

# ARIZONA STATE SENATE

## 46TH LEGISLATURE SECOND REGULAR SESSION

### MINUTES OF COMMITTEE ON FINANCE

**DATE:** January 26, 2004      **TIME:** 1:30 p.m.      **ROOM:** SHR 1

**CHAIRMAN:** Senator Martin      **VICE CHAIRMAN:** Senator Harper

**ANALYST:** Denisse Gee      **COMMITTEE SECRETARY:** Nancy L. DeMichele

**INTERN:** Colin McArthur  
Michelle Yang

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#### ATTENDANCE

#### BILLS

<u>Committee Members</u>	<u>Pr</u>	<u>Ab</u>	<u>Ex</u>	<u>Bill Number</u>	<u>Disposition</u>
Senator Brown	X			SB 1037	DPA/SE
Senator Burns	X			SB 1048	HELD
Senator Chevront	X			SB 1074	DPA
Senator Garcia	X			SB 1082	DP
Senator Jarrett	X			SB 1141	DP
Senator Leff	X				
Senator Weiers	X				
Senator Harper, Vice Chairman	X				
Senator Martin, Chairman	X				

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#### GOVERNOR'S APPOINTMENTS

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<u>Name</u>	<u>Position</u>	<u>Recommendation</u>
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Senator Martin called the meeting to order at 1:50 p.m., and roll call was taken.

## **APPROVAL OF MINUTES**

**Chairman Martin moved the minutes of January 19, 2004 be approved. Without objection, the minutes were approved as distributed.**

## **CONSIDERATION OF BILLS**

Senator Martin announced that testimony on SB 1074 and SB 1082 would be combined.

### **SB 1048 – widows; property tax exemption – HELD**

Senator Martin announced that SB 1048 would be held.

### **SB 1141 – sales tax increase; preexisting transactions – DO PASS**

**Denisse Gee, Finance Committee Analyst**, explained SB 1141.

**Tom Dorn, East Valley Chambers of Commerce Alliance**, testified in support of SB 1141.

**Tony Hyland, Gilbert Chamber of Commerce**, testified in support of SB 1141.

**Don Cavanagh, Director, Arizona Builders Alliance**, testified in support of SB 1141.

Senator Martin announced the individuals who registered their position on the bill (Attachment A).

**Senator Harper moved SB 1141 be returned with a DO PASS recommendation. The motion CARRIED by a roll call vote of 9-0-0 (Attachment 1).**

### **SB 1037 – technical correction; uniform trust code – DO PASS AMENDED/STRIKE EVERYTHING**

**Denisse Gee, Finance Committee Analyst**, explained the 2-page Jarrett strike-everything amendment dated 1/20/04 at 5:35 p.m.

**Senator Jarrett, bill sponsor**, explained she is working with Representative Boone on SB 1037.

**Evelyn Ensminger, representing herself**, testified in support of SB 1037.

**Susan K. Smith, Attorney, representing herself**, testified in support of SB 1037.

**Christine Thompson, Director of Government Affairs, State Bar of Arizona**, testified in opposition to SB 1037.

**Justin Warner, Investment Representative and Certified Financial Planner, Edward Jones Investments, representing himself**, testified in support of SB 1037.

**Max Boyer, Estate Planning Attorney, representing himself**, testified in support of SB 1037.

**John Vryhof, Estate Planning Attorney, Snell and Wilmer**, representing himself, testified in support of SB 1037.

**Tanya Miller, Attorney, Steptoe and Johnson**, representing **Arizona Bankers Association**, testified in support of SB 1037.

**Roger Curley, Probate Trust Law Section of the State Bar of Arizona**, testified in opposition to SB 1037.

Senator Martin announced the individuals who registered their position on the bill (Attachment A).

**Senator Harper moved SB 1037 be returned with a DO PASS recommendation.**

**Senator Jarrett moved the 2-page Jarrett strike-everything amendment dated 1/20/04 at 5:35 p.m. be ADOPTED (Attachment B). The motion CARRIED by a voice vote.**

**Senator Harper moved SB 1037 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED by a roll call vote of 9-0-0 (Attachment 2).**

#### **SB 1074 – transportation excise tax; election – DO PASS AMENDED**

**Victoria Regens, Research Staff Director**, explained SB 1074 and SB 1082. She distributed a handout entitled “Regional Transportation Plan” (Attachment C). She explained the 4-line Leff amendment to SB 1074 dated 1/23/04 at 8:00 a.m. (Attachment D). She explained the 26-line Burns amendment to SB 1074 dated 1/23/04 at 4:28 p.m. (Attachment E). Ms. Regens explained the 26-line Burns amendment to SB 1082 dated 1/23/04 at 4:18 p.m. (Attachment F). She explained the 7-page Martin amendment to SB 1082 dated 1/23/04 at 3:50 p.m. (Attachment G).

