ARIZONA HOUSE OF REPRESENTATIVES
Fifty-sixth Legislature - Second Regular Session

CAUCUS AGENDA

February 13, 2024

Bill Number	Short Title	Committee	Date	Action

Committee on Commerce

Chairman: Justin Wilmeth, LD 2 **Vice Chairman:** Michael Carbone, LD 25
Analyst: Paul Benny **Intern:** Michael Celaya

HB 2204(BSI) workers' compensation rates; deviation
SPONSOR: LIVINGSTON, LD 28 HOUSE
COM 2/6/2024 DPA (9-0-0-1)
(Abs: GRESS)

HB 2297(BSI) adaptive reuse; commercial buildings; zoning
SPONSOR: BIASIUCCI, LD 30 HOUSE
COM 2/6/2024 DPA/SE (7-3-0-0)
(No: CARTER, HEAP, HENDRIX)

HB 2316(BSI) private universities; Arizona teachers academy
SPONSOR: GRESS, LD 4 HOUSE
COM 2/6/2024 DPA/SE (6-3-0-1)
(No: AGUILAR, HERNANDEZ M, AUSTIN Abs: ORTIZ)

HB 2505(BSI) assisted living; refunds; escrow accounts
SPONSOR: GRESS, LD 4 HOUSE
COM 2/6/2024 DP (7-3-0-0)
(No: CARTER, HEAP, HENDRIX)

HB 2518(BSI) municipalities; housing needs assessment; zoning
SPONSOR: GRESS, LD 4 HOUSE
COM 2/6/2024 DPA (8-2-0-0)
(No: HEAP, HENDRIX)

HB 2609(BSI) auto theft authority; fee overpayment
SPONSOR: LIVINGSTON, LD 28 HOUSE
COM 2/6/2024 DPA (9-0-0-1)
(Abs: GRESS)

HB 2666(BSI) tourism advisory council; public entities
SPONSOR: BIASIUCCI, LD 30 HOUSE
COM 2/6/2024 DP (8-2-0-0)
(No: CARTER, HENDRIX)

HCM 2001(BSI) reevaluate restrictions; chemical industry
SPONSOR: WILLOUGHBY, LD 13 HOUSE
COM 2/6/2024 DP (6-4-0-0)
(No: AGUILAR, HERNANDEZ M, ORTIZ, AUSTIN)

Committee on Education

Chairman: Beverly Pingerelli, LD 28 **Vice Chairman:** David Marshall, Sr., LD 7
Analyst: Chase Houser **Intern:** Ryan Potts

HB 2173(BSI) county aid; school districts; revisions
SPONSOR: PINGERELLI, LD 28 HOUSE
ED 1/30/2024 DPA (10-0-0-0)

HB 2400(BSI) school safety program; proposals
SPONSOR: GRESS, LD 4 HOUSE
ED 2/6/2024 DPA (10-0-0-0)

HB 2501(BSI) community college districts; county removal
SPONSOR: BIASIUCCI, LD 30 HOUSE
ED 2/6/2024 DP (5-4-1-0)
(No: GUTIERREZ, PAWLIK, SCHWIEBERT, HODGE Present: PEÑA)

Committee on Government

Chairman: Timothy M. Dunn, LD 25 **Vice Chairman:** John Gillette, LD 30
Analyst: Stephanie Jensen **Intern:** Ada Cawood

HB 2457(BSI) government investments; plans; fiduciaries; products
SPONSOR: MONTENEGRO, LD 29 HOUSE
GOV 2/7/2024 DP (5-4-0-0)
(No: HERNANDEZ L, PESHLAKAI, VILLEGAS, HODGE)

HB 2490(BSI) proper venue; challenges; policy statements
SPONSOR: BLISS, LD 1 HOUSE
GOV 2/7/2024 DPA (9-0-0-0)

HB 2491(BSI) administrative rules oversight committee; dissent
SPONSOR: BLISS, LD 1 HOUSE
GOV 2/7/2024 DP (7-2-0-0)
(No: VILLEGAS, HODGE)

HB 2571(BSI) Arizona highway magazine; privatization
SPONSOR: BIASIUCCI, LD 30 HOUSE
GOV 2/7/2024 DP (5-2-2-0)
(No: HERNANDEZ L, VILLEGAS Present: PESHLAKAI, HODGE)

HB 2588(BSI) notary public; requirements
SPONSOR: DUNN, LD 25 HOUSE
GOV 2/7/2024 DPA (9-0-0-0)

HB 2591(BSI) forced labor; child labor; prohibitions
SPONSOR: BIASIUCCI, LD 30 HOUSE
GOV 2/7/2024 DP (6-1-2-0)
(No: VILLEGAS Present: HERNANDEZ L, HODGE)

HB 2593(BSI) public records; time frame
SPONSOR: CARBONE, LD 25 HOUSE
GOV 2/7/2024 DPA (9-0-0-0)

HB 2633(BSI) real estate information technology fund
SPONSOR: GILLETTE, LD 30 HOUSE
GOV 1/31/2024 DPA (7-0-1-1)
(Abs: DUNN Present: MONTENEGRO)

HB 2662(BSI) homeowners' associations; meeting agendas
SPONSOR: TOMA, LD 27 HOUSE
GOV 2/7/2024 DP (9-0-0-0)

Committee on Health & Human Services

Chairman: Steve Montenegro, LD 29 **Vice Chairman:** Barbara Parker, LD 10
Analyst: Ahjahna Graham **Intern:** Kayla Thackeray

HB 2279(BSI) behavioral health professionals; addiction counseling.
SPONSOR: GRESS, LD 4 HOUSE
HHS 2/5/2024 DP (9-0-0-1)
(Abs: MATHIS)

HB 2424(BSI) licensed health aides
SPONSOR: WILLOUGHBY, LD 13 HOUSE
HHS 2/5/2024 DPA (10-0-0-0)

HB 2451(BSI) marijuana; advertising; restrictions
SPONSOR: MONTENEGRO, LD 29 HOUSE
HHS 2/5/2024 DPA (10-0-0-0)

HB 2480(BSI) group homes; random drug screening
SPONSOR: PARKER B, LD 10 HOUSE
HHS 2/5/2024 DP (9-0-0-1)
(Abs: HERNANDEZ A)

HB 2504(BSI) forced organ harvesting; insurance; prohibition
SPONSOR: BIASIUCCI, LD 30 HOUSE
HHS 2/5/2024 DP (7-3-0-0)
(No: CONTRERAS P, GUTIERREZ, MATHIS)

HB 2520(BSI) community health centers; graduate education
SPONSOR: PEÑA, LD 23 HOUSE
HHS 2/5/2024 DP (10-0-0-0)

Committee on Judiciary

Chairman: Quang H. Nguyen, LD 1 **Vice Chairman:** Selina Bliss, LD 1
Analyst: Justin Larson **Intern:** Michael bencomo

HB 2045(BSI) dangerous drugs; definition; xylazine
SPONSOR: BLISS, LD 1 HOUSE
JUD 2/7/2024 DPA (6-3-0-0)
(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

HB 2242(BSI) sexual conduct; minor; classification; sentence
SPONSOR: WILLOUGHBY, L2D 13 HOUSE
JUD 2/7/2024 DPA (5-2-0-2)
(No: CONTRERAS L, ORTIZ Abs: HERNANDEZ M, KOLODIN)

HB 2511(BSI) diversion; juveniles; conditions
SPONSOR: MARTINEZ, LD 16 HOUSE
JUD 2/7/2024 DPA (8-0-0-1)
(Abs: KOLODIN)

HB 2623(BSI) vacate conviction; sex trafficking; victims
SPONSOR: GRESS, LD 4 HOUSE
JUD 2/7/2024 DP (7-0-0-2)
(Abs: HERNANDEZ M, KOLODIN)

HB 2664(BSI) cannabis possession; school zones; definition
SPONSOR: BIASIUCCI, LD 30 HOUSE
JUD 2/7/2024 DP (7-1-0-1)
(No: ORTIZ Abs: KOLODIN)

Committee on Land, Agriculture & Rural Affairs

Chairman: Lupe Diaz, LD 19 **Vice Chairman:** Michele Peña, LD 23
Analyst: Emily Bonner **Intern:**

HB 2121(BSI) cell-cultured animal product; prohibition
SPONSOR: MARSHALL, LD 7 HOUSE
LARA 2/5/2024 DP (5-4-0-0)
(No: HERNANDEZ C, HERNANDEZ L, SANDOVAL, SEAMAN)

HB 2325(BSI) backyard fowl; regulation; prohibition
SPONSOR: PAYNE, LD 27 HOUSE
LARA 2/5/2024 DP (7-2-0-0)
(No: HERNANDEZ L, SANDOVAL)

Committee on Military Affairs & Public Safety

Chairman: Kevin Payne, LD 27 **Vice Chairman:** Rachel Jones, LD 17
Analyst: Nathan McRae **Intern:** Tanner Mitchell

HB 2274(BSI) firefighters; peace officers; PTSD; coverage
SPONSOR: MARSHALL, LD 7 HOUSE
MAPS 2/5/2024 DPA (9-0-1-4)
(Abs: HERNANDEZ M, PESHLAKAI, TSOSIE, WILMETH Present: NGUYEN)

HB 2324(BSI) animal cruelty; classification
SPONSOR: PAYNE, LD 27 HOUSE
MAPS 2/5/2024 DPA (8-1-3-2)
(No: HERNANDEZ M Abs: PESHLAKAI, TSOSIE Present: BLATTMAN, QUIÑONEZ, TRAVERS)

HB 2330(BSI) fire districts; formation; county supervisors
SPONSOR: MARSHALL, LD 7 HOUSE
MAPS 2/5/2024 DPA (7-2-3-2)
(No: HENDRIX, MCGARR Abs: PESHLAKAI, TSOSIE Present: JONES, NGUYEN, WILMETH)

Committee on Municipal Oversight & Elections

Chairman: Jacqueline Parker, LD 15 **Vice Chairman:** Alexander Kolodin, LD 3
Analyst: Joel Hobbins **Intern:** Casey Edwards

HB 2405(BSI) voter registrations; recorder; inactive status
SPONSOR: GILLETTE, LD 30 HOUSE
MOE 2/7/2024 DP (5-4-0-0)
(No: AGUILAR, HERNANDEZ M, TERECH, VILLEGAS)

HB 2703(BSI) supervisors; legislative vacancy; appointment
SPONSOR: KOLODIN, LD 3 HOUSE
MOE 2/7/2024 DP (9-0-0-0)

HB 2719(BSI) bond elections; date; voter turnout
SPONSOR: CARBONE, LD 25 HOUSE
MOE 2/7/2024 DP (5-4-0-0)
(No: AGUILAR, HERNANDEZ M, TERECH, VILLEGAS)

Committee on Natural Resources, Energy & Water

Chairman: Gail Griffin, LD 19 **Vice Chairman:** Austin Smith, LD 29
Analyst: Emily Bonner **Intern:**

HB 2014(BSI) wells; intention to drill; appropriation
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 1/30/2024 DP (5-4-0-0)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS)
APPROP 2/7/2024 DPA (10-7-0-0)
(No: BLATTMAN, DE LOS SANTOS, GUTIERREZ, QUIÑONEZ, SCHWIEBERT, STAHL HAMILTON, AUSTIN)

HB 2020(BSI) long-term storage; stormwater; rainwater; rules
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/6/2024 DP (5-4-0-1)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS Abs: PARKER B)

HB 2055(BSI) underground water storage; permitting
SPONSOR: DUNN, LD 25 HOUSE
NREW 2/6/2024 DP (10-0-0-0)

HB 2060(BSI) irrigation non-expansion area; substitution; acres
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/6/2024 DP (5-4-0-1)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS Abs: PARKER B)

HB 2063(BSI) exempt wells; certificate; groundwater use
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/6/2024 DP (6-4-0-0)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS)

HB 2281(BSI) solar royalties fund; county residents
SPONSOR: BIASIUCCI, LD 30 HOUSE
NREW 1/30/2024 DP (5-4-0-0)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS)

HB 2369(BSI) dredge; fill; permits; clean up
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/6/2024 DPA (10-0-0-0)

HB 2487(BSI) residential lease community; Prescott AMA
SPONSOR: BLISS, LD 1 HOUSE
NREW 2/6/2024 DP (7-3-0-0)
(No: DE LOS SANTOS, MATHIS, SANDOVAL)

HB 2545(BSI) annual vehicle emissions testing; exemption
SPONSOR: JONES, LD 17 HOUSE
NREW 2/6/2024 DP (6-4-0-0)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS)

HB 2546(BSI) vehicle emissions; exemption
SPONSOR: JONES, LD 17 HOUSE
NREW 2/6/2024 DPA (6-4-0-0)
(No: DE LOS SANTOS, MATHIS, SANDOVAL, VILLEGAS)

HB 2628(BSI) department of environmental quality; omnibus
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/6/2024 DPA (10-0-0-0)

HB 2685(BSI) mine inspector; geological survey; authority
SPONSOR: BLISS, LD 1 HOUSE
NREW 2/6/2024 DP (10-0-0-0)

Committee on Regulatory Affairs

Chairman: Laurin Hendrix, LD 14 **Vice Chairman:** Cory McGarr, LD 17
Analyst: Diana Clay **Intern:** Ryan Potts

HB 2473(BSI) licensure renewal; fee waiver
SPONSOR: KOLODIN, LD 3 HOUSE
RA 2/7/2024 DP (6-0-0-0)

HB 2698(BSI) planned communities; declarant control
SPONSOR: CARTER, LD 15 HOUSE
RA 2/7/2024 DPA/SE (6-0-0-0)

HB 2729(BSI) insurance coverage requirements; transportation companies.
SPONSOR: GRANTHAM, LD 14 HOUSE
RA 2/7/2024 DP (5-1-0-0)
(No: CREWS)

Committee on Transportation & Infrastructure

Chairman: David L. Cook, LD 7 **Vice Chairman:** Teresa Martinez, LD 16
Analyst: Jeremy Bassham **Intern:**

HB 2143(BSI) driver license fees; homeless exemption
SPONSOR: COOK, LD 7 HOUSE
TI 1/24/2024 DPA (8-3-0-0)
(No: CARTER, GILLETTE, MONTENEGRO)

HB 2149(BSI) watercraft operation; minors; safety education
SPONSOR: COOK, LD 7 HOUSE
TI 2/7/2024 DPA (9-2-0-0)
(No: CARTER, MONTENEGRO)

HB 2232(BSI) railroad grade crossing; on-track equipment
SPONSOR: LONGDON, LD 5 HOUSE
TI 1/31/2024 DP (9-0-0-1)
(Abs: GILLETTE)

HB 2389(BSI) vehicle sales; emergency stop; prohibition
SPONSOR: KOLODIN, LD 3 HOUSE
TI 2/7/2024 DPA (10-0-1-0)
(Present: CONTRERAS P)

HB 2410(BSI) motor vehicle dealers; franchises
SPONSOR: COOK, LD 7 HOUSE
TI 2/7/2024 DPA (10-0-0-1)
(Abs: GILLETTE)

HB 2461(BSI) duty of care; leased vehicles
SPONSOR: COOK, LD 7 HOUSE
TI 2/7/2024 DP (11-0-0-0)

HB 2658(BSI) pedestrians; congregating; medians; unsafe locations
SPONSOR: CHAPLIK, LD 3 HOUSE
TI 2/7/2024 DP (6-3-2-0)
(No: CONTRERAS P, HERNANDEZ C, SEAMAN Present: TSOSIE, HODGE)

HB 2204: workers' compensation rates; deviation
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Allows certain insurers to file for a premium credit from the rating organization's uniform rate filing.

History

The Department of Insurance and Financial Institutions (DIFI) oversees insurance rate regulation to promote the public welfare and prevent excessive, inadequate or discriminatory rates. DIFI designates a rating organization for the purpose of annually making and filing statewide workers' compensation insurance rates (A.R.S. §§ 20-341 and 20-371).

A workers' compensation or employers' liability insurer (insurer) must adhere to the statewide workers' compensation insurance rates filed with DIFI, except an insurer may file: 1) up to six uniform percentage deviations to adjust the statewide rate portion of the rating organization's rate filing; and 2) a subclassification rate related rule that deviates from the rating organization rules or schedule rating plan. An insurer may not simultaneously apply a deviation and a schedule rating to the same insured risk. If an insurer files more than one deviation, each must be consistent with underwriting rules based on criteria that would lead to a logical distinction of potential risk (A.R.S. § 20-359).

Provisions

1. Permits a rating organization's member insurer to file a premium credit of up to 5% from the rating organization's uniform rate filing based on a policyholder's membership in an association. (Sec. 2)
2. Defines *association* as a domestic nonprofit corporation with a professional, commercial, industrial or trade character of business. (Sec. 1)

Amendments

Committee on Commerce

1. Modifies the definition of *association*.

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

HB 2297: adaptive reuse; commercial buildings; zoning
S/E: same subject
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2297

Overview

Prescribes requirements relating to the *multifamily residential development* or *adaptive reuse* development of a commercial building or mixed-use site.

History

Pursuant to A.R.S. § 9-462.01, the legislative body of any municipality by ordinance, to conserve and promote the public health, safety and general welfare, may:

1) regulate the use of buildings, structures and land between agriculture residence, industry and business;
2) regulate the location, height, bulk, number of stories and size of buildings and structures, the size and use of lots, yards, courts and other open spaces, the percentage of a lot that may be occupied by a building or structure, access to incident solar energy and the intensity of land use;
3) establish requirements for off-street parking and loading;
4) establish and maintain building setback lines; and
5) establish floodplain and age-specific community zoning districts and districts of historical significance.

Provisions

1. Requires a municipality to allow multifamily residential development or adaptive reuse development of any commercial building or mixed-use site without an application for rezoning. (Sec. 1)
2. Specifies the multifamily residential development or adaptive reuse development must:
   a. have access to public sewer and water service for the entire development; and
   b. comply with all applicable building codes. (Sec. 1)
3. Stipulates the residential density must be the maximum residential density allowed under municipal zoning ordinances. (Sec. 1)
4. Asserts existing municipal setback requirements must be amended to support the maximum density allowed under existing municipal zoning ordinances and permits additional encroachments. (Sec. 1)
5. Permits the multifamily residential development or adaptive reuse development to allow for the demolition of all or a portion of the existing building or buildings. (Sec. 1)
6. Stipulates the height of the existing commercial building or mixed-use structure may remain and be considered nonconforming if the height exceeds the maximum height of the zoning district. (Sec. 1)
7. Adds any rooftop construction must be included within the height exemption. (Sec. 1)
8. Requires the multifamily residential development or adaptive reuse development of any commercial building or mixed-use site to set aside at least 10% designated for either moderate-income housing or low-incoming housing or any combination of both. (Sec. 1)
9. Specifies the multifamily residential development or adaptive reuse development cannot be subject to the enforcement of any regulation that exceeds existing parking space requirements beyond what is required in the existing zoning code. (Sec. 1)

10. Asserts the multifamily residential development or adaptive reuse development requirements do not apply to any land:
    a. in an area that is designated as a district of historical significance or as historic on the national register of historic places;
    b. in the immediate vicinity of an airport or ancillary military facility; or
    c. in a municipality that is located on tribal land. (Sec. 1)

11. Defines pertinent terms. (Sec. 1)

Amendments

Committee on Commerce

1. Adopted the strike-everything amendment.

HB 2316: private universities; Arizona teachers academy
S/E: mobile home; relocation; building codes
Sponsor: Representative Gress, LD 4
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2316

Overview

Increases certain disbursements from the Mobile Home Relocation Fund (Fund). Asserts a mobile home's owner is to be cited for certain violations.

History

The Fund provides relief to mobile home park tenants that relocated due to: 1) a change in use or redevelopment of the mobile home park; 2) rent increases; or 3) a change in age-restricted community use. Tenants who relocated due to rent increases or a change in age-restricted community use are eligible to receive Fund disbursements of up to $7,500 for a single-section mobile home or up to $12,500 for a multi-section mobile home (A.R.S. §§ 33-1476.04 and 33-1476.05).

