

ARIZONA STATE SENATE

51ST LEGISLATURE
FIRST REGULAR SESSION

MINUTES OF COMMITTEE ON COMMERCE, ENERGY AND MILITARY

DATE: March 20, 2013 **TIME:** 9:00 A.M. **ROOM:** SHR1

CHAIRMAN: Senator Al Melvin **VICE-CHAIRMAN:** Senator Michele Reagan

ANALYST: Jennifer Thomsen **INTERNS:** Lauren Erdelyi
Alec Shaffer

**COMMITTEE
SECRETARY:** Shelley Ponce

ATTENDANCE

BILLS

<u>Committee Members</u>	<u>Pr</u>	<u>Ab</u>	<u>Ex</u>	<u>Bill Number</u>	<u>Disposition</u>
Senator Ableser	X			HB 2173	DPA
Senator Gallardo	X			HB 2185	DP
Senator McComish	X			HB 2213	DISCUSS ONLY
Senator Meza	X			HB 2241	DPA
Senator Worsley	X			HB 2280	DP
Senator Reagan, Vice-Chairman	X			HB 2312	DP
Senator Melvin, Chairman	X			HB 2341	DP
				HB 2433	DP
				HB 2553	DP
				HB 2645	DP

EXECUTIVE NOMINATIONS

<u>Name</u>	<u>Position</u>	<u>Recommendation</u>
Zeek Ojeh	Member, Arizona Housing Finance Authority	CONFIRMATION
B. Michael Petrus II	Member, State Board of Appraisal	CONFIRMATION
Joseph J. Ahearne	Member, State Board of Funeral Directors and Embalmers	CONFIRMATION
John T. Dingeman	Member, Board of Manufactured Housing	CONFIRMATION

Chairman Melvin called the meeting to order at 9:07 a.m. and attendance was taken.

APPROVAL OF MINUTES

Senator Melvin stated that without objection, the minutes of March 13, 2013 were approved.

EXECUTIVE NOMINATIONS

Zeek Ojeh – Member, Arizona Housing Finance Authority – CONFIRMATION RECOMMENDED

Zeek Ojeh reviewed his resume, gave an overview of the Arizona Housing Finance Authority and answered questions posed by the Committee.

Senator Reagan moved the Commerce, Energy and Military Committee recommend to the full Senate the CONFIRMATION of Zeek Ojeh as a Member of the Arizona Housing Finance Authority. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 1).

Joseph J. Ahearne – Member, State Board of Funeral Directors and Embalmers – CONFIRMATION RECOMMENDATION

Joseph J. Ahearne reviewed his resume, gave an overview of the State Board of Funeral Directors and Embalmers and answered questions posed by the Committee.

Senator Reagan moved the Commerce, Energy and Military Committee recommend to the full Senate the CONFIRMATION of Joseph J. Ahearne as a Member of the State Board of Funeral Directors and Embalmers. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 2).

John T. Dingeman – Member, Board of Manufactured Housing – CONFIRMATION RECOMMENDED

John T. Dingeman reviewed his resume, gave an overview of the Board of Manufactured Housing and answered questions posed by the Committee.

Senator Reagan moved the Commerce, Energy and Military Committee recommend to the full Senate the CONFIRMATION of John T. Dingeman as a Member of the Board of Manufactured Housing. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 3).

B. Michael Petrus II – Member, State Board of Appraisal – CONFIRMATION RECOMMENDED

Senator Melvin stated that Mr. Petrus could not be present at this meeting and the Committee would proceed and vote on the nomination.

Senator Reagan moved the Commerce, Energy and Military Committee recommend to the full Senate the CONFIRMATION of B. Michael Petrus II as a Member of the State Board of Appraisal. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 4).

CONSIDERATION OF BILLS

HB 2185 – alarm businesses; alarm agents – HELD (continued)

Senator Melvin stated that HB 2185 would be HELD.

HB 2213 – job training program; business plan (now: job training program; reporting requirements – DISCUSSION ONLY)

Russell Smoldon, Arizona Data Center Coalition, explained the 54-page Melvin strike everything amendment dated 03/18/13 at 11:17 a.m. (Attachment A). Mr. Smoldon gave an overview of the data industry and the need for this legislation.

James Grice, Spencer Fane, discussed similar legislation being considered by other State legislatures.

Sylvia Kang, Cyrus One, discussed HB 2213 and gave a perspective of the tax issues.

HB 2173 – unemployment insurance; omnibus – DO PASS AMENDED

Jennifer Thomsen, Commerce, Energy and Military Committee Analyst, explained HB 2173 and the 5-line Melvin amendment dated 03/19/13 at 3:51 p.m. (Attachment B).