**Senator Blendu, District 12**, bill sponsor SB 1074, explained SB 1074.

**Senator Verschoor, District 22**, bill sponsor SB 1082, explained SB 1082.

**Senator Allen, District 8**, testified and urged the Committee to take the bills to the floor for a vote.

#### **PUBLIC TESTIMONY**

**Neil Giuliano, Mayor, City of Tempe**, testified in support of SB 1074 and in opposition to SB 1082. He stated he also serves as the Chair of the Transportation Policy Committee of the Regional Council of Governments. He urged the Committee to keep the plan together and let the voters decide on the plan as a region.

**Phil Gordon, Mayor, City of Phoenix**, testified in support of SB 1074 and a balanced plan.

**Dennis Smith, Executive Director, Maricopa Association of Governments (MAG)**, responded to Senator Leff regarding the proposed location and route of the light rail system.

**Eric Anderson, Transportation Director, MAG,** testified in support of SB 1074 and in opposition to SB 1082. In response to Senator Martin, Mr. Anderson clarified the route of the light rail system.

**Tom Husband, representing himself,** testified in opposition to SB 1074 and in support of SB 1082.

**Stephen Everly, representing himself,** testified in opposition to SB 1074 and in support of SB 1082.

**Martin Shultz, Vice President, Pinnacle West Capital Corp/Arizona Public Service,** testified in support of SB 1074 and in opposition to SB 1082. He stated that in lieu of the testimony of the people that are present and because of the time constraints, he read a list of names of individuals who collectively support SB 1074 and the Burns amendment and are in opposition to SB 1082.

**Jack Swanson, General Manager and Chief Executive Officer, USAA,** testified in support of SB 1074. He stated he is also a member of the Greater Phoenix Leadership Council and the Chairman of the Board of the Greater Phoenix Economic Council (GPEC).

**Mary Hartle-Smith, National Federation of the Blind of Arizona,** provided a transcript of her testimony supporting SB 1074 and in opposition to SB 1082 (Attachment H). She provided an additional handout (Attachment I).

Senator Martin recessed the meeting at 5:17 p.m. at the request of the President and announced that the meeting would reconvene in approximately one hour.

Senator Martin reconvened the meeting at 8:21 p.m. He explained a meeting took place with stakeholders without a resolution. He said he had indicated before the recess that Mr. Sellers would be given time to testify. Upon the conclusion of Mr. Sellers' testimony, Senator Martin said the meeting would recess until the following day.

**Dean Sellers, business owner representing himself,** testified in support of SB 1082.

Senator Martin recessed the meeting at 8:30 p.m. to approximately 2:30/3:00 p.m. Tuesday afternoon.

Senator Martin reconvened the meeting on January 27, 2004 at 4:55 p.m.

**Blue Crowley, representing himself,** testified in opposition to SB 1074. He distributed a set of maps (Attachment J) and voiced his concerns.

Senator Martin recessed the meeting at 5:00 p.m. until the adjournment of the January 28, 2004 afternoon committees. He announced there would not be any further testimony. However, he said testimony would be heard on any new amendments that may be presented.

Senator Martin reconvened the meeting on January 28, 2004 at 7:22 p.m.

**Victoria Regens, Research Staff Director,** explained the 4-page Martin amendment #2 to SB 1074 dated 1/28/04 at 6:30 p.m. (Attachment K).

Senator Martin explained the Martin #2 amendment is the result of the work conducted on this issue and does not represent "everything to everyone." He commented that this effort is the result of many discussions within the past several days. He thanked everyone for their participation and patience

and believes this amendment represents the best situation and extent to which votes can be obtained and to which the transportation plan can continue.

**Senator Harper moved SB 1074 be returned with a DO PASS recommendation.**

**Senator Harper moved the 4-page Martin #2 amendment dated 1/28/04 at 6:30 p.m. be ADOPTED (Attachment K). The motion CARRIED by a voice vote.**

Senator Martin explained that the main provision in the Martin amendment is a change from a May election date to a November election date and also includes other provisions explained earlier by Ms. Regens.

**Senator Harper moved SB 1074 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED by a roll call vote of 8-1-0 (Attachment 3).**

**Senator Harper moved SB 1082 be returned with a DO PASS recommendation. The motion CARRIED by a roll call vote of 9-0-0 (Attachment 4).**

Copies of written transcripts of prepared testimony and handouts from various individuals were submitted for the record (Attachments L, M, N, O, P, and Q).

There being no further business, the meeting adjourned at 7:32 p.m.

Respectfully submitted,

Nancy L. DeMichele  
Committee Secretary

(Tapes and attachments on file in the Secretary of the Senate's Office/Resource Center, Room 115.)