Each owner of a mobile home located in a mobile home park who does not own the land on which the mobile home is located are annually assessed a rate of $.5 per $100 of a taxable assessed valuation. Monies collected from the annual assessment are deposited into the Fund. If the Fund balance exceeds $8,000,000 in any year, the assessments are waived and reinstated if the Fund balance is less than $6,000,000 at the end of the fiscal year. (A.R.S. § 33-1476.03).

Provisions

1. Increases the amount of Fund monies a tenant who relocates due to rent increases or a change in age-restricted community use may receive from:
   a. $7,500 to $12,500 for a single-section mobile home; or
   b. $12,500 to $20,000 for a multi-section mobile home. (Sec. 1, 2)
2. Removes, as a qualifier to be eligible to receive relocation expenses from the Fund due to an increase in rent, the requirement:
   a. that the tenant's contract to move the mobile home state by a specified date; and
   b. to have moved the mobile home within 45 days after the date of the rent increase. (Sec. 1)
3. Removes, as a qualifier to be eligible to receive relocation expenses from the Fund due to a change in the age-restricted community use, the requirement:
   a. that the tenant's contract to move the mobile home or manufactured home state by a specified date; and
   b. to have moved the mobile home or manufactured home within 45 days after notice from the Director approving payment of relocation expenses. (Sec. 2)
4. Increase the percentage amount, from 25% to 40%, of the maximum allowable moving expense that a tenant may receive from the Fund for relocation expenses due to an increase in rent who alternatively abandons the mobile home. (Sec. 1)
5. Asserts no building code or local enforcement agency can require the owner of a mobile home park to correct a violation that is found in or on a mobile home. (Sec. 3)
6. Stipulates the mobile home's owner must be cited if a violation is found in or on a mobile home in a mobile home park. (Sec. 3)

Amendments

Committee on Commerce

1. Adopted the strike-everything amendment.

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

HB 2505: assisted living; refunds; escrow accounts
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Stipulates the contract holder must receive the entrance fee associated with a life care contract when specified conditions are met.

History

A life care contract is a contractual agreement between a provider and a person (contract holder) to provide for nursing services, medical services or health-related services, in addition to board and lodging for the person in a facility or services in the person's private residence with the right to future access to services, board and lodging in a facility, and is conditioned on the transfer of an entrance fee to the provider for such services. Life care contracts may only be offered by persons who are issued a permit as a provider by the Department of Insurance and Financial Institution (DIFI).

As a condition for issuing the permit, DIFI requires the provider to maintain on a current basis and in escrow an amount equal to the aggregate principal and interest payments due during the next twelve months on account of any first mortgage or other long-term financing of the facility. Additionally, the provider must establish an escrow account and place any entrance fee in escrow prior to occupancy in the facility or providing services. Statute outlines the conditions for releasing entrance fee monies to the provider.

An entrance fee that is held in escrow may be returned to the person who had made payment to the provider at any time by the escrow agent on receipt of notice from the provider that such person is entitled to a refund of the entrance fee. (Title 20, Chapter 8, A.R.S.)

Provisions

1. Requires the entrance fee, minus deductions for expenses or other fees be returned to the contract holder when the resident's occupancy terminates with the facility and on the first occurance of either the resident's former living unit is inhabited by a new resident or within one year. (Sec. 1)
2. Contains technical changes. (Sec 1)

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

HB 2518: municipalities; housing needs assessment; zoning
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Establishes requirements relating to zoning ordinances and an assessment and annual report regarding housing.

History

Statute authorizes municipalities to adopt zoning ordinances and codes to conserve and promote the public health, safety and general welfare and outlines zoning guidelines and requirements. Municipalities must adopt, by ordinance, a citizen review process that applies to all rezoning and specific plan applications that require a public hearing. If a municipality has a planning commission or a hearing officer, the commission or officer must hold a public hearing on any zoning ordinance. At least 15 days before the hearing, a notice of the hearing must be published at least once in a newspaper of general circulation in the municipality or posted on the affected property in a manner as to be legible from the public right-of-way and printed so that the word "zoning" is visible from a distance of 100 feet.

Municipalities, by ordinance, must establish a zoning administrator office which is responsible for zoning ordinance enforcement. Appeals on decisions of the zoning administrator are heard and decided on by a municipal board of adjustment. Notices of hearings of the adjustment board must be published in a newspaper of general circulation in the municipality and posted in conspicuous places close to the affected property (Title 9, Ch.4, Art. 6.1, A.R.S.).

Municipalities are statutory required to have in place an overall time frame for issuing licenses during which the municipality will either grant or deny each type of license that it issues. The overall time frame for each license type must separately state the administrative completeness review and the substantive review time frame. The municipality must issue a notice of administrative completeness or deficiencies to a license applicant within the administrative completeness review time frame. If the municipality does not issue a notice of administrative completeness or deficiencies within the time frame, the application for the license is deemed administratively complete. If the municipality issues a timely notice of deficiencies, an application is not complete until all required information has been received by the municipality (A.R.S. § 9-835).

Provisions

Zoning Ordinance Amendment

1. Instructs a municipality, by January 1, 2025, to adopt an amendment to the zoning ordinance that requires the determination of whether a zoning application is administratively complete within 30 after receiving the application. (Sec. 3)
2. Stipulates the municipality that determines the application is not administratively complete must follow the statutory procedures relating to administrative completeness for licensure until the application is administratively complete. (Sec. 3)
3. Instructs a municipality to determine whether a resubmitted application is administratively complete within 15 days after receiving the resubmitted application. (Sec. 3)
4. Requires the municipality to approve or deny the application within 180 days after determining that the application is administratively complete. (Sec. 3)

5. Provides reasons for which a municipality may extend the time frame to approve or deny the request beyond 180 days. (Sec. 3)
6. Specifies the requirements for a zoning ordinance amendment do not apply to:
   a. land that is designated as a district of historical significance:
   b. an area that is designated as historic on the national register of historic places; or
   c. planned area developments. (Sec. 3)

Housing Needs Assessment; Annual Report

7. Instructs a municipality, beginning January 1, 2025, and every five years thereafter, to publish a housing needs assessment. (Sec. 4)
8. Outlines information that the housing needs assessment must include. (Sec. 4)
9. Instructs a municipality, beginning January 1, 2025, to submit an annual report to the Arizona Department of Housing which accounts for the total number of:
   a. proposed residential housing units submitted to the municipality;
   b. net new residential housing units submitted to the municipality; and
   c. new residential housing units that are entitled, platted, permitted and have received a certificate of occupancy. (Sec. 4)
10. Outlines information that must be included in the annual report. (Sec. 4)
11. Requires a municipality that has previously conducted a housing needs assessment report to amend the report to include the required information as outlined. (Sec. 4)
12. Exempts a municipality from the requirement to fulfill certain required projections in the housing needs assessment. (Sec. 4)
13. Exempts a municipality from the housing needs assessment and annual reporting requirements that is located on tribal land or has a population of less than 30,000 persons. (Sec. 4)

Miscellaneous

14. Removes the requirement for a public hearing notice to be published at least once in a newspaper of general circulation in the municipality. (Sec. 1)
15. Removes the requirement for a municipality's board of adjustment to give notice of the hearing by publication in a newspaper of general circulation in the municipality. (Sec. 2)

Amendments

Committee on Commerce

1. Restores the requirement for certain notices to be published in a newspaper.
2. Includes a requirement for a municipality, by January 2, 2025, to offer, in any mixed use or multifamily residentially zoned district within one-half mile of a light rail stop or streetcar stop, a height or density bonus of 10% additional dwelling units for either:
   a) a proposed multifamily housing development that dedicates at least 20% of the units to permanent affordable housing; or
   b) a proposed residential housing development that qualifies for the low-income housing tax credit program.
3. Exempts specified lands or areas from the requirement to offer a height or density bonus.
4. Adds that the Arizona Department of Housing must submit the report relating to residential housing units to the Governor and the Legislature.

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

HB 2609: auto theft authority; fee overpayment
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview
Entitles an insurer to a refund or credit relating to overpayment of certain fees.

History
Established in the Department of Insurance and Financial Institutions (DIFI), the Automobile Theft Authority (Authority) is tasked with determining the scope of motor vehicle theft and the areas of the state where the problem is the greatest. The Authority may also analyze, develop and implement a plan to combat the problem of motor vehicle theft. The Authority allocates monies in the Automobile Theft Authority Fund (Fund) to public agencies for the purpose of establishing, maintaining and supporting programs that are designed to prevent motor vehicle theft.

Each insurer who issues a motor vehicle liability insurance policy is required to pay a semiannual fee of $0.50 per vehicle insured under the policy. Monies collected from the fee as well as 50% of civil penalties assessed against a scrap metal dealer who does not submit required vehicle information to the Arizona Department of Transportation are deposited into the Fund (A.R.S § 41-3451).

The Authority must notify DIFI of an insurer's failure to pay the semiannual fee. On receiving notice of an insurer's failure to pay the fee, DIFI may suspend the insurer's certificate of authority or impose a civil penalty to be deposited into the Fund. (A.R.S. § 41-3453).

Provisions
1. Entitles an insurer who overpaid the automobile theft authority fee to a refund of the overpaid amount or a credit of the overpaid amount to be applied against future fees. (Sec. 1)
2. Directs the insurer to submit a request for a refund or credit to the Authority with documentation or information proving the overpaid amount. (Sec 1)

Amendments
Committee on Commerce
1. Removes the ability for an insurer to receive a credit for the overpaid amount.
2. Clarifies an insurer must submit a written request for a refund to the Authority within one year after the date the overpaid assessment was due and payable and include documentation or any other information satisfactory to DIFI to substantiate the overpaid amount.
3. Requires DIFI to approve or deny a request for a refund.
4. Stipulates DIFI must refund the insurer the request amount from the Fund if DIFI approves the request.
5. Requires an insurer who has underpaid the automobile theft authority fee to transmit the difference between the amont that was due and the amount that insurer actually paid within 60 days after the fee was due and payable.
6. Permits DIFI to audit a motor vehicle liability insurer for compliance purposes and designates the expenses of the audit conducted be paid by the insurer.

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

HB 2666: tourism advisory council; public entities
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Amends statute pertaining to the Tourism Advisory Council (Council).

History

The Arizona Office of Tourism (AOT) is responsible for promoting and developing tourism in Arizona. The AOT is led by a Director who is appointed by the Governor. The Director is assisted and advised by the Council with establishing the budget, policies and programs (A.R.S. § 41-2302).

The Council consists of 15 members, appointed by the Governor, serving five-year terms. The members must be from recreational and tourist attractions, transportation and hospitality, other tourism-related businesses, and the general public. There must be at least one member from each of the six geographical planning areas, as follows: Area 1 Maricopa; Area 2 Pima; Area 3 Apache, Coconino, Navajo and Yavapai; Area 4 Mohave and Yuma; Area 5 Gila and Pinal; Area 6 Graham, Greenlee, Cochise and Santa Cruz. The Council may exercises its statutory powers and duties by engaging in joint venture activities with private corporations (A.R.S. § 41-2304).

Provisions

1. Adds La Paz County to Area 4 of the six geographical planning areas of Arizona for purposes relating to the appointment of members to the Council. (Sec. 1)
2. Allows the Council to engage with public entities, including cities, towns and counties, in addition to private corporations, to further the goals of the AOT. (Sec. 1)
3. Makes technical changes. (Sec. 1)

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

HCM2001: reevaluate restrictions; chemical industry
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview

Urges the U.S. federal government to reevaluate proposed restrictions on the chemical industry.

Provisions

1. Urges U.S. President and Congress to:
   a. reevaluate proposed restrictions on the chemical industry and to ensure that regulations are based on sound science, promote innovation and support supply chain resiliency; and
   b. support frameworks that celebrate innovation and accelerate progress in the chemical industry.
2. Requests Arizona Secretary of State to transmit the memorial to the U.S. President, President of the U.S. Senate, Speaker of the U.S. House of Representatives, directors of relevent federal agencies and each member of Congress from Arizona.

HB 2173: county aid; school districts; revisions
Sponsor: Representative Pingerelli, LD 28
Caucus & COW

Overview

Makes several revisions relating to county aid and tax levy calculations for a common school district not within a high school district (Type 03 district).

History

Laws 2022, Chapter 285 eliminates the requirement for a Type 03 district (that is not a transporting school district) to pay tuition for high school pupils who reside in the Type 03 district but attend another school district. Currently, students who reside in a Type 03 district but attend another school district for high school are deemed to be enrolled in the school district of the student's attendance for the purposes of determining student count and apportionment of state aid (A.R.S. § 15-824).

Each county board of supervisors (BOS), when levying school district property taxes, must annually levy an additional tax in each Type 03 district. This additional tax is levied in an amount equal to the countywide average per pupil equalization base for high school pupils multiplied by the number of resident high school pupils in the Type 03 district during the prior year. Monies collected by this levy are added to county aid for equalization assistance and distributed to school districts in the county according to the school finance formula.

A school district that fully funds its equalization base through monies generated by its local qualifying tax rate (QTR) is not eligible to receive state equalization assistance. In these school districts, an additional property tax may be levied, commonly referred to as the minimum qualifying tax rate (MQTR). The MQTR is determined based on the difference between the levy that would be produced by 50% of the school district's applicable QTR and its equalization base (A.R.S. § 15-992).

Provisions

County Aid (Retroactive to July 1, 2023)

1. Details the formula to compute county aid from Type 03 districts. (Sec. 1)
2. Reduces a school district's equalization assistance by the amount of county aid from Type 03 districts calculated according to the county aid formula. (Sec. 1)
3. Repeals duplicative statute relating to the determination of equalization assistance payments from county and state funds for school districts. (Sec. 2)

MQTR and Additional Tax in Type 03 Districts
(Retroactive to Tax Years Beginning January 1, 2024)

4. Modifies the amount levied by the MQTR in a school district not eligible for equalization assistance by subtracting the amount levied by the additional tax in a Type 03 district. (Sec. 3)
5. Sets the levy for the additional tax in each Type 03 district at the lesser of a rate:
   a. equal to the applicable QTR; or
   b. that would result in a levy that equals the countywide average per pupil equalization base for high school pupils multiplied by the number of resident high school pupils in the Type 03 district during the prior school year. (Sec. 3)

6. Clarifies that monies collected from the additional tax in Type 03 districts are county aid and must be distributed to school districts within the county. (Sec. 3)

Property Tax Modifications for Eligible School Districts

7. Instructs a county BOS, if the county BOS levies the MQTR in an eligible school district in TY 2023, to reduce the tax levy in each eligible school district for TY 2024 by the lesser of the amount levied pursuant to the:
   a. MQTR formula in TY 2023; or
   b. additional tax in Type 03 districts in TY 2023. (Sec. 5)
8. Defines *eligible school district* as a Type 03 district not eligible for equalization assistance. (Sec. 5)
9. Repeals the requirement for a county BOS to reduce the property tax levies of eligible school districts as outlined on January 1, 2028. (Sec. 5)

Miscellaneous

10. Makes technical and conforming changes. (Sec. 1, 3, 4)

Amendments

Committee on Education

1. Redirects the monies collected from the additional tax in Type 03 districts from county aid for equalization assistance to the state General Fund.
2. Specifies the additional tax in a Type 03 district, if applicable, is calculated using the student count, rather than the number, of resident high school pupils in the Type 03 district during the prior year.
3. Excludes the MQTR and additional tax in a Type 03 district from the criteria used by the Property Tax Oversight Commission to determine if a school district primary property tax rate exceeds the maximum permissible statutory primary property tax rate.
4. Authorizes the Arizona Department of Education to use the most recent data from the statutory open enrollment report to provide the information required for the additional tax in a Type 03 district to a county BOS.
5. Makes conforming changes.

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

HB 2400: school safety program; proposals
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Makes several modifications to the School Safety Program (Program), including expanding the costs supported by the Program and establishing a process for alternative Program proposals. Exempts school building blueprints and floor plans from public records.

History

The Program supports the costs of placing school resource officers (SROs), juvenile probation officers (JPOs), school counselors and school social workers on school campuses. A school district or charter school may apply to the Arizona Department of Education (ADE) to participate in the Program for up to three fiscal years and, if approved to participate, annually submit a modified spending plan for its approved program.

When applying to participate in the Program, a school district or charter school must submit a proposal with a detailed description of school safety needs and, if the school district or charter school previously participated in the Program, information on the success and implementation of the most recent Program grant. A Program proposal for an SRO or JPO must also include a plan for a law-related education program and a plan to use trained SROs or JPOs. A Program proposal for a school social worker or school counselor must include a plan for implementing a school guidance and counseling program that includes prescribed information regarding the role and duties of these individuals.

ADE must review and administer Program proposals in cooperation with specified entities and individuals depending on the positions funded. Additionally, ADE, subject to the review and approval by the State Board of Education, must distribute monies to school districts and charter schools whose Program proposals are approved (A.R.S. § 15-154).

Provisions

Program Proposals for School Safety Officers (SSOs) and School Psychologists

1. Expands the costs supported by the Program to include:
   a. SSOs;
   b. school psychologists; and
   c. the costs of purchasing safety technology, safety training and infrastructure improvement for school campuses. (Sec. 1)
2. Subjects a Program proposal for supporting the costs of placing SROs, JPOs or SSOs, or any combination, to the same current statutory Program proposal requirements. (Sec. 1)
3. Adds that a Program proposal for supporting the costs of placing SROs, JPOs or SSOs, or any combination, must contain a plan to train these officers on the Family Educational Rights and Privacy Act, civil rights and adolescent mental health issues. (Sec. 1)
4. Subjects a Program proposal for supporting the costs of placing school counselors, school social workers or school psychologists, or any combination, to the same current statutory Program proposal requirements. (Sec. 1)
5. Applies dispute resolution process requirements for a school district or charter school that received an SRO grant to a school district or charter school that received an SSO grant. (Sec. 1)

6. Requires ADE to adopt a school mental health professionals guidance manual that incorporates a multidisciplinary safety approach and is consistent with the parents' bill of rights. (Sec. 1)
7. Instructs ADE to cooperate with specified individuals to allow a law enforcement agency to assign an individual who was previously employed as a peace officer in Arizona and who retired in good standing to participate in the Program. (Sec. 1)
8. Defines *school psychologist* to mean a school-based mental health provider who holds a valid school psychologist certificate issued by ADE. (Sec. 1)
9. Modifies the definition of *SRO* to include an individual who:
   a. was previously employed as a peace officer in Arizona;
   b. retired in good standing; and
   c. is assigned to participate in the Program by a law enforcement agency. (Sec. 1)
10. Defines *SSO* as an SRO who is working in an off-duty capacity. (Sec. 1)

Alternative Program Proposals

11. Permits a school district or charter school whose Program proposal was approved but who cannot place an SRO, JPO or SSO or combination of these officers to submit an alternative Program proposal for supporting the costs of purchasing safety technology, safety training and infrastructure improvements for school campuses. (Sec. 1)
12. Details the information that must be included in an alternative Program proposal submitted by a school district or charter school. (Sec. 1)
13. Directs ADE to review and administer the safety technology, safety training and infrastructure improvements Program proposals. (Sec. 1)
14. Specifies ADE must use relevant crime statistics to assess the needs of each alternative Program proposal and may visit school districts and charter schools to verify the information in the alternative Program proposal. (Sec. 1)
15. Authorizes ADE to approve all or part of a safety technology, safety training or infrastructure improvement Program proposal. (Sec. 1)
16. Includes approved alternate Program proposals in Program reporting requirements for ADE. (Sec. 1)

Miscellaneous

17. Exempts school building blueprints and floor plans from public records and public records requests. (Sec. 3)
18. Makes technical and conforming changes. (Sec. 1, 2)

Amendments

Committee on Education

1. Removes school psychologists from the costs that may be supported by the Program.
2. Requires each school district or charter school that employs officers on school campuses, including indirect employment through the Program, to train each officer how to recognize and effectively interact with children with disabilities.
3. Defines *officer*.

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

HB 2501: community college districts; county removal
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Establishes procedures for the removal of a county from a community college district (CCD).

