; and
   2. Disclose all other active and past health licenses or certificates issued to them. (Sec. 1)
2. Removes the requirement that an individual seeking certificate renewal as an auricular acupuncturist file an application at least 30 days prior to the certificate expiration date. (Sec. 1)
3. Makes a technical change. (Sec. 1)

**Current Law**

An applicant for certification as an auricular acupuncturist must:

* Submit an application and pay an applicable fee;
* Successfully complete an acupuncture training program on substance abuse and provide documentation to the Board; and
* Complete a Board-approved clean needle technique course. ([A.R.S. § 32-3922)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/32/03922.htm)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2322:** health insurers; provider credentialing | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70121)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to health provider credentialing.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***Provider Credentialing (Sec. 1)***

1. Requires a health insurer to establish a process for a provider to submit a credentialing or recredentialing application electronically.
2. **ADDS THE REQUIREMENT FOR A HEALTH INSURER TO ADOPT AND IMPLEMENT A STANDARD APPLICATION.** 
   1. **PRESCRIBES SPECIFIED INFORMATION THAT MUST BE INCLUDED IN THE APPLICATION. (Health)**
3. Directs a health insurer to establish an electronic process for a provider to submit supporting documentation and for updating changes to a provider's tax identification number, address, and contact information.
4. ~~Asserts that a two-person credentialing committee must review applications.~~
   1. ~~At least one member must be a provider with knowledge of the applicant's scope of practice.~~ **(Health)**

***Credentialing Timelines (Sec. 1)***

1. Specifies the credentialing process must conclude within ~~60~~ **90** days after a health insurer receives a complete application. **(Health)**
2. Asserts a health insurer must provide notice of an application approval or denial within 7 days after the conclusion of the credentialing process.
3. Specifies a health insurer must conclude the process of loading the provider's information into the billing system within 10 days after application approval.
4. Specifies a health insurer must provide to the applicant an acknowledgement within 7 days after the health insurer's receipt of the application.
   1. Upon receipt, the health insurer must promptly review the application and determine if the application is complete.
5. Stipulates that a health insurer must notify the applicant, within 7 days of receiving an application if the health insurer has determined that the application is incomplete.
   1. A detailed list of items required to complete the application must be included in the notice.
   2. **ALLOWS THE HEALTH INSURER TO REQUEST SUPPLEMENTAL INFORMATION. (Health)**
   3. The application is deemed complete if the health insurer does not send a notice within the specified time-period.
6. Stipulates certain timelines are tolled and the application is suspended until the health insurer receives information to complete the application if the health insurer properly notified the applicant that the application is incomplete.
   1. ~~The information requested must be no more than necessary to fairly and responsibly evaluate the application.~~ **(Health)**
   2. **ADDS A CONDITION THAT ALLOWS A HEALTH INSURER TO DEEM AN APPLICATION WITHDRAWN**. **(Health)**
7. **REQUIRES A HEALTH INSURER TO SEND THE APPLICANT A COMPLETE CONTRACT EXECUTED BY THE INSURER UPON RECEIPT OF A COMPLETE APPLICATION. (Health)**
8. **ASSERTS A HEALTH INSURER THAT ENTERS INTO A DELEGATED CREDENTIALING AGREEMENT WITH A LICENSED HEALTH CARE FACILITY WITH EQUIVALENT OR HIGHER STANDARDS IS DEEMED IN COMPLAINCE WITH THE CREDENTIALING REQUIREMENTS AS PROVIDED IN THE ACT. (Health)**

***Miscellaneous (Sec. 1)***

1. Requires a health insurer to correct discrepancies in the provider or network plan within 30 days after receiving a discrepancy report from a participating provider.
   1. **ADDS THE REQUIREMENT FOR A PARTICIPATING PROVIDE TO NOTIFY THE HEALTH INSURER ANY CHANGE IN THEIR INFORMATION. (Health)**
2. Prohibits a health insurer from denying a claim for covered services by a participating provider if the services are provided after the effective date of the contract.
3. Requires the following information to be available to a credentialing applicant **AND POST ON ITS WEBSITE (Health):**
   1. Applicable credentialing policies and procedures;
   2. A list of all the information required to be included in an application; and
   3. A checklist of materials that must be submitted in the credentialing process.
   4. **DESIGNATED CONTACT INFORMATION, E-MAIL ADDRESS, AND TELEPHONE NUMBER TO ADDRESS ANY CREDENTIALING INQUIRIES. (Health)**
4. Directs a health insurer to provide information pertaining to a provider's credentialing application and final decision to the applicant upon request.
5. Provides civil immunity to health insurers that comply with the requirements for provider credentialing.
6. Prescribes a civil penalty of at least $1,000 and no more than $3,000 per day, for a health insurer who does not comply with credentialing rules or statute.
   1. Directs the Department of Insurance to enforce the requirements for provider credentialing.
7. Contains a delayed effective date of January 1, 2019.
8. Defines pertinent terms.
9. **MAKES CLARIFYING CHANGES. (Health)**

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2389:** syringe access programs; authorization | |
| **PRIME SPONSOR:** Representative Rivero, LD 21  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70220)   |  | | --- | | Health: DPA 8-1-0-0 | | **Legend:**  Program – Needle and Hypodermic Syringe Exchange Program  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the authorization of Programs.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Permits a local governing body or a specified organization to establish and operate a Needle and Hypodermic Syringe ~~Access~~ **EXCHANGE** Program. (Sec. 1)
2. Requires a Program's objectives to:
   1. Reduce the spread of disease and needle-related injuries to first responders; and
   2. Encourage intravenous drug users to enroll in evidence-based drug treatment. (Sec. 1)
3. Requires a Program to offer:
   1. Needle and syringe disposal;
   2. Needle and syringe related supplies at no charge;
   3. Access to opioid antagonists and programs that offer opioid antagonists;
   4. Personal mental health or addiction treatment consultations; and
   5. Educational materials about:
      1. Overdose prevention;
      2. Disease prevention;
      3. Drug abuse prevention;
      4. Mental health treatment and referrals; and
      5. Substance abuse treatment and referrals. (Sec. 1)
4. Provides criminal immunity for a Program participant, employee or volunteer who possesses a:
   1. Needle, syringe or injection supply item related to a Program; or
   2. Residual amount of drugs contained in a needle, syringe or injection supply item related to a Program. (Sec. 1)
5. Specifies that criminal immunity only applies if a person provides written verification that a needle, syringe or injection supply item was obtained from a Program. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2411:** S/E homeopathic physicians; board; reporting | |
| **PRIME SPONSOR:** Representative Mosley, LD 5  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70196)   |  | | --- | | Health: DPA/SE 8-1-0-0 | | **Legend:**  Board – Board of Homeopathic and Integrated Medicine Examiners  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the Board and reporting requirements.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the Board to research and compare other state's licensing requirements for health professionals. (Sec. 1)
2. Requires the Board to make recommendations regarding:
   1. The reduction of administrative burdens; and
   2. Streamlining of the licensure process and reducing licensure costs. (Sec. 1)
3. States that the Board must submit a report of its findings and recommendations to the Legislature and the Executive by January 1, 2019. (Sec. 1)
4. Contains a repeal date of July 1, 2019. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2449:** child care assistance; tiered reimbursement | |
| **PRIME SPONSOR:** Representative Udall, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70350)   |  | | --- | | Health: DP 9-0-0-0 | | **Legend:**  ADES- Arizona Department of Economic Security  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to ADES and reimbursement for child care assistance.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires ADES to pay at least 33% of quality set-aside monies for tiered reimbursement of eligible child care providers each federal fiscal year. (Sec. 1)
2. Defines *quality set-aside monies*, *quality standard*, and *tiered reimbursement*. (Sec. 1)
3. Makes conforming changes. (Sec. 1)

**Current Law**

ADES establishes child care assistance payment rates for eligible families. Payment rates may vary depending on: the national accreditation or other state approved quality standards of the child care provider, the age of the child, the geographical area and care costs for a special needs child. ADES uses a sliding fee schedule for determining child care assistance based on:

* Income and family earnings,
* Family size,
* Number of children receiving assistance,
* Child support from the parent living outside of the home, and
* Earnings of an adult family member or nonfamily member living in the home who claims a member of the family as a dependent on a federal or state income tax return. ([A.R.S. § 46-805](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/46/00805.htm))

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2450:** genetic testing information; confidentiality; exceptions | |
| **PRIME SPONSOR:** Representative Udall, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70351)   |  | | --- | | Health: DPA 8-1-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to genetic testing information access.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. **EXCLUDES DIRECT GENETIC TESTS THAT ARE PERFORMED IN A PERSON'S HOME FROM BEING DISCLOSED TO ANY ENTITIES SPECIFIED IN STATUTE.**  (*Health*)
2. Clarifies that access to genetic testing and information may be released to a health care provider who is treating the person tested or an employee of the provider. (Sec. 1)
3. Permits the following people or entities to receive genetic testing information:
   1. A clinical laboratory obtaining legal advice;
   2. An entity or person providing services to a health care provider or clinical laboratory;
      1. A health care provider or laboratory must have a confidentiality agreement in place before releasing information to an entity or person.
   3. A statewide health exchange;
   4. ~~The tested person's health insurance provider;~~
   5. A national recognized accreditation organization,
   6. A health regulatory board; or
   7. An entity**, OTHER THAN A DISABILITY INSURER,** responsible for a health care provider's charges who uses the information only for payment purposes. (Sec. 1) (*Health*)
4. **SPECIFIES THAT A PATHOLOGIST WHO PROVIDES DIAGNOSTIC SERVICES FOR A PATIENT IS TO BE CONSIDERED AUTHORIZED TO ORDER, PERFORM AND RECEIVE THE RESULTS OF THE PATIENT'S GENETIC TESTING.** (*Health*)
5. ~~Prohibits an individual or group health insurance policy from rejecting an application based on genetic testing information.~~ (Sec.2) (*Health*)
6. Makes technical and conforming changes. (Sec. 1, 2, 3)

**Current Law**

Genetic testing information is confidential and is only available to the person tested and may only be released to specified persons or entities. A person cannot be compelled to disclose genetic testing information unless subpoenaed by a court ([A.R.S. § 12-2802](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02802.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2501:** PTSD; workers' compensation; presumption | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70622)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  Commission – Industrial Commission of Arizona  Counseling – traumatic event counseling  PTSD – Post Traumatic Stress Disorder  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to first responders, PTSD and workers' compensation.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Asserts that PTSD is presumed to be an occupational disease arising out of and in the course of employment if a:
   1. First responder is receiving traumatic event counseling; and
   2. A mental health professional makes a PTSD diagnosis. (Sec. 3)
2. Permits a PTSD presumption to be rebutted by a preponderance of the evidence if there is another cause for the PTSD. (Sec. 3)
3. Includes the following situations as instances that qualify a public safety employee for Counseling:
   1. The use of deadly force or being subject to the use of deadly force, regardless of whether the public safety employee was injured; or
      * + - *This currently only applies to peace officers.*
   2. Witnessing the death of another public safety employee. (Sec. 4)
      * + - *This currently only applies to firefighters* ([A.R.S. § 38-672)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00672.htm).
4. States that being exposed to a psychologically traumatic event or series of events in the course of employment qualifies a peace officer or firefighter for Counseling. (Sec. 4)
5. Requires an employer to pay for additional Counseling sessions if a counselor determines more than 12 sessions are needed. (Sec. 4)
   1. **CAPS THE TOTAL AMOUNT OF COUNSELING SESSIONS AT 36.** (*Health)*
6. Prohibits an employer from:
   1. Subjecting a public safety employee to an independent medical examination if the employee is receiving Counseling and has yet to file a workers' compensation claim; or
   2. Requiring a public safety employee to use paid or sick leave if the employee misses work while receiving Counseling. (Sec. 4)
7. Stipulates that an employee must receive full pay and benefits if a licensed mental health professional determines the employee is unfit to return to work while receiving Counseling. (Sec. 4)
   1. **REQUIRES THE LICENSED MENTAL HEALTH PROFESSIONAL TO NOTIFY THE EMPLOYER IF THE EMPLOYEE IS UNFIT TO RETURN TO WORK.** (*Health*)
8. Requires an employer to let an employee select a licensed mental health professional to provide Counseling.
   1. Specifies that the employer is not required to hire the licensed mental health professional if they decline to offer Counseling. (Sec. 4)
9. Requires an employer to pay for Counseling using fees set by the Commission. (Sec. 4)
10. Modifies the exemption for state employers who offer Counseling prior to July 1, 2017 to include additional visits if a mental health professional determines that more visits are needed. (Sec. 4)
11. States that an employee has one year to file a workers' compensation claim after the date of their last Counseling session. (Sec. 2)

* *Currently an individual has one year to file a workers' compensation claim from the time an injury occurs* ([A.R.S. § 23-1061](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/23/01061.htm)).

1. Eliminates the repeal date for statutory Counseling provisions. (Sec. 5)

* [Laws 2016, Chapter 240, section 2,](https://apps.azleg.gov/BillStatus/BillOverview) *repeals Counseling provisions on January 1, 2023.*

1. Adds PTSD cases to the definition of *personal injury by accident arising out of and in the course of employment*. (Sec. 1)
2. Defines *PTSD*, *first responder* and *licensed mental health professional*. (Sec. 1, 3, 4)
3. Modifies the definition of *public safety employee* to include rescue or ambulance workers who are members of a public retirement system. (Sec. 4)
4. Makes technical and conforming changes. (Sec. 1, 2, 4)

**Current Law**

A political subdivision or the state must provide and pay for at least 12 licensed Counseling sessions for peace officers who use deadly force or are exposed to the use of deadly force and firefighters who witness the death of another firefighter. Counseling must also be provided to public safety employees who:

* Witness the maiming or death, or witness the aftermath of a maiming or death of one or more persons;
* Has direct involvement in a case involving dangerous crimes against children; or
* Requires rescue while in the line of duty and the employee's life was in danger ([A.R.S. § 38-672](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/38/00672.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB** **2529:** sober living homes; certification. | |
| **PRIME SPONSOR:** Representative Campbell, LD 1  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70766)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  ADA – Americans with Disabilities Act  ADHS – Arizona Department of Health Services  Director – Director of the Arizona Department of Health Services  MAT – Medication Assisted Treatment  Organization – Approved Certifying Organization  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to ADHS and sober living home licensure.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. ~~254Requires ADHS to contract with an Organization, that is connected with a national organization to:~~
   1. ~~Certify sober living homes; and~~
   2. ~~Investigate and address complaints. (Sec. 5)~~ (*Health*)
2. ~~Requires ADHS to adopt application policies and procedures for the Organization which contracts with ADHS to certify sober living homes. (Sec. 5)~~ (*Health*)
3. ~~States that ADHS must approve the Organization's certification standards that are consistent with the approved national organization. (Sec. 5)~~ (*Health*)
4. ~~Stipulates that an Organization may use national standards until ADHS approves the Organization's standards. (Sec. 5)~~ (*Health*)
5. **REQUIRES THE DIRECTOR TO ADOPT RULES TO ESTABLISH STANDARDS AND REQUIREMENTS FOR LICENSURE OF SOBER LIVING HOMES.** (*Health*)
6. ~~Requires an Organization's standards for sober living home certification to include~~ **PERMITS THE DIRECTOR TO USE CURRENT STANDARDS ADOPTED BY AN ADHS APPROVED NATIONAL ORGANIZATION AS A GUIDELINE IN PRESCRIBING STANDARDS AND REQUIREMENTS FOR SOBER LIVING HOMES.** (*Health*)
7. Requires standards to include:
   1. Policies and procedures that allow an individual using MAT to stay at a sober living home;
   2. Drug and alcohol testing;
   3. Policies and procedures for:
      1. Maintaining a safe environment for the surrounding community; and
      2. Discharge planning;
   4. A good neighbor policy;
   5. A current medication and ~~diagnosis~~ **MEDICAL CONDITIONS** list for patients that can be accessed by emergency personnel;
   6. Policies relating to:
      1. Residential rules, requirements and agreements;
      2. Money management by the sober living home;
      3. ~~Criminal background checks for sober living home staff;~~
      4. Residential rights concerning complaints;
      5. Complaints against a sober living home;
      6. Prohibiting sober living home personnel from requiring a resident to sign documents which relinquish a resident's government assistance; and
      7. Sober living home maintenance including compliance with applicable fire codes.
   7. ~~Policies that prohibit an individual connected to the sober living home from accepting compensation from:~~
      1. ~~Third parties concerning admitting residents, except for government contracts which provide fees;~~
      2. ~~Toxicology laboratory for drug and alcohol testing; or~~
      3. ~~An ADHS licensed treatment facility for substance use disorders.~~
         * ~~Prescribes penalties, ranging from $1,000 to $10,000, for violating policies.~~
   8. A requirement for residents to participate in various treatment supports;
   9. Drug and alcohol abstinence policies;
   10. Medication use and security procedures; and
   11. Family notification about drug overdoses. (Sec. 5) (*Health*)
8. ~~Requires all sober living homes to be certified.~~
   1. ~~Certifications~~ **STATES THAT A SOBER LIVING HOME LICENSE IS** ~~are~~ valid for one year. (Sec. 5) (*Health*)
9. Prescribes a civil penalty of up to $1,000 for any sober living home that is not ~~certified~~ **LICENSED**. (Sec. 5) (*Health*)
10. Requires sober living homes to comply with all state and federal laws, including the ADA. (Sec. 5)
11. Requires an ADHS licensed treatment facility with multiple sober living homes **ON THE SAME CAMPUS AS** the facility's program to obtain ~~certification~~ **LICENSURE** and accreditation for each sober living home. ~~and provide documentation to the Organization and ADHS.~~ (Sec. 5) (*Health*)
12. ~~Prohibits a noncertified sober living home from using the designation of certified. (Sec. 5)~~ (*Health*)
13. **PROHIBITS A PERSON FROM ESTABLISHING, CONDUCTING OR MAINTAINING A SOBER LIVING HOME UNLESS LICENSED BY ADHS OR CERTIFIED PURSUANT TO STATUTE.**
    1. **ASSERTS THAT A LICENSE IS ONLY VALID FOR THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF THE SOBER LIVING HOME.** (*Health*)
14. **PROHIBITS A LICENSEE FROM:**
    1. **IMPLYING, BY ADVERTISING OR OTHERWISE THAT THE LICENSEE IS APPROVED TO PERFORM SERVICES MORE SPECIALIZED OR OF A DEGREE OF HIGHER CARE THAN ALLOWED BY RULE OR STATUTE; AND**
    2. **TRANSFERRING OR ASSIGNING A LICENSE.**
       1. **STATES THAT A LICENSE IS ONLY VALID FOR THE PREMISES OCCUPIED BY THE SOBER LIVING HOME AT THE TIME OF ISSUANCE.** (*Health*)
15. Requires ADHS~~, in consultation with the Organization,~~ to establish fees for:
    1. Initial ~~certification~~ **LICENSURE**;
    2. ~~Certificate~~ **LICENSE** renewal. and
    3. ~~Inspections.~~ **LATE PAYMENT OF A LICENSING FEE, INCLUDING A GRACE PERIOD.** (Sec. 5) (*Health*)
16. **DIRECTS ADHS TO DEPOSIT 90% OF COLLECTED FEES INTO THE HEALTH SERVICES LICENSING FUND AND 10% INTO THE GENERAL FUND.** (*Health*)
17. **STIPULATES THAT IF THE DIRECTOR DETERMINES THAT THERE IS REASONABLE CAUSE TO BELIEVE A SOBER LIVING IS NOT COMPLYING WITH LICENSURE REQUIREMENTS, THE DIRECTOR OR DULY ASSIGNED AGENT OR EMPLOYEE MAY ENTER ON AND INTO THE PREMISES OF A SOBER LIVING HOME AT ANY REASONABLE TIME TO DETERMINE COMPLIANCE WITH RULE, STATUTE OR LOCAL FIRE ORDINANCE OR RULE.** (*Health*)
18. **STATES THAT AN APPLICATION FOR LICENSURE CONSTITUTES CONSENT TO ENTRY AND INSPECTION BY ADHS WHILE THE APPLICATION IS PENDING AND FOR THE DURATION OF THE LICENSE.** (*Health*)
19. **PERMITS THE DIRECTOR TO TAKE ACTION IF AN INSPECTION SHOWS THAT A SOBER LIVING HOME IS NOT IN COMPLIANCE WITH LICENSURE REQUIREMENTS.** (*Health*)
20. **SPECIFIES THAT A SOBER LIVING HOME WHOSE LICENSE HAS BEEN SUSPENDED OR REVOKED IS SUBJECT TO INSPECTION WHEN APPLYING FOR RELICENSURE OR REINSTATEMENT.** (*Health*)
21. **ALLOWS THE DIRECTOR TO IMPOSE A CIVIL PENALTY OF $500 FOR EACH VIOLATION OF RULE OR STATUTE.**
    1. **STATES THAT EACH DAY A VIOLATION OCCURS CONSTITUTES A SEPARATE VIOLATION.**
    2. **PERMITS THE DIRECTOR TO ISSUE A NOTICE THAT INCLUDES THE CIVIL PENALTY AMOUNT.**
    3. **REQUIRES THE DIRECTOR TO IMPOSE A CIVIL PENALTY ONLY FOR THE DAYS FOR WHICH A VIOLATION HAS BEEN DOCUMENTED BY ADHS.** (*Health*)
22. **STIPULATES THAT IF A PERSON REQUESTS AN APPEAL HEARING REGARDING A CIVIL PENALTY, THE DIRECTOR MAY NOT TAKE FURTHER ACTION TO COLLECT PENALTIES UNTIL THE HEARING PROCESS IS COMPLETE.** (*Health*)
23. **PROHIBITS A LICENSE FROM BEING SUSPENDED OR REVOKED, UNLESS THE LICENSEE IS GIVEN NOTICE AND AN OPPORTUNITY FOR A HEARING WITH THE OFFICE OF ADMINISTRATIVE HEARINGS.** (*Health*)
24. ~~Requires ADHS to keep fees at a minimum by seeking all possible funding sources, including federal grants. (Sec. 5)~~ (*Health*)
25. ~~Requires ADHS, in conjunction with the Organization, to approve procedures for:~~
    1. ~~Investigating complaints; and~~
    2. ~~The required reporting by the Organization to ADHS. (Sec. 5)~~ (*Health*)
26. Permits ADHS to impose sanctions and take disciplinary action, including ~~certificate~~ **LICENSE** revocation, against a sober living home. (Sec. 5) (*Health*)
27. **ALLOWS A SOBER LIVING HOME CERTIFIED BY A CERTIFYING ORGANIZATION TO OPERATE AND RECEIVE REFERRALS PURSUANT TO STATUTE.** (*Health*)
28. **STIPULATES THAT SOBER LIVING HOME CERTIFICATION IS IN LIEU OF LICENSURE UNTIL TWO YEARS AFTER ADHS HAS NOTIFIED THE CERTIFYING AGENCY THAT LICENSURE HAS BEEN IMPLEMENTED.** (*Health*)
29. **REQUIRES ADHS TO ISSUE A LICENSE IN LIEU OF AN INITIAL ON-SITE SURVEY AND ANY ANNUAL SURVEY IF A SOBER LIVING HOME SUBMITS AN APPLICATION TO ADHS AND MEETS THE FOLLOWING REQUIREMENTS:**
    1. **HOLDS A CURRENT CERTIFICATION FROM A CERTIFYING ORGANIZATION; AND**
    2. **MEETS ALL ADHS LICENSING REQUIREMENTS.** (*Health*)
30. Enacts the following requirements relating to state contracts and referrals, beginning January 1, 2020:
    1. Requires state agencies and vendors that direct substance abuse treatments to make referrals only with certified **OR LICENSE** sober living homes.
    2. Allows only certified **OR LICENSED** sober living homes to be eligible for government funding;
    3. States that persons whose **SUBSTANCE ABUSE** treatment is funded by the government must be only referred to a certified **OR LICENSED** sober living home;
    4. Requires county or state courts to give preference to a certified **OR LICENSED** sober living home when making residential recommendations; and
    5. Requires a licensed or certified ~~treatment facility~~ **HEALTH CARE INSTITUTION THAT PROVIDES SUBSTANCE ABUSE TREATMENT** to refer an individual only to a certified **OR LICENSED** sober living home.
    6. **REQUIRES A LICENSED BEHAVIORAL HEALTH PROVIDER TO REFER A PERSON ONLY TO A CERTIFIED OR LICENSED SOBER LIVING HOME.** (Sec. 5)
31. ~~Permits ADHS to:~~ 
    1. ~~Conduct periodic reviews of the Organization to determine contract compliance; and~~
    2. ~~Access sober living home records, including certification status and complaint resolution. (Sec. 5)~~ (*Health*)
32. Requires ADHS to list the names and phone numbers of each certified **OR LICENSED** sober living home on its website.
    1. The list must be updated quarterly.
    2. ADHS is prohibited from disclosing sober living home addresses, except to law enforcement. (Sec. 5) (*Health*)
33. ~~Requires the Organization to report the following annual outcome data to ADHS:~~
    1. ~~The number of certified sober living home residents in the preceding year;~~
    2. ~~The number of admissions, number and type of discharges and the number of overdose deaths;~~
    3. ~~The types of housing residents relocate to; and~~
    4. ~~Outcomes of residents after discharge from a certified sober living home. (Sec. 5)~~ (*Health*)
34. Requires ADHS to submit a report on ~~certified~~ **LICENSED** sober living homes to the House Health and Senate Health and Human Services committees, by January 2, ~~2019~~ **2020** and every year thereafter, which includes the number of:
    1. ~~Certified~~ **LICENSED** sober living homes in each city, town or county;
    2. Sober living homes that become ~~certified~~ **LICENSED** each year;
    3. Complaints investigated by ADHS against ~~certified~~ **LICENSED** sober living homes; and
    4. Enforcement actions taken by ADHS.
       1. ADHS must submit the report to the Secretary of State. (Sec. 5) (*Health*)
35. **PROVIDES A TWO-YEAR RULEMAKING EXEMPTION FOR ADHS BEGINNING ON THE GENERAL EFFECTIVE DATE.** (*Health*)
36. Repeals statute which permits a city, town or county to adopt standards for sober living homes **ON JANUARY 1, 2021**. (Sec. 2, 4) (*Health*)
37. Defines approved *certifying organization,* *~~approved national organization~~*~~,~~ *MAT* and *sober living home*. (Sec. 5) (*Health*)
38. **MODIFIES THE DEFINITION OF *SOBER LIVING HOME*.** (*Health*)
39. Makes conforming changes. (Sec. 1, 3)