Representative Fann, bill sponsor, further explained HB 2173 and answered questions posed by the Committee.

Farrell Quinlan, State Director, National Federation of Independent Business, testified in support of HB 2173.

Kathy Ber, Director of Legislative Services, Department of Economic Security, testified in support of HB 2173 and answered questions posed by the Committee.

Senator Reagan moved HB 2173 be returned with a DO PASS recommendation.

Senator Reagan moved the 5-line Melvin amendment dated 03/19/13 at 3:51 p.m. (Attachment B) be ADOPTED. The motion CARRIED by voice vote.

Senator Reagan moved HB 2173 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 5).

Senator Meza explained his vote.

HB 2241 – telecommunications services; public records; exemption (now: telecommunications infrastructure; records; nondisclosure) – DO PASS AMENDED

Sharon Langford, Government and Environment Committee Analyst, explained HB 2241 and the 12-line Melvin amendment dated 03/19/13 at 4:37 p.m. (Attachment C).

Michael DiMaria, Director of Legislative Affairs, Centurylink, testified in support of HB 2241.

Senator Reagan moved HB 2241 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 6).

HB 2280 – employee benefits; state preemption – DO PASS

Alec Shaffer, Commerce, Energy and Military Committee Intern, explained HB 2280.

Sherry Gillespie, Government Relations Manager, Arizona Restaurant Association, testified in support of HB 2280 and answered questions posed by the Committee.

Brendan Walsh, Executive Director, Central Arizonans for a Sustainable Economy, testified in opposition to HB 2280.

Senator Reagan moved HB 2280 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 7).

HB 2312 – solicitation; text message; prohibition – DO PASS

Lauren Erdelyi, Commerce, Energy and Military Committee Intern, explained HB 2312 and answered questions posed by the Committee.

Senator Reagan moved HB 2312 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 8).

HB 2433 – Arizona state guard; age – DO PASS

Alec Shaffer, Commerce, Energy and Military Committee Intern, explained HB 2433 and answered questions posed by the Committee.

Michael Taylor, Attorney at Law, representing himself, testified in support of HB 2433.

Senator Reagan moved HB 2433 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 9).

HB 2645 – unemployment; employment definition; exception – DO PASS

Jennifer Thomsen, Commerce, Energy and Military Committee Analyst, explained HB 2645 and answered questions posed by the Committee.

Representative Montenegro, bill sponsor, further explained HB 2645.

Monica Stern, representing herself, testified in support of HB 2645 and answered questions posed by the Committee.

Senator Reagan moved HB 2645 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 10).

Senator Ableser explained his vote.

HB 2553 – bail bond agents; bonds; prohibitions – DO PASS

Jake Agron, Judiciary Committee Analyst, explained HB 2553.

Representative Gowan, bill sponsor, further explained HB 2553.

John Burns, President, Arizona Bail Bondsman Association, testified in support of HB 2553.

Senator Reagan moved HB 2553 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 11).

HB 2185 – alarm businesses; alarm agents – DO PASS

Senator Melvin stated that, at the request of Representative Gowen, House Majority Leader, HB 2185 would be heard by the Committee.

Lauren Erdelyi, Commerce, Energy and Military Committee Intern, explained HB 2185 and the 9-line Melvin amendment dated 03/19/13 at 3:15 p.m. (Attachment D).

Representative Fann, bill sponsor, further explained HB 2185 and answered questions posed by the Committee.

Representative Gowan answered questions posed by the Committee.

Senator Melvin withdrew the 9-line Melvin amendment dated 03/19/13 at 3:15 p.m. (Attachment D).

Meghaen Duger, Arizona Alarm Association, testified in support of HB 2185.

Meg Leal, City of Phoenix, testified in support of HB 2185 and against the potential floor amendment as discussed by the Committee.

Roger Score, President, Arizona Alarm Dealers Association, testified in support of HB 2185.

Senator Reagan moved HB 2185 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-1-1 (Attachment 12).

Senators McComish, Meza and Reagan explained their votes.

HB 2341 – board of technical registration; exemptions – DO PASS

Alec Shaffer, Commerce, Energy and Military Committee Intern, explained HB 2341.

Representative Barton, bill sponsor, further explained HB 2341.

Richard Travis, City of Flagstaff, testified in support of HB 2341.

Mark Bolton, American Institute of Architects, Arizona Chapter, testified in opposition to HB 2341.

**Senator Reagan moved HB 2341 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 7-0-0 (Attachment 13).**

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

There being no further business, the meeting was adjourned at 11:08 a.m.

Respectfully submitted,

Shelley Ponce
Committee Secretary

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