History

A CCD may be organized for a single county, two or more contiguous counties or an existing CCD and contiguous counties that are not part of any CCD if the proposed CCD meets outlined minimum net assessed valuation and population requirements (A.R.S. § 15-1402).

A petition to form a CCD may be submitted in two ways: 1) at least 10% of the qualified electors in the proposed CCD's boundaries may submit a petition to the county school superintendent; or 2) if the proposed CCD consists of more than one county, at least 10% of the qualified electors in each county may submit a petition to the county school superintendent. The submitted petition must detail the proposed CCD's name and boundaries. Once a petition is submitted, the county school superintendent(s) must verify the signatures. After signature verification, the petition must be transmitted to the county board of supervisors (BOS).

If the county BOS determines the proposed CCD meets the minimum net assessed valuation and population requirements, the county or counties must submit a question to form the CCD to the qualified electors at the next general election or at a special election. A majority of the electors must vote in favor of forming the CCD; if the proposed CCD covers more than one county, a majority of the electors in each county must vote in favor of forming the CCD (A.R.S. §§ 15-1403, 15-1404).

An existing CCD in two or more contiguous counties may be dissolved to form a new CCD in one or more of the counties. The procedures to dissolve and form a new CCD are subject to the aforementioned requirements, except that a majority of the qualified electors in each of the counties in the existing CCD must approve the question. If a county within the dissolved CCD does not meet the minimum outlined net assessed valuation and population requirements nor alternative organization requirements, the county is no longer part of an established CCD (A.R.S. § 15-1407).

Provisions

1. Authorizes, if a CCD contains two or more counties, 10% of the qualified electors in any county within the CCD to petition to remove that county from the CCD.
2. Subjects the procedures for removing a county from a CCD to the same statutory procedures for the formation of a CCD consisting of one county.
3. Requires the election to remove a county from a CCD to be held in the same manner as an election to form a CCD consisting of one county, except that a majority of the petitioning county's qualified electors must approve the removal.
4. Asserts that if a county is removed from a CCD, the county is no longer part of an established CCD if it does not meet the statutory requirements for the formation of a CCD or the alternate organization of a CCD.
5. Requires the following to occur on the removal of a county from a CCD:
   a. the CCD board must prepare, before the end of the fiscal year in which the election is held, a projected list of assets for the CCD; and

b. the CCD board and removed county's BOS must prepare, at of the end of the fiscal year in which the election is held, a final statement of assets for the CCD.

6. Instructs the CCD board and county BOS, by September 15 of the year in which the county's removal becomes operative, to set aside sufficient assets or provide other means to satisfy the liabilities of the CCD and approve the final division of all assets.
7. Subjects all taxable property in the removed county to taxes for the payment of any indebtedness that was lawfully incurred by the CCD while the county was within the CCD and that remains unpaid after the final division of assets.
8. Mandates the removed county continue to levy taxes sufficient to produce revenue necessary to pay indebtedness.
9. Details the criteria to determine a removed county's proportionate share of the CCD's indebtedness.
10. Specifies that a property tax levy is not required if the removed county deposits with a trustee or escrow agent an amount of monies sufficient to make all required payments.
11. Allows the removed county to sell assets that are transferred to the county from the CCD.

HB 2457: government investments; plans; fiduciaries; products
Sponsor: Representative Montenegro, LD 29
Caucus & COW

Overview

Prescribes requirements relating to the handling of public funds.

History

The State Treasurer is charged with receiving and keeping in secure custody all monies that belong to the state. Additionally, the State Treasurer is required to keep an account of all monies that are received and disbursed and keep separate accounts of the appropriations of money and the different funds (A.R.S. § 41-172).

Provisions

1. Directs the State Treasurer to post, on its publicly accessible website, a current list of state investments by name and investment managers and update any changes to the lists within a reasonable period of time. (Sec. 1)
2. Declares that all state investments must be made in the sole interest of the beneficiary taxpayer. (Sec. 1)
3. Requires the State Treasurer's evaluation of an investment to be based on pecuniary factors as statutorily prescribed. (Sec. 1)
4. Prohibits the State Treasurer from taking unnecessary investment risks or promoting nonpecuniary benefits or social goals. (Sec. 1)
5. Stipulates that a fiduciary must discharge their duties with respect to a plan solely in the interest of the participants and beneficiaries of the plan for:
   a. the exclusive purpose of providing pecuniary benefits;
   b. defraying reasonable expenses of administering the plan; and
   c. earning a return on the investment. (Sec. 2)
6. Limits a fiduciary from taking into account pecuniary factors in the evaluation of an investment or when discharging the fiduciary's duties with respect to a plan. (Sec. 2)
7. Prohibits a fiduciary from taking into account any nonpecuniary or other factors when evaluating an investment. (Sec. 2)
8. Asserts that only the governmental entity that establishes or maintains a plan is allowed to vote the shares held by the plan. (Sec. 2)
9. Prohibits a governmental entity from granting proxy voting authority to any person not part of the governmental entity unless the person follows the obligation to act based only on pecuniary factors. (Sec. 2)
10. Provides that the shares held by a plan must be voted only in the pecuniary interest of the plan. (Sec. 2)
11. Establishes that the shares of a plan may not be voted to further environmental, ideological, nonpecuniary, political, social or other benefits or goals. (Sec. 2)
12. States that a plan may not entrust any plan assets to a fiduciary that has a practice of:

a. engaging with a company based on nonpecuniary factors; or
b. voting shares based on nonpecuniary factors. (Sec. 2)

13. Prohibits a fiduciary from adopting a practice of following the recommendations of a proxy advisory firm or other service provider unless their guidelines are consistent with the obligation to act based only on pecuniary factors. (Sec. 2)

14. Defines:
a. *fiduciary*;
b. *nonpecuniary*;
c. *pecuniary factor*; and
d. *plan*. (Sec. 2)

HB 2490: proper venue; challenges; policy statements
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Modifies statute relating to an appeal of a final administrative decision.

History

Current law defines a *substantive policy statement* as a written expression that informs the general public of an agency's current approach to the requirements of the federal or state constitution, statute or administrative rule. A substantive policy statement is advisory only and does not include internal procedural documents that only affect the internal procedures of the agency and does not impose additional requirements on regulated parties (A.R.S. § 41-1001).

In order to ensure fair and open regulation by state agencies, a person is entitled various rights including the inspection of all rules and substantive policy statements of an agency and the right to review the full text or summary of all rulemaking activity, the summary of substantive policy statements and the full text of executive orders in the register (A.R.S. § 41-1001.01).

Provisions

1. Authorizes a party that appeals a final administrative decision to the superior court to bring the action in any proper venue. (Sec. 2)
2. Establishes that the proper venue includes:
   a. the county where a plaintiff resides;
   b. the county where a plaintiff's principal place of business is located;
   c. the county where the agency is headquartered; and
   d. Maricopa County. (Sec. 2)
3. Prohibits an agency from:
   a. restricting the proper venue for any appeal of a final administrative decision; or
   b. requiring a party to travel to the agency's county, venue or headquarters for documentation that supports the analysis used for a final administrative decision. (Sec. 2)
4. Modifies the definition of *substantive policy statement* to include internal procedural documents. (Sec. 1)
5. Makes technical and conforming changes. (Sec. 1)

Amendments

Committee on Government

1. Specifies that a *substantive policy statement* does not include any confidential information or other information otherwise protected from disclosure.

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

HB 2491: administrative rules oversight committee; dissent
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Modifies statute relating to rulemaking.

History

The Administrative Procedures Act (APA) is a group of statutes that governs how state agencies do rulemaking (A.R.S. § 41-1001 - A.R.S. § 41-1092.12). Under the APA, the established Governor's Regulatory Review Council (GRRC) retains the authority to approve or disapprove any agency's proposed rule, the preamble to the rule and the economic, small business and consumer impact statement for the rule (A.R.S. § 41-1052). Additionally, the APA establishes the Administrative Rules Oversight Committee (Committee) and authorizes the Committee to hold hearings over statutes, rules, agency practices or substantive policy statements alleged to be duplicative or onerous (A.R.S. § 41-1048).

Provisions

1. Authorizes a person to file a complaint with the Committee about a statute, rule or practice that contains a rule or substantive policy that is alleged to be duplicative *and* inconsistent with legislative intent or beyond an agency's statutory authority. (Sec. 1)
2. Requires the Secretary of State to prepare and publish a filed dissent letter with the corresponding rule in the code and register. (Sec. 2)
3. Applies procedures of affixing the time and date of filing documents to the filing of a dissent letter. (Sec. 3)
4. Asserts that dissent letters filed with the Secretary of State must be kept on permanent record in the Secretary of State's Office with the time and date of filing. (Sec. 3)
5. Adds that the Committee must receive complaints about statutes, rules, agency practices and substantive policy statements that are alleged to be inconsistent with legislative intent or beyond an agency's statutory authority. (Sec. 4)
6. Permits the Committee to make recommendations on statutes, rules, agency practices or substantive policy statements to ensure consistency with legislative intent. (Sec. 4)
7. Allows the Committee to prepare a dissent letter that expresses disagreement with statutes, rules, agency practices or substantive policy statements that are alleged to be duplicative, onerous, inconsistent with legislative intent or beyond an agency's statutory authority. (Sec. 4)
8. Stipulates that a dissent letter must be filed with the Secretary of State and placed in code. (Sec. 4)
9. Requires the Committee to prepare a report to the Legislature each year that recommends legislation that ensures consistency with legislative intent. (Sec. 4)
10. Increases the number of members in GRRC, from six to eight. (Sec. 5)
11. Modifies the membership of GRRC to include *two* non-legislative members submitted by the President of the Senate and *two* non-legislative members submitted by the Speaker of the House of Representatives. (Sec. 5)
12. Makes technical and conforming changes. (Sec. 1, 3-5)

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

HB 2571: Arizona highway magazine; privatization
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Outlines procedures for the sale and purchase of the Arizona Highways Magazine.

History

The Arizona Highways Magazine was established in the early 1920s by the Arizona Highway Department, now called the Arizona Department of Transportation (ADOT). The award-winning magazine contains travel stories and scenic photographs pertinent to Arizona's history.

Subject to approval by the Director of ADOT, the publisher of the Arizona Highway Magazine may employ or enter into contracts for distribution and wholesale sale of the magazine and contract for the publication, production, sale and distribution of sole source creative products in the magazine. The Director may award a printing and publishing contract, lasting no more than five years, to a bidder who has proper facilities and equipment necessary to perform all stages of production (A.R.S. § 28-7314).

Provisions

1. Authorizes ADOT to sell the magazine to a private entity, solicit bids on the magazine and annually charge a fee, in an amount determined by ADOT, for the magazine. (Sec. 1)
2. Asserts that the magazine will be transferred back to ADOT if a new private owner does not publish the magazine monthly. (Sec. 1)
3. Prescribes that if a private entity wants to sell the magazine, ADOT has the first right of purchasing. (Sec. 1)

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

HB 2588: notary public; requirements
Sponsor: Representative Dunn, LD 25
Caucus & COW

Overview

Makes various changes to statute relating to notary public requirements.

History

An applicant for commission as a notary public must provide information required by the rules established by the Secretary of State (SOS) and pay an application fee. In order to be commissioned as a notary public in Arizona, an individual must:

1) be at least 18 years old;
2) be a citizen or permanent legal resident of the United States and a resident of Arizona for income tax purposes;
3) be able to read, write and understand English;
4) not be disqualified to receive a commission under statute;
5) have passed the prescribed examination if required by the SOS; and
6) keep as a reference a manual approved by the SOS that describes the authority, duties and ethical responsibilities of a notary public (A.R.S. § 41-269).

Provisions

1. Specifies that a judge *of a court of record* may perform a notarial act. (Sec. 1)
2. Clarifies that a clerk or deputy clerk of a court of record must have a seal to perform a notarial act. (Sec. 1)
3. Removes an individual who is licensed to practice law from those authorized to perform a notarial act. (Sec. 1)
4. Adds that a notary public's official stamp must include:
   a. the notary public's commission number;
   b. the great seal of the State of Arizona; and
   c. the commission specific to the remote or electronic notary, if applicable. (Sec. 5)
5. Instructs a notarial certificate that is attached to a document to include:
   a. a description of the document;
   b. the title of or the type of document;
   c. the date;
   d. the number of pages of the document; and
   e. any additional individuals who signed the document other than those on the notarial certificate. (Sec. 5)
6. Authorizes the SOS to request any reasonably necessary information from an applicant, including:
   a. prior criminal records;
   b. a valid fingerprint clearance card;
   c. an affidavit explaining whether the applicant has been convicted of a felony or misdemeanor, had any business or professional license denied, suspended or revoked, or had any adverse judgment entered against the applicant. (Sec. 6)
7. Allows, unless otherwise prohibited by law, any document to be filed in an electronic format approved by the SOS. (Sec. 7)

8. Specifies that any electronically filed document is deemed to comply with:
   a. the prescribed filing requirements;
   b. the requirement that a filing be submitted with a written signature; and
   c. any requirement that the filing be filed under the penalty of perjury. (Sec. 7)
9. Permits the SOS to adopt rules that require a person electronically filing a document to also submit a tangible copy for the document to be deemed filed. (Sec. 7)
10. Applies all civil and criminal statutes applicable to filing of paper documents to electronically submitted documents. (Sec. 7)
11. Requires a notary commission applicant to obtain and provide the SOS with a valid fingerprint clearance card (FCC). (Sec. 7)
12. Prohibits the SOS from issuing a commission to an original applicant before receiving a valid FCC. (Sec. 7)
13. Directs the SOS to suspend the commission if the FCC is invalid or suspended and the notary commission applicant fails to submit a valid FCC within 10 days after being notified by the Arizona Department of Public Safety. (Sec. 7)
14. Clarifies that provisions relating to FCCs do not affect the SOS's authority to issue, deny, cancel, terminate, suspend or revoke a commission. (Sec. 7)
15. Allows the SOS to:
   a. issue a cease and desist order against a person who is believed to be acting as a notary public without a current commission; and
   b. refer the matter to the Attorney General for criminal investigation. (Sec. 7)
16. Specifies that denial, refusal to renew, revocation, suspension or conditioning of a notary public commission *in this state* is also grounds for a notary public not being commissioned. (Sec. 8)
17. Adds the notary public's legible thumbprint to the requirements that must be included in each journal entry of the notary public. (Sec. 10)
18. Includes that if there is a change to a notary public's email address, the notary public must send notice as prescribed to the SOS within 30 days after the change. (Sec. 11)
19. Directs the SOS to deposit $6 of each original notary application and bond filing fee in the Notary Bond Fund. (Sec. 12)
20. Modifies the definition of *agency* as it relates to the Board of Fingerprinting and Fingerprinting Division to include the SOS's Office. (Sec. 13, 14)
21. Makes technical and conforming changes. (Sec. 2-4, 6, 9, 13-15)

Amendments

Committee on Government

1. Specifies that if the notary public is notarizing a quitclaim deed, the legible thumbprint of the notary public and the individual for whom the notarial act is being performed must be included in the notary public's journal entry.

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

HB 2591: forced labor; child labor; prohibitions
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Prohibits a public entity or public service corporation from entering into a contract with a person or company that uses forced labor or oppressive child labor.

History

Laws 2022, Chapter 295 prohibits a public entity from entering into or renewing a contract with a company for the acquisition or disposition of goods, information technology, construction, services or supplies unless the contract includes a written certification that the company does not currently and agrees for the duration of the contract that it will not use the forced labor of ethnic Uyghurs in the People's Republic of China.

Public entity is defined as this state, a political subdivision of this state or a commission, department, board or agency of this state or a political subdivision. Current law additionally defines a *company* as an association, corporation, organization, partnership, joint venture or business association that engages in for-profit activity and that has 10 or more full-time employees (A.R.S. § 35-394).

Provisions

1. Stipulates that a public entity or *public service corporation* may not enter into or renew a contract with a company or person for the acquisition or disposition of natural products, land and goods, including electric vehicles, batteries and solar panels unless the contract includes a *sworn* certification that the person or company does not currently, and agrees for the duration of the contract that it will not, use:
   a. forced labor;
   b. oppressive child labor;
   c. any services or goods produced by oppressive child labor or forced labor; and
   d. any suppliers, contractors or subcontractors that use oppressive child labor or forced labor or any services or goods produced by oppressive child labor or forced labor. (Sec. 2)
2. Declares that the person or company that provides the sworn statement has a duty to know whether it uses forced labor or oppressive child labor. (Sec. 2)
3. Specifies that this legislation does not apply to a contract entered before the general effective date. (Sec. 2)
4. Prescribes a civil penalty of no more than $10,000 for each violation. (Sec. 2)
5. Modifies the definition of *company*. (Sec. 2)
6. Defines *forced labor* and *oppressive child labor*. (Sec. 2)
7. Makes technical and conforming changes. (Sec. 1, 2)

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

HB 2593: public records; time frame
Sponsor: Representative Carbone, LD 25
Caucus & COW

Overview

Provides specific requirements relating to public records requests.

History

Public records and other matters transcribed or kept by a public officer must be open to inspection by any person at all times during office hours. Any person can request to examine or be furnished copies, printouts or photographs of any public record during regular office hours or can request that the public records custodian mail a copy of a public record that is not available on the public body's website. An entity that is subject to a public records request must provide the name, telephone number and email address of an employee or department that is authorized and able to provide the information requested. Within five business days, the designated employee or department must respond acknowledging receipt of the request (A.R.S. § 39-121- § 39-171).

Provisions

1. Applies outlined requirements relating to a public records request time frame. (Sec. 1)
2. Asserts that any entity that willfully or intentionally refuses to comply with the procedures for a public records request or otherwise acts in bad faith, shall receive a civil penalty of at least $500 and at most $5,000. (Sec. 1, 2)
3. Provides that when assessing a civil penalty for refusing to comply with a public records request, the aggravation or mitigation of the entity and previously assessed penalties for violations of public records request procedures must be considered. (Sec. 1, 2)
4. Stipulates that, within five business days after a public records request, a notification must be sent with the following information:
   a. confirmation that the request has been received;
   b. the name, telephone number and email address of the employee or department authorized and able to give out the requested information; and
   c. the expected date the request will be processed. (Sec. 2)
5. Allows an entity to notify a requestor of a public record of the delay or denial of the request. (Sec. 2)
6. Makes technical and conforming changes. (Sec. 1, 2)

Amendments

Committee on Government

1. Reinserts language requiring the public records request to be promptly furnished.
2. Asserts that a civil penalty for willfully or intentionally refusing to comply with public record request procedures does not exclude other penalties or costs including attorney fees and legal costs.

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

HB 2633: real estate information technology fund
Sponsor: Representative Gillette, LD 30
Caucus & COW

Overview

Establishes the Real Estate Information Technology Fund (Fund).

History

The Department of Real Estate (ADRE) regulates real estate, cemetery and membership camping brokers and salespersons. Additionally, ADRE monitors licensee activity, investigates complaints against licensees and land developers and partakes in administrative hearings.

ADRE is required to deposit revenue from fees pertaining to applications, examinations, licenses and renewals for brokers or salespersons, into the state General Fund, unless otherwise prescribed by law (A.R.S. § 32-2103).

The state real estate commissioner is required to charge fees for various real estate activities including:

1) a broker's license fee not exceeding $250;
2) a broker's renewal fee not exceeding $400;
3) a salesperson's license fee not exceeding $125; and
4) a salesperson's renewal fee not exceeding $200 (A.R.S. § 32-2132).