**Current Law**

Cities, towns and counties can adopt ordinances for sober living homes. If adopted, the ordinances may include:

* A written notification from all structured sober living homes;
* Supervisions requirements; and
* The establishment of an operational plan.

Sober living homes that are regulated by another government entity or contractor are exempted from city, town or county ordinances regarding sober living homes (A.R.S. §§ [9-500.40](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/9/00500-40.htm), [11-269.18](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00269-18.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2548:** health professionals; continuing education; opioids | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70787)   |  | | --- | | Health: DP 9-0-0-0 | | **Legend:**  CME – Continuing Medical Education  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to opioid-related continuing medical education.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires three hours of disorder or addiction-related CME to be included as part of an applicable health professional's CME requirements. (Sec. 1)

**Current Law**

Health professionals with dispensing authority and pharmacists that dispense controlled substances are required to complete three hours of disorder or addiction-related CME during each licensure renewal cycle ([A.R.S. § 32-3248.02 as added by Laws 2018, First Special Session, Chapter 1, Section 29)](https://apps.azleg.gov/BillStatus/GetDocumentPdf/456564).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2549:** controlled substances; dosage limit | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70788)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  ADHS – Arizona Department of Health Services  MME – Morphine Milligram Equivalent  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to prescriptions and dosage limitations.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Stipulates that a health professional may issue a prescription that exceeds 90 MMEs if the consulting physician who is board-certified in pain agrees with the higher dose. (Sec. 1)
2. Clarifies that the 90 MME limitation applies to prescriptions, rather than prescription orders. (Sec. 1)
3. **EXEMPTS PRESCRIPTIONS CAPPED AT A 14-DAY SUPPLY THAT ARE ISSUED FOLLOWING A SURGICAL PROCEDURE FROM THE 90 MME PER DAY LIMITATION.** (*Health*)
4. **CLARIFIES THAT THE 90 MME LIMIT APPLIES TO PRESCRIPTIONS THAT ARE FILLED OR DISPENSED OUTSIDE OF A HEALTH CARE INSTITUTION.** (*Health*)
5. **STATES THAT A HEALTH CARE INSTITUTION, PRIVATE OFFICE OR CLINIC MUST APPLY TO ADHS FOR LICENSURE AS A PAIN CLINIC WITHIN 60 DAYS OF MEETING THE STATUTORY DEFINITION OF A PAIN CLINIC.** (*Health*)
6. **ALLOWS A NURSE PRACTITIONER WITH ADVANCED PAIN CERTIFICATION TO ACT AS A MEDICAL DIRECTOR OF A PAIN CLINIC.**(*Health*)
7. Makes a conforming changes. (Sec. 1)

**Current Law**

New prescription orders for opioids are prohibited from containing more than 90 MMEs per day. Exemptions from the 90 MME per day limitation are provided for specified individuals and continuations of an existing prescription that was issued within the last 60 days. If a health professionals determines that a prescription containing more than 90 MMEs is necessary, the health professional must consult with an allopathic or osteopathic physician who is board-certified in pain ([A.R.S. § 32-3248.01 as added by Laws 2018, First Special Session, Chapter 1, Section 29](https://apps.azleg.gov/BillStatus/GetDocumentPdf/456564)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

**Abstract**

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| **HB 2633:** pharmacists; controlled substances | |
| **PRIME SPONSOR:** Representative Cobb, LD 5  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70872)   |  | | --- | | Health: DPA 9-0-0-0 | | **Legend:**  Board – Arizona State Board of Pharmacy  MME – Morphine Milligram Equivalent  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

Relating to prescription limitations and pharmacists.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Stipulates that if an initial prescription for opioids that exceeds a 5-day supply or a new prescription that exceeds 90 MMEs per day is provided to a pharmacist, it is presumed to be exempted from statutory limitations.
   1. Specifies that a pharmacist is not required to verify a prescription's exemption status with the prescriber. (Sec. 1, 2)
2. ~~Prohibits the Board from enforcing labeling requirements against a prescriber or dispenser once an implementation plan is received regarding the labeling of a controlled substance that is directly dispensed by a health professional or pharmacist and that is not for the immediate administration to the ultimate user. (Sec. 3)~~ (*Health*)
3. **ALLOWS A PHARMACY TO SELL AND DISPENSE A SCHEDULE II SUBSTANCE THAT IS PRESCRIBED BY A HEALTH PROFESSIONAL WHO IS LOCATED IN ANOTHER COUNTRY OR THIS STATE IF THE PRESCRIPTION COMPLIES WITH STATE AND FEDERAL LAW.** (*Health*)
4. **SPECIFIES THAT A PHARMACIST IS NOT REQUIRED TO VERIFY IF A MEDICAL PRACTITIONER HAS RECEIVED A WAIVER FROM ELECTRONIC PRESCRIPTION REQUIREMENTS.** (*Health*)
5. **ADDS A RETROACTIVE EFFECTIVE DATE OF APRIL 26, 2018.** (*Health*)
6. Makes conforming changes. (Sec. 1, 2)

**Current Law**

All initial prescriptions for opioids are limited to a 5-day supply, unless the prescription is following a surgical procedure, which is limited to a 14-day supply.

New prescription orders for opioids are prohibited from containing more than 90 MMEs per day. Exemptions from the 90 MME per day limitation are provided for specified individuals and continuations of an existing prescription that was issued within the last 60 days. If a health professionals determines that a prescription containing more than 90 MMEs is necessary, the health professional must consult with an allopathic or osteopathic physician who is board-certified in pain ([A.R.S. § 32-3248.01 as added by Laws 2018, First Special Session, Chapter 1, Section 29](https://apps.azleg.gov/BillStatus/GetDocumentPdf/456564)).

All controlled substances that are directly dispensed by a medical professional or pharmacist that is not for immediate administration are required to have a label that contains specified information such as name and address of the dispensing medical professional or pharmacist, the name of the patient and directions for use of the controlled substance. Opioid containers must have a red cap and a Board-prescribed warning label about potential addiction ([A.R.S. § 36-2525 as amended by Laws 2018, First Special Session, Chapter 1, Section 37](https://azleggov-my.sharepoint.com/personal/rhazelton_azleg_gov/Documents/New%20prescription%20orders%20for%20opioids%20are%20prohibited%20from%20containing%20more%20than%2090%20MMEs%20per%20day.%20Exemptions%20from%20the%2090%20MME%20per%20day%20limitation%20are%20provided%20for%20specified%20individuals%20and%20continuations%20of%20an%20existing%20prescription%20that%20was%20issued%20within%20the%20last%2060%20days.%20%20If%20a%20health%20professionals%20determines%20that%20a%20prescription%20containing%20more%20than%2090%20MMEs%20is%20necessary,%20the%20health%20professional%20must%20consult%20with%20an%20allopathic%20or%20osteopathic%20physician%20who%20is%20board-certified%20in%20pain%20(A.R.S.%20§%2032-3248.01%20as%20added%20by%20Laws%202018,%20First%20Special%20Session,%20Chapter%201,%20Section%2029).)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR2034:** Reyna Estrada; mental health; support | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70877)   |  | | --- | | Health: DP 9-0-0-0 | | **Legend:**  ADHS – Arizona Department of Health Services  AHCCCS – Arizona Health Care Cost Containment System  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to mental health.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Asserts that the Legislature recognizes:
   1. The mental health system exists to benefit patients and protect the public.
   2. Families of a person with mental health issues deserve be treated with respect when seeking care for their family member.
   3. Families have the right to receive help when navigating the mental health system; and
   4. Their responsibility to make the mental health system work.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2006:** S/E marriage; minimum age | |
| **PRIME SPONSOR:** Representative Ugenti-Rita, LD 23  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69618)   |  | | --- | | JPS: DPA/SE 8-1-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the minimum age for marriage.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits marriage by any person who is under 16 years of age. (Sec 1)
2. Stipulates that a person who is 16 or 17 years of age may marry only if the person's prospective spouse is not more than three years older than the person and either:
   1. The person is emancipated; or
   2. The parent or guardian with custody consents to the marriage. (Sec 1)
3. Prohibits the clerk of the court from issuing a marriage license to a person under 18 years of age who does not meet these requirements. (Sec 1)
4. Makes technical and conforming changes. (Sec 1, 2)

**Current Law**

A.R.S. Title 25, Ch 1 outlines requirements for marriages. [A.R.S. § 25-121](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/25/00121.htm) requires persons who wish to be married to obtain a license from the clerk of the superior court. An oath and affidavit is required, including the person's name, age and address. The license expires one year from issuance.

[A.R.S. § 25-102](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/25/00102.htm) requires parental consent for the marriage of any person under 18 years of age. Additional findings are required by the court if the person is under 16 years of age. The clerk of the court is prohibited from issuing a marriage license unless parental consent is obtained for anyone under 18 ([A.R.S. § 25-122](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/25/00122.htm)).

A.R.S. Title 12, Ch. 15 outlines the process for a minor to be emancipated. A minor must be at least 16 years of age to seek emancipation and must meet specific requirements outlined in statute ([A.R.S. § 12-2451](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02451.htm)). The court determines emancipation based on the best interests of the minor, considering specific factors ([A.R.S. § 12-2453](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02453.htm)). Under [A.R.S. § 12-2454](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02454.htm), if an emancipation order is issued, it recognizes the minor as an adult in the following situations:

* The right to enter contracts;
* The ability to sue and be sued;
* Right to buy and sell property
* Right to establish a legal residence;
* The obligation to pay child support;
* The right to incur debts;
* The right to access medical treatment and records;
* The right to consent to medical, dental and psychiatric care for the minor and the minor's child;
* Eligibility for social services;
* The right to obtain licenses;
* Right to apply for school or college enrollment; and
* Ability to apply for loans.

An emancipation order terminates the parent's:

* Right to the minor's income;
* Future child support obligations;
* Tort liability for the minor's actions;
* Obligation to financially support the minor; and
* Obligation to provide medical support for the minor.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2267**: S/E: noncertified livestock inspectors; appropriation | |
| **PRIME SPONSOR:** Representative Thorpe, LD 6  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70031)   |  | | --- | | LARA: DP 7-0-0-1  APPROP: DPA/SE 13-0-0-0 | | **Legend:**  AZDA – Arizona Department of Agriculture  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to an appropriation to AZDA.

**Provisions**

1. Appropriates $200,000 from the GF to AZDA each FY. (Sec. 1)
2. Directs AZDA to use funds for personal services and employee-related expenses, including salary increases and retention bonuses, for non-certified livestock inspectors. (Sec. 1)

**Current Law**

Livestock officers and inspectors check for health, marks and brands at loading stations, State exits, and where livestock are gathered to be sold, slaughtered, transported, conveyed, shipped or driven from pasture to an out-of-state destination ([A.R.S. § 3-1332](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/3/01332.htm)). Livestock officers and inspectors may stop any person with cause or reasonable suspicion and enter any premises where livestock are kept or maintained. If admittance is refused and with probable cause, a livestock officer may request an administrative inspection warrant ([A.R.S. § 3-1331](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/3/01331.htm)).

Within 12 months after employment, a livestock officer must successfully complete the law enforcement training course prescribed by the Arizona Peace Officer Standards and Training Board to achieve permanent employee status. This does not apply to livestock inspectors ([A.R.S. § 3-1208](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/3/01208.htm)).

**Additional Information**

According to AZDA, there are 11 livestock officers, seven full-time livestock inspectors, seven part-time livestock inspectors and one support staff.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2498:** historic preservation; rangeland improvements; requirements | |
| **PRIME SPONSOR:** Representative Cook, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70607)   |  | | --- | | LARA: DP 5-2-0-1 | | **Legend:**  ASLD – Arizona State Land Department  SHPO – State Historic Preservation Officer  MOU – memorandum of understanding  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the SHPO and rangeland improvement projects.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits the SHPO from implementing or requiring reviews, inventories or conditions of an MOU that exceed state law. (Sec. 1)
2. Requires the SHPO, in conjunction with the appropriate state agency, to develop a streamlined survey report process for rangeland improvement projects that allows:
   1. an individual who has completed a national culture resources training program or a similar course of study to perform the survey report;
   2. supervised volunteers to review minimal disturbance projects;
   3. the property owner to provide a safe buffer zone in which projects may be moved to avoid disturbing historic artifacts; and
   4. projects that provide a safe buffer zone of less than 50 feet to proceed without a complete site inventory. (Sec. 2)
3. Declares the SHPO or the State Museum is responsible for securing, developing and providing an inventory and associated costs for rangeland improvement projects that produce minimal ground disturbance. (Sec. 2)
4. Allows submission of survey reports to the SHPO with approval of the appropriate state agency director. (Sec. 2)
5. Makes technical and conforming changes. (Sec. 1, 2)

**Current Law**

The SHPO advises, assists and monitors federal and state agencies and political subdivisions in carrying out their historic preservation responsibilities, and cooperates with federal and state agencies, political subdivisions and other persons to ensure that historic properties, historic private burial sites and cemeteries are taken into consideration at all levels of planning and development ([A.R.S. § 41-511.04](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/00511-04.htm)).

Each state agency is responsible for the preservation of historic properties under their ownership or control and must, in cooperation with the SHPO, establish a program to locate, inventory and nominate those that appear to meet the criteria for inclusion on the Arizona Register of Historic Places (A.R.S. §§ [41-861](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F41%2F00861.htm) and [41-862](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/00862.htm)).

If the existence of any archeological, paleontological or historic site or object that is at least 50 years is discovered during a survey, excavation, construction or other like activity on lands owned or controlled by the State, a state agency, county or municipal corporation, the person in charge must promptly notify the State Museum Director and immediately take all reasonable steps to secure and maintain its preservation ([A.R.S. § 41-844](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F41%2F00844.htm)).

