

Senate Engrossed

board of directors; commerce authority.

State of Arizona  
Senate  
Fifty-seventh Legislature  
Second Regular Session  
2026

# SENATE BILL 1429

AN ACT

AMENDING SECTION 41-1502, ARIZONA REVISED STATUTES; RELATING TO THE  
ARIZONA COMMERCE AUTHORITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-1502, Arizona Revised Statutes, is amended to  
3 read:

4 41-1502. Arizona commerce authority; board of directors;  
5 conduct of office; audit

6 A. The Arizona commerce authority is established. The mission of  
7 the authority is to provide private sector leadership in growing and  
8 diversifying the economy of this state, creating high quality employment  
9 in this state through expansion, attraction and retention of businesses  
10 and marketing this state for the purpose of expansion, attraction and  
11 retention of businesses.

12 B. The authority is governed by a board of directors consisting of:

13 1. The governor, who serves as chairperson.

14 2. The chief executive officer.

15 3. Seventeen private sector business leaders who are chief  
16 executive officers of private, for-profit enterprises. None of these  
17 members may be an elected official of any government entity. These  
18 members must be appointed from geographically diverse areas of this state  
19 and not all from the same county. These members shall serve staggered  
20 three-year terms of office beginning and ending on the third Monday in  
21 January. These members shall be appointed as follows:

22 (a) Nine members who are appointed by the governor.

23 (b) Four members who are appointed by the president of the senate.

24 (c) Four members who are appointed by the speaker of the house of  
25 representatives.

26 4. The following as ex officio members without the power to vote:

27 (a) The president of the senate **OR THE PRESIDENT'S DESIGNEE.**

28 (b) The speaker of the house of representatives **OR THE SPEAKER'S**  
29 **DESIGNEE.**

30 (c) The president of the Arizona board of regents.

31 (d) The president of each state university under the jurisdiction  
32 of the Arizona board of regents.

33 (e) One president of a community college who is appointed by a  
34 statewide organization of community college presidents.

35 (f) The chairperson of the governor's council on small business, or  
36 its successor.

37 (g) The chairperson of the workforce Arizona council established by  
38 executive order pursuant to section 41-5401.

39 (h) One member of the rural business development advisory council  
40 established by section 41-1505 who is appointed by the governor.

41 (i) The president of a statewide organization of incorporated  
42 cities and towns who is appointed by the governor.

43 (j) The president of a statewide organization of county boards of  
44 supervisors who is appointed by the governor.

1 C. For members who are appointed by the governor pursuant to  
2 subsection B of this section, before appointment by the governor, a  
3 prospective member of the board of directors shall submit a full set of  
4 fingerprints to the governor for the purpose of obtaining a state and  
5 federal criminal records check pursuant to section 41-1750 and Public Law  
6 92-544. The department of public safety may exchange this fingerprint  
7 data with the federal bureau of investigation.

8 D. The following shall serve as technical advisors to the board to  
9 enhance collaboration among state agencies to meet infrastructure needs  
10 and facilitate growth opportunities throughout this state:

- 11 1. The director of environmental quality.
- 12 2. The state land commissioner.
- 13 3. The director of the department of revenue.
- 14 4. The director of the office of tourism.
- 15 5. The director of the department of transportation.
- 16 6. The director of water resources.
- 17 7. The director of the department of insurance and financial  
18 institutions.
- 19 8. The director of the Arizona-Mexico commission in the governor's  
20 office.
- 21 9. The director of the office of economic opportunity.
- 22 10. An attorney who is appointed jointly by the president of the  
23 senate and the speaker of the house of representatives and who has  
24 experience litigating constitutional cases involving article IX, section 7  
25 of the Arizona Constitution.

26 E. The governor shall appoint a cochairperson of the board of  
27 directors from among the voting members. The board may establish an  
28 executive committee consisting of the chairperson, the cochairperson, the  
29 chief executive officer and additional voting members of the board elected  
30 by the board. The chairperson may appoint subcommittees as necessary.

31 F. The board may request assistance from representatives of other  
32 state agencies to maximize economic development opportunities by  
33 leveraging their access to strategic assets and planning processes.

34 G. Board members serve without compensation but are eligible for  
35 reimbursement of expenses pursuant to section 41-1504, subsection E,  
36 paragraph 1.

37 H. A majority of the voting members, which must include the  
38 chairperson and the chief executive officer, constitute a quorum for the  
39 purpose of an official meeting for conducting business. An affirmative  
40 vote of a majority of the members present at an official meeting is  
41 sufficient for any action to be taken.

42 I. The board shall keep and maintain a complete and accurate record  
43 of all of its proceedings. Public access to the board's records is  
44 subject to section 41-1504, subsection M. The public portion of board  
45 meetings shall be recorded. These recordings shall be posted on the

1 authority's website within three business days after the meeting and shall  
2 remain on the website pursuant to section 38-431.01, subsection K.

3 J. The board ~~of directors~~, executive committee, subcommittees and  
4 advisory councils are subject to title 38, chapter 3, article 3.1,  
5 relating to public meetings, except as follows:

6 1. In addition to section 38-431.03, the board, executive committee  
7 and subcommittees may meet in executive session for discussion about  
8 potential business development opportunities and strategies that, if made  
9 public, could potentially harm the applicant's, the potential applicant's  
10 or this state's competitive position.

11 2. Social and travel events related to the expansion, attraction  
12 and retention of businesses are not public meetings if no legal action  
13 involving a final vote or decision is taken.

14 3. Activities and events held in public for the purpose of  
15 announcing the expansion, attraction and retention of projects are not  
16 public meetings.

17 K. The board and the officers and employees of the authority are  
18 subject to title 38, chapter 3, article 8, relating to conflicts of  
19 interest.

20 L. The board of directors shall adopt written policies, procedures  
21 and guidelines for standards of conduct, including a gift policy, for  
22 members of the board and for officers and employees of the authority.

23 M. The compensation of all officers and employees is considered a  
24 public record pursuant to title 39, chapter 1.

25 N. The authority shall operate on the state fiscal year. The board  
26 shall cause an annual audit to be conducted on or before October 31 of  
27 each of the authority's public funds established by this chapter by an  
28 independent certified public accountant. The board shall immediately file  
29 a certified copy of the audit with the auditor general. The auditor  
30 general may make such further audits and examinations as necessary and may  
31 take appropriate action relating to the audit or examination pursuant to  
32 chapter 7, article 10.1 of this title. If the auditor general takes no  
33 further action within thirty days after the audit is filed, the audit is  
34 considered to be sufficient.

35 O. All state agencies shall cooperate with the authority and make  
36 available data pertaining to the functions of the authority as requested  
37 by the authority.

38 P. The authority may not have more than one hundred full-time  
39 employees, excluding any full-time employees that are funded with monies  
40 other than state monies.