Provisions

1. Mandates that ADRE deposit money collected from renewal and license fees for brokers and salespersons, of certain amounts, into the Fund. (Sec. 1)
2. Excludes collected monies from the revenue and fees that the state real estate commissioner is required to revise as prescribed in statute. (Sec. 1)
3. Establishes the Fund. (Sec. 2)
4. Prescribes that the Fund will be used to:
   a. supplement upgrades to ADRE software and equipment;
   b. contract for upgrades to software and equipment with external vendors; and
   c. support software subscriptions. (Sec. 2)
5. Prohibits the Fund from supplanting ADRE staff salaries. (Sec. 2)
6. States that the Fund is continuously appropriated and exempt from the provisions of statute relating to lapsing of appropriations. (Sec. 2)
7. Prohibits a broker or salesperson license or renewal fee from exceeding:
   a. $25 through FY 2028; and
   b. $15 beginning in FY 2029. (Sec. 3)
8. Makes technical and conforming changes. (Sec. 1, 2)

Amendments

Committee on Government

1. Specifies that in FY 2028, $25 of license and renewal fees for brokers or salespersons will be deposited into the Fund.
2. Clarifies that in FY 2029, $15 of license and renewal fees for brokers and salespersons will be deposited into the Fund.

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

HB 2662: homeowners' associations; meeting agendas
Sponsor: Representative Toma, LD 27
Caucus & COW

Overview

Outlines requirements for a meeting agenda of a condominium or homeowners' association (Association).

History

An Association is required to hold a member meeting at least once each year. No fewer than 10 or more than 50 days in advance of the member meeting, the secretary must cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address for each lot or unit or to any other mailing address designated in writing by a member (A.R.S. §§ 33-1248, 33-1804).

Provisions

1. Directs the secretary of an Association to additionally provide an agenda for any meeting of the Association by the following methods:
   a. hand delivery;
   b. mail;
   c. website posting;
   d. email;
   e. another electronic means; or
   f. posting at a community center or other similar location. (Sec. 1, 2)
2. Specifies that the failure of an owner to receive the meeting agenda does not affect the validity of any action taken at a meeting. (Sec. 1, 2)
3. Requires a meeting agenda for a meeting of the board of directors of an Association to also be given at least 48 hours in advance of the meeting by the methods outlined in statute. (Sec. 1, 2)
4. Stipulates that a meeting agenda for any Association meeting must be provided in advance. (Sec. 1, 2)
5. Makes technical corrections. (Sec. 1, 2)

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

HB 2279: behavioral health professionals; addiction counseling.
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Replaces the *practice of substance abuse counseling* with *addiction counseling* to include treatment for all forms of addiction that are persistent, compulsive dependence on a behavior or substance.

History

AzBBHE

The Arizona Board of Behavioral Health Examiners (AzBBHE) is authorized to establish and maintain standards of qualifications and performance for licensed behavioral health professionals in the areas of counseling, marriage and family therapy, social work and substance abuse counseling and to regulate the practice of licensed behavioral health professionals for protection of the public.

The *practice of substance abuse counseling* is the professional application of general counseling theories, principles and techniques as specifically adapted, based on research and clinical experience, to the specialized needs and characteristics of persons who are experiencing substance abuse, chemical dependency and related problems and to the families of those persons. This includes assessment, appraisal and diagnoses or the use of psychotherapy for the purpose of evaluation, diagnosis and treatment of individuals, couples, families and groups (A.R.S. §32-3251).

Licensed Substance Abuse Technicians

A person who wishes to be licensed by AzBBHE as a substance abuse technician must present documentation as prescribed by AzBBHE by rule that they have received either an associate degree in chemical dependency or substance abuse with an emphasis on counseling or a bachelor's degree in behavioral science with an emphasis on counseling. Both degrees must be from a regionally accredited college or university that meets the requirements as described in AzBBHE rules. Applicants must also pass an examination approved by AzBBHE and licensees can only practice under direct supervision (A.R.S. § 32-3321).

Licensed Associated Substance Abuse Counselors

A person who wishes to be licensed by AzBBHE as an associate substance abuse counselor must present evidence as prescribed by AzBBHE rules that the person has received either a bachelor's degree in a behavioral science with an emphasis on counseling or a master's or higher degree in a behavioral science with an emphasis on counseling. Both degrees must be from a regionally accredited college or university that meets the requirements as described in AzBBHE rules. Specifically, applicants who received a bachelor's degree in a behavioral science must also show proof that they completed at least 1,600 hours of direct client contact work experience in at least 24 months in substance abuse counseling under supervision. For the direct client contact hours, not more than 400 hours can be in psychoeducation. Applicants must also pass an examination approved by AzBBHE (A.R.S. § 32-3321).

Licensed Independent Substance Abuse Counselors

A person who wishes to be licensed by AzBBHE as an independent substance abuse counselor by AzBBHE must: 1) have received a master's or higher degree in a behavioral science with an emphasis on counseling, in a program that is approved by AzBBHE or that meets the requirements as prescribed by rule, from a regionally accredited college or university; 2) present documentation as prescribed by AzBBHE rules that the applicant has received at least 1,600 hours of work experience in at least 24 months in substance abuse counseling with direct client contact under supervision that meets the requirements as prescribed by rule; 3) pass an examination approved by AzBBHE; and 4) provide an attestation from their supervisor on a AzBBHE approved form that the applicant was observed during supervised hours to have demonstrated satisfactory competency in clinical documentation, consultation, collaboration and coordination of care

related to clients to whom the person provided direct care and has a rating of at least satisfactory in overall performance. For the direct client contact hours, not more than 400 hours can be in psychoeducation (A.R.S. § 32-3321).

Provisions

1. Broadens the practice of substance abuse counseling to include treatment for all forms of addiction. (Sec. 7)
2. Replaces statutory uses of the term substance abuse counseling with the term addiction counseling. (Sec 1-13)
3. Defines the *practice of addiction counseling* to mean the professional application of general counseling theories, principles and techniques to the specialized needs of persons who are experiencing an addiction that is a persistent, compulsive dependance on a behavior or substance, including mood altering behaviors or activities known as process addictions. (Sec. 7)
4. Instructs *licensed substance abuse technicians, associate substance abuse counselors and independent substance abuse counselors* to change their licensure designation to *licensed addiction technician, associate addiction counselor or independent addiction counselor* by their license renewal date upon the effective date of this act. (Sec. 14)
5. Exempts AzBBHE from rulemaking requirements for one year in order to license and regulate addiction counselors and technicians. (Sec. 15)
6. Makes technical and conforming changes. (Sec. 1, 4, 6-10, 12, 13)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: HHS DPA 10-0-0-0

HB 2424: licensed health aides
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview

Expands the definition of a *licensed health aide* and permits applicants pursuing a health aide license to allow their prospective employer to discuss their application with the Arizona Board of Nursing (AZBN).

History

A *licensed health aide* is a person who:

1. is licensed to provide or assist in providing nursing-related services authorized for long-term care;
2. is the parent, guardian, or family member of the Arizona Long-Term Care System (ALTCS) member receiving services who may provide licensed health aide services only to that member and only consistent with that member's plan of care; and
3. has a scope of practice that is the same as a licensed nursing assistant and may also provide medication administration, tracheostomy care, enteral care, therapy and any other tasks approved by AZBN (A.R.S. § 32-1601).

A person who wishes to practice as a licensed health aide is required to file a verified application on a form prescribed by AZBN and accompanied by a fee. Additionally, applicants must submit proof satisfactory to AZBN that they meet all of the following requirements:

1. is a parent, guardian or family member of an individual who is under 21 years of age and who is eligible to receive continuous skilled nursing or skilled nursing respite care services;
2. satisfactorily completed the basic curriculum of and received a valid certificate from a training program approved by AZBN that includes medication administration, tracheostomy care, enteral care and therapy for persons under 21 years of age, and any other tasks approved by AZBN; and
3. satisfactorily completed a competency examination approved by AZBN (A.R.S. §§ 32-1645 and 36-2939).

Provisions

1. Expands the definition of a *licensed health aide* to:
   a. allow licensed health aides to provide routine ventilator care;
   b. have supervision requirements that are the same as a certified nursing assistant; and
   c. include a parent, guardian or family member by affinity or consanguinity of the ALTCS member receiving services providing licensed health aide services only to that member and only consistent with that member's plan of care. (Sec. 1)
2. Permits an applicant pursuing a health aide license to allow their prospective employer to discuss their application with the AZBN. (Sec. 2)
3. Makes a technical change. (Sec. 1)

Amendments

Committee on Health & Human Services

1. Exempts AHCCCS, DHS and AZBN from rulemaking requirements for one year.

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

HB 2451: marijuana; advertising; restrictions
Sponsor: Representative Montenegro, LD 29
Caucus & COW

Overview

Establishes advertising restrictions for marijuana establishments and nonprofit medical marijuana dispensaries. Contains a Proposition 105 clause.

History

Advertising is any public communication in any medium that offers or solicits a commercial transaction involving the sale, purchase or delivery of marijuana or marijuana products (A.R.S. § 36-2850).

A marijuana establishment or nonprofit medical marijuana dispensary can engage in advertising. An advertising platform may host advertising only if the following apply: 1) the advertising is authorized by a marijuana establishment or nonprofit medical marijuana dispensary; and 2) the advertising accurately and legibly identifies the marijuana establishment or nonprofit medical marijuana dispensary responsible for the advertising content by name and license number or registration number.

Any advertising involving direct, individualized communication or dialogue must use a method of age affirmation to verify that the recipient is 21 years of age or older before engaging in communication or dialogue. User confirmation, birth date disclosure or similar registration methods may be used to affirm age.

A marijuana establishment or nonprofit medical marijuana dispensary that violates these measures is subject to disciplinary action by the Arizona Department of Health Services (DHS). Enforced by the Attorney General, an individual or entity other than a marijuana establishment or nonprofit medical marijuana dispensary that advertises marijuana or marijuana products must pay a civil penalty of $20,000 per violation to the Smart and Safe Arizona Fund in addition to any other penalty imposed by law (A.R.S. § 36-2859).

Marijuana establishments may not do any of the following:

1. package or label marijuana or marijuana products in a false or misleading manner;
2. manufacture or sell marijuana products that resemble the form of a human, animal, insect, fruit, toy or cartoon; or
3. sell or advertise marijuana or marijuana products with names that resemble or imitate food or drink brands marketed to children, or advertise marijuana or marijuana products to children (A.R.S.§ 36-2860).

Provisions

1. Prohibits a marijuana establishment or nonprofit medical marijuana dispensary from doing any of the following:
   a. advertising marijuana or marijuana products to individuals who are under 21 years of age, including advertising products with names that resemble or imitate food or drink brands marketed to children or otherwise advertise marijuana or marijuana products to children;
   b. advertising at or on public transportation shelters, public buses or trains; and
   c. advertising electronically via social media or on a website unless the advertiser has reliable evidence that at least 71.6% of the audience is expected to be at least 21 years of age. (Sec. 1)
2. Requires all advertising to contain the following warning: *"Marijuana is only for adults who are 21 years of age or older. Keep out of reach of children."* (Sec.1)

3. Prohibits a billboard advertisement to be placed within 1,000 feet, if in the line of sight, of any of the following:
   a. childcare center;
   b. church;
   c. public park or playground; or
   d. public or private school that provides instruction to students in preschool, kindergarten programs or any of grades 1-12. (Sec. 1)
4. Asserts that a person in violation of the billboard distance requirement has 30 days to comply. (Sec. 1)
5. Prohibits billboard advertisements from advertising potency or tetrahydrocannabinol levels of marijuana or marijuana products. (Sec. 1)
6. Allows only marijuana establishments or nonprofit medical marijuana dispensaries to advertise marijuana, products containing tetrahydrocannabinol or marijuana paraphernalia in accordance with marijuana statutes and regulations. (Sec. 1)
7. Contains a Proposition 105 clause. (Sec. 2)
8. Makes technical and conforming changes. (Sec. 1)

Amendments

Committee on Health & Human Services

1. Prohibits a marijuana establishment or nonprofit medical marijuana dispensary from:
   a. advertising with images or likeliness of toys or cartoons, including Santa Claus that appeal to individuals who are under 21 years of age;
   b. advertising in a way that primarily appeals to individuals who are under 21 years old such that the advertising has a special attractiveness to individuals who are under 21 years old beyond general attractiveness for individuals over the age of 21; and
   c. using any image or other visual representation of an individual consuming marijuana or marijuana products.
2. Requires all advertising to contain the following conspicuous and legible warning: *"Do not use Marijuana if you are under 21 years of age. Keep marijuana out of reach of children.*
3. Prohibits a billboard advertisement to be placed within 1,000 feet of a substance abuse recovery facility.
4. Specifies that a person in violation of the billboard distance requirement on notification of the Attorney General has 30 days to comply.
5. Clarifies that for circumstances beyond the control of the billboard operator that may prevent the removal within the 30-day timeframe, the sign must be removed as soon as it is safely and legally possible and a person is subject to civil penalties and disciplinary action if in noncompliance.
6. Exempts DHS from rulemaking requirements for 24 months for the purposes of enforcing the advertising regulations for marijuana establishments and marijuana dispensaries.
7. Contains an effective date of June 30, 2025.

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

HB 2480: group homes; random drug screening
Sponsor: Representative Parker B, LD 10
Caucus & COW

Overview

Requires the Arizona Department of Child Safety (DCS) to develop and implement policies and procedures to conduct random quarterly drug screening for group foster home employees.

History

A group foster home is a licensed regular or special foster home that is suitable for placement of five or more minor children but not more than ten minor children (A.R.S. § 8-501). DCS must place a child in the least restrictive type of placement available, consistent with the best interests of the child. The order for placement preference is as follows:

1. with a parent;
2. with a grandparent;
3. in kinship care with another member of the child's extended family, including a person who has a significant relationship with the child;
4. in licensed family foster care;
5. in therapeutic foster care;
6. in a group home; and
7. in a residential treatment facility (A.R.S. § 8-514).

Laws 1994, Chapter 246 established drug testing of employees. Currently, in order to testify reliably for the presence of drugs or alcohol impairment, an employer can require samples from its employees and prospective employees and require presentation of reliable individual identification from the person being tested to the person collecting the samples. An employer may take adverse employment action based on a positive drug test or alcohol impairment test. As well as impose disciplinary or rehabilitative actions if an employee returns with a positive drug test or alcohol impairment test or refuses to provide a drug testing sample or alcohol impairment sample. Disciplinary or rehabilitative actions include: 1) a requirement that the employee enroll in an employer provided or employer approved rehabilitation, treatment or counseling program which may include additional drug testing and alcohol impairment testing, participation in which may be a condition of continued employment and the costs of which may or may not be covered by the employer's health plan or policies; 2) suspension of the employee, with or without pay, for a designated period of time; 3) termination of employment; 4) in the case of drug testing, refusal to hire prospective employee; and 5) other adverse employment action.

All communications received by an employer relevant to drug test or alcohol impairment test results and received through the employer's testing program are confidential communications and cannot be used or received in evidence, obtained in discovery or disclosed in any public or private proceeding unless certain criteria are met (A.R.S. §§ 23-493.01 23-493.05, 23-493.07 and 23-493.09).

Provisions

1. Instructs DCS to develop and implement policies and procedures to conduct random quarterly drug screening of group foster home employees that must comply with statutory requirements relating to drug testing of employees. (Sec. 1)
2. Prohibits an employee of a group foster home from having contact with any child living at the group foster home before an initial drug screening. (Sec. 1)
3. Allows DCS to conduct random drug screening of any group foster home employee if the employee is involved in an accident or incident in which a child that lives at the group foster home is injured. (Sec. 1)

4. Requires a group foster home to submit the results of all random drug screening to DCS within 48-hours after receiving the drug screening results. (Sec. 1)

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

HB 2504: forced organ harvesting; insurance; prohibition
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Entitles this act the *Arizona End Organ Harvesting Act* which establishes prohibitions on forced organ harvesting.

History

A *health care institution* is every place, institution, building or agency, whether organized for profit or not, that provides facilities with medical services, nursing services, behavioral health services, health screening services, other health-related services, supervisory care services, personal care services or directed care services and includes home health agencies, outdoor behavioral health care programs and hospice service agencies (A.R.S. § 36-401).

Health care insurer includes a disability insurer, group disability insurer and blanket disability insurer (A.R.S. § 20-3501). A *subscription contract* is a written agreement for a subscription service (A.A.C. R9-25-901).

The National Organ Transplant Act deems it unlawful for any person to knowingly acquire, receive or otherwise transfer any human organ for valuable consideration for use in human transplantation if the transfer affects interstate commerce. The term *human organ* means the human (including fetal) kidney, liver, heart, lung, pancreas, bone marrow, cornea, eye, bone, and skin or any subpart thereof and any other human organ (or any subpart thereof, including that derived from a fetus) specified by the US Secretary of Health and Human Services by regulation (42 USC § 274e).

Provisions

Insurers

1. Prohibits a subscription contract, evidence of coverage, disability insurance policy, group or blanket disability insurance policy (insurers) and the Arizona Health Care Cost Containment System (AHCCCS) from providing coverage to an insured, subscriber, enrollee or member if the genetic sequencing is performed on a device that is either produced by a company:
   a. that is domiciled in a foreign adversary; or
   b. that is owned or substantially controlled by a company that is domiciled in a foreign adversary. (Sec. 1-4, 8)
2. Allows insurers and AHCCCS to cover genetic sequencing if both of the following apply:
   a. the enrollee suffers an immediate health risk if genetic sequencing is not covered; and
   b. there is no other reasonable option for conducting the genetic sequencing. (Sec. 1-4, 8)
3. Prohibits insurers and AHCCCS from providing coverage to an insured, subscriber, enrollee or member for a human organ transplant or post-transplant care if either of the following applies:
   a. the transplant operation is performed in a foreign adversary; or
   b. the human organ to be transplanted was procured by a sale or donation originating in a foreign adversary. (Sec. 1-4, 8)

Health Care Institutions

4. Requires the Arizona Department of Health Services (DHS) to designate a country as a foreign adversary if the country's government funds, sponsors or otherwise facilitates forced organ harvesting and to provide written notice of these designated countries to the Director of the Department of Insurance and Financial Institutions (DIFI) at regular intervals, as appropriate. (Sec. 5)
5. Prohibits health care institutions and research facilities from using genetic sequencers or any operational or research software used for genetic sequencing for the purposes of conducting

genetic sequencing if the genetic sequencers or research software is produced in or by any of the following:

a. a foreign adversary;
b. a company, subsidiary or enterprise that is owned by a foreign adversary;
c. a company, subsidiary or enterprise that is domiciled with a foreign adversary; or
d. a company owned or controlled subsidiary of a company that is domiciled in a foreign adversary. (Sec. 6)

6. Mandates that all prohibited genetic sequencers, operational and research software used for genetic sequencers or genetic sequencing devices that are not permanently disabled must be removed and replaced with those that are not prohibited. (Sec. 6)
7. Requires by December 31, 2025, and annually thereafter, an attorney for the health care institution or research facility must certify in writing that the health care institution or research facility is in compliance. (Sec. 6)
8. Asserts that a health care institution or research facility that spends state monies in violation of these requirements is subject to a civil penalty of $20,000 per violation. (Sec. 6)
9. Allows any individual to notify the Attorney General of a violation or suspected violation. (Sec. 6)
10. Specifies that the employee has whistleblower protection if the notifying individual is an employee of the health care institution or research facility. (Sec. 6)
11. Entitles an individual to recover statutory damages of not less than $1,000 for each instance in which that individual's human genome was processed using prohibited technology if the notifying individual is a patient or research subject and the provider used the human genome. (Sec. 6)
12. Requires all genetic sequencing data to be stored in the United States. (Sec. 6)
13. Specifies any remote access of data storage, other than open data, is prohibited unless approved in writing by the DHS Director (Sec. 6)
14. Requires health care institutions and research facilities that store genetic sequencing, including through contracts with third-party data storage companies to ensure that the data is secured through reasonable encryption methods, restriction on access and other cybersecurity methods. (Sec. 6)

Miscellaneous

15. Defines the following terms:
    a. *company;*
    b. *domiciled;*
    c. *genetic sequencing;*
    d. *foreign adversary;*
    e. *forced organ harvesting; and*
    f. *violation*. (Sec. 1-6, 8)
16. Adds that a document of gift is valid if executed in accordance with:
    a. the laws of state or country where it was executed unless the gift was received from a foreign adversary; and
    b. the laws of state or country where the person making the anatomical gift was domiciled, has a place of residence or was a national at the time the document of gift was executed unless the gift was received from a foreign adversary. (Sec. 7)
17. Cites this act as the Arizona End Organ Harvesting Act. (Sec. 9)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: HHS DP 10-0-0-0

HB 2520: community health centers; graduate education
Sponsor: Representative Peña, LD 23
Caucus & COW

Overview

Delays the date, from March 1, 2022, to October 1, 2024, for the Arizona Health Care Cost Containment System (AHCCCS) to begin annually distributing monies appropriated for primary care graduate medical education (GME) services to qualifying community health centers and rural health clinics for direct and indirect costs upon the approval of the Centers for Medicare and Medicaid Services (CMS).