**Additional Information**

On October 30, 2017, the SHPO signed an [agreement](http://www.achp.gov/docs/nrcs/Arizona%20NRCS-SHPO-ASLD%20Cultural%20Resources%20Prototype%20Programmatic%20Agreement%20October%2030,%202017,%20signed.pdf) with the Natural Resources Conservation Service and the ASLD related to the process of conducting cultural resources field surveys on State lands and maintaining compliance with [§ 106 of the National Historic Preservation Act](http://www.achp.gov/regs-rev04.pdf).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2503:** building code exemptions; public notice | |
| **PRIME SPONSOR:** Representative Barton, LD 6  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70627)   |  | | --- | | DP: LARA 7-1-0-0 | | **Legend:**  Commission – County Planning and Zoning Commission  BOS – board of supervisors  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to agricultural land use changes.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Directs the county BOS to create a process for the Commission to notify adjacent property owners and other potentially affected citizens on receipt of:
   1. a request for an exemption of agricultural property primarily used for agricultural purposes, to produce trees or is a golf course ([A.R.S. § 41-12002](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/12002.htm)); or
   2. an application to change the agricultural use. (Sec. 1)
2. Requires a property owner to apply to the Commission to change the agricultural land use on all or part of the property used primarily for agricultural purposes, to produce trees or is a golf course ([A.R.S. § 41-12002](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/12002.htm)). (Sec. 1)
3. Specifies the notification process must be written and provide an opportunity for adjacent property owners and other potentially affected citizens to express issues or concerns. (Sec. 1)
4. Requires the Commission to hold a public hearing if requested.
   1. Reasonable notice must be given to adjacent property owners and potentially affected citizens. (Sec. 1)
5. Instructs the Commission to consider whether the exemption or change in agricultural use would conserve and promote the public health, safety, convenience and general welfare when deciding to grant or deny the application. (Sec. 1)
6. Makes technical changes. (Sec. 1)

**Current Law**

The county BOS may adopt and enforce a building code and other related codes to regulate the quality, type of material and workmanship of all aspects of construction of buildings or structures. The BOS may exempt areas zoned rural or unclassified from the building code's provisions ([A.R.S. § 11-861](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00861.htm)). The following activities are exempt from the building code requirements: 1) construction and repair to district irrigation and drainage ditches; 2) farming, dairying, agriculture, viticulture, horticulture; 3) stock or poultry raising; and 4) clearing or other work on land in rural areas for fire prevention purposes ([A.R.S. § 11-865](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00865.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2598:** titer test; rabies; administration; authority | |
| **PRIME SPONSOR:** Representative Payne, LD 21  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70837)   |  | | --- | | LARA DP: 5-3-0-0 | | **Legend:**  Compendium – National Association of State and Public Health Veterinarians Compendium of Animal Rabies Prevention and Control  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a rabies titer test for dogs.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Allows a veterinarian to administer a rabies antibody titer test to determine if the vaccine was effective, provided the dog has received at least one rabies vaccination. (Sec. 1)
2. Permits the titer test results to be shared with the State Public Health Veterinarian. (Sec. 1)
3. Requires the State Public Health Veterinarian to collect relevant data to update the Compendium. (Sec. 1)
4. Directs the State Public Health Veterinarian to:
   1. improve and develop serology testing strategies to reduce underreported reactions; and
   2. identify vaccine nonresponders to improve public health. (Sec. 1)
5. Defines *rabies antibody titer test.* (Sec. 1)
6. Contains a legislative findings clause. (Sec. 2)

**Current Law**

Prior to issuance of a dog license by the county, the dog must be vaccinated against rabies ([A.R.S. § 11-1010](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01010.htm)). The licensing period may not exceed the period for revaccination as designated by the State Veterinarian ([A.R.S. § 11-1008](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01008.htm)). Injury or damage to any person or property by a dog at large is the full responsibility of the dog owner or person responsible for the dog when the damages were inflicted ([A.R.S. § 11-1020](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01020.htm)).

**Additional Information**

Currently, the [Compendium](http://www.nasphv.org/Documents/NASPHVRabiesCompendium.pdf) does not recommend using a titer test as a substitute for anti-rabies vaccinations or boosters because other factors contributing to the prevention of rabies are not developed or tested. The Compendium recommends vaccinating a dog or cat at three months of age. Dogs and cats should be re-immunized a year later, with a booster following the succeeding year or every three years, depending on the individual vaccine requirement.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2497:** county attorney; county sheriff; salaries | |
| **PRIME SPONSOR:** Representative Boyer, LD 20  **BILL STATUS:** [Caucus & Cow](https://apps.azleg.gov/BillStatus/BillOverview/70604)   |  | | --- | | LIA: DP 6-1-0-0 | | **Legend:**  BOS-Board of Supervisors  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the salaries of the county sheriff and county attorney.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Permits the BOS to increase the salary of the county attorney or county sheriff above the current statutory amount in counties with over 500,000 residents. (Sec. 1)
2. Permits the salary of the county attorney or county sheriff to be increased up to 10% above the salary of the incumbent chief deputy county attorney or sheriff. (Sec. 1)
3. Stipulates that the salary of the county sheriff may be increased up to 10% above the annual salary of the highest paid person in the county sheriff's office if a chief deputy has not been appointed. (Sec. 1)
4. Prohibits the salary of the county attorney or county sheriff from being adjusted below the statutory amount. (Sec. 1)
5. Prohibits the salary of the county attorney or county sheriff from being reduced during the incumbent county attorney or incumbent county sheriff's term of office. (Sec. 1)
6. Contains a delayed effective date of January 1, 2018. (Sec. 1)
7. Makes technical and conforming changes. (Sec. 2)

**Current Law**

The current annual salary of the county attorney is $123,678 and the annual salary of the county sheriff is $100, 824 ([A.R.S 11-419](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/00419.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2518:** prosecution expenses; county reimbursement; repeal | |
| **PRIME SPONSOR:** Representative Kern, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70750)   |  | | --- | | LIA: DP 4-3-0-0 | | **Legend:**  ADC – Arizona Department of Corrections  ADOA – Arizona Department of Administration  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to county reimbursement for costs incurred in certain prosecutions.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Repeals the requirement that a county be reimbursed by ADC for the court costs, fees, confinement and keeping of a prisoner that is arrested for a crime committed:
   1. In or adjacent and related to an ADC correctional facility; or
   2. While escaped from an ADC facility or from the custody of officials or employees of ADC while away from the facility. (Sec. 2)
2. Makes technical and conforming changes. (Sec. 1)

**Current Law**

The clerk of the court of a county must prepare an itemized claim against the state for the costs incurred by the county during the prosecution, defense and confinement of any prisoner that committed a crime in or related to an ADC facility, while escaping an ADC facility or employees. The claim must be certified by a judge of the court and sent to the Governor for approval. Upon approval, the Governor must file the claim with ADOA. The claim must be paid from the appropriation to ADC to the county treasurer for deposit into the county general fund ([A.R.S. § 31-227](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/31/00227.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2532:** occupational regulation; municipalities; counties; prohibition | |
| **PRIME SPONSOR:** Representative Payne, LD 21  **BILL STATUS:** [Caucus & Cow](https://apps.azleg.gov/BillStatus/BillOverview/70769)   |  | | --- | | LIA: DP 4-3-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to occupational regulations in municipalities and counties.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits a municipality or county from imposing an occupational fee or licensing requirement on the following professions:

a. Palmist;

b. Phrenologist;

c. Astrologer;

d. Soothsayer;

e. Fortune teller;

f. Mind reader;

g. Clairvoyant;

h. Tarot card reader;

i. Busker or street performer;

j. Transient merchant;

k. Peddler;

l. Canvasser;

m. Solicitor;

n. Auctioneer;

o. Junk dealer;

p. Secondhand dealer;

q. Christmas tree merchant;

r. Window washer;

s. Florist;

t. Interior designer; or

u. Photographer (Sec. 1, 2)0

1. Stipulates that any current occupational fee or licensing requirement does not apply and may not be enforced. (Sec. 1, 2)
2. States that a municipality or county may:

a. Issue a business or industry license; and

b. Adopt or enforce a zoning ordinance relating to a business or industry (Sec. 1, 2)

**Current Law**

A municipal or county license includes any municipal or county permit, certificate, approval, registration, charter or similar form of permission required by law. Licensing is defined as the municipal or county process respecting the grant, denial, renewal, revocation, suspension, annulment, withdrawal or amendment of a license (A.R.S §§ [9-831](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/9/00831.htm) & [11-1601](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01601.htm)).

A municipality or county that issues licenses must provide the following information to an applicant at the time of application: a list of all steps required in order to obtain the license; the licensing time frames; the contact information of a person who can answer questions or provide assistance throughout the application process; the website in order to allow the regulated person to use electronic communication with the municipality or county; and notice that the applicant may receive a clarification from the municipality or the county of its interpretation or application of a statute, ordinance, regulation delegation agreement or authorized substantive policy statement (A.R.S §§ [9-836](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/9/00836.htm) & [11-1606](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01606.htm)).

Unless authorized by federal, state, or local law a municipality or county may not take any action that materially increases the regulatory burdens on a business unless there is a threat to the health, safety and welfare of the public that has not been addressed by legislation or industry regulation A municipality or town may not apply a regulation to a qualified platform if the purpose of the regulation is to regulate a business that provides goods or services directly to the customer (A.R.S §§ [9-841](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/9/00841.htm) & [11-1611](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/11/01611.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2558:** drug disposal; education | |
| **PRIME SPONSOR:** Representative Cobb, LD 5  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70797)   |  | | --- | | LIA: DPA 7-0-0-0 | | **Legend:**  ADHS – Arzona Deparment of Health Services  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to drug disposal education and awareness and municipal authority.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits a city, town or county from:
   1. Imposing a tax, fee, assessment or charge on any **CONSUMER OR OWNER OR OPERATOR OF A** business to pay or support a drug disposal program in their respective jurisdictions. (Sec. 1, 2) *(LIA)*
   2. Requiring ~~a~~ **THE OWNER OR OPERATOR OF A** business to pay for or operate a drug disposal program in their respective jurisdictions. (Sec. 1, 2)
2. **ESTABLISHES A STATE PREEMPTION ON THE REGULATION OF A DRUG DISPOSAL PROGRAM BY A BUSINESS.** *(LIA)*
3. Requires ADHS to enter into a public-private partnership with an education and awareness program regarding the disposal of prescription drugs and controlled substances by January 1, 2019. (Sec. 3)
   1. Permits the education and awareness program to:
      1. Describe available drug disposal options that comply with state and federal law;
      2. Reduce the availability of unused substance and minimize the potential environmental impact of drug disposal options;
      3. Provide a list of drug disposal take-back sites which must be sortable and searchable; and
      4. Provide a list and information regarding of drug disposal take-back events and include their date, time and location.;
      5. Include educational activities designed to ensure consumer awareness of safe storage and disposal of prescription drugs and controlled substances; **AND**
      6. **DESCRIBE APPROPRIATE DISPOSAL METHODS AND LOCATIONS FOR NEEDLES AND SHARPS**. (Sec. 3) (*LIA*)
4. **ESTABLISHES THE DRUG DISPOSAL AND AWARENESS FUND CONSISTING OF DONATIONS AND PRIVATE CONTRIBUTIONS**
   1. **REQUIRES ADHS TO ADMINISTER THE FUND.**
   2. **EXEMPT FUND MONIES FROM REQUIREMENTS RELATING TO THE LAPSING OF APPROPRIATIONS.** *(LIA)*
5. **REQUIRES DRUG DISPOSAL AND AWARENESS FUND MONIES TO BE USED TO PAY FOR THE COSTS OF ADMINISTERING THE EDUCATION AND AWARENESS PROGRAM.** *(LIA)*
6. Defines *Drug Disposal Program.* (Sec. 1, 2)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2562:** crime; emergency services; summaries; websites | |
| **PRIME SPONSOR:** Representative Grantham, LD 12  **BILL STATUS:** [Caucus & Cow](https://apps.azleg.gov/BillStatus/BillOverview/70801)   |  | | --- | | LIA: DPA 6-1-0-0 | | **Legend:**  NFTA- National Fire Protection Association  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to municipal crime and emergency service summaries.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires each city or town to post a monthly crime or emergency services summary on its website. (Sec. 1)
2. Requires a city or town to include the following information in their summary:
   1. All crime statistics pursuant to the federal uniform crime reporting standards or equivalent
   2. Relating to fire departments:
      1. The total number of calls for service per fire department in the current year and the previous five years; and
      2. The total number of call responses per fire department for the previous month and previous year.
   3. Relating to emergency medical services divisions:
      1. The total number of responses per division in the current year and in the previous five years~~; and~~
      2. ~~The average annual number of responses per division if the number of responses is 2,500 or greater per year.~~
   4. ~~Relating to fire departments and medical service divisions that adhere to certain NFPA standards:~~
      1. ~~The average response times, travel times and total response times for the previous year, the current and year each month of the previous year and the current year.~~
   5. **RELATING TO POLICE DEPARTMENTS:**
      1. **THE AVERAGE RESPONSE TIMES FOR CALL-TO-DISPATCH, DISPATCH-TO-ARRIVAL, AND TOTAL RESPONSE FOR THE PREVIOUS YEAR, THE CURRENT YEAR AND EACH MONTH OF THE OF THE PREVIOUS AND THE CURRENT YEAR;**
      2. **THE NUMBER OF PATROL OFFICERS, INVESTIGATORS, AND OTHER OFFICERS FOR EACH PRECINCT;**
      3. **THE TOTAL NUMBER OF FELONY, MISDEMEANOR AND VIOLENT CRIME ARRESTS FOR THE PREVIOUS YEAR, CURRENT YEAR AND EACH MONTH OF THE PREVIOUS AND CURRENT YEAR;**
      4. **THE TOTAL NUMBER OF PRIORITY ONE, TWO AND THREE CALLS FOR EACH MONTH FOR THE PREVIOUS YEAR, THE CURRENT YEAR AND EACH MONTH OF THE OF THE PREVIOUS AND THE CURRENT YEAR.** *(LIA)*
   6. Relating to emergency personnel on their website:
      1. The total number of sworn firefighters and emergency medical division members per department; and
      2. The total number of sworn firefighters per each one thousand citizens in the city or town (Sec. 1)
3. Requires the summaries to be posted within 30 days of the end of the month. (Sec 1.)
4. Defines *NFTA 1700*. (Sec. 1)

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2622:** international trade; authority; transportation | |
| **PRIME SPONSOR:** Representative Rivero, LD 21  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70851)   |  | | --- | | LIA: DP 7-0-0-0 | | **Legend:**  ADOT – Arizona Department of Transportation  Authority – International Transportation & Trade Corridor Authority  Board – Authority Board of Directors  Facility – Transportation and Trade Facility  IGA – intergovernmental agreements  OAG – Office of the Auditor General  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the establishment, requirements, bonding and budgeting of The International Transportation & Trade Corridor Authority.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***The International Transportation & Trade Corridor Authority***

1. Establishes the Authority as a corporate and political body with all the rights, powers and immunities of a municipal corporation. (Sec. 2)
2. Specifies that the Board and Authority do not have the power or independent authority to levy or impose any tax or assessment other than charges for the use of Authority facilities. (Sec. 2)
3. Permits the qualified electors of the Authority to levy a tax or surcharge for the fiscal needs of the Authority. (Sec. 2)
4. Specifies that the Authority is considered a tax-levying public improvement district for the purpose of exemption from Constitutional prohibitions against public entities gifting or loaning credit or becoming indebted. (Sec. 2)
5. Permits the Chairpersons of the Senate Commerce and Public Safety Committee and the House of Representatives Local & International Affairs Committee (of their successor committees) to:
   1. Hold hearings to review the activities of the Authority; or
   2. Require the Executive Director to appear before the Committee within 30 days to report on the activities and financial performance of the Authority (Sec. 2)
6. Terminates the Authority on July 1, 2028. (Sec. 3)
7. Appropriates $200,000 from the GF in FY 2019 to the Authority. (Sec. 5)

***Transportation & Trade Facilities***

1. Requires the Authority to construct, finance, improve, operate and promote the use of facilities and do all things necessary or convenient to accomplish those purposes. (Sec. 2)
2. Requires the Board to approve sites for the construction of facilities in consultation with jurisdictional sponsors before January 1, 2026. (Sec. 2)
3. Permits the Authority to use alternate systems and procedures to expedite the design and construction of its facilities or structures, including the use of the design-build method of construction and qualifications-based selection of experienced contractors by either direct selection or public competition. (Sec. 2)
4. Subjects any plans and specifications of facilities to Board review and requires the Board to inspect and approve facilities that conform to plans and engineering standards. (Sec. 2)
5. Requires the Authority to own facilities, subject only to leases, contracts, arrangements, liens and other securities or interests of the Board. (Sec. 2)
6. Permits the Authority to own or lease the land on which the facility is located and lease a facility for its operation and maintenance. (Sec. 2)
7. Outlines requirements of the Executive Director, including recommending and analyzing facility specifications and contractors and negotiating agreements or contracts relating to facilities, subject to Board approval. (Sec. 2)
8. Requires the Executive Director to negotiate agreements with jurisdictional sponsors concerning any provided land or infrastructure and requires the agreements to:
   1. Indemnify and hold the Authority harmless from any liability resulting from provided access ways in which liability resulting from negligent or intentional acts or omissions by the sponsor; and
   2. Require jurisdictional sponsors to maintain insurance or adequate self-insurance for any liability, with a waiver or sovereign immunity. (Sec. 2)
9. Permits jurisdictional sponsors to provide land associated with a facility on appropriate terms and conditions. (Sec. 2)
10. Requires the Board to be responsible for ensuring appropriate maintenance and operation of each facility. (Sec. 2)
11. Requires the Authority to perform either of the following actions in order to ensure any lessee, user or jurisdictional sponsor has the financial capability to perform its obligations:
    1. Cause a review of their financial books and records by an independent certified public accountant, which must prepare a report for the Authority; or
    2. Provide another method of assuring payment in an amount equal to their estimated obligations, including deposits in a construction trust-account, posting of a bond, providing a letter of credit or other similar financial assurance. (Sec. 2)
12. Requires the Authority to prepare a monthly progress report, which must be transmitted to the Governor, Legislature and Joint Legislative Budget Committee. (Sec. 2)

***Organization & Structure of the Authority***

1. Specifies that the Authority is governed by a 9-member Board, consisting of Executive and Legislative appointees. (Sec. 2)
2. Requires the Governor and Legislature to make appointments to the Authority within 10 days of the effective date and in order to produce a general geographically diverse representation of areas in the Authority. (Sec. 2, 4)
3. Specifies that Board members serve five-year terms and may be reappointed for one subsequent full term. (Sec. 2)
4. Specifies that the Board is a public body and must comply with all open meeting laws and public record requirements. (Sec. 2)
5. States that Board members are eligible to receive daily compensation of up to $30 per day. (Sec. 2)
6. Specifies that the Executive Director is responsible for managing, administering and supervising the activities of the Authority. (Sec. 2)
7. Classifies employees of the Authority as public employees subject to statutory requirements and benefits. (Sec. 2)
8. Specifies that directors, officers and employees of the Authority are subject to statutory conflict of interest and recusal requirements.
   1. Classifies a violation of conflict of interest or recusal requirements as a class 1 misdemeanor ([6 months/2,500 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)). (Sec. 2)

***Authority Powers & Duties***

1. Outlines administrative, structural, recordkeeping and legal powers of the Board. (Sec. 2)
2. Prohibits the Board from using public monies to pay or contract with an individual for lobbying services. (Sec. 2)
3. Requires the Executive Director to:
   1. Negotiate, make, execute, acknowledge and perform contracts and other agreements in the interest of the Authority or to carry out its purposes, including construction contracts and agreements with users of facilities;
      1. Requires the acts to be subject to Board approval.
   2. Employ a treasurer and administrative and clerical employees and prescribe the terms and conditions of their employment;
   3. Recommend the employment of consultants by the Board, including outside counsel and a professional facility management company; and
   4. Direct the activities of outside consultants. (Sec. 2)
4. Requires the Authority treasurer or fiscal agent to administer and account for all Authority monies and accounts and cancel all bonds upon payment. (Sec. 2)
5. Prohibits a principal or lobbyist from giving a gift to a Board member or employee and prohibits the Board member or employee from accepting a gift from a principal or lobbyist. (Sec. 2)
6. Outlines exemptions from the gift prohibition for Board members and employees. (Sec. 2)
7. Requires the following information to be included in any agreement between the Authority and an Indian tribe:
   1. A waiver of sovereign immunity to allow enforcement by the Authority of the agreements;
   2. A consent to the jurisdiction of state and federal courts by the Indian tribe;
   3. A waiver of the right to require the Authority to exhaust Tribal remedies before bringing a court action; and
   4. An acknowledgement that state and federal law will govern the interpretation of any agreement. (Sec. 2)
8. Permits the Board to regulate the sale, use and consumption of alcoholic beverages at locations on acquired, leased or subleased property. (Sec. 2)
9. Requires the Authority to:
   1. Establish disadvantages enterprise participation goals for the design, engineering and construction of facilities based on the availability of disadvantaged business enterprises.
   2. Establish procedures and reporting, compliance and contract requirements for these goals. (Sec. 2)
   3. Impose sanctions if the Authority determines that a good faith effort was not made to comply with procedures; and
   4. Provide that any contract for a facility require contractors to provide health insurance to their employees and dependents of their employees, except for those that work less than 120 hours per year. (Sec. 2)

