

ARIZONA STATE SENATE

SENATE FINANCE COMMITTEE OF REFERENCE FOR THE SUNSET REVIEWS OF THE ARIZONA DEPARTMENT OF INSURANCE, THE ARIZONA DEPARTMENT OF REVENUE AND THE ARIZONA STATE BOARD OF INVESTMENT AND THE REVIEW OF THE LEGISLATIVE PROPOSAL TO ESTABLISH ARIZONA FERTILITY INSURANCE COVERAGE

Minutes of the Meeting
December 17, 2019
8:30 a.m., Senate Hearing Room 1

Members Present:

Senator J.D. Mesnard, Chair
Senator Lela Alston
Senator Sean Bowie
Senator David C. Farnsworth
Senator Martin Quezada
Senator Michelle Ugenti-Rita

Members Excused:

Senator Paul Boyer
Senator Lupe Contreras
Senator Vince Leach
Senator David Livingston

Staff:

Molly Graver, Senate Research Analyst
Alanna Bendel, Senate Research Assistant Analyst

Chairman Mesnard announced that the Committee would begin to hear testimony and eventually the Committee will officially start with the review of the Sunset process.

LEGISLATIVE PROPOSAL TO ESTABLISH ARIZONA FERTILITY INSURANCE COVERAGE

Overview of the Legislative Proposal to Establish Arizona Fertility Insurance Coverage

Molly Graver, Legislative Research Analyst, Finance Committee, gave an overview of the Legislative process for a legislative proposal to establish Arizona Fertility Insurance Coverage.

Public Testimony

Elizabeth Marshall, representing herself, distributed a handout entitled "Letters in Support of Proposal to Establish Arizona Fertility Insurance Coverage" (Attachment A) and testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Dr. Jesse Hade, Boston IVF, Arizona Center, distributed a handout entitled "Access to Fertility Care Benefits" (Attachment B) and testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Dr. H. Randall Craig, Fertility Specialist, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Chairman Mesnard called the meeting to order at 9:15 a.m. and attendance was noted.

Tyler Webb, representing himself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Kerri Lopez-Howell, representing herself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Nicole Smith, representing herself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Rachel Wilgoren, representing herself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Jullian Lenehan, representing himself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Hannah Israelsen, representing herself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Jovan Heusser, representing himself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Jennifer Klein, representing herself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Kathryn Fiore, representing herself, testified in support of the proposal to establish Arizona Fertility Insurance Coverage.

Marc Osborn, representing America's Health Insurance Plans (AHIP), Blue Cross Blue Shield of Arizona, testified in opposition to the proposal to establish Arizona Fertility Insurance Coverage and answered questions posed by the Committee.

Brian Hummell, representing American Cancer Society, Cancer Action Network, testified in support of the proposal to establish Arizona Fertility Insurance Coverage and answered questions posed by the Committee.

Ms. Marshall offered additional testimony and answered questions posed by the Committee.

Ms. Smith answered questions posed by the Committee.

Ms. Lenehan offered further comments.

Ms. Heusser offered further comments.

Mr. Osborn answered additional questions posed by the Committee.

Discussion

Senator Mesnard offered comments.

The Committee discussed and shared comments on the proposal to establish Arizona Fertility Insurance Coverage.

Ms. Graver answered questions posed by the Committee.

Ms. Marshall gave additional testimony and answered additional questions posed by the Committee.

Ms. Graver answered additional questions posed by the Committee.

Recommendations by the Committee of Reference

Senator Bowie moved that the Committee of Reference make the recommendation that the Legislature explore the topic of fertility insurance coverage further in the 2020 session.

Senator Alston made a substitute motion that the Committee on Finance give a positive recommendation to the Sunrise application on the issue of establishment of Arizona Fertility Insurance Coverage.

Senator Mesnard stated that the Committee would be voting on the substitute motion first.

The motion FAILED by show of hands 3-3-0.

Senator Mesnard stated that the Committee would vote on the underlying motion by show of hands.

The motion FAILED by show of hands 2-4-0.

The Committee discussed their recommendation.

Chris Klemmich, Senate Rules Attorney, answered questions posed by the Committee.

The Committee further discussed their concerns, shared comments and suggested to change the language on the recommendation.

Senator Bowie moved that the Committee of Reference make the recommendation that the Legislature consider the topic of fertility insurance coverage further in the 2020 session. The motion CARRIED by show of hands of 6-0-0.

SUNSET REVIEW OF THE ARIZONA STATE BOARD OF INVESTMENT

Fareed Bailey, Director, Legislative Affairs, Arizona State Treasurer's Office, gave an overview of the Arizona State Board of Investment.

Senator Mesnard called for questions. No questions were offered.

Discussion

No discussion was offered by the Committee of Reference.

Recommendations by the Committee of Reference

Senator Bowie moved that the Committee of Reference recommend that the Arizona State Board of Investment be continued for eight years until July 01, 2028. The motion CARRIED by voice vote.

SUNSET REVIEW OF THE ARIZONA DEPARTMENT OF INSURANCE

Presentation by the Office of the Auditor General

Rosa Ellis, Office of the Auditor General, gave an overview of the performance audit and subsequent outlined recommendations in the Sunset Review of the Arizona Department of Insurance. Ms. Ellis answered questions posed by the Committee.

Response by the Arizona Department of Insurance

Keith Schraad, Director, Arizona Department of Insurance, addressed the findings of the audit, agreed with the findings and stated that the Department has already taken substantial steps to address the issues. Mr. Schraad answered questions posed by the Committee.

Public Testimony

Senator Mesnard called for public testimony, however, no one came forward.

Discussion

No discussion was offered by the Committee of Reference.

Recommendations by the Committee of Reference

Senator Bowie moved that the Committee of Reference recommend that the Arizona Department of Insurance and Financial Institutions be continued for five years until July 1, 2025. The motion CARRIED by voice vote.

SUNSET REVIEW OF THE ARIZONA DEPARTMENT OF REVENUE

Presentation by the Office of the Auditor General

Jeremy Weber, Auditor General's Office, distributed a copy of the Arizona Department of Revenue Performance Audits and Sunset Review (Attachment C) and gave an overview of the findings.

Response by the Arizona Department of Revenue

Grant Nülle, Deputy Director, Arizona Department of Revenue, addressed the findings of the audit and that the Arizona Department of Revenue has been actively working on all the findings. Mr. Nülle answered questions posed by the Committee.

Public Testimony

Senator Mesnard called for public testimony, however, no one came forward.

Discussion

No discussion was offered by the Committee of Reference.

Recommendations by the Committee of Reference

Senator Bowie moved that the Committee of Reference recommend that the Arizona Department of Revenue be continued for eight years until July 1, 2028. The motion CARRIED by voice vote.

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

There being no further business, the meeting was adjourned at 11:36 a.m.

Respectfully submitted,

Toy Brown
Committee Secretary

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