History

Beginning March 1, 2022, AHCCCS must establish, contingent on approval by CMS, a separate GME program to reimburse qualifying community health centers and rural health clinics that have an approved primary care GME program. AHCCCS is required to distribute to qualifying community health centers and rural health clinics any monies appropriated for GME for the direct and indirect costs of primary care graduate medical education programs that are established by qualifying community health centers and rural health clinics and that are approved by AHCCCS.

AHCCCS must also adopt rules specifying the formula by which the monies are to be distributed and submit an annual report on July 1 to the Joint Legislative Audit Committee on the number of new residency positions as reported by the primary care GME programs. Additionally, AHCCCS coordinates with local, county, tribal governments and Arizona universities that may provide monies in addition to state General Fund monies for primary care graduate medical education in order to qualify for additional matching federal monies for programs or positions in a specific locality.

A *qualifying community health center* is a community-based primary care facility that provides medical care in medically underserved areas or medically underserved populations as designated by the US Department of Health and Human Services, through the employment of physicians, professional nurses, physician assistants or other health care technical and paraprofessional personnel (A.R.S. § 36-2907.06).

GMEs are programs which include an approved fellowship, that prepares a physician for the independent practice of medicine by providing didactic and clinical education in a medical discipline to a medical student who has completed a recognized undergraduate medical education program (A.R.S. § 36-2901).

Provisions

1. Extends the date, from March 1, 2022, to October 1, 2024, for AHCCCS to begin annually distributing monies appropriated for primary care graduate medical education services to qualifying community health centers and rural health clinics for direct and indirect costs upon CMS approval. (Sec. 1)
2. Removes the requirement that AHCCCS must establish a separate GME program to reimburse qualifying community health centers and rural health clinics with an approved primary care graduate medical education program. (Sec. 1)
3. Makes technical and conforming changes. (Sec. 1)

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

HB 2045: dangerous drugs; definition; xylazine
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Classifies xylazine as a *dangerous drug*.

History

According to the US Center for Disease Control and Prevention, xylazine (also known as "tranq") is a non-opioid sedative or tranquilizer not approved for human use that is often mixed with fentanyl and can lead to drug overdoses.

Current law defines two primary classes of illegal drugs: 1) dangerous drugs; and 2) narcotic drugs. *Dangerous drug* is defined in statute to include an extensive list of compounds, mixtures or preparations containing hallucinogenic substances, cannabimimetic substances, substances that have a stimulant or depressant effect on the central nervous system or anabolic steroids (A.R.S. § 13-3401).

It is illegal for a person to knowingly do any of the following:

1. Posses or use a dangerous drug (class 4 felony);
2. Posses a dangerous drug for sale (class 2 felony);
3. Possess equipment or chemicals, or both for the purpose of manufacturing a dangerous drug (class 3 felony);
4. Manufacture a dangerous drug (class 2 felony);
5. Administer a dangerous drug to another person (class 2 felony);
6. Obtain or procure the administration of a dangerous drug by fraud, deceit, misrepresentation or subterfuge (class 3 felony); or
7. Transport for sale, import into this state or offer to transport for sale or import into this state, sell or offer to sell or transfer a dangerous drug (class 2 felony) (A.R.S. § 13-3407).

Notwithstanding the general sentencing classifications mentioned above, more specific sentencing requirements may apply in certain circumstances, including discrete sentencing ranges or probation eligibility provisions for specific drugs, amounts of drugs or repeat offenses (A.R.S. §§ 13-3419, 13-3420).

Provisions

1. Classifies xylazine as a *dangerous drug* under A.R.S. § 13-3401. (Sec. 1)

Amendments

Committee on Judiciary

1. Exempts licensed veterinarians who lawfully acquire, use, prescribe, dispense or administer any dangerous drug while acting in the course of their professional practice, in good faith and in accordance with generally accepted medical standards from A.R.S. § 13-3407.

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

HB 2242: sexual conduct; minor; classification; sentence
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview

Reclassifies sexual conduct with a minor of at least 15 years of age as a class 4 felony and mandates one year of jail time for a person convicted of the crime if placed on probation.

History

A person commits sexual conduct with a minor by intentionally or knowingly engaging in sexual intercourse or oral sexual contact with any person who is under 18 years of age.

Current law classifies sexual conduct with a minor of at least 15 years of age as a class 6 felony. If the sexual conduct occurred between a minor and an adult in a position of trust, then the offense is classified as a class 2 felony. Sexual conduct with a minor under the age of 15 is classified as a class 2 felony and is punishable as a dangerous crime against children under A.R.S. § 13-705 (A.R.S. § 13-1405).

Under A.R.S. § 13-1407, subsection E (commonly referred to as the *Romeo and Juliet Law*), it is a defense to a prosecution for sexual conduct with a minor if all of the following circumstances are met:

1. the victim is between 15 and 17 years old;
2. the defendant is under 19 years old or attending high school and is no more than 24 months older than the victim; and
3. the conduct is consensual.

Provisions

1. Raises the felony classification for sexual conduct with a minor of at least 15 years of age from class 6 to class 4. (Sec. 1)
2. Requires a person convicted of sexual conduct with a minor of at least 15 years of age to serve one year of jail time if the convicted person is placed on probation. (Sec. 1)

Amendments

Committee on Judiciary

1. Amends the Romeo and Juliet Law by removing the requirement that the defendant be under 19 years old or attending high school and raising the applicable age difference between the victim and the defendant from 24 months to 3 years.

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

HB 2511: diversity; juveniles; conditions
Sponsor: Representative Martinez, LD 16
Caucus & COW

Overview

Adds voluntary participation in an approved religious services program as a condition that may be substituted for one of the other juvenile diversion conditions outlined in statute.

History

While a juvenile offender may in some limited circumstances be criminally prosecuted as an adult, in many cases they are instead subject to separate process known as *juvenile delinquency*. A *delinquent act* is an act by a juvenile that if committed by an adult would be a criminal or petty offense, and when a juvenile is found to have committed a delinquent act, the juvenile is said to be *adjudicated delinquent*. A juvenile can also be adjudicated an *incorrigible child*, meaning the juvenile is a truant or a runaway; refuses to obey a parent or guardian; habitually behaves in a way that dangers or injures the morals or health of self or others; fails to obey court orders in a noncriminal action; or commits an act constituting an offense that is not designated a delinquent act (A.R.S. § 8-201).

A city or town attorney or a law enforcement agency may establish and conduct a diversion program if it is authorized by the applicable county attorney and proper notice is provided to the presiding judge of the applicable juvenile court. Moreover, statute prohibits juvenile diversion for certain offenses (A.R.S. §§ 8-321 and 8-323).

If diversion is authorized, before a juvenile delinquency petition is filed or adjudication proceedings begin, the county attorney may divert the prosecution of a juvenile who is accused of committing a delinquent act or a child who is accused of committing an incorrigible act to a diversion program administered by the juvenile court. If a county attorney diverts a prosecution of a juvenile, and the juvenile acknowledges responsibility for the delinquent or incorrigible act, the juvenile probation officer must require that the juvenile comply with one or more of the following:

1. Participation in unpaid community restitution work;
2. Participation in a counseling program that is approved by the court and that is designed to strengthen family relationships and to prevent repetitive juvenile delinquency;
3. Participation in an education program that is approved by the court and that has as its goal the prevention of further delinquent behavior;
4. Participation in an education program that is approved by the court and that is designed to deal with ancillary problems experienced by the juvenile, such as alcohol or drug abuse;
5. Participation in a nonresidential program of rehabilitation or supervision that is offered by the court or offered by a community youth serving agency and approved by the court;
6. Payment of restitution to the victim of the delinquent act; and/or
7. Payment of a monetary assessment (A.R.S. § 8-321).

Statute requires the director of the Department of Juvenile Corrections to establish a Religious Services Advisory Committee (Committee) to advise the director regarding the provision of religious programs to all youth in secure care facilities who desire the services. The Committee must consist of certain statutorily enumerated members who are required to meet at least quarterly and submit progress reports and recommendations to the director. Participation in these religious programs must be available to all youth in secure care facilities and must be strictly voluntary (A.R.S. § 41-2804.01).

Provisions

1. At the juvenile's option, adds participation in a religious program that is approved by the court in conjunction with the Committee established pursuant to A.R.S. § 41-2804.01 to the list of available conditions that a juvenile probation officer must impose for juvenile diversion. (Sec. 1)

2. States that this new option may be substituted for one of the other available conditions outlined in current statute. (Sec. 1)

3. Specifies that the juvenile's participation in a religious program must be voluntary and that the purpose of the program may not include any effort to coerce the juvenile to adopt or change any religious affiliation or beliefs. (Sec. 1)

4. Makes technical and conforming changes. (Sec. 1)

Amendments

Committee on Judiciary

1. Removes the reference to Committee established pursuant to A.R.S. § 41-2804.01.

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

HB 2623: vacate conviction; sex trafficking; victims
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Removes the requirement that a prostitution offense be committed by a person before July 24, 2014 in order for the person to apply to have the conviction vacated due to the person's status as a sex trafficking victim.

History

Under A.R.S.§ 13-909, which is sometimes referred to as the *vacatur law*, a person who was convicted of prostitution under A.R.S. § 13-3214 (or a city or town ordinance with the same or substantially similar elements) that was committed before July 24, 2014 may apply to the court that sentenced the person to have the conviction and sentence vacated.

The court is required to grant the application and vacate the conviction if the court finds by clear and convincing evidence that the person's participation in the offense was a direct result of being a victim of sex trafficking pursuant to A.R.S. § 13-1307. The court is required to hold a hearing on the application if the prosecutor opposes it but may grant the application without a hearing if the prosecutor does not oppose it.

If the court vacates the conviction, the court is required to do all of the following:

1. release the applicant from all penalties and disabilities resulting from the conviction;
2. order that a notation be made in the court file and in law enforcement and prosecution records that the conviction has been vacated and the person was the victim of a crime; and
3. transmit the order vacating the conviction to the arresting agency, the prosecutor and the Department of Public Safety.

A conviction that is vacated pursuant to the vacatur law does not qualify as a historical prior felony conviction and cannot be alleged for sentence enhancement purposes under A.R.S. §§ 13-703 and 13-707. Moreover, except on an application for employment that request a fingerprint clearance card under A.R.S. title 41, chapter 12, article 3.1, a person whose conviction is vacated is permitted to state, in all instances, that the person has never been arrested for, charged with or convicted of the subject offense, including in response to questions on employment, housing, financial aid or loan applications.

Provisions

1. Amends the vacatur law by removing the requirement that the person's underlying prostitution offense be committed before July 24, 2014 in order for the person to apply to have the conviction vacated due to the person's status as a sex trafficking victim. (Sec. 1)

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

HB 2664: cannabis possession; school zones; definition
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Makes changes to existing criminal statute that imposes certain sentencing enhancements for drug offenses that are committed in a drug free school zone, including by adding cannabis to the list of drugs for which these enhancements may apply and stating that the drug may be by any form or medium.

History

Current statute makes it is illegal for a person to do any of the following:

1) intentionally be present in a drug free school zone to sell or transfer marijuana, peyote, dangerous drugs or narcotic drugs;
2) possess or use marijuana, peyote, dangerous drugs or narcotic drugs in a drug free school zone; or
3) manufacture dangerous drugs in a drug free school zone.

A person who violates this law is guilty of the same felony as the person would be guilty of if the offense was not committed in a drug free school zone, except that the applicable presumptive, minimum and maximum sentence is increased by one year (in addition to other applicable sentence enhancements that may apply). Moreover, the person is generally ineligible for probation or release until the imposed sentence is served, and the person must pay a fine of at least $2,000 or three times the value of the drugs involved in the violation, whichever is greater, and the fine may not exceed the statutory maximum in A.R.S. title 13, chapter 8. Schools are required to create an official map designating the boundaries of the school free drug zone and post signs stating so at the entrances of the facility. School personnel are required to report observed violations to a school administrator and to give school records of alleged offenders to a peace officer upon written request signed by a magistrate.

A *drug free school zone* is defined as the area within 300 feet of a school or its accompanying grounds, any public property within 1000 feet of a school or its accompanying grounds, a school bus stop or any school bus or bus contracted to transport pupils to any school (A.R.S. § 13-3411).

Cannabis means the following substances under whatever names they may be designated:

1) The resin extracted from any part of a plant of the genus cannabis, and every compound, manufacture, salt, derivative, mixture or preparation of such plant, its seeds or its resin. This does not include oil or cake made from the seeds of such plant, any fiber, compound, manufacture, salt, derivative, mixture or preparation of the mature stalks of such plant except the resin extracted from the stalks or any fiber, oil or cake or the sterilized seed of such plant which is incapable of germination;
2) Every compound, manufacture, salt, derivative, mixture or preparation of such resin or tetrahydrocannabinol.

Marijuana means all parts of any plant of the genus cannabis, from which the resin has not been extracted, whether growing or not, and the seeds of such plant. This does not include the mature stalks of such plant or the sterilized seed of such plant which is incapable of germination (A.R.S. § 13-3401).

A.R.S. title 36, chapter 28.2 regulates the responsible adult use of marijuana. However, A.R.S. § 36-2851, paragraph 9 specifies that this chapter does not prohibit the state of Arizona or its political subdivisions from prohibiting or regulating conduct otherwise allowed by the chapter when such conduct occurs on or in property that is occupied, owned, controlled or operated by the state of Arizona or its political subdivisions.

Moreover, A.R.S. § 36-2853 establishes penalties for possessing marijuana above the legal limit; underage purchase of marijuana; possession, consumption, transfer or transport of marijuana by minors; and unlicensed cultivation of marijuana.

Provisions

1. Adds cannabis to the list of drugs that are illegal to possess, sell, transfer or use in a drug free school zone and specifies that these drugs may be by any form or medium. (Sec. 1)
2. Adds that the one-year sentence enhancement for drug offenses in a drug free school zone applies in accordance with A.R.S. § 36-2851 and notwithstanding A.R.S. § 36-2853. (Sec. 1)
3. Clarifies the penalty for possessing, selling, transferring or using the listed drugs in a drug free school zone as the same class of felony as the corresponding offenses listed under A.R.S. title 13, chapter 34 and A.R.S. §§ 13-701 and 13-702 except that the presumptive, minimum and maximum sentence shall be increased by one year. (Sec. 1)
4. Defines terms as follows:
   a. *cannabis* has the same meaning prescribed in A.R.S. § 13-3401;
   b. *marijuana* has the same meaning prescribed in A.R.S. § 13-3401; and
   c. *person* means any individual regardless of age or attendance at a school. (Sec. 1)
5. Makes technical and conforming changes. (Sec. 1)

HB 2121: cell-cultured animal product; prohibition
Sponsor: Representative Marshall, LD 7
Caucus & COW

Overview

Prohibits a person from selling a cell-cultured animal product for human or animal consumption and establishes civil penalties.

History

The process of cultivating animal cells for human food involves using cells obtained from living livestock, poultry, seafood or other animals and growing them in a controlled environment to create food.

Currently, this process is regulated jointly by the U.S. Food and Drug Administration (FDA) and the U.S. Department of Agriculture (USDA). In 2019, the FDA and the Food Safety and Inspection Service (FSIS) of the USDA established a formal agreement on how to regulate human food made from cultured animal cells. Under the agreement, the FDA oversees the collection, growth and the differentiation of living cells into various cell types, such as proteins and fats. Regulatory jurisdiction is then transferred to FSIS, which oversees the harvesting stage of the cell-culturing process and any further processing, labeling and packaging of the products (USDA).

Provisions

1. Prohibits a person from offering to sell, sell or produce a cell-cultured animal product for human or animal consumption. (Sec. 1)
2. Allows the Arizona Department of Agriculture to impose a civil penalty up to $25,000 against a person that violates this legislation. (Sec. 1)
3. Allows a person or organization whose business is adversely affected by a violation of this legislation to file a civil action for declaratory and injunctive relief and actual damages. (Sec. 1)
4. States that if the plaintiff prevails in the civil action, the court must award:
   a. reasonable attorney fees and costs; and
   b. the actual damages incurred, not to exceed $100,000. (Sec. 1)
5. States that the Legislature finds:
   a. the regulation of cell-cultured animal product is a matter of statewide concern necessary to protect the public health;
   b. the cattle ranching industry is integral to Arizona's history, culture, values and economy;
   c. cattle are one of the five foundational pillars that have driven Arizona's economy since territorial days;
   d. the production and sale of lab-grown, cell-cultured animal product threatens to harm Arizona's trust land beneficiaries and the highest and best use of state trust land, which includes leasing state trust lands to ranchers for livestock grazing to fund public schools and other public institutions; and
   e. this legislation is necessary to protect Arizona's sovereign interests, history, economy and food heritage. (Sec. 2)
6. Defines *cell-cultured animal product* as any cultured animal tissue that is produced from in vitro animal cell cultures outside of the organism from which it is derived. (Sec. 1)

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

HB 2325: backyard fowl; regulation; prohibition
Sponsor: Representative Payne, LD 27
Caucus & COW

Overview

Prohibits a municipality or county from adopting a zoning ordinance that restricts a resident of a single-family detached residence from keeping fowl in their backyard. Allows municipalities and counties to establish certain requirements for keeping fowl.

History

Municipalities and towns have the general power to adopt and enforce zoning ordinances that regulate certain aspects of land use (A.R.S. §§ 9-240, 9-499.01, 9-462.01).

Some Arizona cities have adopted ordinances to regulate how many backyard fowl may be kept at a residence and the conditions in which these animals may be kept:

1) In Phoenix, poultry may be kept in an enclosure within 80 feet of a residence if written permission is given by each lawful occupant and owner of a residence within 80 feet of the enclosure;
2) In Chandler, up to five chickens per yard are allowed if the coop is set back at least five feet from all property lines;
3) In Scottsdale, fowl is allowed unless it is a frequent or habitual nuisance that disturbs a neighborhood or any two or more persons;
4) In Flagstaff, small livestock such as chickens, ducks, rabbits, miniature goats and bees are allowed on residential or educational property. Unless the property is located in Estate and Rural Residential zoning, a permit is required to keep backyard livestock. On property less than 20,000 square feet, up to 5 chickens are allowed provided that they are fenced in to keep them on the owner's property and have at least 10 square feet of outdoor space and 4 square feet of indoor space; and
5) In Tucson, residents may keep up to 24 chickens if they have an enclosure that is not within 50 feet of the dwelling of another person. Coops must be kept in a clean and sanitary condition.

Counties have a similar power to adopt and enforce such ordinances. In 2017, the Pima County Board of Supervisors approved a zoning change to allow residents to keep up to 8 hens in certain properties that are usually 6,000 to 8,000 square feet in size. Single-family dwelling lots and manufactured home lots of 6,000 square feet or smaller or multi-family dwellings could keep up to four hens per dwelling (A.R.S. §§ 11-251.05, 11-811) (Pima County Ordinance 2017- 36).