***Authority Finances***

1. Requires the Board to adopt an annual budget, which must include certain information. (Sec. 2)
2. Requires the Authority to maintain a general fund, divided into a Construction Account, Facility Revenue Clearing Account and Operating Account and any other necessary accounts. (Sec. 2)
3. Requires the Construction Account to consist of the following funding sources and be used to pay for the costs of any facility:
   1. Monies received by the Authority from any source for the purpose of acquiring land or funding the cost of constructing a facility, including financial participation for capital costs of the Facility from a private or public source; and
   2. Proceeds of bonds issued by the Authority, which must be held in segregated bond-proceeds subaccounts. (Sec. 2)
4. Requires the Facility Revenue Clearing Account to consist of:
   1. Revenues received from dedicated public funding sources;
   2. Payments from leasing, subleasing or renting property under its control;
   3. Revenues from concessions and other proceeds from concession facilities that are located within a facility owned or leased by the authority;
   4. Gifts, grants and donations received for operating purposes;
   5. Proceeds from the sale of any Authority property; and
   6. Financial participation for operating costs received from the county or municipality in which a facility is located. (Sec. 2)
5. Requires the Authority treasurer to distribute all Facility Revenue Clearing Account monies, on the second Tuesday of each month, in the following order of priority:
   1. 1/12 of the annual debt service on bonds and other debt obligations of the to the Debt Service Account, net of deposits made into the Debt Service Account from the Operating Account for payment or early redemption of bonded indebtedness; and
   2. To the Operating Account. (Sec. 2)
6. Requires the Operating Account to consist of monies transmitted from the Construction Account and Facility Revenue Clearing Account and be used for costs incurred in:
   1. Operating, marketing, promoting, furnishing and equipping a facility;
   2. Paying all costs associated with administrative duties; and
   3. Payment to the Debt Service Account to be used for payment or early redemption of bonded indebtedness. (Sec. 2)
7. Requires the Authority to establish the following reserves in the Operating Account:
   1. A reserve to meet future operating costs of the Authority, including sufficient amounts to pay all costs associated with events held in facilities; and
   2. A reserve for repair, replacement and removal costs associated with facilities equal to at least $25,000,000, adjusted for inflation each year after 2019. (Sec. 2)
8. Requires the Board to establish the following accounts if a bond is issued:
   1. A Bond Proceeds Subaccount, consisting of monies received from the sale of bonds and used solely for facility purposes; and
   2. A Debt Service Account consisting of solely of monies dedicated for repayment of the bonds and the payment of costs related to redeeming the bonds. (Sec. 2)
9. Requires the Board to use any remaining bond proceeds after payment of facility costs for repayment of any other outstanding indebtedness of the Authority or to the Operating Account. (Sec. 2)
10. Requires any excess balance in the Debt Service Account after bond and related expenses have been paid to be credited to the Authority's Operating Account. (Sec. 2)
11. Permits the Board to authorize the treasurer or fiscal agent of the Authority to invest monies in the Bond Proceeds subaccount or Debt Service Account. (Sec. 2)
    1. Requires any order directing investment to state a date on which the proceeds from bond sales will be needed for use and requires the treasurer or fiscal agent to ensure investments mature before that date. (Sec. 2)
12. Permits monies in the Bond Proceeds Subaccount or the Debt Service Account to be invested in specified securities and requires the treasurer or fiscal agent to make the purchase of securities on Authority of a resolution by the Board. (Sec. 2)
13. Permits the Board to amend the budget on a finding of good cause. (Sec. 2)
14. Exempts the property acquired or constructed by the Authority, the activities of the Authority in maintaining and caring for the property and monies derived by the Authority for operating the property from state and local income and property taxation. (Sec. 2)
15. Permits the Authority to invest any unexpended monies in its general fund. (Sec. 2)
16. Requires the Authority's investments to mature when the fund assets will be required for statutory purposes. (Sec. 2)
17. Stipulates that if liquid assets in its general fund or any account become insufficient to meet obligations, the Board must direct the treasurer to liquidate sufficient securities to meet all the current obligations and immediately notify the OAG of the insufficiency. (Sec. 2)
18. Specifies that the State is not responsible for the operating costs of the Authority, including the operating, marketing, promotion, furnishing, equipping, repair and replacement costs of any facility or project. (Sec. 2)

***Authority Bonding***

1. Permits the Authority to issue negotiable bonds by resolution in a principal amount that the Board determines is necessary to:
   1. Provide sufficient money for facility purposes;
   2. Pay necessary bond-related expenses;
   3. Establish and fully or partially fund any reserves or sinking accounts established by the bond resolution;
   4. Issue refunding bonds, if the Board considered refunding to be expedient.
      1. Permits the Board to provide for investigating and holding the proceeds of refunding bonds in trust for the benefit of holders of the bonds being refunded.
   5. Refund any bonds issued by the Authority, if the bonds are secured from the same source of revenues as other Authority bonds by issuing new bonds, whether or not the bonds to be refunded have matured; and
   6. Issue bonds partly to refund outstanding bonds and partly for facility purposes. (Sec. 2)
2. Outlines information that must be included in the Board resolution relating to the bond. (Sec. 2)
3. Permits bonds to be sold by competitive bid or negotiated sale for public or private offerings at the price and in terms specified in the resolution. (Sec. 2)
4. Specifies that statutory requirements for federal income tax considerations by a political subdivision for bonds applies to any bonds issued by the Board. (Sec. 2)
5. Permits the Board, by resolution, to regulate any authorized bonds, including pledging and providing for payment of bonds and related expenses, assigning and segregating funds into corresponding accounts and prescribe necessary procedures and requirements relating to payment and security. (Sec. 2)
6. Specifies that monies pledged to holder of bonds and received by the Authority are immediately subject to the lien of the pledge and that any lien of any pledge is valid and binding against all parties that have claims against the authority, regardless of whether the parties have notice of the lien. (Sec. 2)
7. Permits the Board to purchase bonds for cancelation at a price below:
   1. The applicable redemption price plus accrued interest to the next payment if the bonds are redeemable; or
   2. The applicable redemption price on the first date after purchase on which the bonds become subject to redemption, plus any accrued interest.
8. Exempts Board members and any person executing a bond from liability for the payment of bonds. (Sec. 2)
9. Permits the Board to place restrictions on reinvestment yield on bond proceeds or on any monies pledged to pay the bonds, if necessary to comply with Federal laws. (Sec. 2)
10. Requires bond proceeds to be deposited in a federally insured financial institution that has been approved by the Board. (Sec. 2)
11. Specifies that Authority-issued bonds are fully negotiable, subject only to any provisions for registration, regardless of whether the bonds actually constitute negotiable instruments in the Uniform Commercial Code. (Sec. 2)
12. Exempts bonds, bond transfers and income from bonds from taxation in the state. (Sec. 2)
13. Outlines that bonds issued by the Authority are:
    1. Obligations of the Authority and not general, special or other obligations of the state;
    2. Payable according to their terms;
    3. Not considered a debt of the state;
    4. Not enforceable against the state or payable from any monies other than those pledged and assigned to the holders of the bond;
    5. Securities in which public bodies, corporations and others may invest; and
    6. Securities that may be deposited with state or municipal officers and bodies for purposes that require the deposit of government bonds or obligations. (Sec. 2)
14. Specifies that Authority bonds remain valid and binding obligations of the Authority regardless of whether signing Authority officers of the bonds cease to work for the Authority. (Sec. 2)
15. Asserts that any amendment to Authority bonding statutes does not diminish or impair the bonds validity. (Sec. 2)
16. Asserts that the state pledges to bond holders that the state will not limit, alter or impair the vested rights of the Authority to receive necessary monies to fulfill the terms of any agreements made with bondholders or impair their rights and remedies until all bond obligations are fully met. (Sec. 2)
17. Specifies that no other law of the state regarding authorizing or issuing obligations in any way impedes or restricts performing acts required by the Authority. (Sec. 2)
18. Asserts that the validity of bonds issued by the Authority does not depend on the legality of any proceeding relating to the acquisition, construction, improvement, operation or maintenance of a facility for which the bonds are issued. (Sec. 2)
19. Permits the Board to submit finalized bonds to the Attorney General for certification of the validity of the bond and regularity of the proceedings. (Sec. 2)
20. Specifies that bonds certified by the Attorney General and including a recital that the bond is regularly issued pursuant to statute constitutes evidence of the legality of validity of the bonds.
    1. Asserts that bonds containing these items are incontestable by the state or Authority. (Sec. 2)

***Miscellaneous***

1. Requires the OAG to:
   1. Conduct performance audits of the Authority beginning in 2020 and every fifth year thereafter;
   2. Issue a public report of the audit by November 20th of that year, which must include findings and recommendations for changes to improve the Authority's operation; and
   3. Submit copies of the report to the Governor, Legislature and Secretary of State. (Sec. 2)
2. Requires the OAG to investigate and audit the circumstances surrounding any depletion of the Authority's general fund or accounts and report findings to the Board. (Sec. 2)
3. Requires the Board to cause an annual audit to be conducted of each of the Authority's funds, accounts and subaccounts by an independent certified public accountant.
   1. Requires the report to be filed with the OAG. (Sec. 2)
4. Permits the OAG to make any further audits or examinations as necessary and take appropriate action relating to statutory OAG audit or Committee of Reference examination requirements.
   1. Stipulates that if no further action is taken by the OAG within 30 days of filing, the independent audit is considered sufficient. (Sec. 2)
5. Requires the Board to pay negotiated and approved fees and costs of a certified public accountant or OAG for any annual audit from the Operating Account. (Sec. 2)
6. Defines *Authority, board, bond-related expenses, bonds, department, design-build, Indian tribe, jurisdictional sponsor, qualifications-based selection* *transportation and trade facility,* and *transportation and trade facility purposes*. (Sec. 1, 2)
7. Makes technical and conforming changes. (Sec. 1)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2006:** S/E marriage; minimum age | |
| **PRIME SPONSOR:** Representative Ugenti-Rita, LD 23  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69618)   |  | | --- | | JPS: DPA/SE 8-1-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the minimum age for marriage.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits marriage by any person who is under 16 years of age. (Sec 1)
2. Stipulates that a person who is 16 or 17 years of age may marry only if the person's prospective spouse is not more than three years older than the person and either:
   1. The person is emancipated; or
   2. The parent or guardian with custody consents to the marriage. (Sec 1)
3. Prohibits the clerk of the court from issuing a marriage license to a person under 18 years of age who does not meet these requirements. (Sec 1)
4. Makes technical and conforming changes. (Sec 1, 2)

**Current Law**

A.R.S. Title 25, Ch 1 outlines requirements for marriages. [A.R.S. § 25-121](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/25/00121.htm) requires persons who wish to be married to obtain a license from the clerk of the superior court. An oath and affidavit is required, including the person's name, age and address. The license expires one year from issuance.

[A.R.S. § 25-102](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/25/00102.htm) requires parental consent for the marriage of any person under 18 years of age. Additional findings are required by the court if the person is under 16 years of age. The clerk of the court is prohibited from issuing a marriage license unless parental consent is obtained for anyone under 18 ([A.R.S. § 25-122](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/25/00122.htm)).

A.R.S. Title 12, Ch. 15 outlines the process for a minor to be emancipated. A minor must be at least 16 years of age to seek emancipation and must meet specific requirements outlined in statute ([A.R.S. § 12-2451](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02451.htm)). The court determines emancipation based on the best interests of the minor, considering specific factors ([A.R.S. § 12-2453](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02453.htm)). Under [A.R.S. § 12-2454](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/02454.htm), if an emancipation order is issued, it recognizes the minor as an adult in the following situations:

* The right to enter contracts;
* The ability to sue and be sued;
* Right to buy and sell property
* Right to establish a legal residence;
* The obligation to pay child support;
* The right to incur debts;
* The right to access medical treatment and records;
* The right to consent to medical, dental and psychiatric care for the minor and the minor's child;
* Eligibility for social services;
* The right to obtain licenses;
* Right to apply for school or college enrollment; and
* Ability to apply for loans.

An emancipation order terminates the parent's:

* Right to the minor's income;
* Future child support obligations;
* Tort liability for the minor's actions;
* Obligation to financially support the minor; and
* Obligation to provide medical support for the minor.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2118:** public records; denial of access | |
| **PRIME SPONSOR:** Representative Kern, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69817)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to actions involving access to public records.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the court to award attorney fees and legal costs to the party seeking public records, if the party substantially prevails in the action. (Sec 1)
2. Assesses the award for fees and costs against the public body that:
   1. Was responsible for denying access to the public records; or
   2. Directly employs the custodian of the records. (Sec 1)
3. Clarifies that a special action on behalf of a person who is denied access to public records is filed against the officer or public body with custody of the records. (Sec 1)
4. Makes technical and clarifying changes. (Sec 1)

**Current Law**

A.R.S. [Title 39, Ch. 1](https://www.azleg.gov/arsDetail/?title=39) outlines access to public records. Statute requires public records to be open to inspection by any person during office hours. Officers and public bodies (defined in [A.R.S. § 39-121.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/39/00121-01.htm)) are required to maintain records for keeping accurate knowledge of any official activities. The duty is on the public body to protect and preserve records from deterioration, mutilation, loss or destruction (except as authorized).

Any person may request to examine or copy public records. Any person who is wrongfully denied access to public records has a cause of action against the officer or public body for any damages resulting from the denial of access. [A.R.S. § 39-121.02](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/39/00121-02.htm) allows the person to appeal the denial through a special action in the Superior Court. If the person seeking records substantially prevails in an action, the court may award attorney fees and other legal costs. Additionally, the person may be able to seek to recover fees, expenses and double damages under a separate statute providing remedies for unjustified actions ([A.R.S. § 12-349](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00349.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2239:** S/E AZPOST board; membership | |
| **PRIME SPONSOR:** Representative Farnsworth E, LD 12  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70017)   |  | | --- | | JPS: DPA/SE 9-0-0-0 | | **Legend:**  ADOC – Arizona Department of Corrections  ADPS – Arizona Department of Safety  AZPOST – Arizona Peace Officer Standards & Training Board  LEA – Law Enforcement Agency  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to AZPOST membership.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Adds two retired law enforcement officer members to AZPOST, who:
   1. Retired with a rank of patrolman or sergeant in Arizona,
   2. Have extensive knowledge of and experience in:
      1. Representing officers in use of force incidents and discipline, and
      2. Cases and laws relating to officer due process rights. (Sec. 1)
2. Makes technical and conforming changes. (Sec. 1)

**Current Law**

[A.R.S. § 41-1821](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01821.htm) establishes AZPOST and lists the 13 membership positions appointed by the Governor:

1. Two sheriffs (one from a county of 200,000 or more persons and the other from a county of less than 200,000 persons),
2. Two chiefs of city police (one from a city of 60,000 or more persons and the other from a city of less than 60,000 persons),
3. A college faculty member in public administration,
4. The Attorney General,
5. The Director of ADPS,
6. The Director of ADOC,
7. An employee in county administration or municipal correctional facilities,
8. Two certified officers with patrolman or sergeant rank, and
9. Two public members.

Each member must be from a different lea. The term of each regular member is three years.

[A.R.S. § 41-1822](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01822.htm) outlines the duties of AZPOST with respect to:

1. Peace officer training and certifications,
2. ADOC correctional officers, and
3. Peace officer misconduct.

AZPOST may:

1. Deny, suspend, revoke or cancel the certification of an officer not in compliance with the qualifications.
2. Provide training and services to assist state, tribal and local LEAs.
3. Enter into contracts to carry out its powers and duties.

**Additional Info**

More information on AZPOST is available [here](https://post.az.gov/).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2259:** juvenile court facilities; shelters; use | |
| **PRIME SPONSOR:** Representative Carter, LD 15  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70022)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the use of juvenile court facilities.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Allows juvenile court staff to provide services within juvenile court facilities on authorization from the presiding judge of the superior court, if facilities are available. (Sec. 1)
2. Makes a conforming change. (Sec. 1)

**Current Law**

[A.R.S. § 8-209](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/8/00209.htm) states if appropriate facilities are available to the juvenile court, the presiding judge of the superior court may enter into an agreement for the use of those facilities by a provider of juvenile shelter or treatment services.

[A.R.S. § 8-248](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/8/00248.htm) defines *private service provider* as any individual or entity that receives federal, state, or local government funding or reimbursement for providing services directly to a child who is adjudicated a ward of the court.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2283:** S/E sexual offenses; definition; defenses | |
| **PRIME SPONSOR:** Representative Kern, LD 20  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70045)   |  | | --- | | JPS: DPA/SE 8-1-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the definition of sexual contact.

**Provisions**

1. Excludes from the definition of *sexual contact* any direct/indirect touching, fondling or manipulating that a reasonable person would recognize as normal caretaking interactions or responsibilities with a minor or a vulnerable adult. (Sec 1)
2. Strikes the defense for sexual abuse or molestation if the defendant was not motivated by sexual interest. (Sec 2)
3. Makes a conforming change. (Sec 3)

**Current Law**

[A.R.S. § 13-1404](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/13/01404.htm) states that a person commits *sexual abuse* by intentionally or knowingly engaging in [sexual contact](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/13/01401.htm) with a person:

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

* Over 15 years old without consent, or
* Under 15 years old, if the contact is limited to the female breast.

Sexual abuse is a Class 5 felony (1 ½ years, up to $150,000 plus surcharges) if the victim is 15 years or older; it is a Class 3 felony with a sentencing enhancement if the victim is under 15 years of age.

[A.R.S. § 13-1410](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/13/01410.htm), *molestation of a child,* includes sexual contact with a person under 15 years old that does not involve the female breast. Molestation is a Class 2 felony with the same sentencing enhancement ([dangerous crimes against children](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/13/00705.htm)). [A.R.S. § 13-1407(E)](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/13/01407.htm) contains a defense to both sexual abuse and molestation if the defendant was not motivated by sexual interest. The defense must be raised by the defendant and proven by preponderance.

**Additional Information**

In September 2016, the Arizona Supreme Court issued an opinion in *State v Holle*. Jerry Charles Holle was convicted of both child molestation and sexual abuse of a minor under 15. Before trial, he sought to instruct the jury that the state was required to prove sexual motivation for the offenses charged beyond a reasonable doubt. The trial court disagreed. On appeal, the Court of Appeals, Div I determined that the trial court erred in its jury instruction that Holle prove his conduct was not motivated by sexual interest. The sentence was not overturned, but on appeal, the Arizona Supreme Court overturned the appeals court ruling, stating:

"Under A.R.S. § 13-1407(E), “[i]t is a defense to a prosecution” for sexual abuse or child molestation “that the defendant was not motivated by a sexual interest. We hold that lack of such motivation is an affirmative defense that a defendant must prove, and thus the state need not prove as an element of those crimes that a defendant’s conduct was motivated by a sexual interest."

*State v Holle* was a split decision of the Court; two Justices filed a dissenting opinion. Both the opinion and dissent are available [here](http://www.azcourts.gov/Portals/0/OpinionFiles/Supreme/2016/CR150348PRHOLLE.pdf).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2312:** setting aside conviction; requirements | |
| **PRIME SPONSOR:** Representative Farnsworth E, LD 12  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70092)   |  | | --- | | JPS: DPA 9-0-0-0 | | **Legend:**  ADC-Arizona Department of Corrections  ADOT-Arizona Department of Transportation  LEA-law enforcement agency  ADPS-Arizona Department of Public Safety  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to setting aside criminal convictions.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Permits an application to be made to the court in general, instead of the specific judge who imposed the original sentence or term of probation (or the judge's successor). (Sec 1)
2. Requires a convicted person to be informed of the option to have a conviction set aside at the time of sentencing, instead of at discharge. (Sec 1)
3. Prohibits a person from applying for a set aside until ~~two~~ seven years after the person's absolute discharge from ADC, if the person was sentenced to ADC. (Sec 1)(*JPS*)
4. Prohibits the clerk from charging a filing fee for a set aside application. (Sec 1)
5. Outlines the factors that the court must consider in determining whether to set aside a conviction:
   1. Nature/circumstances of the offense;
   2. Compliance with probation, the sentence imposed and ADC rules/regulations;
   3. Prior or subsequent convictions;
   4. Victim input and the status of any restitution;
   5. Length of time since the completion of the sentence;
   6. Any other relevant factor. (Sec 1)
6. Permits the use of a set aside conviction in the following situations:
   1. As a conviction if the conviction would be admissible had it not been set aside;
   2. As an alleged element of an offense;
   3. As a prior conviction;
   4. In any subsequent prosecution for any offense;
   5. By ADOT in enforcing specific statutes. (Sec 1)
7. Requires the court clerk to notify ADPS if a conviction is set aside. (Sec 1)
8. Requires ADPS to update the person's criminal history with an annotation about the set aside. DPS is not allowed to redact or remove any part of the record. (Sec 1)
9. Provides that an LEA is not required to redact or remove a record or information from the record of a person whose conviction is set aside. (Sec 1)
10. States that a set aside does not affect the requirement to obtain a Fingerprint Clearance Card, if required by statute. (Sec 1)
11. ~~Requires the court clerk to restrict public access to specific information for a person whose conviction has been set aside.~~ *(JPS)*
    1. ~~Does not apply to an LEA, prosecuting agency, probation department or the defendant or if there is a court order.~~
    2. ~~Does not require the clerk to remove identifying information from any exhibits. (Sec 1)~~
12. requires the court to state its reason for denying an application in writing and on the record. *(jps)*
13. grants a victim the right to be present and heard at any proceeding arising from an application to set aside a conviction. notice of the application must be provided to the victim, along with a notice of rights. *(jps)*
14. Expands the list of disqualifying offenses for set aside to include:
    1. A serious offense ([A.R.S. § 13-706](https://www.azleg.gov/ars/13/00706.htm));
    2. A violent aggravated felony ([A.R.S. § 13-706](https://www.azleg.gov/ars/13/00706.htm));
    3. An offense listed in the Organized Crime, Fraud and Terrorism Chapter ([Title 13, Ch. 23](https://www.azleg.gov/arsDetail/?title=13))
    4. An offense listed in the Sexual Exploitation of Children Chapter ([Title 13, Ch. 35.1](https://www.azleg.gov/arsDetail/?title=13)) (Sec 1)
15. Strikes two existing disqualifying offenses:
    1. ~~Any offense where the victim is a minor under 15 years of age; and~~ *(JPS)*
    2. Reckless driving. (Sec 1)
16. Contains a delayed effective date of January 1, 2019. (Sec 2)
17. Makes technical, clarifying and conforming changes. (Sec 1)

**Current Law**

[A.R.S. § 13-907](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/00907.htm) grants every person convicted of specific criminal offenses the opportunity to apply to a judge to have the person's conviction set aside, if the person has fulfilled conditions of probation or the person's sentence. The person must be informed of this option at the time of discharge and the person, his or her attorney or probation officer can apply for the set aside. If the set aside is granted, by statute the person is released from all penalties and disabilities resulting from the conviction, except those specifically outlined in statute. Additionally, a person's right to possess a firearm is restored, unless the person was convicted of a serious defense (defined in [A.R.S. § 13-706](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/00706.htm)). The statute outlines several offenses that disqualify a person from seeking a set aside, including any offense:

* Involving a dangerous offense
* That requires a person to register as a sex offender;
* Where there was a finding of sexual motivation;
* Where the victim was a minor under 15 years of age;
* Related to specific moving vehicle violations.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2313:** sentencing; monetary obligations; fine mitigation | |
| **PRIME SPONSOR:** Representative Farnsworth E, LD 12  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70093)   |  | | --- | | JPS: DPA 9-0-0-0 | | **Legend:**  CJEF-Criminal Justice Enhancement Fund  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to monetary obligations imposed by the court.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***Monetary Obligations***

1. Expands the option for sentencing a defendant to community restitution in lieu of payment of a fine, fee, assessment or incarceration cost as follows:
   1. Applies to all convictions, not just those in municipal or justice courts;
   2. Includes all *monetary obligations*; (defined as fines, civil penalties, surcharges, assessments, fees or incarceration costs)
   3. Does not apply to the:
      1. family offenses assessment (jps)
      2. dangerous crimes against children and sexual assault assessment (jps)
      3. victims' rights enforcement assessment (jps)
      4. victims' rights fund assessment (jps)
      5. Clean Elections Surcharge ([A.R.S. § 16-954](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/16/00954.htm)). (Sec 8)
2. Allows a judge to mitigate a fine if a defendant demonstrates hardship on the defendant or the defendant's family. (Sec 9)
   1. exempts mandatory fines (jps)
3. Outlines specific criteria for the court to consider in determining whether to mitigate the fine:
   1. Impact on defendant's ability to pay restitution;
   2. Financial hardship on the defendant or defendant's immediate family;
   3. Whether the defendant receives benefits from specific public programs; or
   4. Whether the defendant is:
      1. Seeking, obtaining or maintaining employment (if legally permitted); or
      2. Attending school. (Sec 9)
4. Allows a judge to waive or mitigate community restitution due to the defendant's medical condition. Does not apply if the community restitution was ordered in lieu of a monetary obligation. (Sec 9)
5. Allows the court to revoke probation or the Board of Executive Clemency to revoke parole or community supervision, if it finds that a defendant has:
   1. Wilfully failed to pay a monetary obligation; or
   2. Intentionally refused to make a good faith effort to get money to pay the obligation. (Sec 10 & 12)
6. Requires a probationer to be in compliance with all nonmonetary obligations to be eligible for probation earned time credit. (Sec 11)
7. Adds the failure of a defendant to pay assessments or surcharges to the statute that outlines consequences for failure to pay fines, fees or incarceration costs. (Sec 6)
8. Expands the scope of a criminal garnishment writ to include surcharge and assessment amounts. (Sec 7)
9. Allows the court to mitigate, instead of waive, all or part of the $20 probation assessment ([A.R.S. § 12-114.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00114-01.htm)) (Sec 1)
10. Strikes current authorization for the waiver of civil penalties, fines, forfeitures and surcharges, except for mandatory penalties and fines.
    1. Deletes the prohibition on waiving mandatory penalties and fines.
    2. Deletes proportional allocation of the total amount if a portion of the penalty or surcharge is waived. (Sec 2 & 3)
11. Establishes an interest rate of 4% per year on criminal restitution orders enforced by the state. (Sec 5)

***Victims' Rights Funding***

1. Establishes a penalty assessment of $9 on every fine, penalty and forfeiture for criminal offenses, traffic violations or violations of Game and Fish statutes. Deposits the monies as follows:
   1. 62.4% in the Victims' Rights Fund;
   2. 37.6% in the Victim Compensation and Assistance Fund. (Sec 4)
2. Reduces the current CJEF surcharge from 47% to 42% of every fine, penalty, forfeiture and civil penalty. (Sec 2)
3. Deletes the current CJEF distribution to the Victims' Rights Fund and the Victim Compensation and Assistance Fund. Reallocates these monies to the remaining CJEF recipients. (Sec 15)
4. Makes conforming changes. (Sec 13-16).

***Miscellaneous***

1. Contains a delayed effective date of January 1, 2019. (Sec 18)
2. Makes technical changes. (Sec 1, 2, 3, 5 & 6).

**Current Law**

[A.R.S. § 13-801](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/00801.htm) imposes fines on felony offenses; [A.R.S. § 13-802](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/00802.htm) imposes fines for misdemeanor offenses. If a defendant is sentenced to pay a fine, payment and enforcement of restitution take priority over payments to the state. ([A.R.S. § 13-809](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/00809.htm)).

Surcharges are imposed through various statutes on any:

* Criminal fine, penalty or forfeiture;
* Civil penalty for traffic violations; or
* Violation of the Game and Fish Statutes.

Surcharges equal 83% of the base fine and are added to the total amount due. Additionally, flat assessments may be attached to specific offenses.

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| **Surcharge / Assessment** | **Statutory Citation** | **% Base Fine** | **Flat Amount** | **Purpose** | **Statutory Citation for Fund** |
| CJEF | [A.R.S. § 12-116.01(A)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-01.htm) | 47% |  | Various Criminal Justice Purposes | [A.R.S. § 41-2401](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/02401.htm) |
| State Aid | [A.R.S. § 12-116.01(B)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-01.htm) | 7% |  | County Attorney Fund; Public Defender Fund; Courts Fund | [A.R.S. § 41-2421(J)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/02421.htm) |
| ADPS Forensics Fund | [A.R.S. § 12-116.01(C](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-01.htm)) | 6% |  | Forensics equipment, education, operations | [A.R.S. § 41-1730](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01730.htm) |
| Medical Services Enhancement Fund | [A.R.S. § 12-116.02(A)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-02.htm) | 13% |  | Substance abuse, spinal injuries, emergency medical services, general fund | [A.R.S. § 36-2219.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/02219-01.htm) |
| Public Safety Equipment Fund | [A.R.S. § 12-116.04(C)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-04.htm) |  | $4 | ADPS vehicles, public safety equipment | [A.R.S. § 41-1723](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01723.htm) |
| GIITEM Subaccount | [A.R.S. § 12-116.04(C)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-04.htm) |  | $4 | County sheriffs | [A.R.S. § 41-1724](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01724.htm) |
| Local Officer Equipment | [A.R.S. § 12-116.04(D)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-04.htm) |  | $4 | Local officer safety equipment |  |
| Justice Court Assessment | [A.R.S. § 12-116.04(E](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-04.htm)) |  | $1 | JP courts to improve collections and automation |  |
| Clean Elections Fund | [A.R.S. § 16-954](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/16/00954.htm) | 10% |  | Clean Elections funding |  |
| Probation Assessment | [A.R.S. § 12-114.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00114-01.htm) |  | $20 | Probation officer salaries |  |
| Victims' Rights Enforcement | [A.R.S. § 12-116.09](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-09.htm) |  | $2 | Victim services | [A.R.S. § 41-1727](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01727.htm) |
| \*Assessment for family offenses | [A.R.S. § 12-116.06](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-06.htm) |  | $50 | Domestic Violence Services Fund | [A.R.S. § 36-3002](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/03002.htm) |
| \*Assessment for dangerous crimes against children | [A.R.S. § 12-116.07](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-07.htm) |  | $500 | Forensic or medical investigations for victims | [A.R.S. § 13-1414](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/01414.htm) |
| \*Address confidentiality assessment | [A.R.S. § 12-116.05](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-05.htm) |  | $50 | Address Confidentiality Program Fund | [A.R.S. § 41-169](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/00169.htm) |

\*Assessed for specific offenses, does not include driving/operating under the influence assessments or diversion assessments.

A.R.S. §§ [12-116.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-01.htm) and [12-116.02](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00116-02.htm) allow a judge to waive all or part of the civil penalty, fine, forfeiture and surcharge, except for civil penalties and fines that are mandatory. If the fine is mandatory, all or part of the surcharge may be waived.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2327:** supreme court; annual report; fees | |
| **PRIME SPONSOR:** Representative Farnsworth E, LD 12  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70102)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to Supreme Court reporting requirements.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires the Supreme Court to submit a report of the amount of fees collected by each court to the Governor and the Legislature by January 8th of each year. (Sec. 1)
2. Includes the revenue and each courts' collection rate in the report. (Sec. 1)
3. Allows the report to be electronically submitted. (Sec. 1)

**Current Law**

Information on various fees charged by Arizona courts are available as follows:

* Supreme Court: [A.R.S. § 12-199.01](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00119-01.htm)
* Court of Appeals: [A.R.S. § 12-120.31](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00120-31.htm)
* Superior Courts: [A.R.S. § 12-284](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/12/00284.htm)
* Justice of the Peace Courts: [A.R.S. § 22-281](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/22/00281.htm) & [A.R.S. § 22-522](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/22/00522.htm)
* Municipal Courts: [A.R.S. § 22-404](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/22/00404.htm)
* Juvenile Courts: [A.R.S. § 8-241](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/8/00241.htm)

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2328:** concealed weapons permit; electronic reports | |
| **PRIME SPONSOR:** Representative Farnsworth E, LD 12  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70103)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  ADPS – Arizona Department of Public Safety  CCW – concealed carry weapons  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to CCW permit reports.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires ADPS to submit its annual CCW permit report electronically. (Sec. 1)
2. Expands the report to include any changes made in the previous year to a written agreement with another state. (Sec. 1)

**Current Law**

[A.R.S. § 13-3112](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/03112.htm) outlines the process for obtaining a CCW permit and the criteria that an applicant must meet. Permits are issued by ADPS and a person must carry it at all times while carrying a weapon. A person who fails to have the CCW permit while carrying is subject to a civil penalty of up to $300. By law, ADPS must issue a CCW permit to applicants who meet specific requirements outlined in statute.

A person must demonstrate the level of competence with a firearm as outlined in law and provide proof of having completed a training program (or have demonstrated competence in any state or political subdivision in the United States). This statute also requires ADPS to maintain a record of the number of CCW permits requested, issued and denied, and to report this information to the Governor and Legislature annually.

**Additional Information**

ADPS is required to recognize CCW permits issued by another state if the permit meets certain criteria (reciprocity). Additional information on reciprocity can be found on the [ADPS website](https://www.azdps.gov/).

According to ADPS, there are currently 327,549 valid Arizona CCW permits. More information on the CCW program can be found [here](https://www.azdps.gov/services/public/cwp?qt-cwp_menu_=11#qt-cwp_menu_).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2356:** juvenile court; jurisdiction; age | |
| **PRIME SPONSOR:** Representative Bowers, LD 25  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70154)   |  | | --- | | JPS: DPA 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to juvenile court jurisdiction.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Allows the juvenile court to retain jurisdiction over a juvenile who is at least 17 years old and who has been adjudicated delinquent, until the person reaches ~~21~~ 19 years old. (Sec 1)(*JPS*)
2. requires the court to order continued probation and treatment services until the juvenile adjudicated delinquent reaches ~~21~~ 19 years old. (Sec 3)
3. Permits the court to terminate probation or treatment services after the person reaches 18 years old if:
   1. probation or treatment is not required or in the best interest of the juvenile or the state; or
   2. The juvenile commits a ~~new~~ criminal offense after turning 18 years old. (Sec 3)
4. ~~Prohibits detaining a juvenile adjudicated delinquent who is over 18 years old in a juvenile detention center. Permits detention in an adult facility for a period up to one year as a condition of probation. (Sec 2)~~*(JPS)*
5. defines *juvenile*. (*jps*)
6. Makes technical and conforming changes. (Sec 2-5)

**Current Law**

A.R.S. § 8-202 states that the jurisdiction of the juvenile court is retained until a child becomes 18 years old.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2454:** sexual assault; rental agreement termination | |
| **PRIME SPONSOR:** Representative Hernandez, LD 2  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70381)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the termination of rental agreements.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Expands the current lease termination option for victims of domestic violence to include a person who is a victim of sexual assault.
   1. The assault must have occurred in the dwelling, within the 30-day period immediately preceding a written notice of termination.
   2. The landlord may not withhold the security deposit.
   3. The tenant may require the landlord to install a new lock.
   4. If the tenant is convicted of falsely filing a departmental report or order of protection, he or she is liable to the landlord for treble damages for premature termination of the lease.
   5. A person named in an order of protection or a departmental report for early lease termination may be civilly liable for all economic losses incurred by a landlord.
   6. Multiple tenants may be released from any financial obligations that are due.
   7. This does not limit a landlord's right to terminate a lease against the victim for actions unrelated to sexual assault. (Sec. 1)
2. Makes technical and conforming changes. (Sec. 1)

**Current Law**

[A.R.S. § 33-1318](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/33/01318.htm) outlines early tenant termination for domestic violence. The tenant's rights and obligations are terminated under the rental agreement. The tenant must vacate the dwelling to avoid liability for future rent and will not incur early termination penalties or fees, if the tenant provides the landlord with a written notice requesting release from the rental agreement with a mutually agreed on release date and either:

* A copy of any protective order, or
* A copy of a written law enforcement report.

The circumstances that resulted in the tenant being a victim of domestic violence must have occurred within the 30-day period immediately preceding the written notice of termination.

The person named in an order of protection or a departmental report may be civilly liable for all economic losses incurred by a landlord for the domestic violence early lease termination.

A landlord has the right to terminate a lease against a victim for actions unrelated to the act of domestic violence ([A.R.S. § 33-1368](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/33/01368.htm)).

[A.R.S. § 13-3601](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/03601.htm) defines *domestic violence*; [A.R.S. § 13-1406](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/01406.htm) defines *sexual assault*.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2471:** electronic wills and trusts. | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70520)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  Testator – Person who creates a will  Settlor – Person who creates a trust  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to electronic wills and trusts.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***Electronic Wills (Sec. 3)***

1. Allows a person who is 18 years or older and of sound mind to make an electronic will.
2. Requires electronic wills to:
   1. Be created and maintained in an electronic record;
   2. Contain the date, the testator's electronic signature; and
      1. An authentication characteristic of the testator; or
      2. Be notarized by an electronic notary in the presence of the testator.
3. States that self-proved electronic wills must additionally meet the following requirements:
   1. Comply with statutory witness requirements for self-proved wills;
   2. Incorporate the affidavits of attesting witnesses;
   3. Designate a qualified custodian to maintain custody; and
   4. Be under the custody of the qualified custodian at all time before being offered for probate or reduced to a certified paper copy.
4. Requires any question raised about the force, effect, validity and interpretation of an electronic will to be determined in the same manner as a holographic will.
5. Specifies that electronic will requirements do not apply to a trust except those contained in an electronic will.

***Qualified Custodians (Sec. 3)***

1. Prohibits a qualified custodian of an electronic will from being an heir of the testator, a beneficiary or devisee.
2. Requires a qualified custodian of an electronic will to:
   1. Consistently employ and store electronic records of electronic wills in a system that protects from destruction, alteration or unauthorized access and detects any changes.
   2. Store in the electronic record of an electronic will each of the following:
      1. A photograph or visual record of the testator and the attesting witness taken at the time of the electronic will's execution;
      2. Photocopies of any documentation taken at the time of the electronic will's execution and that provide evidence of the identities of the testator and attesting witness; and
      3. An audiovisual recording of the testator, attesting witnesses and notary public, as applicable, taken at the time signatures were placed on the electronic will.
   3. Provide any requested information pertaining to practices of maintenance, storage and production to any court hearing a matter involving an electronic will.
3. Requires a person to execute a written statement agreeing to serve as the qualified custodian.
4. Prohibits a person from ceasing service as a qualified custodian until a successor executes a written statement or the person does either of the following:
   1. Not designating a successor and provide the testator with:
      1. A 30-day written notice that the person will cease service; and
      2. The certified paper original of and all records concerning the electronic will.
   2. Designating a successor and provide:
      1. A 30-day written notice that the person will cease service to the testator and successor; and
      2. The electronic record of the electronic will and an affidavit with specified information to the successor.
5. Allows a person to rely conclusively on any affidavits provided by a predecessor qualified custodian if all affidavits are provided to the successor.
6. States that if a successor is designated by a testator and executes a written statement under prescribed conditions, the current qualified custodian must cease service and provide the successor with:
   1. The electronic record; and
   2. An affidavit with specified information.
7. States that if a qualified custodian is an entity, an affidavit of a duly authorized officer or agent of the entity constitutes the affidavit of the qualified custodian.

***Access and Destruction of Electronic Records (Sec. 3)***

1. Prohibits a qualified custodian from providing access to and information concerning the electronic will or the certified paper original of the electronic will except to:
   1. The testator or a person as directed by the testator's written instructions; or
   2. The nominated personal representative of the testator or any interested person, after the testator's death.
2. Allows a qualified custodian to destroy the electronic record:
   1. 5 years or more after the admission of any will of the testator to probate;
   2. 5 years or more after the revocation of the will;
   3. 5 years or more after ceasing service as the qualified custodian;
   4. 10 years or more after the testator's death; or
   5. 150 years after the execution of the electronic will.
3. Requires a qualified custodian to cancel, render unreadable or obliterate the electronic record under written direction of the testator executed under prescribed conditions.

***Certified Paper Originals (Sec. 3)***

1. Requires, on the creation of a certified paper original of an electronic will, that the qualified custodian who has always maintained custody to state in an affidavit that:
   1. They are eligible to act as a qualified custodian and are the designated custodian of the testator;
   2. An electronic record was created at the time the testator executed the will;
   3. The electronic record has been in the custody of one or more qualified custodians since the execution of the will and has not been altered;
   4. The identity of all qualified custodians who have had custody of the electronic record since the execution of the will;
   5. The certified paper original is a true, correct and complete copy of the will; and
   6. The qualified custodian has custody of all electronic records of the will that are required to be stored.
2. Allows a qualified custodian to rely conclusively on any affidavits provided by a preceding qualified custodian who had always maintained custody of the electronic will.
3. Requires, on the creation of a certified paper original of an electronic will when custody has not been maintained by the qualified custodian, that the person who discovered the will and reduced the will to the certified paper original to each state in an affidavit:
   1. When the will was created, if not indicated in the will;
   2. When, how and by whom the will was discovered;
   3. The identity of each person who has had access to the will;
   4. The method the will was stored and the safeguard in place to prevent alterations;
   5. Whether the will has been altered since its execution; and
   6. That the certified paper original is a true, correct and complete copy of the will.

***Revocation of Wills (Sec. 2)***

1. Applies revocation of will requirements to electronic wills.
2. Specifies an electronic will may be revoked by cancelation, rendering unreadable or obliteration if there is intent by:
   1. The testator or a person in the presence and at the direction of the testator; or
   2. A qualified custodian with custody at the direction of the testator.

***Electronic Trust Instruments (Sec. 7)***

1. Requires an electronic trust instrument to:
   1. Contain the electronic signature of the settlor;
   2. Be written, created and stored in an electronic record; and
   3. Meet the statutory requirements to be a valid trust.
2. States that an electronic trust instrument is deemed to be executed in Arizona if:
   1. The trust is maintained by the settlor or trustee at their place of business or residence in Arizona; or
   2. Transmitted to and maintained by a custodian designated in the trust instrument at their place of business or residence in Arizona.