Provisions

1. Prohibits a municipality or county from adopting a law, ordinance or regulation that restricts a resident of a single-family detached residence that is one-acre or smaller in size from keeping fowl in the property's backyard. (Sec.1 and 2)

2. Allows a municipality or county to:
   a. restrict the number of fowl that a resident may keep in the property's backyard to no more than six;
   b. prohibit a resident from keeping male fowl, including roosters;
   c. require fowl to be kept in an enclosure in the rear or side of the yard at least 15 feet from a neighboring property and with a maximum size of 200 square feet and a maximum height of 8 feet;
   d. require the enclosure to be maintained and manure picked up, disposed of or composted at least twice weekly;
   e. require that composted manure be kept in a way that prevents migration of insects;

f. require water resources with adequate overflow drainage;
g. require that feed be stored in insect-proof and rodent-proof containers; and
h. prohibit fowl from running at large. (Sec. 1 and 2)

3. States that the property rights of property owners in Arizona are of statewide concern. (Sec. 1 and 2)
4. Preempts local laws, ordinances and charter provisions. (Sec. 1 and 2)
5. Defines *fowl* to mean a cock or hen of the domestic chicken. (Sec. 1 and 2)

HB 2274: firefighters; peace officers; PTSD; coverage
Sponsor: Representative Marshall, LD 7
Caucus & COW

Overview

Requires employers to provide coverage, of methylenedioxymethamphetamine (MDMA) assisted therapy, for firefighters and peace officers diagnosed with post-traumatic stress disorder (PTSD).

History

A.R.S. § 36-2517.01 allows any compound mixture or preparation that contains MDMA and is approved by the U.S. Food and Drug Administration and rescheduled by the U.S. Drug Enforcement Administration as a Schedule other than a Schedule I controlled substance to be prescribed in Arizona. MDMA acts as both a stimulant and psychedelic and is a synthetic chemical made in labs. MDMA is currently a Schedule I controlled substance under federal law (DEA Fact Sheet, Ecstasy/MDMA).

If an employee of this state receives an injury by accident arising out of employment, he is entitled to workers' compensation (A.R.S. § 23-904). Mental injuries are considered to have arisen out of employment if some unexpected stress related to the employment, or some physical injury related to the employment, was a substantial contributing cause of the mental injury (A.R.S. § 23-1043.01).

Provisions

1. Requires employers to provide workers' compensation coverage, for MDMA-assisted therapy prescribed by a health care provider, for firefighters and peace officers diagnosed with PTSD. (Sec.1)
2. Specifies that this act does not become effective until a MDMA investigational project is: a) approved as a prescription medication; b) controlled under a federal interim final rule issued; and c) published in the Federal Register. (Sec. 2)
3. Requires the executive director of the Arizona State Board of Pharmacy to notify the Director of the Arizona Legislative Council up to February 1, 2026, if the condition was or was not met.
4. Defines pertinent terms. (Sec.1)

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

HB 2324: animal cruelty; classification
Sponsor: Representative Payne, LD 27
Caucus & COW

Overview

Increases penalties for specified animal cruelty crimes.

History

Pursuant to A.R.S. § 13-2910, the following animal cruelty crimes are a class 5 felony:

1. intentionally or knowingly subjecting a domestic animal to cruel mistreatment; and
2. intentionally or knowingly killing a domestic animal without either legal privilege or the owner's consent.

Pursuant to A.R.S. § 13-2910, the following animal cruelty crimes are a class 6 felony:

1. intentionally or knowingly subjecting any animal to cruel neglect or abandonment resulting in serious injury to an animal;
2. intentionally or knowingly subjecting any animal to cruel mistreatment;
3. intentionally or knowingly interfering with, harming or killing a working or service animal without either legal privilege or the owner's consent;
4. intentionally or knowingly allowing one's dog to interfere with, kill or cause physical injury to a service animal; and
5. intentionally or knowingly exercising unauthorized control over a service animal with the intent to deprive the handler of the animal.

Additionally, various other forms of animal cruelty, such as cruel neglect or abandonment, failure to provide necessary medical attention, inflicting unnecessary physical injury and cruel mistreatment of animals are classified as class 1 misdemeanors (A.R.S. § 13-2910).

Provisions

1. Increases, to a class 4 felony, the classification of the following crimes:
   a. intentionally or knowingly subjecting a domestic animal to cruel mistreatment;
   b. intentionally or knowingly killing a domestic animal without either legal privilege or the owner's consent;
   c. intentionally or knowingly subjecting any animal to cruel neglect or abandonment resulting in serious injury to an animal;
   d. intentionally or knowingly subjecting any animal to cruel mistreatment;
   e. intentionally or knowingly interfering with, harming or killing a working or service animal without either legal privilege or the owner's consent;
   f. intentionally or knowingly allowing one's dog to interfere with, kill or cause physical injury to a service animal; and
   g. intentionally or knowingly exercising unauthorized control over a service animal with the intent to deprive the handler of the animal. (Sec. 1)
2. Requires a person convicted of the aforesaid crimes to be sentenced to at least one year in prison. (Sec. 1)
3. Prohibits a person convicted of the aforesaid crimes from being eligible for probation or suspension of sentence until the entire sentence has been served. (Sec. 1)

Amendments

Committee on Military Affairs & Public Safety

1. Decreases the various penalties back to their original levels except that intentionally or knowingly interfering with, harming or killing a police dog in the line of duty is a class 4 felony.

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

HB 2330: fire districts; formation; county supervisors
Sponsor: Representative Marshall, LD 7
Caucus & COW

Overview

Creates an alternate method for a Board of Supervisors (BOS) to form a fire district in a county with a population of less than 500,000 persons.

History

Pursuant to A.R.S. § 48-261, the process to form a fire district is initiated following the proposal of any adult person. The proposer must submit a district impact statement to the BOS, containing the following information:

1. a map and description of the area and its proposed boundaries;
2. a list of taxable properties;
3. an estimate of assessed valuation of properties;
4. an estimated change in property tax liability;
5. a list of potential benefits and injuries that may result from the proposed district;
6. the proposed members of the district's organizing board of directors; and
7. a description of the services to be provided by the district.

Upon receipt of an impact statement, the BOS must hold a public hearing; if the BOS finds that the fire district will promote the public welfare, the BOS is to authorize petitions to collect signatures from property owners within the proposed district. If the petition is signed — by owners of more than half of the taxable property units of the proposed district, and by persons owning collectively more than half of the assessed valuation of the property in the area of the proposed district — then the BOS is to create the fire district (A.R.S. § 48-261).

Provisions

1. Permits a BOS to hold a hearing to form a fire district with 5,000 or fewer persons upon receipt of a written request and a map of proposed boundaries for the fire district. (Sec. 2)
2. Allows a BOS to take public testimony on the proposed fire district and revise the proposed boundaries. (Sec. 2)
3. Directs a BOS, upon a determination to proceed with the proposal, to submit the question of the proposed fire district to the qualified electors in the proposed boundaries of the fire district. (Sec. 2)
4. Outlines rules for how the election for the proposed fire district is to be held. (Sec. 2)
5. Instructs a BOS, if approved by the voters, to declare the fire district formed and to appoint three persons to serve on the fire district organizing board of directors. (Sec. 2)
6. Provides that the three appointed board members are to serve until the next general election. (Sec. 2)
7. Directs a BOS to transmit a certified copy of the description of the boundaries to the county assessor. (Sec. 2)
8. Asserts that a fire district formed pursuant to this Act has the same powers and duties as any other fire district. (Sec. 2)
9. Stipulates that a county must have a population of less than 500,000 persons to form a fire district pursuant to this Act. (Sec. 2)
10. Prohibits forming a fire district pursuant to this Act from and after December 31, 2026. (Sec. 2)
11. Makes technical and conforming changes. (Sec. 1)

Amendments

Committee on Military Affairs & Public Safety

1. Increases the required voter approval threshold from a majority of voters to 65% of voters.

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

HB 2405: voter registrations; recorder; inactive status
Sponsor: Representative Gillette, LD 30
Caucus & COW

Overview

Authorizes the County Recorder to change a voter's registration status to inactive if the County Recorder reasonably believes the voter's registration is fraudulent.

History

The County Recorder must cancel a voter's registration by placing their registration in inactive status in certain circumstances, including request of a registered voter, confirmation of the voter's death, court order or felony conviction. After canceling a voter's registration, the County Recorder must send a notice by forwardable mail informing them their registration has been canceled, reason for cancellation, qualifications of voters and instructions on registering to vote if qualified. The County Recorder must maintain canceled voter registrations on the inactive voter list for four years (A.R.S. §§ 16-165, 16-166).

Provisions

1. Allows the County Recorder to put an individual's voter registration in inactive status upon receiving information providing reasonable belief that an individual has fraudulently registered to vote or the individuals voter registration is incorrect. (Sec. 1)
2. Maintains that the County Recorder must notify individuals whose voter registration is changed to inactive. (Sec. 1)

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

HB 2703: supervisors; legislative vacancy; appointment
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview

Adds a fourteen calendar day timeframe, after receiving the names of three nominees from the precinct committeemen, during which the Board of Supervisors must appoint a person to fill a vacant legislative district.

History

If a vacancy occurs in the Legislature, the Secretary of State is required to notify the state party chairman of the appropriate political party. The political party chairman must provide written notice of the meeting to fill the vacancy within three business days to all precinct committeemen who reside in the appropriate county and Legislative District. The precinct committeemen must nominate three qualified electors who meet the minimum requirements to serve in the legislature within twenty-one days after notification by the Secretary of State or within five days if the Legislature is in regular session. The Board of Supervisors in the appropriate county must appoint one of the three nominee's submitted (A.R.S. § 41-1202).

Provisions

1. Directs the Board of Supervisors to appoint one of the three nominees submitted by precinct committeemen to fill a vacant Legislative District within fourteen calendar days of receiving the names. (Sec. 1)
2. Makes a technical change. (Sec. 1)

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

HB 2719: bond elections; date; voter turnout
Sponsor: Representative Carbone, LD 25
Caucus & COW

Overview

Establishes additional requirements for bond issuance elections and elections to authorize indebtedness.

History

Municipalities, counties, school districts and other political subdivisions may issue bonds to finance the cost of certain capital projects like building schools and highways. A bond is a debt security in which the purchaser acts as a money lender to the bond issuer in exchange for regular interest payments. A political subdivision must submit the question of whether to issue a bond to the qualified electors of that jurisdiction and may be required to disclose certain information such as the purpose and maximum amount of the proposed bonds. Upon approval by the voters, bonds are repaid with interest using property tax monies (A.R.S. §§ 9-524, 11-264.01, US SEC).

A governing body or the board of a political subdivision may submit to the voters the question of whether to authorize indebtedness. Upon a petition signed by 15% of the qualified electors, a political subdivision is required to call an election on the question. All election expenses must be paid for from the political subdivision's current operating funds (A.R.S. § 35-452).

Provisions

1. Limits elections seeking the approval of indebtedness or the issuance of a bond to be held on the first Tuesday after the first Monday in November in even numbered years only. (Sec. 3)
2. Increases, from 15% to 25% of qualified electors required to sign a petition that subsequently mandates the governing body or board of a political subdivision to call an election seeking the approval of indebtedness. (Sec. 4)
3. Stipulates that a bond is only issued, or indebtedness approved if a majority of qualified electors vote in favor of the question and the voter turnout on that issue is at least 60%. (Sec. 4, 5)
4. Specifies that a bond election otherwise scheduled for 2025 must not be held earlier than 2026. (Sec. 7)
5. Exempts charter cities from this law. (Sec. 7)
6. Makes technical and conforming changes. (Sec. 1, 2, 3, 4, 5, 6)

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

HB 2014: wells; intention to drill; appropriation
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Requires the Director of the Arizona Department of Water Resources (ADWR) to conduct an audit of all notices of intention to drill (NOI). Appropriates an unspecified amount from the state General Fund (GF) in Fiscal Year (FY) 2025 to ADWR for an audit of all NOIs.

History

In areas outside of an active management area (AMA), a person must file an NOI before drilling or deepening any existing well. In an area located in an AMA, a person must file an NOI before drilling an exempt well, a replacement well or deepening an existing well. Only one NOI is required for all wells that are drilled by or for the same person to obtain geophysical, mineralogical or geotechnical data within a single section of land.

An NOI must be filed with the Director of ADWR (Director) and include information as outlined in statute regarding: 1) the description and location of the land where the well is proposed to be drilled; 2) the depth, diameter and type of casing of the proposed well; 3) when construction is to begin; and 4) the proposed uses to which the groundwater will be applied (A.R.S. § 45-596).

An exempt well is a well that pumps a maximum of 35 gallons per minute and is used to withdraw groundwater (A.R.S. § 45-402).

Provisions

1. Requires the Director to conduct an audit of all NOIs that are filed with ADWR. (Sec. 1)
2. Requires the Director, for each NOI, to determine if the NOI resulted in the person drilling a new well or deepening an existing well. (Sec. 1)
3. Specifies that if the person acted on the NOI, the Director must determine:
   a. if the well is active;
   b. if the well has been removed, decommissioned or retired;
   c. if the well uses a pump;
   d. if the well is an exempt well;
   e. the primary use of the well, including agricultural, commercial, manufacturing, mining, municipal, power generation, recreational or residential use. (Sec. 1)
4. Requires, by January 1, 2026, the Director to submit a report of its findings to the Governor, President of the Senate and Speaker of the House of Representatives and provide a copy to the Secretary of State. (Sec. 1)
5. Appropriates an unspecified amount from the state GF in FY 2025 to ADWR for an audit of all NOIs. (Sec. 2)
6. Exempts the appropriation from lapsing. (Sec. 2)
7. Contains a repeal date of June 30, 2026. (Sec. 1)

Amendments

Committee on Appropriations

1. Removes the FY 2025 appropriation of an unspecified amount.

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

HB 2020: long-term storage; stormwater; rainwater; rules
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Grants long-term storage credits to a person that develops or plans to develop infrastructure in an active management area (AMA) that results in increased natural, incidental or artificial recharge to the groundwater basin.

History

Long-term storage credits are earned when permitted facilities in an AMA store water underground through direct or indirect recharge. This stored water is eligible for credits when it:

1) is stored underground for at least one year;
2) cannot reasonably be used directly, with certain exceptions for the Pinal AMA related to implementing the Drought Contingency Plan; and
3) would not have been naturally recharged within the AMA.

A person that holds long-term storage credits may recover these credits by pledging them towards an Assured Water Supply, meeting replenishment obligations or leasing or selling them subject to certain limitations. Additionally, the holder can withdraw the stored water from the same AMA at a later date provided certain statutory criteria are met (A.R.S. §§ 45-832.01, 45-834.01, 45-851.01, 45-852.01, 45-854.01).

Provisions

1. Specifies that water that incidentally recharges an aquifer caused by the development of infrastructure in an AMA is qualified as an underground storage facility. (Sec. 1)
2. Entitles a person that develops or plans to develop infrastructure in an AMA that results in increased natural, incidental or artificial recharge to the groundwater basin to earn and hold long-term storage credits in an amount that does not exceed the level of increased recharge or projected increased recharge. (Sec. 2)
3. Requires the ADWR Director by January 1, 2025 to adopt rules that promote new construction of facilities that are eligible to earn long-term storage credits, including:
   a. stormwater detention basins that increase natural, incidental or artificial recharge;
   b. roadways and sidewalks that facilitate stormwater recharge; and
   c. any other public infrastructure that facilitates rainwater or stormwater recharge. (Sec. 2)
4. States the rules adopted by the ADWR Director must include:
   a. an application timeline;
   b. procedures for certifying qualifying infrastructure;
   c. criteria for eligibility;
   d. formulations for quantifying the increased recharge or projected increased recharge and the corresponding long-term storage credits that are expected to be earned over the useful life of the infrastructure. (Sec. 2)
5. Exempts a person that applies for long-term storage credits pursuant to this section from storage facility permitting requirements. (Sec. 2)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session
House: NREW DP 10-0-0-0

HB 2055: underground water storage; permitting
Sponsor: Representative Dunn, LD 25
Caucus & COW

Overview

Modifies the Arizona Department of Water Resources (ADWR) underground storage facility permit application timeframes.

History

There are four types of recharge permits that a person may apply for:

1) an *Underground Storage Facility Permit* that allows a person to operate a facility that stores water in an aquifer;
2) a *Groundwater Savings Facility Permit* that allows a person to deliver a renewable water supply to a recipient who agrees to replace groundwater pumping with in lieu water;
   a *Water Storage Permit* that allows a person to store water at an underground storage facility or a groundwater savings facility; and
3) a *Recovery Well Permit* that allows a person to recover long-term storage credits or to recover stored water annually (A.R.S. §§ 45-811.01, 45-812.01, 45-831.01, 45-834.01).

In-lieu water is defined as water delivered to a groundwater savings facility pursuant to permits, used in an active management area (AMA) or an irrigation non-expansion area (INA) by the recipient on a gallon-for-gallon substitute basis for groundwater that otherwise would have been pumped from within that AMA or INA (A.R.S. § 45-802.01).

To apply for an Underground Storage Facility Permit, an applicant must submit an application and applicable fees to the ADWR Director. Within 15 days, the ADWR Director must provide public notice of the application on ADWR's website and review the application within 100 days to determine whether the application should be approved or rejected (A.R.S. § 45-871.01).

In appropriate cases, the ADWR Director may hold an administrative hearing before making a decision on the application. The hearing must be scheduled at least 60 days but not more than 90 days after the expiration of the time in which to file objections. If a hearing is not held, the ADWR Director must issue a decision and order within 6 months of the date notice of the application is first given for an underground storage facility permit. The ADWR Director must record the application and indicate whether it was approved or rejected (A.R.S. § 45-871.01).

Provisions

1. Increases, from 100 to 180, the number of days for the ADWR Director to review an application for an underground storage facility permit. (Sec. 1)
2. Decreases the number of days the ADWR Director must issue a decision for an underground storage facility permit from six months to 100 days after the date notice of an application is first given. (Sec. 1)
3. Makes technical changes. (Sec. 1)

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

HB 2060: irrigation non-expansion area; substitution; acres
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Authorizes a person who owns land in an irrigation non-expansion area (INA) that may be irrigated to permanently retire or substitute those lands or use the associated water for any end use.

History

The Groundwater Management Code (Code) was enacted in 1980 and established the statutory framework to regulate and control the use of groundwater. As part of the management framework, the Code initially designated four active management areas and two INAs in areas of the state where groundwater overdraft was most severe. Currently there are three INAs: Joseph City, Harquahala, and Hualapai Valley (A.R.S. §§ 45-431, 45-554)(SOS).

When an INA is designated, only those lands that were legally irrigated at any time during the five years preceding its creation can be irrigated. This restriction does not apply to fields that are two acres or smaller or lands where substantial capital investment for irrigation was made during that five-year period. Each person who withdraws groundwater for irrigation or more than 10 acre-feet of groundwater for domestic uses from a non-exempt well (one that pumps over 35 gallons per minute) must meter the well. Additionally, anyone using a non-exempt well in an INA must file an annual report with the Arizona Department of Water Resources (ADWR)(A.R.S. § 45-437).

Provisions

1. Allows a person who owns acres of land in an INA that may be irrigated to:
   a. permanently retire those acres from irrigation;
   b. substitute for those acres the same number of acres in the same INA; and
   c. use the associated water for any end use. (Sec. 2)
2. Requires a person to demonstrate to the ADWR Director's satisfaction that the substitution of acres will not lead to a net increase in groundwater withdrawal in the INA. (Sec. 2)
3. Prohibits the ADWR Director from conditionally approving a person's application to substitute acres for the person reducing the person's groundwater use. (Sec. 2)
4. Makes technical and conforming changes. (Sec. 1)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session
House: NREW DP 6-4-0-0

HB 2063: exempt wells; certificate; groundwater use
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Requires the Arizona Department of Water Resources (ADWR) Director to issue each groundwater user that registers their exempt well a certificate of water rights (Certificate).

History

The Groundwater Management Code (Code) was enacted in 1980 and established the statutory framework to regulate and control the use of groundwater. Accordingly, ADWR regulates all groundwater wells in Arizona. The ADWR Director must adopt construction standards for new, replacement, deepening, abandonment or capping existing wells. Prior to drilling a new well, deepening or modifying an existing well, a person must choose a well driller and file a Notice of Intent (NOI) to drill a well with ADWR.

If the ADWR Director determines that the NOI meets all requirements, the ADWR Director must record the notice, mail a drilling card that allows the drilling of the well to the well driller and a written notice of the issuance of the drilling card to the person that filed the NOI. On receipt of the drilling card, the well driller has one year to drill or deepen the well at the address stated in the NOI (A.R.S. §§ 45-594, 45-596).

There are two types of production wells:

1) an *exempt well* is used for non-irrigation uses, noncommercial irrigation of less than two acres of land and watering stock and has a maximum pump capacity of not more than 35 gallons per minute. In active management areas, new exempt wells can withdraw a maximum of 10-acre-feet per year; and
2) a *non-exempt well* is used for irrigation or industry uses with a maximum pump capacity exceeding 35 gallons per minute (A.R.S. § 45-454).

Provisions

1. States an exempt well that is registered with ADWR may withdraw up to 35 gallons per minute. (Sec. 1)
2. Requires the ADWR Director to issue a Certificate to each groundwater user that registers the groundwater user's exempt well with ADWR. (Sec. 1)
3. States the Certificate allows the groundwater user to pump not more than 35 gallons per minute. (Sec. 1)
4. Prohibits a groundwater user to appropriate surface water or subflow out of priority. (Sec. 1)
5. States the withdrawn water is not exempt from a general stream adjudication. (Sec. 1)
6. Makes technical and conforming changes. (Sec. 1)

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

HB 2281: solar royalties fund; county residents
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

Requires each county Board of Supervisors (BOS) to establish a County Resident Solar Royalties Fund (Fund).

History

Counties are required to adopt the standards for issuing permits for the use of certain solar energy devices. Various specifications must be met depending on if the solar energy device is used for: 1) construction with solar photovoltaic systems that are intended to connect to a utility system; or 2) solar water heating systems (A.R.S. § 11-323).

Provisions

1. Requires the BOS of each county to establish a Fund to be administered by the county treasurer. (Sec. 1)
2. States that the Fund will be funded by each owner or operator of a solar panel in that county whose solar panel:
   a. is located in the relevant county; and
   b. is not:
      i. owned by a public service corporation that is regulated by the Arizona Corporation Commission (ACC) or by a public power entity that has service territory in Arizona; and
      ii. subject wholly to an exclusive power purchase agreement with either a public service corporation regulated by the ACC or a public power entity that has service territory in Arizona. (Sec. 1)
3. Requires the private owner or operator of a solar panel not owned by a public service corporation to pay the county where the solar panel is located 12.5% of every $1 that is received in revenues from the sale of kilowatt-hours from the solar panel. (Sec. 1)
4. Specifies these monies must be deposited in the Fund. (Sec. 1)
5. Requires the county treasurer to:
   a. determine the total amount of monies in the Fund and the total number of qualified individuals who live in the county;
   b. use monies in the Fund for administrative costs that do not exceed 10% of the monies in the Fund;
   c. pay, by check, each qualified resident of the county an equal distribution of the total amount of monies available in the Fund, after administrative costs are paid. (Sec. 1)
6. States that the requirements of the Fund do not apply to solar panels that:
   a. produce power for only on-site use by a commercial or industrial user;
   b. does not export power to the grid; or
   c. is a rooftop solar power system, regardless of whether the system exports power to the grid. (Sec. 1)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session
House: NREW DPA 10-0-0-0

HB 2369: dredge; fill; permits; clean up
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Deletes obsolete references to specific sections of Arizona Revised Statutes to reflect the repeal of Title 49, Chapter 2, Article 3.2 relating to the Dredge and Fill Permit Program.

History

The U.S. Environmental Protection Agency (EPA) administers the Dredge and Fill Permit Program under Section 404 of the Clean Water Act, which regulates discharge of dredged or fill material into waters of the United States, including wetlands.

Laws 2018, Chapter 225 authorized the Director of the Arizona Department of Environmental Quality (ADEQ) to adopt a Dredge and Fill Permit Program by rule and assume responsibility, or primacy, to administer the program. The legislation outlined ADEQ's responsibilities to: 1) issue, deny, suspend or revoke discharge permits; 2) establish permit conditions to ensure compliance with the Clean Water Act; and 3) establish procedures to maintain primary enforcement responsibility.

The legislation also contained a conditional repeal date of August 1, 2023, for Title 49, Chapter 2, Article 3.2, Arizona Revised Statutes, if ADEQ's Dredge and Fill Permit Program was not approved by the EPA. The ADEQ permit program was not approved and the provisions adopted in 2018 were repealed.

Provisions

1. Deletes obsolete references to specific sections of Arizona Revised Statutes to reflect the repeal of Title 49, Chapter 2, Article 3.2 relating to the Dredge and Fill Permit Program. (Sec. 1-7)
2. Makes technical and conforming changes. (Sec. 2-4, 6)

Amendments

Committee on Natural Resources, Energy & Water

1. Makes a conforming change.

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

HB 2487: residential lease community; Prescott AMA
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Allows the legislative body of a municipality and a county board of supervisors (BOS) to approve a commercial building plan for detached residential dwelling units or for multifamily residential properties within the Prescott active management area (AMA) provided that the development: 1) is located within a water service area with an assured water supply designation; or 2) acquires adequate irrigation grandfathered rights.

History

Grandfathered rights are withdrawal rights based on historic pumping which includes the five-year period preceding the call for the election or the five-year period preceding the designation of the AMA (A.R.S. § 45-476)(ADWR).

The Director of the Arizona Department of Water Resources (ADWR) is required to adopt rules regarding the location of new and replacement wells in new locations in AMAs to prevent unreasonably increasing damage to surrounding land or other water users from the concentration of wells. A person with groundwater withdrawal rights in an AMA may construct a new or replacement well in a new location if the person applies for and receives a permit from the ADWR Director (A.R.S. § 45-598).

Multifamily residential properties means any real property that has one or more structures and that contains five or more dwelling units for rent or lease that are subject to the Arizona Residential Landlord and Tenant Act (A.R.S. § 49-746).

Provisions

1. Allows the legislative body of a municipality and a county BOS to approve a commercial building plan for one or more detached residential dwelling units located in a residential lease community or for multifamily residential properties within the Prescott AMA if the development is located:
   a. within the water service area of a municipality or private water company designated as having an assured water supply and the developers have obtained a written commitment of water service from a designated provider;
   b. outside the service area of a designated provider, the development has acquired sufficient type one irrigation grandfathered rights to meet the entirety of the annual water demand of the development and the developer has included a copy of the relevant notice with their commercial building permit application; or
   c. outside of the service area of a designated provider and the development has acquired sufficient irrigation grandfathered rights to meet the entirety of the annual water demand of the development. (Sec. 1 and 2)
2. Specifies that the developer must include a copy of the relevant notice change of use for the type one irrigation grandfathered rights with their commercial building permit application. (Sec. 1 and 2)
3. States that, for any type two irrigation rights in the expected water portfolio, the developer must attach proof that the withdrawal will be in the same location as the original grandfathered right or, if in another location, attach proof of a new groundwater withdrawal permit that complies with rules regarding withdrawal from new and replacement wells in an AMA. (Sec. 1 and 2)

4. Specifies that this legislation does not apply to an existing residential lease community, multifamily residential property, planned residential lease community or planned multifamily residential property that applied for or received zoning entitlements on or before December 31, 2024. (Sec. 1 and 2)
5. Requires the legislative body of the municipality and county BOS to note on the face of any approved commercial building permit for a residential lease community or multifamily residential property that the applicant has complied with or is exempt from these requirements. (Sec. 1 and 2)
6. Instructs the Director of ADWR to separately account for the transfer of type two irrigation grandfathered rights in the Prescott AMA that a developer wishes to use to secure a commercial building permit. (Sec. 3)
7. Requires ADWR to provide a separate application process for a groundwater user that wishes to secure a commercial building permit for a residential lease community or for multifamily residential properties in the Prescott AMA. (Sec. 3)
8. States that the Legislature finds that residential lease communities as defined by this legislation are a commercial development similar to apartments and other multifamily properties. (Sec. 4)
9. Defines *multifamily residential properties* and *residential lease community*. (Sec. 1-3)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session
House: NREW DP 6-4-0-0

HB 2545: annual vehicle emissions testing; exemption
Sponsor: Representative Jones, LD 17
Caucus & COW

Overview

Exempts a vehicle manufactured in or after the 2018 model year from the annual Vehicle Emissions Inspection Program (Emissions Program).

History

The Arizona Department of Environmental Quality (ADEQ) administers the Emissions Program. Vehicles located in Area A (the Phoenix metropolitan area and parts of Pinal and Yavapai Counties) and Area B (the Tucson metropolitan area), owned by a person who is subject to university vehicle regulations or uses their vehicle to commute to workplaces in these areas must pass annual or biennial inspections to ensure compliance with minimum emissions standards. The ADEQ Director is responsible for adopting these standards, which are based on the class of vehicle and location in the Phoenix or Tucson metropolitan area. A vehicle cannot be sold in these metropolitan areas or registered until it passes an inspection.

To determine compliance with minimum emissions standards and functional tests in area A:

1) motor vehicles manufactured in or after model year 1981 with a gross vehicle weight rating of 850 pounds or less is required to take and pass a transient loaded emissions test or an onboard diagnostic check;
2) motor vehicles, other than those manufactured in or after model year 1981 and diesel powered vehicles, are required to take and pass a steady state loaded test and a curb idle emissions test; and
3) a diesel-powered motor vehicle must take and pass an annual emissions test.

To determine compliance with minimum emission standards in area B:

1) a motor vehicle manufactured in or before the 1980 model year is required to take and pass the curb idle test. A diesel powered vehicle is subject to only a loaded test; and
2) a motor vehicle manufactured in or after the 1981 model yearis required to take and pass the curb idle test and the loaded test or an onboard diagnostic check (A.R.S. § 49-542).

Provisions

1. Exempts a vehicle that is manufactured in or after the 2018 model year from the annual Emissions Program. (Sec. 1)

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

HB 2546: vehicle emissions; exemption
Sponsor: Representative Jones, LD 17
Caucus & COW

Overview

Exempts vehicles that were manufactured before the 2018 model year from Vehicle Emissions Inspection Program (Emissions Program) requirements. Contains a conditional enactment.

History

The Arizona Department of Environmental Quality (ADEQ) administers the Emissions Program. Vehicles located in Area A (the Phoenix metropolitan area and parts of Pinal and Yavapai Counties) and Area B (the Tucson metropolitan area), owned by a person who is subject to university vehicle regulations or uses their vehicle to commute to workplaces in these areas must pass annual or biennial inspections to ensure compliance with minimum emissions standards. The ADEQ Director is responsible for adopting these standards, which are based on the class of vehicle and location in the Phoenix or Tucson metropolitan area. A vehicle cannot be sold in these metropolitan areas or registered until it passes an inspection, except specified vehicles. (A.R.S. § 49-542).

Alternative fuel vehicles (AFVs) are vehicles that are only fueled by a source other than conventional gasoline or diesel. These sources may include electricity, solar energy, liquefied petroleum gas, natural gas, hydrogen, a blend of 70% percent alternative fuel source and 30% petroleum based fuels and alcohol fuels. AFVs in the Phoenix and Tucson metropolitan areas, or AFVs used to commute to these areas, must have an emissions test in the sixth registration year and in subsequent years (A.R.S. § 49-542.05).

Provisions

1. Requires an annual or biennial inspection for vehicles that:
   a. were manufactured before the 2018 model year; and
   b. were manufactured before the 2018 model year registered outside of area A or area B used to commute to workplaces in area A or B. (Sec. 1 and 2)
2. Exempts a vehicle that was manufactured before the 2018 model year from inspection in order to comply with registration requirements. (Sec. 1 and 2)
3. States a vehicle that was manufactured before the 2018 model year cannot be registered until such vehicle has passed the emissions and tampering inspection or has been issued a certificate of waiver. (Sec. 1 and 2)
4. Prohibits a dealer that is licensed to sell motor vehicles and whose business is located in area A or B from delivering any vehicle that was manufactured before the 2018 model year to the retail purchaser until the vehicle passes any inspection. (Sec. 1 and 2)
5. Exempts vehicles that were manufactured before the 2018 model year from receiving an air quality compliance sticker. (Sec. 1 and 2)
6. Clarifies that vehicles that were manufactured before the 2018 model year must comply with the ADEQ Director's minimum emission standards. (Sec. 1 and 2)
7. Specifies that a vehicle is subject to tampering inspection if the vehicle was manufactured after the 1974 model year but before the 2018 model year. (Sec. 1 and 2)
8. Clarifies the ADEQ Director may adopt rules to exempt vehicles that were manufactured on or after the 2018 model year from inspection. (Sec. 1 and 2)

9. Clarifies that ADEQ may adopt rules for air pollution emission standards for off-road vehicles and engines marketed in Arizona on or after the 1999 model year and before the 2018 model year. (Sec. 3)
10. Exempts any AFVs manufactured before the 2018 model year from emission inspection requirements. (Sec. 4)
11. Exempts any AFVs manufactured before the 2018 model year from testing while operating on gasoline and on alternative fuel. (Sec. 4)
12. Removes the registration renewal notice requirement for the 2nd through 5th registration year of new vehicles. (Sec. 5)
13. Contains a conditional enactment date of July 1, 2027 for specified sections related to the vehicle emissions testing program protocols and provides those sections will not become effective unless the U.S. Environmental Protection Agency approves program protocols changes by the date prescribed. (Sec. 6)
14. Requires the ADEQ Director to notify the Arizona Legislative Council Director in writing whether the condition was or was not met by September 1, 2027. (Sec. 6)
15. Makes technical changes. (Sec 1, 2, 3, 4, and 5)

Amendments

Committee on Natural Resources, Energy & Water

1. Clarifies that vehicles that were manufactured after the 2018 model year are exempt from Vehicle Emissions Inspection Program requirements.

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

HB 2628: department of environmental quality; omnibus
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Modifies provisions relating to several programs administered by the Arizona Department of Environmental Quality (ADEQ).

History

ADEQ is responsible for a variety of state and federal programs related to air quality, water quality, solid waste management and hazardous waste disposal and underground storage tank regulation. ADEQ shares responsibility for federal programs that have been delegated to the state by the U.S. Environmental Protection Agency (EPA) including the Clean Air Act, the Safe Drinking Water Act, the National Pollutant Discharge Elimination System program and the Resource Conservation and Recovery Act program (Title 49 and SOS).

The Small Drinking Water Systems Fund (Fund) consists of legislative appropriations. The Fund provides grants to operators and owners of public water systems that serve 10,000 or fewer persons. It provides information and assistance to improve compliance with drinking water system standards and provides grants to small water systems for infrastructure repair (A.R.S. § 49-355).

ADEQ's Monitoring Assistance Program was established to help public water systems comply with monitoring requirements of the federal Safe Drinking Water Act. The Monitoring Assistance Fund is used for program related work and administrative costs. The Monitoring Assistance Fund consists of fees collected from participating public water systems (A.R.S. § 49-360).

The Vehicle Emissions Inspection Program, established in 1967, requires vehicles in the Phoenix and Tucson metropolitan area to be tested to determine if emissions of certain pollutants are below a prescribed level.

Provisions

1. Repeals applicability of federal definitions, contained in the federal Underground Injection Control (UIC) program of the Safe Drinking Water Act, to Arizona's UIC program. (Sec. 1)

Small Drinking Water Systems Fund

2. Allows the Small Drinking Water Systems Fund to include federal monies, private grants, gifts, contributions and devises. (Sec. 2)

Monitoring Assistance Program for Public Water Systems

3. Allows ADEQ to adopt rules to establish criteria for a public water system to opt out of the drinking water Monitoring Assistance Program. (Sec. 3)
4. Allows ADEQ to conduct additional sampling if a system triggers a detection limit set by the federal Safe Drinking Water Act. (Sec. 3)
5. Expands the list of contaminants subject to monitoring to include those established by the Safe Drinking Water Act. (Sec. 3)
6. Allows the Monitoring Assistance Fund to include federal monies, private grants, gifts, contributions and devises. (Sec. 3)
7. Modifies the method to determine if a fund surplus exists in the Monitoring Assistance Fund that would trigger reduced fees from participating public water systems for the subsequent year. (Sec. 3)

Vehicle Emissions Inspection Program

8. Designates specific emissions tests for a vehicle, based on the model year and gross vehicle weight. (Sec. 4)

Other Provisions

9. Modifies definitions of *closed solid waste facility* and *recycling facility* for ADEQ solid waste programs. (Sec. 5)

10. Includes a conditional enactment for statutes related to vehicle emissions testing program protocols and provides that those provisions will not take effect until EPA approves Arizona's state implementation plan (SIP). If EPA approves the SIP by July 1, 2027, the statutory provisions will take effect. (Sec. 7)

11. Makes technical changes. (Sec. 3-6)

Amendments

Committee on Natural Resources, Energy & Water

1. Modifies sources of monies for the Small Drinking Water Systems Fund and the Monitoring Assistance Fund.

2. Makes conforming changes relating to very small quantity generator waste.

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

HB 2685: mine inspector; geological survey; authority
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Requires the Arizona Geological Survey (AGS) to establish a map and inventory of all known areas that contain aggregate resources and all existing aggregate mining facilities in Arizona. Adds criteria that must be included in an aggregate mining unit reclamation plan.

History

The AGS provides information to the public on geology and offers advice on using mineral and land resources in Arizona. Its responsibilities include: 1) mapping geologic features; 2) providing objective information about Arizona's geologic character; 3) preparing data files with known earth fissures; and 4) maintaining a central database of reports, maps and other publications regarding Arizona's geology, mining and mineral resources. The State Geologist leads the AGS (A.R.S. §§ 27-102, 27- 103, 27-106).

The State Mine Inspector is required to approve a reclamation plan for aggregate mining units if the reclamation plan provides measures for surface disturbances that are: 1) necessary to achieve a safe and stable condition suitable for the post aggregate mining land use objectives stated in the plan; and 2) compatible with good engineering practices regarding erosion control and seismic activity for the applicable seismic zone. A single proposed reclamation plan can cover multiple mining units of an aggregate mining facility and must include specific information as outlined in statute (A.R.S. §§ 27-1271, 27-1273).

Aggregate mining means clearing or moving land using mechanized earth-moving equipment on privately owned property for aggregate development purposes. Aggregate mining involves mixing rock, sand or similar aggregate materials with water and cement (A.R.S. § 27-441).

Provisions

1. Requires the AGS to establish a map and inventory of all known areas that contain aggregate resources and all existing aggregate mining facilities in Arizona according to county. (Sec. 1)
2. Requires, on request of the State Mine Inspector, the State Geologist to update the maps and inventories of the aggregate resources of Arizona and include areas of aggregate resources discovered since the previous publication. (Sec. 1)
3. Adds that a proposed reclamation plan must include:
   a. the distance in feet and the direction from the closest existing occupied residential structures and aggregate mining facility exterior; and
   b. a statement that the owner or operator has provided a notice of the plan to each residential property owner with property located within a one-half mile radius of the aggregate mining operation as shown on the current property tax roll. (Sec. 2)
4. Details how the distance must be measured in the proposed reclamation plan. (Sec. 2)
5. Specifies that the notice must be sent not less than 15 days before submitting the proposed reclamation plan and include a statement that the residential property owner can request a copy of the plan from the State Mine Inspector. (Sec. 2)
6. Allows the State Mine Inspector to consider comments from the State Geologist or any elected official when evaluating a reclamation plan. (Sec. 3)
7. Makes technical and conforming changes. (Sec. 2 and 3)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: RA DP 6-0-0-0

HB 2473: licensure renewal; fee waiver
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview

Requires the Board of Behavioral Health Examiners (Board) to waive the associate level license renewal fee under specified circumstances.

History

The Board is comprised of 8 professional members and 4 public members who are each appointed by the Governor (A.R.S. § 32-3252). Responsibilities of the Board include: 1) issuing and renewing licenses for qualified individuals; 2) establishing and collecting fees; and 3) keeping records of all licensed persons, applications, dispersed monies and the actions taken on licenses including the renewal, suspension, denial or revocation or probation of a licensee (A.R.S. § 32-3253).

The Board can issue and collect reasonable fees for the following: 1) issuance of a license up to $500; 2) renewal of a license up to $500 and to not increase by more than $25 per year; and 3) fees for the approval of educational criteria. The Board must establish fees that fund the approximate cost of maintaining the board. If an applicant has paid the fee or an initial or renewal associate level license within 90 days of applying for an independent level license, statute requires the Board to waive the application fee for the independent level license (A.R.S. § 32-3272).