***Miscellaneous***

1. States that in an informal proceeding for original probate of a will, a certified paper original of an electronic will is considered an original will. (Sec. 4)
2. Allows a video recording or other electronic record to be admissible in court as evidence of:
   1. The proper execution of a will or trust instrument;
   2. The intentions of a testator or settlor;
   3. The mental state or capacity of a testator or settlor;
   4. The authenticity of a will or trust instrument; and
   5. Matters found relevant to the probate of a will or administration of a trust. (Sec. 3, 6)
3. Defines terms. (Sec. 1, 3, 5)
4. Makes technical and conforming changes (Sec. 2, 4, 5)

**Current Law**

[A.R.S. Title 14, Chapter 2, Article 2](https://www.azleg.gov/arsDetail/?title=14) outlines the requirements and procedures for the execution of a will. A person who is 18 years or older and is of sound mind is permitted to make a will. A will must be: 1) in writing; 2) signed by the testator or another individual in the presence of and by the direction of the testator; and 3) signed by at least two people after witnessing the signing of the will or the testator's acknowledgement of the signature or will itself. A will that does not comply with these requirements is considered valid as a holographic will, without witnesses, if the signature and provisions are in the handwriting of the testator. A will may be made self-proved by its acknowledgement by the testator and by notarized affidavits of at least two witnesses. [A.R.S. § 14-2507](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/14/02507.htm) allows a testator to revoke a will in whole or in part: 1) by executing a subsequent will that revokes the previous will or part expressly or by inconsistency; 2) by performing a revocatory act on the will if the testator performs the act with this intent or if another person performs the act in the testator's conscious presence or by direction. A revocatory act includes burning, tearing, canceling, obliterating or destroying the will or any part of it.

[A.R.S. Title 14, Chapter 11](https://www.azleg.gov/arsDetail/?title=14) outlines the requirement and procedures for the execution of a trust. A trust may be created by: 1) transfer of property to another person as trustee during the settlor's lifetime or by will or other disposition taking effect on the settlor's death; 2) declaration by the owner of property that the owner holds identifiable property as trustee; and 3) exercise of a power of appointment in favor of a trustee. A trust is only created if all of the following are true: 1) the settlor has capacity to create a trust; 2) the settlor indicates an intention to create the trust; 3) the trust has a definite beneficiary or is a specific trust as specified by law; 4) the trustee has duties to perform; and 5) the same person is not the sole trustee and sole beneficiary. A trust does not need to be evidenced by a trust instrument, but the creation of an oral trust must be established only by clear and convincing evidence and the terms established by a preponderance of the evidence. If a trust is created by a written instrument, it may be amended or revoked only by written instrument executed by the settlor.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2505:** converted entities; claims | |
| **PRIME SPONSOR:** Representative Cobb, LD 5  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70661)   |  | | --- | | JPS: DP 9-0-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to converted entities.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Limits who can bring a claim for specified dissolutions or receivership against a converted entity to only a governor or interest holder in the converted entity when a conversion become effective. (Sec. 1)

**Current Law**

[A.R.S. Title 29, Chapter 6, Article 4](https://www.azleg.gov/arsDetail/?title=29) outlines the procedures for a domestic entity to become an entity of a different type. The domestic entity may covert by approving a plan of conversion that must be in a record and contain specified information that includes the manner of converting interest, securities, obligations and rights. The plan must then be approved in accordance with the requirements of the entity's governing statutes and organizational documents. Upon a plan's approval, a statement of conversion is required to be submitted to the appropriate filing authority. The conversion is complete upon approval from the appropriate filing authority.

[A.R.S. §-2406](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/29/02406.htm) outlines the impact of a conversion becoming effective. These effects include: 1) the converted entity is organized under and subject to the governing statutes of the converted entity; 2) the converted entity is the same entity without interruption as the converting entity; 3) all obligations of the converting entity continue as obligations of the converted entity; 4) all rights, privileges, immunities, powers and purposes of the converting entity remain in the converted entity, unless provided by another law or the plan of conversion; and 5) the name of the converted entity may be substituted for the name of the converting entity in any pending action or processing.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2522:** traffic violations; penalties | |
| **PRIME SPONSOR:** Representative Syms, LD 28  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70756)   |  | | --- | | JPS: DP 8-1-0-0 | | **Legend:**  ADOT-Arizona Department of Transportation Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to penalties for vehicle violations involving serious physical injury or death.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***Causing Serious Physical Injury or Death by Moving Violation***

1. Allows the court to suspend a person's driving privilege for up to 180 days, instead of up to 90 days, for a:
   1. First violation resulting in serious physical injury; or
   2. A second or subsequent violation within three years, if the violation results in serious physical injury. (Sec 1)
2. Allows the court to suspend a person's driving privilege for up to one year, instead of up to 180 days, for a:
   1. First violation resulting in death; or
   2. A second or subsequent violation within three years, if the violation results in death. (Sec 1)
3. Requires any license suspension to run consecutively. (Sec 1)
4. Requires the court to award restitution and removes the $10,000 cap on restitution. (Sec 1)
5. Increases the penalty from a Class 3 misdemeanor ([up to 30 days, up to $500 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)) to a Class 1 misdemeanor ([up to 6 months, up to $2,500 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)).
6. Removes the maximum fine of $1,000 for causing a death. (Sec 1)

***Causing Death by Use of a Vehicle***

1. Expands the offense of causing death by a vehicle to include if the person commits any of the outlined violations while the person's license is suspended for failure to comply with ADOT-prescribed insurance requirements. (Sec 2)
2. Mandates a consecutive sentence. (Sec 2)
3. Requires the court to award restitution. (Sec 2)
4. Requires ADOT to revoke the person's license, permit or nonresident operating privilege for 10 years.
   1. Does not include any time the person is incarcerated in the 10-year calculation. (Sec 2)
5. Allows the person to apply for a restricted license after five years of revocation. Outlines conditions for ADOT to issue a restricted license.
   1. Time spent incarcerated does not count towards the five-year minimum wait period.

***Causing Serious Physical Injury by Use of a Vehicle***

1. Expands the offense of causing serious physical injury by use of a vehicle to include if the person commits any of the outlined violations while the person's license is suspended for failure to comply with ADOT-prescribed insurance requirements. (Sec 3)
2. Mandates a consecutive sentence. (Sec 3)
3. Requires the court to award restitution. (Sec 3)
4. Requires ADOT to revoke the person's license, permit or nonresident operating privilege for five years.
   1. Does not include any time the person is incarcerated in the five-year calculation. (Sec 3)
5. Allows the person to apply for a restricted license after three years of revocation. Outlines conditions for ADOT to issue a restricted license.
   1. Time spent incarcerated does not count towards the three-year minimum wait period. (Sec 3)
6. Makes conforming changes. (Sec 2)

**Current Law**

[A.R.S. § 28-672](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/00672.htm) outlines penalties for causing serious physical injury or death while committing any of the enumerated moving violations. A prosecution must begin within two years of the discovery of the offense; a violation is a [Class 3 misdemeanor](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf). In addition to the criminal penalty, a person's license may be suspended for up to 90 days for causing serious physical injury or up to 180 days for causing death. Victim restitution may also be awarded, in an amount not to exceed $10,000.

Separate statutes contain the offenses of causing death by use of a vehicle ([A.R.S. § 28-675](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/00675.htm)) and causing serious physical injury by use of a vehicle ([A.R.S. § 28-676](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/00676.htm)). These statutes contain the same moving violations as [A.R.S. § 28-672](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/00672.htm), but the offense is based on causing serious physical injury or death while committing the moving violation and the person is not permitted to operate a vehicle (due to a suspended or revoked license, fictitious license or no license). Causing death by use of a vehicle is a Class 4 felony ([2 ½ years; up to $150,000 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)). Causing serious physical injury by use of a vehicle is a Class 5 felony ([1 ½ years; up to $150,000 plus surcharges](http://www.azcourts.gov/Portals/0/CriminalSentencingCt/2017Sentencing.pdf)). *Serious physical injury* is defined in [A.R.S. § 13-105](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/00105.htm).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2523:** administrative hearings; procedures | |
| **PRIME SPONSOR:** Representative Syms, LD 28  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70757)   |  | | --- | | JPS: DP 7-1-0-1 | | **Legend:**  ALJ – Administrative law judge  OAH – Office of Administrative Hearing  ADEQ – Arizona Department of Environmental Quality  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to administrative hearings.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

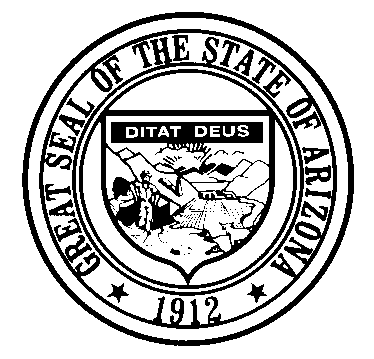
**Provisions**

1. Requires parties in adjudicative cases to be afforded an opportunity to participate in a settlement conference or mediation, unless both parties or the hearing officer decline. (Sec. 1)
2. Allows parties in adjudicative cases to seek disposition of the case by motion if there is not genuine issue of material fact. (Sec. 1)
3. Removes the definition of *agency*. (Sec. 2)
4. Allows an ALJ to require an agency to pay administrative hearing costs and fees to a party if:
5. The ALJ finds against an agency after prevailing in an initial agency determination; and
6. A subsequent appeal is made to an appeals board resulting in a decision against the agency. (Sec. 2)
7. Makes technical and conforming changes. (Sec. 1, 2)

**Current Law**

[A.R.S. Title 41, Chapter 6, Article 6](https://www.azleg.gov/arsDetail/?title=41) outlines the adjudicative hearing procedures for contested cases of agencies exempt from the administrative hearing process. All parties must be afforded an opportunity for a hearing after reasonable notice. The notice must include a statement of all matters asserted with an opportunity for all parties to respond and present evidence and arguments on all involved issues. A hearing may be conducted in an informal manner without adherence to the rules of evidence in a judicial proceeding at any place determined by the agency, except as otherwise provided. All parties have a right to 1) council, 2) submit evidence in an open hearing; and 3) cross-examination. A final decision or order must be in writing or stated in the record. The final decision must include findings of fact and conclusions of law. An agency is required to provide an opportunity for a rehearing or review of the decision before the decision becomes final.

[A.R.S. Title 41, Chapter 6, Article 10](https://www.azleg.gov/arsDetail/?title=41) outlines administrative hearing procedures for specific agencies. A person may file a notice of appeal or request a hearing on an appealable agency action or contested case. The agency submits a request for a hearing with OAH, which is then scheduled, assigned an ALJ and noticed with affected parties. OAH conducts a hearing and the ALJ issues a decision that is accepted, rejected or modified by the agency head. The agency head's decision is considered the final decision pending a rehearing or appeal to the superior court. [A.R.S. § 41-1092.12](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/01092-12.htm) defines *agency* as ADEQ. If ADEQ takes action against a party that is arbitrary, capricious or not in accordance with the law, the action is considered an appealable agency action if specified conditions apply. If the party prevails, ADEQ must pay reasonable cost and fees to the party. If an appealable agency action is found to be frivolous, the ALJ may require the party to pay reasonable costs and fees to ADEQ.

**ARIZONA HOUSE OF REPRESENTATIVES**

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| **HB 2535:** DCS; prohibited acts; firearms | |
| **PRIME SPONSOR:** Representative Payne, LD 21  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview?SessionID=119)   |  | | --- | | JPS: DP 5-4-0-0 | | **Legend:**  DCS-Department of Child Safety  Director-Director of DCS  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to DCS firearm policies.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits DCS, the Director, a child welfare agency or a governing board of a child welfare agency from adopting, implementing or enforcing a rule or policy related to the possession, transfer or storage of a firearm. (Sec 1)

**Current Law**

DCS is established in [A.R.S. Title 8, Chapter 4](https://www.azleg.gov/arsDetail/?title=8). The primary purpose of DCS is to protect children. By statute, DCS is charged with:

* Investigating reports of abuse/neglect;
* Assessing, promoting and supporting the safety of a child in a safe and stable family or other appropriate placement, in response to allegations of abuse or neglect;
* Working cooperatively with law enforcement on criminal conduct allegations;
* Coordinating services to achieve and maintain permanency, strengthen the family and provide prevention, treatment and intervention services, without compromising child safety.

[A.R.S. § 13-3118](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/13/03118.htm) prohibits the state, any agency or political subdivision from enacting or implementing any law, rule or ordinance relating to the possession, transfer or storage of firearms, other than as provided in statute.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2371:** mobile food vendors; state licensure | |
| **PRIME SPONSOR:** Representative Payne, LD 21  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70177)  MVRA: DPA 7-2-0-0   |  | | --- | |  | | **Legend:**  Vendors – Mobile Food Vendors  DHS – Department of Health Services  Director – DHS Director  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to state regulations and licensure of mobile food vendors.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***Cities, Towns and Counties***

1. Permits a city, town or county to adopt ordinances as follows:
   1. To set hours of operation if the hours are the same as restaurants.
   2. Restrict noise during specific times of day.
   3. Prohibit or restrict Vendors in residential areas.
   4. Restrict a Vendor from blocking the use of a public sidewalk ~~by pedestrians~~.
   5. **PROHIBIT A MOVILE FOOD VENDOR FROM BLOCKING VEHICULAR TRAFFIC ON PUBLIC STREETS AND ROADS.**
   6. **REQUIRE A VENDOR TO OBTAIN CONSENT FROM A PRIVATE PROPERTY OWNER OR LESSEE OR THE OWNER'S OR LESSEE'S AGENT BEFORE BEGINNING OPERATION ON THAT PROPERTY.**
   7. **PROHIBIT OR RESTRICT A VENDOR FROM OPERATING AT A PUBLIC AIRPORT**. (Sec. 1, 2) (*MVRA*)
2. Prohibits a city, town or county from adopting an ordinance:
   1. To restrict how long a Vendor operates on private property, **EXCEPT THAT A VENDOR MAY NOT OPERATE AT A PRIVATE PROPERTY LOCATION FOR MORE THAN 96 CONSECUTIVE HOURS**.
   2. Require any kind of special permit **THAT IS NOT REQUIRED FOR OTHER BUSINESSES IN THE SAME ZONING DISTRICT** to operate.
   3. ~~Restrict a Vendor from operating on public property~~ or require any certain distance from another business or restaurant **EXCEPT AS REQUIRED FOR PUBLIC SAFETY PURPOSES**.
   4. Prohibit a Vendor from using any legal parking space to the same extent as any other commercial vehicle.
   5. Require fingerprinting.
   6. Require an insurance policy that names the city, town or county as an additional insured, except as noted. (Sec. 1, 2) (*MVRA*)
3. Makes business licenses available online **IN A COUNTY WITH A POPULATION OF MORE THAN 500,000 PEOPLE** and prohibits a city, town or county from requiring a Vendor to apply in person. (Sec. 1, 2) (*MVRA*)
4. Defines *mobile food vendor*. (Sec. 1, 2)

***Department of Health Services – Mobile Food Vendors***

1. Stipulates the Director must adopt rules to:
   1. Establish statewide health and safety licensing and inspection standards as outlined. (Sec. 3)
   2. Create a licensing process that:
      1. Requires a separate license for each Vendor, renewed annually.
      2. Delegates to the county health department where the Vendor's commissary is located, the licensure, health and safety inspections.
      3. Includes random inspections at no additional cost.
      4. Permits a county health department to enforce the statewide inspection standards, regardless of the county that issued the license.
      5. Stipulates a Vendor license issued by a county health department has reciprocity in all other Arizona counties.
      6. Instructs all employees to have a valid food handler's card or equivalent certificate.
      7. Requires the Vendor license to be conspicuously displayed for public view. (Sec. 3)
2. ~~Requires prior consent from a private property owner before a Vendor begins operating on the property. Prohibits the public from entering the street to access the Vendor~~. (Sec. 3) (*MVRA*)
3. States the rules cannot:
   1. Require a Vendor to operate a specific distance from an existing restaurant or business.
   2. Address operating hours for a Vendor. (Sec. 3)
4. Authorizes the Director to adopt rules that are substantially the same as those in place on the effective date of this legislation by Maricopa County, except as otherwise noted in the bill. (Sec. 3)
5. Prohibits an additional insured policy, unless the Vendor is attending an event sponsored by that city or town **OR OPERATING ON PUBLIC PROPERTY**. (Sec. 4) (*MVRA*)
6. Outlines the parameters for assessing a tax and keeping the proper records. (Sec. 6)
7. Exempts DHS from rulemaking for one year. (Sec. 7)
8. Defines *department, Director* and *mobile food vendor*. (Sec. 3, 4)
9. Makes technical and conforming changes. (Sec. 5)

**Additional Information**

[Maricopa County](https://www.phoenix.gov/cityclerksite/Documents/mvbro.pdf) currently has ordinances related to mobile food vendors.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2513:** hyperbaric oxygen therapy; veterans; fund | |
| **PRIME SPONSOR:** Representative Finchem, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70743)   |  | | --- | | MVRA: DP 9-0-0-0 | | **Legend:**  HBOT – hyperbaric oxygen therapy  DEMA – Department of Emergency and Military Affairs  Director – Director of DEMA  SOS – Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to hyperbaric oxygen therapy.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***HBOT for Military Veterans Fund (Fund) (Sec. 1)***

1. Establishes the Fund consisting of private donations, grants, bequests and any other monies.
2. Requires DEMA to administer the Fund.
3. Specifies that monies in the Fund are continuously appropriated and exempt from lapsing.
4. Requires the monies in the Fund to be used to provide financial assistance to veterans for HBOT.
5. Permits DEMA to have the Fund reimbursed for the portion of payment of HBOT that was fully or partially covered by private insurance or any other entity.

***HBOT for Military Veterans Advisory Committee (Committee) (Sec. 1)***

1. Establishes the Committee consisting of:
   1. The Director or the Director's designee; and
   2. Four members who are appointed by the Governor and are any of the following:
      1. National Guard unit commanders;
      2. Doctors; or
      3. Active or retired military personnel.
2. Requires the Director or the Director's designee to serve as the chairperson of the Committee.
3. States members of the Committee serve at the pleasure of the Governor.
4. Requires the Committee to:
   1. Determine how to award monies from the Fund;
   2. Establish the application process for financial assistance and revise as necessary; and
   3. Make other recommendations as necessary.
5. Directs the Committee to submit an annual report detailing the Fund's performance and the demographics of award recipients to the Governor, the President of the Senate, the Speaker of the House of Representatives and the SOS.
6. Terminates the Committee on July 1, 2026.

***Appropriation (Sec. 2)***

1. Appropriates $25,000 from the GF in FY 2019 to the Fund.

**Current Law**

When establishing a new committee, the Legislature is required to include a specific expiration date of no more than eight years after the effective date of the enabling legislation ([A.R.S. § 41-3103](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/03103.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2342:** off-highway vehicles; definition; user indicia | |
| **PRIME SPONSOR:** Representative John, LD 14  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70132)   |  | | --- | | TI: DPA 7-1-0-0 | | **Legend:**  ADOT – Arizona Department of Transportation  ATV – All-Terrain Vehicle  AZGFD – Arizona Game & Fish Department  OHV – Off-Highway Vehicle  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to off-highway vehicles.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Creates separate indicia for resident and nonresident OHVs. (Sec. 3)
2. Excludes an applicant for nonresident OHV user indicia from eligibility for motor vehicle registration for highway use of a qualified OHV. (Sec. 3)
3. Prohibits a person from allowing the operation of an ATV or OHV without the required OHV user indicia. (Sec. 3)
4. Exempts an ATV or an OHV from the OHV user indicia requirements if it displays a valid dealer license plate issued by ADOT **OR IS USED EXCLUSIVELY FOR MINING EXPLORATION PURPOSES**. (Sec. 4) (*TI*)
5. Removes the exemption from OHV user indicia requirements for nonresidents. (Sec. 4)
6. **AUTHORIZES AZGFD TO:**
   1. **SELL NON-RESIDENT OHV USER INDICIA;**
   2. **USE MONIES ALLOCATED TO AZGFD FROM THE OHV RECREATIONAL FUND FOR ADMINISTRATION OF THE NON-RESIDENT INDICIA PROGRAM; AND**
   3. **ADOPT RULES FOR THE INDICIA PROGRAM, IN CONSULTATION WITH ADOT.** (*TI*)
7. Modifies the definition of *OHV*. (Sec. 1) (*TI*)
8. Makes technical and conforming changes. (Sec. 2 -4)

**Current Law**

A person is prohibited from operating an ATV or OHV without OHV user indicia if it is primarily designed by the manufacturer for travel over unimproved terrain and that has an unladen weight of up to 1,800 pounds. When a person pays for the OHV user indicia, the person may request motor vehicle registration and is not required to pay the registration fee ([A.R.S. § 28-1177](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/01177.htm)).

OHV user indicia are not required if:

* The person is participating in an off-highway special event;
* The person is operating an ATV or OHV on private land;
* The person is loading or unloading an ATV or OHV from a vehicle;
* During an emergency or operation directed by a peace officer or public authority; or
* The person is not a resident of Arizona, owns the vehicle, the vehicle has current OHV user indicia from the person's state of residence and the vehicle is not in Arizona for more than 30 consecutive days ([A.R.S. § 28-1178](https://www.azleg.gov/viewdocument/?docName=https%3A%2F%2Fwww.azleg.gov%2Fars%2F28%2F01178.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2383:** authorized emergency vehicles; probation officers | |
| **PRIME SPONSOR:** Representative Clodfelter, LD 10  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70215)   |  | | --- | | TI: DPA 5-3-0-0 | |  | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to authorized emergency vehicles.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Classifies a probation officer's vehicle **THAT HAS BEEN AUTHORIZED BY A PROBATION DEPARTMENT OR LOCAL AUTHORITY** as an *authorized emergency vehicle*. (Sec. 1) (*TI*)
2. Makes technical changes. (Sec. 1)

**Current Law**

An *authorized emergency vehicle* is defined as any of the following:

1. A fire department vehicle;
2. A police vehicle;
3. An ambulance or emergency vehicle that is designated or authorized by the department or a local authority; and
4. Authorized ambulances, fire trucks and rescue vehicles that meet prescribed liability insurance requirements [(A.R.S. §28-101)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/00101.htm).

If an *authorized emergency vehicle* is driving to an emergency with its lights and audible signal active, then it may:

1. Park or stand;
2. Drive through a stop sign or a red light if it slows enough to maintain safe operation;
3. Exceed the speed limit if it is not endangering life or property; and
4. Ignore the laws or rules regarding the direction of movement or turning in specified directions.

The driver of an emergency vehicle is still required to drive with regard to safety of all persons and is held responsible for the results of any reckless driving [(A.R.S. §28-624)](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/00624.htm).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2455:** commercial vehicles definition; driver licenses | |
| **PRIME SPONSOR:** Representative Cook, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70385)   |  | | --- | | TI: DP 8-0-0-0 | | **Legend:**  CDL – Commercial Driver License  CMV – Commercial Motor Vehicle  GCWR – Gross Combined Weight Rating  GVWR – Gross Vehicle Weight Rating  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to operation of a CMV without a CDL.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Permits a class D license holder to operate a CMV without a CDL if conditions are met and the vehicle is not:
   1. Towing a trailer or being used to transport any goods or materials;
   2. Driven across state lines; or
   3. Transporting hazardous materials. (Sec. 1)
2. Provides the following conditions in which a class D license holder may operate a CMV that meets the above criteria without a CDL:
   1. If the vehicle is being driven to diagnose mechanical problems;
   2. If the vehicle is being driven by an employee of a licensed motor vehicle dealer between dealers or from the dealer to a customer; or
   3. If the vehicle is a registered farm vehicle. (Sec. 1)
3. Exempts a class D license holder driving an eligible CMV under one of the above conditions from motor carrier safety requirements. (Sec. 3)
4. Increases the GVWR limit for a CMV used for intrastate commerce from 18,000 to 26,000 pounds. (Sec. 2)
5. Makes technical and conforming changes. (Sec. 1, 2)

**Current Law**

A class D license holder may operate: 1) a single motor vehicle with a GVWR of 26,000 pounds or less, 2) a motor vehicle with a GVWR of 26,000 pounds or less that tows a vehicle with a GVWR of 10,000 pounds or less, 3) a motor vehicle with a GVWR of 26,000 pounds or less that tows a vehicle with a GVWR of more than 10,000 pounds if the combined GVWR is less than 26,000 pounds, or 4) a motorized touring vehicle ([A.R.S. § 28-3101](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/03101.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2510:** auto dealers; task force; fund | |
| **PRIME SPONSOR:** Representative John, LD 14  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview)  TI: DP 7-0-0-1   |  | | --- | |  | | **Legend:**  ADOR – Arizona Department of Revenue  ADOT – Arizona Department of Transportation Director – Director of the Arizona Department of Transportation  Fund – Motor Vehicle Dealer Enforcement Fund  Task Force – Unlicensed Motor Vehicle Dealer Task Force  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to motor vehicle dealer task force.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Establishes the Task Force within ADOT that consists of:
   1. Three members from ADOT, appointed by the Director;
   2. Three members from ADOR, appointed by the ADOR Director; and
   3. Three members representing the independent automobile dealers, appointed by the Director. (Sec. 2)
2. Requires the Task Force to meet quarterly to:
   1. Review unlicensed motor vehicle dealer enforcement activities; and
   2. Report findings to the Director; and
   3. Submit a copy to the Secretary of State. (Sec. 2)
3. Establishes the Fund to be administered by the Director and states that the monies in the Fund are continuously appropriated. (Sec. 2)
4. Requires the Director to deposit monies from civil penalty violations relating to motor vehicle dealer activity into the Fund. (Sec. 1)
5. Instructs the Director, at the end of each FY, to deposit unexpended Fund monies in excess of $250,000 into the State Highway Fund. (Sec. 2)
6. Terminates the Task Force on July 1, 2026. (Sec. 2)
7. Makes a conforming change. (Sec. 3)

**Current Law**

The Director may impose a civil penalty between $1000-$3000 for a violation of licensing requirements relating to motor vehicle dealerships. The Director must require the person to pay all transaction privilege taxes on motor vehicle sales that were conducted during the violation ([A.R.S. § 28-4501](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/04501.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2514:** HURF distribution; cities, towns, counties | |
| **PRIME SPONSOR:** Representative Cook, LD 8  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview)   |  | | --- | | TI: DP 5-3-0-0 | | **Legend:**  ADOT – Arizona Department of Transportation  HURF – Arizona Highway User Revenue Fund Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to HURF distribution.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Instructs ADOT to allocate $18 million from HURF beginning in FY 2020 as follows:
   1. $9 million to counties with less than 215,000 persons;
      1. $200,000 to each individual county;
      2. Remaining monies based on population of each individual county;
   2. $9 million to cities and towns with less than 7,500 persons;
      1. $100,000 to each individual city or town;
      2. Remaining monies based on the population of the individual city or town. (Sec. 1)
2. Requires ADOT to use the 2016 population estimates from the US Census Bureau in determining population. (Sec. 1)
3. Contains a delayed effective date of July 1, 2019. (Sec. 3)
4. Makes technical and conforming changes. (Sec. 2)

**Current Law**

[Article IX, section 14](https://www.azleg.gov/viewDocument/?docName=http://www.azleg.gov/const/9/14.htm) of the Arizona Constitution requires any monies derived from fees, excises, fuel or license taxes only be used for highway and street purposes. Purposes include construction, reconstruction, maintenance, repair and roadside development of county roads, streets or bridges.

After all statutory distribution requirements have been met HURF is distributed as follows: 1) 50.5% to the State Highway Fund; 2) 19% to counties; 3) 27.5% to cities and towns; and 4) 3% to cities with a population of over 300,000 ([A.R.S. § 28-6538](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/06538.htm)).

**Additional Information**

The distribution formulas for each recipient of HURF can be found on the [ADOT](https://www.azdot.gov/docs/default-source/financial-management-services/hurfdist_formulas.pdf?sfvrsn=2) website.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2527:** driver license testing; required question | |
| **PRIME SPONSOR:** Representative Clodfelter, LD 10  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70761)   |  | | --- | | TI: DP 6-2-0-0 | | **Legend:**  ADOT – Arizona Department of Transportation  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to required questions on the driver license test.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Establishes that a driver license applicant must pass a test regarding what to do when pulled over by a law enforcement officer in order to receive a driver license. (Sec. 1)
2. Requires that the test include questions covering pulling over to the right side of the road when it is safe to do so. (Sec. 1)
3. Asserts that an applicant must correctly answer all questions about pulling over to the right side of the road to pass the test. (Sec. 1)

**Current Law**

Upon paying the prescribed fee for a driver license or an instruction permit, the applicant may attempt the written or road test up to three times within a twelve-month period ([A.R.S.§28-3158](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/03158.htm)).

**Additional Information**

ADOT requires that written license tests contain a 30 question, multiple choice test to be taken at a touch screen computer work station. The questions are taken from the Arizona Driver License Manual and a score of 80 or higher is required on the written test to receive a passing score. More information can be found at [azdot.gov](https://www.azdot.gov/motor-vehicles/driver-services/Tests_Manuals_and_Driving_Schools).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2537:** license plates; vehicle sales | |
| **PRIME SPONSOR:** Representative Campbell, LD 1  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview)  TI: DP 7-1-0-0   |  | | --- | |  | | **Legend:**  ADOT – Arizona Department of Transportation Director – Director of Arizona Department of Transportation  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the sale and transfer of license plates.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Requires all monies exceeding ADOT's FY 2019 revenues from standard license plates to deposited in the Arizona Highway Patrol Fund beginning FY 2020. (Sec. 1)
2. Makes the fee for each return or replacement license plate, pair of license plates or year validating tab $5, rather than just for replacement plates. (Sec. 1)
3. Allows the owner of a vehicle to retain a license plate after transferring the vehicle if it is a special license plate, an honored military license plate, a historic value license plate or it is a specified vehicle license plate.
   1. Requires the owner to turn the plate in to ADOT if the transferred vehicle does not have one of the above plates. (Sec. 2)
4. Contains a delayed effective date of July 1, 2019. (Sec. 4)
5. Makes technical and conforming changes. (Sec. 2-3)

**Current Law**

The Director, on termination of the lawful use of a license plate, may require the plate be returned to ADOT. If a license plate is mutilated or illegible the owner is required to return the plate to ADOT and be issued a new license plate. There is a $5 fee for each lost, destroyed or mutilated license plate, pair of license plates or validating tab ([A.R.S. § 28-2352](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/02352.htm)). The owner of a vehicle that has been issued license plates by ADOT is required to retain those license plates unless the other vehicle is not the same vehicle type. If the vehicle is a different type the owner must turn in the current license plates and ADOT will issue he/she new plates for the proper vehicle type ([A.R.S. § 28-2356](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/02356.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2575:** license; nonoperating identification; homeless veterans | |
| **PRIME SPONSOR:** Representative Bolding, LD 27  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70813)   |  | | --- | | TI: DP 8-0-0-0 | | **Legend:**  HURF – Arizona Highway Revenue User Fund  Director – Director of the Arizona Department of Transportation  ADOT – Arizona Department of Transportation  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to homeless veteran identification licenses.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Exempts veterans who have no address or whose address is that of a homeless shelter from the fees associated with receiving a driver license or nonoperating identification license. (Sec. 1, 3)
2. Specifies that an address is only necessary for the applicant to receive a driver license or instruction permit or a nonoperating identification license if the applicant has an address. (Sec. 2, 3)
3. Redefines *veteran*. (Sec. 3)
4. Makes technical and conforming changes. (Sec. 3, 4)

**Current Law**

Fees for different types of driver licenses, learner permits, and other associated charges may range from $2 to $50, and the funds received from these fees are to be deposited into HURF by the Director ([A.R.S. §28-3002](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/03002.htm)).

An applicant must give ADOT satisfactory proof of the applicant's full legal name, date of birth, sex, residence address, and that their residence in the United States is legal in order to receive:

1. An instruction permit or driver license ([A.R.S. §28-3002](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/03002.htm)); or
2. A nonoperating identification license.

Applicants for a nonoperating identification license are exempt from the associated fees if they are at least 65 years old or receive public monies for a disability under the Social Security Act ([A.R.S. §28-3165](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/03165.htm)).

A driver license issued by ADOT must contain a distinguishing assigned number, the license class, any endorsements, the date of birth and address of the licensee, a brief description of the licensee and the licensee's signature ([A.R.S. §28-3166](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/28/03166.htm)).

A *veteran* is a person who was accepted for and assigned to active duty in the military after being enlisted, drafted, inducted or commissioned ([A.R.S. §41-601](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/41/00601.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2003:** coal mining; TPT; repeal | |
| **PRIME SPONSOR:** Representative Finchem, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69612)  WM: DPA 6-3-0-0   |  | | --- | |  | | **Legend:**  TPT – Transaction Privilege Tax  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to exempting coal from TPT.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Exempts the sale~~, storage, use and consumption~~ of coal from TPT ~~and use tax~~. (Sec. 1-5) (WM)
2. Makes technical and conforming changes. (Sec. 1,2)

**Current Law**

Coal is exempt from tax under the retail and mining TPT classifications, in addition to municipal TPT when used or sold under specific circumstances. Coal, petroleum, coke, natural gas, virgin fuel oil and electricity sold to a qualified technology manufacturer, producer or processor and used directly for on-site power is exempt from TPT ([A.R.S 42-5061](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/15061.htm)). Coal is also exempt from taxation when the transfer of title or possession of the coal is for the purpose of refining the coal and the title or possession of the coal is transferred back to the owner or operator of the power plant after completion of the coal refining process (A.R.S §§ [5072](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/05072.htm), [5151](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/05151.htm),[5159](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/05159.htm), [6004](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/06004.htm)).

TPT is imposed on a vendor for the privilege of conducting business in Arizona. Under this tax, the seller is responsible for remitting to the state the entire amount of tax due based on the gross proceeds or gross income of the business. While the tax is commonly passed on to the consumer at the point of sale, it is ultimately the seller’s responsibility to remit the tax. TPT is broken down into 16 different classifications, one of which is the retail classification. The retail classification is comprised of businesses selling tangible personal property at retail ([A.R.S. § 42-5061](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/05061.htm)). The mining classification is comprised of the business of mining, quarrying or producing for sale, profit or commercial use any nonmetalliferous mineral product that has been mined, quarried or otherwise extracted within the boundaries of this state ([A.R.S. § 42-5072](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/05072.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2126:** government property; abatement; slum; blight | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/69833)   |  | | --- | | WM: DP 7-0-1-1 | | **Legend:**  GPLET – Government Property Lease Excise Tax  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the GPLET slum or blighted area abatement.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits the approval of a GPLET abated lease unless, for development agreements, ordinances or resolutions for the lease of government property approved after June 30, 2018, the lessor determines that a public benefit to the state and the applicable county or municipality will occur, due to the fact that within the location of the proposed improvement or any existing improvement within 400 feet, at least one of the following exists:
   1. A structure that is dilapidated, unsanitary, unsafe, vermin-infested and unfit for habitation.
   2. An abandoned structure or land that is government-owned due to eminent domain.
   3. A site designated by the United States Environmental Protection Agency as a Superfund.
   4. A site that requires substantial historical or cultural heritage management that adds significant costs to the project.
   5. A property used for public housing.
   6. A parcel that is functionally obsolete or held in fractured ownership.
   7. The tax or special assessment delinquency exceeds the fair value of the land. (Sec. 2)
2. Requires a municipal slum or blighted area designation to terminate after 10 years, without exception. (Sec. 1)
   * [A.R.S. § 36-1474](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/36/01474.htm) *establishes an exception to this requirement if substantial action has been taken to remove the slum or blighted area conditions.*
3. Adjusts the maximum size of a central business district to the greater of 2.5% of the total land area within the exterior boundaries of the municipality or 960 acres.
   1. Directs a municipality that designated a central business district before September 1, 2018 to modify the district to comply with this size adjustment.
   2. Specifies an approved improvement located in a district required to adjust is still considered to be in the district for the purposes of a GPLET abatement. (Sec. 2)
4. Stipulates that in a judicial action that interprets GPLET abatement statutes, the court must narrowly construe all powers conferred on government lessors to ensure that no abatement requirements are used capriciously or ignored, resulting in the gift of public monies to a private entity and in the additional burden on all other taxpayers of the jurisdiction. (Sec. 2)
5. Requires each municipality, within one year of the effective date of this Act, to review each area within its boundaries that has been designated as a slum or blighted area for over ten years and either renew or terminate the designation.
   1. Specifies if a municipality does not review the designation, the designation is terminated one year after the effective date of this Act.
   2. Exempts existing projects for various educational institutions located inside a designated area from this provision. (Sec. 3)

**Current Law**

[Title 42, Chapter 6, Article 5, Arizona Revised Statutes](http://www.azleg.gov/arsDetail/?title=42) establishes the GPLET. A GPLET applies to any entity that leases property from a city, town, county or county stadium district for at least 30 consecutive days for commercial or industrial use.  The tax is based in terms of dollars per square foot, rather than the value of the property, to be calculated by each lessee.

The GPLET may be abated for a period of eight years if the property is: 1) located in a single central business district (no larger than the greater of 5% of the land area within the exterior boundaries of the municipality or 640 acres) within a slum and blighted area and subject to a lease or development agreement entered into on or after April 1, 1985; and 2) if the improvement resulted or will result in an increase in property value of at least 100%. Any lease with an abated GPLET is limited to eight years, at which point the property is conveyed to the lessee.

The government jurisdiction levying the tax must remit GPLET collections to the county (13%), the municipality (7%), the community college district (7%) and the school district (73% for a unified district or 36.5% for an elementary or high school district).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2280:** universities; lease-back financing | |
| **PRIME SPONSOR:** Representative Leach, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70044)   |  | | --- | | WM: DPA 5-4-0-0 | | **Legend:**  ABOR – Arizona Board of Regents  R&D – Research & Development  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to ABOR lease-back financing.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Prohibits ABOR or a corporation formed by a university under its jurisdiction, beginning July 1, 2018, from entering into a development agreement or executing a transaction in which the deed to a property improvement is transferred to ABOR or a university before immediately being leased back to a private ~~lessor~~ **LESSEE** for a commercial use, unrelated to academic purposes or student housing. (Sec. 1,3) *(WM)*
   1. Stipulates ABOR is not restricted from acting as a ground lessor or commercial landlord without a development agreement in a lease for a use ancillary to a government property improvement used for a university purpose. (Sec. 1)
2. Requires any lease between ABOR and a lessee for a research park, used as a regional or national headquarters for R&D or educational activities, to be entered into prior to July 31, 2018. (Sec. 2)
3. Prohibits ABOR from designating a new research park or increasing the size of an existing research park beyond contiguous borders as they existed on January 1, 2018 without the approval of the Legislature. (Sec. 2)
4. Requires ABOR to review for compliance and approve all research park leases entered into after July 31, 2018.
   1. Prohibits ABOR from approving a lease that does not demonstrate the link between the lease and an academic mission of the university.
   2. Prohibits ABOR from designating the authority to review and approve. (Sec. 2)
5. Makes technical and conforming changes. (Sec. 1)

**Current Law**

ABOR is authorized to purchase, receive, hold, make and take leases of and sell real and personal property for the benefit of the state and for the use of its institutions ([A.R.S. § 15-1625](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/01625.htm)).

[A.R.S § 15-1636](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/15/01636.htm) allows ABOR to lease improvements and unimproved lots for use in a research park to a lessee for the following uses:

* Laboratories, offices and other facilities for testing, consulting and information processing relating to R&D;
* Production, assembly or sale of products for R&D activities;
* Pilot plants in which processes planned for use in production elsewhere can be tested and treated;
* Regional or national headquarters of the lessee or its subsidiaries that are engaged in R&D or education activities;
* Education and training facilities; and
* Operations required to maintain or support any specified permitted use.

All leases must contain a covenant prohibiting unlimited manufacturing on the site, in addition to language allowing the board to enforce the covenant and terminate the lease.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2377:** teachers' school supplies; tax credit | |
| **PRIME SPONSOR:** Representative Clodfelter, LD 10  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70190)   |  | | --- | | WM: DP 5-3-0-1  ED: DP 6-3-0-2 | | **Legend:**  IRC – Internal Revenue Code  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a tax credit for teachers' school supplies.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Establishes a tax credit, capped at $400, for educational supplies and materials purchased by a qualified schoolteacher and used in the teacher's classroom. (Sec. 3)
2. Permits a husband and wife who are both qualified schoolteachers and filing jointly to claim the tax credit separately. (Sec. 3)
3. Permits a five-year carryforward of the tax credit. (Sec. 3)
4. Requires any expenses of elementary and secondary schoolteachers deducted from Federal Adjusted Gross Income to be added to Arizona Gross Income if a tax credit is claimed for the same expenses. (Sec. 2)
5. Defines a *qualified schoolteacher* as a K-12 teacher.(Sec. 3)
6. Contains a purpose statement. (Sec. 4)
7. Makes a conforming change. (Sec. 1)
8. Contains a retroactive effective date of January 1, 2018. (Sec. 5)

**Current Law**

In calculating Federal Adjusted Gross Income, certain expenses of elementary and secondary schoolteachers may be deducted. The expenses cannot exceed $250 and must be paid or incurred by an *eligible educator* in connection with books, supplies, computer equipment and other equipment and supplementary materials used in the classroom ([IRC § 62(a)(2)(d)](https://www.law.cornell.edu/uscode/text/26/62)).

An *eligible educator* is a K-12 teacher, instructor, counselor, principal or aide in a school for at least 900 hours during a school year ([IRC § 62(d)(1)(A)](https://www.law.cornell.edu/uscode/text/26/62)).

**Additional Information**

A tax credit is a dollar-for-dollar reduction in a taxpayer’s income tax liability. Tax credits are often

offered to incentivize some type of action from a taxpayer, such as creating new jobs, investing in

environmentally friendly technology or any other action deemed beneficial to the economy.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2456:** stadium district; extension; Rio Nuevo | |
| **PRIME SPONSOR:** Representative Finchem, LD 11  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70386)  DP: WM 7-2-0-0   |  | | --- | |  | | **Legend:**  District- Rio Nuevo Multipurpose Facilities District  IGA- intergovernmental agreement  TPT- transaction privilege tax  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to extending Rio Nuevo District funding.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Continues the distribution of shared revenue to the District until July 1, 2035 or upon the completion of the scheduled debt service, whichever occurs later. (Sec. 1)
2. Authorizes monies paid to the District to be used for:
   1. Debt service for bonds issued by the district before January 1, 2025; and
   2. Contractual obligations incurred by the district before June 1, 2025. (Sec. 2)
3. Makes technical changes. (Sec. 1, 2)

**Additional Information**

The Rio Nuevo Multipurpose Facilities District was formed in 1999 through an IGA by the municipalities of the City of Tucson, the Town of Sahuarita, and the City of South Tucson as a tax-levying public improvement district and a separate legal entity from the City of Tucson. The District receives an incremental portion of state-shared funds derived from TPT, which are collected within District boundaries to be invested in public projects. Expenditure of the funds collected is disbursed and managed by the reconstituted Rio Nuevo Multipurpose Facilities District Board of Directors who, as of 2010, are appointed by the Governor, President of the Senate, and Speaker of the House of Representatives ([Rio Nuevo Multipurpose Facilities District](http://rionuevo.org/rio-nuevo-history/)).

**Current Law**

The state disburses TPT revenues through state shared revenue to stadium districts to be used for the components for a multipurpose facility that are owned by the District or that are publicly owned to pay for:

* Debt service for bonds issued by the District before January 1, 2009;
* Contractual obligations incurred by the District before June 1, 2009;
* Fiduciary, legal and administrative expenses of the District; and
* The design of construction of a hotel and convention center located on the facility site [(A.R.S. 48-4204).](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/48/04204.htm)

TPT disbursements are authorized until the earlier of either July 1, 2025 or until all authorized debt service payments are completed ([A.R.S 42-5031](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/05031.htm)).

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2459:** income tax; child tax credit | |
| **PRIME SPONSOR:** Representative Mosley, LD 5  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70419)   |  | | --- | | WM: DPA 5-4-0-0 | | **Legend:**  FPL – federal poverty level  IRC – Internal Revenue Code  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a tax credit for children.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Establishes a tax credit for each qualifying child for whom the taxpayer is allowed a dependent exemption. (Sec. 2)
2. Sets the amount of the tax credit at $250.
   1. Reduces the amount of the tax credit by 5% for each $1,000 or fraction of $1,000 by which the taxpayer's Arizona Adjusted Gross Income exceeds the threshold amount.
   2. Defines *threshold amount* as:
      1. 200% of the FPL for a husband and wife filing a joint return.
      2. 136.4% of the FPL for a taxpayer filing as a single individual.
      3. 100% of the FPL for a married taxpayer filing separately. (Sec. 2)
3. Requires a child who can be claimed by more than one taxpayer to be treated as the qualifying child by the taxpayer who is the parent, or if not a parent, the taxpayer with the highest Arizona Adjusted Gross Income. (Sec. 2)
4. Requires a child, whose parents file separately, to be treated as the qualifying child of the parent with whom the child resided the longest period of time with during the TY.
   1. Stipulates if the child resided with each parent equally, the child is treated as the qualifying child of the parent with the highest Arizona Adjusted Gross Income. (Sec. 2)
5. Stipulates the tax credit is not refundable or subject to carryforward. (Sec. 2)
6. Defines *qualifying child* and *federal poverty level*. (Sec. 2)
   1. **PROVIDES A CLARIFYING CHANGE FOR THE DEFINITION OF QUALIFYING CHILD.** (*WM*)
7. Contains a purpose statement. (Sec. 3)
8. Makes a conforming change. (Sec. 1)

**Current Law**

A taxpayer is allowed an exemption of $2,300 for each dependent ([A.R.S. § 43-1023](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/43/01023.htm)). A dependent is a qualifying child or relative. A qualifying child is an individual who: 1) has the same principal place of abode for more than half the TY; 2) is less than 19 years old or a student less than 24 years old; 3) has not provided over one-half of such individual's own support for the CY; and 4) has not filed a joint return with the individual's spouse. A qualifying relative is an individual who: 1) is a brother, sister, stepbrother or stepsister of the taxpayer; 2) has a gross income for the CY less than the exemption amount; 3) the taxpayer provides one-half of the individual's support for the CY; and 4) is not a qualifying child of the taxpayer ([IRC § 152](https://www.law.cornell.edu/uscode/text/26/152)).

**Additional Information**

The 2018 federal poverty guidelines can be found on the [United States Department of Health and Human Services](https://aspe.hhs.gov/poverty-guidelines) website.

A tax credit is a dollar-for-dollar reduction in a taxpayer’s income tax liability. Tax credits are often

offered to incentivize some type of action from a taxpayer, such as creating new jobs, investing in

environmentally friendly technology or any other action deemed beneficial to the economy.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2479:** TPT; digital goods and services | |
| **PRIME SPONSOR:** Representative Ugenti-Rita, LD 23  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70534)   |  | | --- | | WM: DPA 8-1-0-0 | | **Legend:**  DOR – Department of Revenue  MPU – multiple points of use  TPT – transaction privilege tax  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the taxation of digital goods and services.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

***TPT***

1. Expands the retail TPT Classification to include the business of:
   1. **SELLING, RENTING OR** Licensing for the use of *prewritten computer software*, regardless of delivery method; and
   2. Selling, **RENTING OR LICENSING** **FOR THE USE OF** *specified digital goods,* *transferred electronically*. (Sec. 5) *(WM)*
2. Excludes gross income, receipts, proceeds, **PURCHASE PRICE OR SALES PRICE** from the sale, lease, licensing, **PURCHASE OR USE** of *specified digital services* or *remotely accessed specified digital goods* that are not *transferred electronically*, from taxation. *(WM)*
   1. Specifies this exclusion doesn't apply to the online lodging marketplace TPT classification.
   2. Stipulates each of the following do not change the characterization of a digital good or service as being excluded from taxation:
      1. The ability to receive, view, save, listen to or print a *specified digital good* or the output of a *specified digital service*.
      2. The transfer of any transitory or temporary downloaded files.
      3. The transfer of any transitory or auxiliary application, including applets, cookies or plug-ins. (Sec. 2)
3. Authorizes a municipality to impose a tax on **SALES, RENTALS OR** licenses for the use of *prewritten computer software*, regardless of delivery method and *specified digital goods* *transferred electronically*, but only as retail TPT under the Model City Tax Code. (Sec. 6) *(WM)*
4. Prohibits a municipality or other taxing jurisdiction from levying a TPT or use tax on *specified digital services* and on *specified digital goods* that are *remotely accessed* and not *transferred electronically*. (Sec. 6)

***USE TAX (Sec. 6,7)*** *(WM)*

1. **ESTABLISHES A TAX ON THE USE OR CONSUMPTION IN THIS STATE OF *PREWRITTEN COMPUTER SOFTWARE* AND *SPECIFIED DIGITAL GOODS TRANSFERRED ELECTRONICALLY* AS A PERCENTAGE OF THE ACQUISITION PRICE.**
   1. **SPECIFIES THE TAX APPLIES TO ANY PURCHASER THAT PURCHASES THE ITEMS FOR RESALE BUT SUBSEQUENTLY USES OR CONSUMES THE ITEMS.**
2. **SETS THE TAX RATE AT THE STATE TPT RATE, PLUS THE PROPOSITION 301 TPT RATE (5.6%).**
3. **SPECIFIES A RECEIPT FROM AN ARIZONA RETAILER IS SUFFICIENT TO RELIEVE THE PURCHASER FROM USE TAX LIABILITY.**
4. **STIPULATES ALL STATE USE TAX EXEMPTIONS ARE APPLICABLE AS IF *PREWRITTEN COMPUTER SOFTWARE* AND *SPECIFIED DIGITAL GOODS TRANSFERRED ELECTRONICALLY* WERE TANGIBLE PERSONAL PROPERTY.**
5. **DIRECTS EACH VENDOR MAINTAINING A PLACE OF BUSINESS IN ARIZONA THAT SELLS *PREWRITTEN COMPUTER SOFTWARE* OR *SPECIFIED DIGITAL GOODS TRANSFERRED ELECTRONICALLY* FOR USE OR CONSUMPTION IN THE STATE TO COLLECT THE USE TAX FROM THE PURCHASER UNLESS THE PURCHASER IS EXEMPTED OR PAYS THE TAX DIRECTLY TO DOR.**
6. **REQUIRES EACH PERSON SUBJECT TO USE TAX TO FILE A RETURN, UNDER OATH OF AFFIRMATION, WITH DOR BY THE 20TH DAY OF THE MONTH FOLLOWING THE PURCHASE THAT SHOWS THE AMOUNT OF PROPERTY SOLD, LEASED OR LICENSE FOR USE IN THIS STATE.**
   1. **STATES THE TAXES ARE DELINQUENT IF NOT PAID BY THE LAST DAY OF THE MONTH FOLLOWING THE PURCHASE, UNLESS EXTENDED BY DOR.**
7. **DESCRIBES THE PROCESS FOR FILING AND MAKING A DIRECT PAYMENT OF USE TAX TO DOR.**

***Sourcing and MPU Certificates (Sec. 4)***

1. Requires *prewritten computer software* and *specified digital goods* to be sourced, as follows:
   1. To the seller's business location if the seller receives the order in Arizona.
   2. To the purchaser's location in Arizona if the seller receives the order outside of the state.
      1. **ALLOWS A PURCHASER'S BILLING ADDRESS TO BE USED IN THE ABSENCE OF A DELIVERY ADDRESS.** *(WM)*
2. ~~Allows a seller to deduct the entire sale of~~ *~~prewritten computer software~~* ~~or~~ *~~specified digital goods~~* ~~that will be available for concurrent use and access by the purchaser's employees if the purchaser provides a properly completed MPU certificate.~~ *(WM)*
3. ~~Authorizes a purchaser with a MPU certificate to use any reasonable method of apportionment that is supported by the purchaser's books and records as they exist at the time the transaction is reported for TPT and use tax purposes.~~ *(WM)*
4. ~~Requires a purchaser with a MPU certificate to report and pay the appropriate tax to each jurisdiction where concurrent use and access occur on a periodic basis.~~ 
   1. ~~Specifies the taxes due are to be calculated as if the apportioned amount of the~~ *~~prewritten computer software~~* ~~and~~ *~~specified digital goods~~* ~~had been delivered to each jurisdiction where the sale is apportioned.~~ *(WM)*
5. ~~Instructs DOR to prescribe the form for a MPU certificate to be used by a person that purchases~~ *~~prewritten computer software~~* ~~or~~ *~~specified digital goods~~* ~~for concurrent use by the purchaser's employees in multiple states. (Sec. 3)~~ *(WM)*

***Legislative Intent (Sec. 8)***

1. States it is the Legislature's intent that after the effective date of this Act:
   1. Proceeds from **SALES, RENTALS AND** licenses for the use of *prewritten computer software*, regardless of delivery method and *specified digital goods* that are *transferred electronically* to the purchaser are subject to TPT **AND USE TAX**; and
   2. Proceeds from the sale, lease or licensing of *specified digital services*, regardless of delivery method and *specified digital goods* that are *remotely accessed* by the purchaser and not *transferred electronically* are excluded from state and local TPT **AND USE TAX**. *(WM)*
2. Stipulates this Act is not intended to affect and may not be cited or applied in any administrative or judicial action, pending on the effective date of this Act, that considers the interpretation or application of any statutory or administrative provision regarding the taxation of digital goods and services.

***Definitions*** (***Sec. 1,5)***

1. *Computer* – An electronic device that accepts information in a digital or similar form and manipulates it for a result based on a sequence of instructions.
2. *Computer software* – A perpetual or subscription license to a set of coded instructions designed to cause a *computer* or automatic data processing equipment to perform a task.
3. *Computer software maintenance contract* – A contract that obligates a *computer software* vendor to provide customers with future updates or upgrades to *computer software*.
4. *Prewritten computer software* – *Computer software* that isn’t designed or developed by the author to the specifications of a specific purchaser.
   1. This does not include software that is modified or enhanced to the specifications of a specific purchaser for which the seller's books show the gross income from the modification or enhancement separately.
5. *Remotely accessed* – *Specified digital goods* or services that are streamed, accessed or viewed through the internet or an equivalent or successor protocol.
6. *Specified digital goods* –
   1. *Digital audiovisual works* – A series of related digital images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.
   2. *Digital audio ~~words~~* **WORKS** – Works that result from the fixation of a series of musical, spoken or other digital sounds, including *ringtones*.
   3. *Digital books* – Digital works that are generally recognized in the ordinary and usual sense as books. (*WM)*
7. *Specified digital services* – Cloud-based or remotely accessed computing services, including:
   1. *Software as a service –* The capability provided to a purchaser to use the provider's applications running on a cloud infrastructure. The applications are accessible through a client interface, web browser, e-mail or program interface. The purchaser does not manage or control the underlying cloud infrastructure.
   2. *Platform as a service* – The capability provided to a purchaser to deploy onto the cloud infrastructure, purchaser-created or acquired applications created using tools supported by the provider. The purchaser does not manage or control the underlying cloud infrastructure and has no control over the deployed applications and configuration settings.
   3. *Infrastructure as a service* – The capability provided to the purchaser to ~~provision~~ **PROVIDE** processing, storage networks and other computing resources if the purchaser:
      1. May deploy and run arbitrary software;
      2. Does not manage or control the underlying cloud infrastructure;
      3. Has control over operating systems, storage and applications; and
      4. May have limited control of selecting network components. *(WM)*
   4. *Application service providers* – Persons that offer purchasers access to third-party software applications over the internet using a standard protocol.
   5. *Hosting services* –
      1. ~~The operation of one or more data centers that enable~~ **PROVIDING** customers **AND THOSE AUTHORIZED,** access to websites, e-mail, files, images, games or other applications using dedicated or shared servers ~~connected to the internet~~ **LOCATED WITHIN A DATA CENTER**.
      2. Providing colocation services, including the providing of a data center environment where customers are provided a ~~building~~ **SPACE TO OPERATE SERVERS**, air, handling power, internet access and physical security.
      3. Providing a person's customers **AND THOSE AUTHORIZED BY THE PERSON'S CUSTOMERS,** with access to websites, e-mail, files, images, games or other applications using dedicated or shared servers **LOCATED** within a ~~colocation facility~~ **DATA CENTER ENVIRONMENT**, not ~~owned~~ **OPERATED** by the person. *(WM)*
   6. *Data storage management* – Providing a purchaser with services to store and retrieve data, software and other digital content on the provider's servers.
   7. *Data processing and information services* – Services that allow data to be generated, acquired, stored, processed or retrieved and delivered by an electronic transmission to a purchaser if the purchaser's primary purpose for the underlying transaction is the processed data or information.
   8. *Streaming services* – ~~Subscription-based~~ Access to movies, television, music, books or other digital content ~~through the internet or wirelessly~~ **REMOTELY ACCESSED** as a steady, continuous flow, if the ~~subscription~~ **SERVICE** does not include **THE RIGHT TO** digital ~~products~~ **GOODS** that are *transferred electronically*. *(WM)*
   9. *Digital authentication services* – Electronic services used to confirm the identity of persons or websites in order to provide secure electronic commerce and communications.
   10. Any other cloud-based or *remotely accessed* computing service.
8. *Transferred electronically* – The **RIGHT TO** electronic delivery or transfer in whole of *specified digital goods* to a purchaser or to a purchaser's *computer* or device, not by remote access. *(WM)*

***Miscellaneous***

1. **BECOMES EFFECTIVE ON THE FIRST DAY OF THE MONTH FOLLOWING THE GENERAL EFFECTIVE DATE.** (Sec. 11) *(WM*)
2. Makes technical and conforming changes. (Sec. 1,2,3,9)

**Current Law**

[A.A.C. R15-5-154(B)](http://apps.azsos.gov/public_services/Title_15/15-05.pdf) specifies gross receipts from the sale of computer software programs are taxable, regardless of the method that a retail business uses to transfer the programs to its customers.

**Additional Information**

TPT is imposed on a vendor for the privilege of conducting business in Arizona. Under this tax, the seller is responsible for remitting to the state the entire amount of tax due based on the gross proceeds or gross income of the business. While the tax is commonly passed on to the consumer at the point of sale, it is ultimately the seller’s responsibility to remit the tax. TPT is broken down into 16 different classifications, one of which is the retail classification. The retail classification is comprised of businesses selling tangible personal property at retail.

Use tax is assessed on items purchased in other states and brought into Arizona for storage, use, or consumption and for which no tax or a tax at a lesser rate has been paid in another state. Use tax is imposed on all transactions in which TPT was not.

[The Ad Hoc Joint Committee on the Tax Treatment of Digital Goods and Services](https://www.azleg.gov/icommittee/Ad%20Hoc%20Joint%20Committee%20on%20the%20Tax%20Treatment%20of%20Digital%20Goods%20and%20Services.pdf) was established in 2017 to study Arizona's current statutes regarding the tax treatment of digital goods and services, along with current legal issues, administrative implications, the tax impact within the state, etc. The Committee ultimately concluded that businesses, taxpayers, DOR and local taxing authorities needed statutory direction regarding the taxation of digital goods and services and recommended that the Legislature provide such clarity through legislation in the 2018 session.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HB 2528:** capital gains; income tax subtraction | |
| **PRIME SPONSOR:** Representative Mesnard, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70762)   |  | | --- | | WM: DP 6-3-0-0 | | **Legend:**  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to the income tax deduction for capital gains.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Increases the tax deduction for any net long-term capital gain included in federal adjusted gross income that is derived from an investment in an asset acquired after December 31, 2017, as follows:
   1. From 25% of the capital gain included in federal adjusted gross income to 30% in TY 2018;
   2. 35% in TY 2019;
   3. 40% in TY 2020;
   4. 45% in TY 2021; and
   5. 50% in TY 2022. (Sec. 1)
2. Makes conforming changes. (Sec. 1-2)

**Current Law**

[A.R.S. § 43-1001](http://www.azleg.gov/viewdocument/?docName=http://www.azleg.gov/ars/43/01001.htm) states that Arizona gross income is equal to the federal adjusted gross income for the taxable year and Arizona adjusted gross income is an individual's Arizona gross income modified by any statutory additions or subtractions. [A.R.S § 43-1022](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/43/01022.htm) allows a deduction from Arizona gross income for any net long-term capital gain included in federal adjusted gross income, derived from an investment of an asset acquired after December 31, 2011. In TY 2017, a taxpayer may deduct 25% of any net long-term capital gain included in federal adjusted gross income.

# State SealARIZONA HOUSE OF REPRESENTATIVES

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| **HCR2029:** personal property tax exemption | |
| **PRIME SPONSOR:** Representative Mesnard, LD 17  **BILL STATUS:** [Caucus & COW](https://apps.azleg.gov/BillStatus/BillOverview/70764)  WM: DP 6-3-0-0   |  | | --- | |  | | **Legend:**  DOR – Department of Revenue  FCV- full cash value  SOS- Secretary of State  Amendments – **BOLD** and ~~Stricken~~ (*Committee*) |

**Abstract**

Relating to a personal property tax exemption.

Prop 105 (45 votes)  Prop 108 (40 votes)  Emergency (40 votes)  Fiscal Note

**Provisions**

1. Upon voter approval:
   1. Prohibits levying a tax on the first $2 million of FCV of personal property initially acquired during or after TY 2019 that is used for agricultural, trade or business purposes.
   2. Permits the Legislature to adjust the exemption amount based on variations in a designated national inflation index.
2. Declares the measure as the "Small Business Job Creation Act."
3. Requires the SOS to submit this proposition to the voters at the next general election.
4. Makes technical and conforming changes.

**Current Law**

The first $50,000 of FCV of a taxpayer’s personal property used for agricultural, trade or business purposes are exempt from taxation. Pursuant to [A.R.S. § 42-11127](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/11127.htm), DOR is required to annually increase the maximum amount of the exemption for the following tax year based on the percentage increase, if any, in the employment cost index for total compensation for private industry workers in the two most recent FY's. In TY 2018, the first [$168,130](https://www.azdor.gov/Portals/0/Property/AZ-Personal-property-Manual.pdf) of FCV is exempt.

The FCV is prohibited from being greater than market value regardless of the method prescribed to determine value for property tax purposes. *Personal property* is defined as property of every kind, both tangible and intangible, not included in real estate [(A.R.S. § 42-11001).](https://www.azleg.gov/viewdocument/?docName=https://www.azleg.gov/ars/42/11001.htm)