Provisions

1. Directs the Board to waive the renewal fee for an associate level license if the licensee:
   a. has submitted the renewal application; and
   b. the application for independent licensure is pending at the time of renewal. (Sec. 1)
2. Makes technical changes. (Sec. 1)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: RA DPA/SE 6-0-0-0

HB 2698: planned communities; declarant control
S/E: same subject
Sponsor: Representative Carter, LD 15
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2698

Overview

Outlines requirements relating to a period of declarant control within a homeowners' association (HOA).

History

Statue defines an *association* as a nonprofit corporation or unincorporated association of owners that is created pursuant to a declaration to own and operate portions of a planned community. A *declaration* is any instrument that establishes a planned community and any amendment to that instrument (A.R.S. § 33-1802).

Provisions

1. Specifies that each declaration that provides a period of declarant control of the HOA must also provide for the termination of declarant control. (Sec. 1)
2. Stipulates that, regardless of community documents dictating the termination of declarant control, declarant control terminates no later than the date that the second to last lot is conveyed to a buyer. (Sec. 1)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

House: RA DP 5-1-0-0

HB 2729: insurance coverage requirements; transportation companies.
Sponsor: Representative Grantham, LD 14
Caucus & COW

Overview

Changes the minimum primary commercial uninsured motorist coverage for both transportation network drivers and livery, taxi and limousine drivers.

History

Statute defines *transportation network company* as an entity that uses a digital network or software application to connect passengers to transportation network services provided by company drivers using vehicles of which the company does not possess ownership (A.R.S. § 28-9551). Statute outlines the motor vehicle liability coverage for transportation network drivers and taxi, livery or limousine drivers that have accepted a ride request and are providing transportation to a passenger as:

1. primary commercial motor vehicle liability insurance covering a minimum of $250,000 per incident; and
2. primary commercial uninsured motorist coverage of a minimum of $250,000 per incident.

Transportation network drivers must always carry proof of insurance while logged into the transportation network company's digital network and taxi, livery and limo drivers must carry proof of insurance at all times while providing transportation services (A.R.S. §§ 28-4038, 28-4039).

Provisions

1. Modifies the minimum primary commercial uninsured motorist coverage for both transportation network drivers and livery, taxi and limousine drivers from $250,000 per incident to $25,000 per person and $50,000 per incident. (Sec. 1, 2)
2. Makes technical changes. (Sec. 2)

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

HB 2143: driver license fees; homeless exemption
Sponsor: Representative Cook, LD 7
Caucus & COW

Overview

Provides a driver's license and nonoperating license application fee waiver to all persons who do not have a residence address or whose residence address is a homeless shelter.

History

The Arizona Department of Transportation (ADOT) is authorized to register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions. Fees for different types of driver's licenses are prescribed in statute. For each original, renewal or reinstatement application for operator licenses, the fee is broken down into age categories as follows:

1. 39 years or younger: $25;
2. 40 to 44 years: $20;
3. 45 to 49 years: $15; and
4. 50 years or older: $10

The fees for driver's licenses do not apply to a veteran who does not have a residence address or whose residence address is a homeless shelter. The Director of ADOT is required to deposit fees collected from driver's licenses into the Arizona Highway User Revenue Fund (HURF) (A.R.S. §§ 28-332, 28-3002).

The application fee for nonoperating identification licenses established by administrative rule is $12 (17A.A.C. 4, R17-4- 403). The established fee does not apply to: 1) a person who is 65 years of age or older; 2) a person who is a recipient of public monies as an individual with disabilities under the Social Security Act; 3) a veteran who does not have a residence address or whose residence address is a homeless shelter; and 4) a child in the custody of the Department of Child Safety (A.R.S. § 28-3165).

Provisions

1. Exempts a person without a residence address or whose residence address is the address of a shelter that provides service to the homeless from the application fees for a driver's license or a nonoperating identification license. (Sec. 1-2)
2. Makes technical and conforming changes. (Sec. 1-2)

Amendments

Committee on Transportation & Infrastructure

1. Removes the driver's license application fee waiver for people who do not have a residence address or whose residence address is a homeless shelter.

2. States that all nonoperating identification licenses issued by ADOT after the effective date of this bill are valid for eight years.

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

HB 2149: watercraft operation; minors; safety education
Sponsor: Representative Cook, LD 7
Caucus & COW

Overview

Mandates the completion of an approved boating safety education course for individuals under 18 years of age that operate a watercraft propelled by more than 10 horsepower.

History

The Arizona Game and Fish Department (AZGFD) is tasked with providing an informational and educational program relating to boating and boating safety with monies deposited into the Watercraft Licensing Fund (Fund). 65% of the registration and infrastructure fees received for the numbering of watercraft are deposited into the Fund each month (A.R.S. § 5-323).

Except in the case of an emergency, a person under 12 years of age is prohibited from operating a watercraft motor propelled by more than eight horsepower unless the person's parent or legal guardian or at least one person who is 18 years of age or older is present on the watercraft (A.R.S. § 5-341).

Provisions

1. Prohibits an individual under 18 years of age from operating a watercraft propelled by machinery of more than 10 horsepower unless the individual has completed an approved boating safety education course. (Sec. 1)
2. Requires the AZGFD to administer a boating safety education course that is approved by a national association of boating safety. (Sec. 1)
3. Allows the AZGFD to approve additional boating safety education courses. (Sec. 1)
4. Instructs the AZGFD to provide a list of the approved boating safety education courses on their website. (Sec. 1)
5. States that an individual who completes a boating safety education course must be issued a certificate of completion that is to be carried when operating a watercraft propelled by machinery of more than 10 horsepower. (Sec. 1)
6. Contains a delayed effective date of January 1, 2025. (Sec. 1)
7. Specifies this act does not apply to an individual who is at least 18 years of age on the effective date. (Sec. 2)

Amendments

Committee on Transportation & Infrastructure

1. Changes the requirement for individuals that operate a watercraft to complete the boating safety education course, to apply for individuals *born after January 1st, 2007*, rather than for individuals under 18 years of age.
2. Increases the horsepower of the watercraft propelled machinery, from 10 to 50 horsepower.
3. Allows the Director of AZGFD to enter into reciprocity agreements or certify boating safety education programs from other states that are substantially similar to programs offered by the boating safety education course.
4. Requires the Director of AZGFD to issue a certification of completion to a person who provides proof of completion of a program in another state or a substantially similar boating safety education program.

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

HB2232: railroad grade crossing; on-track equipment
Sponsor: Representative Longdon, LD 5
Caucus & COW

Overview

Includes *other on-track equipment* into railroad safety statutes mentioning a railroad train.

History

When a person driving a vehicle approaches a railroad grade crossing, the driver of the vehicle must stop within 50 feet but not less than 15 feet from the nearest rail of the railroad and may not proceed if any of the following applies:

1) a clearly visible electric or mechanical signal device gives warning of the immediate approach of a railroad train;
2) a crossing gate is lowered, or a human flagman gives or continues to give a signal of the approach or passage of a railroad train;
3) a railroad train approaching within approximately 1,500 feet of the highway crossing emits a signal audible from such a distance and the railroad train is an immediate hazard because of its speed or proximity to the crossing;
4) an approaching railroad train is plainly visible and is in hazardous proximity to the crossing; or
5) any other condition exists that makes it unsafe to proceed through the crossing (A.R.S. § 28-851).

Provisions

1. Broadens railroad safety law relating to railroad crossings and railroad grade crossings to include *other on-track equipment*. (Sec. 1, 2, 3)
2. Makes technical changes. (Sec. 2, 3)

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

HB2389: vehicle sales; emergency stop; prohibition
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview

Prohibits a motor vehicle from being sold or leased in this state if the motor vehicle has a mechanism that allows a person who is not the owner of the motor vehicle and who does not have the motor vehicle's physical key to remotely shut off the motor vehicle.

History

If a sale or lease of a motor vehicle from a motor vehicle dealer or a lessor to a customer is conditioned on final approval of financing by a lender or lessor, the motor vehicle dealer or lessor must retain title and possession of any motor vehicle traded by a customer as part of the transaction until financing is finally approved or the traded motor vehicle is returned to the customer. Any remedy for a violation of requirements relating to motor vehicle transactions may not be waived, modified or limited by agreement or contract.

If a motor vehicle dealer charges a document fee for a motor vehicle transaction, the motor vehicle dealer must clearly and conspicuously disclose in its advertisement for a motor vehicle that a document fee will be charged for a motor vehicle transaction (A.R.S. § 44-1371).

Provisions

1. Restricts a motor vehicle from being sold or leased in this state if the motor vehicle has a mechanism that allows a person who is not the owner of the motor vehicle and who is not in possession of the motor vehicle's physical key to remotely shut off the motor vehicle. (Sec. 1)
2. States that a *mechanism* includes an emergency stop mechanism, an emergency off mechanism or an emergency power off mechanism and does not include a mobile application that allows the owner of the motor vehicle to deny access to the motor vehicle to another person, including a governmental entity, at any time. (Sec. 1)
3. Specifies that an *owner* includes a lienholder when the use of the mechanism is a term of a contract between the lienholder and the owner of the motor vehicle. (Sec. 1)

Amendments

Committee on Transportation & Infrastructure

1. Specifies that a motor vehicle may not *knowingly* be sold or leased in this state if the motor vehicle has a mechanism that allows a person who is not the owner of the motor vehicle and who is not in possession of the motor vehicle's physical key to remotely shut off the motor vehicle *without the owner's consent*.
2. States that a mechanism does not include an onboard computer system that addresses an imminent mechanical critical safety issue.

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

HB 2410: motor vehicle dealers; franchises
Sponsor: Representative Cook, LD 7
Caucus & COW

Overview

Outlines an indemnification process for motor vehicle dealer franchisees against vehicle manufacturers, importers, distributors, factory branches or franchisors and establishes various other requirements and restrictions for vehicle manufacturers, importers, distributors, factory branches or franchisors relating to motor vehicle dealers.

History

A manufacturer of new motor vehicles, factory branch, distributor, distributor branch, field representative, officer or agent of these entities is prohibited from coercing or attempting to coerce a new motor vehicle dealer to:

1. accept delivery of a new motor vehicle or vehicles, parts or accessories for the vehicle or vehicles or any other commodities that the dealer has not ordered;
2. enter into an agreement with the manufacturer, factory branch, distributor or distributor branch;
3. do any other act unfair to the dealer by threatening to cancel or not renew a franchise existing between the manufacturer, factory branch, distributor or distributor branch;
4. construct, renovate or make substantial alterations to the dealer's facilities unless the manufacturer, factory branch, distributor or distributor branch demonstrate that the changes are reasonable and justifiable or unless the alteration is reasonably required to effectively display and service a vehicle based on its technology;
5. enter a real property use or site control agreement as a condition of awarding a franchise, adding a line-make or dealer agreement to an existing new motor vehicle dealer, renewing a dealer agreement, approving the sale or transfer of the ownership of a dealership or approving the relocation of a dealership; or
6. in connection with the sale of a used motor vehicle, other than a used vehicle sold under a factory's certified pre-owned program, require the use of only parts and accessories manufactured by the manufacturer, factory branch, distributor, distributor branch or importer (A.R.S. § 28-4458).

A factory is prohibited from directly or indirectly competing with or unfairly discriminating amongst its dealers. Statute outlines what consists of competition or unfair discrimination (A.R.S. § 28-4460).

Provisions

Franchisee Indemnification

1. Prohibits a licensed manufacturer, importer, distributor, distributor branch, factory branch or franchisor from directly or indirectly failing or refusing to indemnify an existing or former franchisee or franchisee's successors if a franchisee demands indemnification. (Sec. 1)
2. Assigns any sustained damages, attorney fees and other expenses reasonably incurred by a franchisee to a licensed manufacturer, importer, distributor, distributor branch, factory branch or franchisor if the damages result from or relate to a claim made by a third party against the franchisee that result from:
   a. the condition, characteristic, manufacture, assembly or design of any vehicle, parts or accessories, tools or equipment or the selection or combination of components or parts that are manufactured or distributed by the manufacturer, importer, distributor, distributor branch, factory branch or franchisor;

b. service systems, procedures or methods that the manufacturer, importer, distributor, distributor branch, factory branch or franchisor recommends or requires the franchisee to use if the franchisee properly used the system, procedure or method;

c. the improper use or disclosure by a manufacturer, importer, distributor, distributor branch, factory branch or franchisor of nonpublic personal information obtained from a franchisee relating to a consumer, customer or employee of the franchisee;

d. an act or omission of the manufacturer, importer, distributor, distributor branch, factory branch or franchisor for which the franchisee would have a claim for contribution or indemnity under law or the franchise, notwithstanding any prior termination or expiration of the franchise; or

e. an act or omission of the franchisee that results from the franchisee's use of a service provided by a digital vender preselected by the manufacturer, importer, distributor, distributor branch, factory branch or franchisor if the use of the service violates state or federal law. (Sec. 1)

Direct Current Fast Charging Stations

3. Prohibits a manufacturer of new motor vehicles, factory branch, distributor, distributor branch, field representative, office or agent or any representative of these entities from coercing or attempting to coerce a new motor vehicle dealer to install a direct current fast-charging station (charging station) unless:

a. the manufacturer, factory branch, distributor or distributor branch requires public access to the charging station and reimburses the dealer for one-half of all costs to install and maintain the charging station and the dealer pays them one-half of the net income that is generated by the charging station. This requirement does not apply to a manufacturer, factory branch, distributor or distributor branch program or policy that encourages a dealer to install public charging stations if the program or policy reimburses the dealer for at least one-half the cost of all charging stations under the program or policy;

b. the dealer is allowed to use all available incentives or utility rate plans or incentives to minimize the total cost of installing the charging station;

c. the number and type of electric vehicle charging stations that are required to be installed is reasonably necessary to conduct service and for sales operations; and

d. the requirements placed by the manufacturer, factory branch, distributor or distributor branch are reasonable for the supply constraints, time constraints, advancements in vehicular technology and electric grid integration. (Sec. 2)

Competition and Unfair Discrimination

4. Declares that a factory is competing with or discriminating against its dealers if the factory implements or modifies a vehicle reservation system for the sale or lease of motor vehicles unless:

a. the vehicle reservation system uses customer dealer selection or other objective criteria to allocate the vehicles; and

b. at least 30 days before implementing the vehicle reservation system a factory makes available to its dealers a description of the reservation program rules and requirements through the system. Notice of a change to the rules and requirements must be provided by the factory to its dealers at least 30 days before the change becomes effective. (Sec. 4)

5. Prohibits a factory from selling or offering to sell, lease or provide to any retail consumer or lead a subscription service for a motor vehicle feature that uses components and hardware that is already installed on the motor vehicle at the time of purchase or lease and would function after activation without ongoing cost to or support by the dealer, manufacturer, factory, distributor or third-party service provider. (Sec. 4)

6. Clarifies that the previous provision does not prohibit a factory from renewing or charging any subscription or connection fees for any in-vehicle electronic wireless communication, information or entertainment systems such as navigation system updates, satellite radio, roadside assistance, software-dependent driver assistance or driver automation features and vehicle-connected services that rely on cellular or other data networks for continued operation. (Sec. 4)

Miscellaneous

7. Specifies that a manufacturer, importer or distributor cannot adopt, change, establish or implement a plan or system for the allocation, scheduling or delivery of new motor vehicles, parts or accessories to its motor vehicle dealers that is not fair, reasonable or equitable to dealers of the manufacturer's, importer's or distributor's line-make. (Sec. 2)

8. Prohibits a manufacturer or distributor from using or threatening to use the exercise of the right of first refusal in bad faith. (Sec. 3)

9. Defines terms. (Sec. 1, 2, 4)

10. Makes technical and conforming changes. (Sec. 1, 3, 4)

Amendments

Committee on Transportation & Infrastructure

1. Modifies the franchisee indemnification process.

2. Removes language that allowed a manufacturer of new motor vehicles, factory branch, distributor, distributor branch, field representative, office or agent or any representative of these entities to require a new motor vehicle dealer to install a charging station if the outlined requirements were met.

3. Prohibits a manufacturer of new motor vehicles, factory branch, distributor, distributor branch, field representative, office or agent or any representative of these entities from coercing or attempting to coerce a new motor vehicle dealer to install on the dealer's dealership premises a customer-facing electric vehicle charging station accessible to the public.

4. States that a manufacturer, importer or distributor is not required to make available or pay incentives or other benefits to a dealer that has not met the eligibility requirements on the same terms that are applied uniformly and equitably to all dealers of the same line-make in this state.

5. Makes changes to the bill's definition of *coerce*.

6. Adds an applicability clause that exempts a manufacturer that does not and has never used franchised new motor vehicle dealers to offer, sell or service new motor vehicles manufactured or distributed by a franchisor, manufacturer, importer or distributor from statute regulating motor vehicle dealer franchises.

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

HB2461: duty of care; leased vehicles
Sponsor: Representative Cook, LD 7
Caucus & COW

Overview

Declares that there is no obligation or duty of care for an owner, lessor, operator or for a person renting or leasing a covered motor vehicle (vehicle) to retrofit the vehicle with component parts or optional equipment, or to have selected component parts or optional equipment to be included on the vehicle in any civil action where a vehicle is involved in an accident if such parts or equipment were not required by the Federal Motor Vehicle Safety Standards (FMVSS).

History

The National Highway Traffic Safety Administration (NHTSA) issues FMVSS under 49 Code of Federal Regulations (CFR) Part 571 to implement laws from Congress. NHTSA regulates the safety of motor vehicles and related equipment.

An owner of a motor vehicle that rents or leases the vehicle to a person must not be liable under the law of any State or political subdivision by reason of being the owner of the vehicle, for harm to persons or property that results or arises out of the use, operation or possession of the motor vehicle during the period of the rental or lease if the owner is engaged in the trade or business of renting or leasing motor vehicles and there is no negligence or criminal wrongdoing on the part of the owner (49 United States Code § 30106).

Provisions

1. Mandates that there is no obligation or duty of care for an owner, lessor or operator of the vehicle or a person renting or leasing the vehicle to another person to retrofit the vehicle with component parts or optional equipment or to have selected component parts or optional equipment to be included on the vehicle in any civil action where a vehicle is involved in an accident if such parts or equipment were not required by FMVSS under 49 CFR Part 571, applicable when the vehicle was manufactured or sold. (Sec. 1)
2. Stipulates that evidence related to such an alleged obligation or duty is inadmissible. (Sec. 1)
3. States that the previous provisions related to duty of care for leased vehicles do not apply if the owner, lessor or operator of the vehicle or the person renting or leasing the vehicle to another person fails to comply with a law or regulation issued after the vehicle was manufactured or sold requiring a mandatory recall or retrofit of the vehicle. (Sec. 1)
4. Defines *covered motor vehicle* as a motor vehicle for which the owner's liability for an accident is governed by 49 United States Code § 30106. (Sec. 1)

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

HB 2658: pedestrians; congregating; medians; unsafe locations
Sponsor: Representative Chaplik, LD 3
Caucus & COW

Overview

Prohibits a pedestrian from congregating or engaging in solicitation if they are on a painted or raised traffic median or island, on an exit or entrance ramp or roadway of a controlled access highway or in an unsafe location where there is no sidewalk or safe corridor for pedestrians.

History

A person commits obstructing a highway or other public thoroughfare if the person, alone or with others:

1. having no legal privilege to do so, recklessly interferes with the passage of any highway or public thoroughfare by creating an unreasonable inconvenience or hazard. A person guilty of this is responsible for a class 2 misdemeanor and for a second or subsequent violation within 24 months a class 1 misdemeanor;
2. intentionally activates a pedestrian signal on a highway or public thoroughfare if their reason for activating the signal is not the cross the highway or thoroughfare but to stop the passage of traffic and solicit a driver for a donation or business. A person guilty of this is responsible for a class 3 misdemeanor; or
3. after receiving a verbal warning to desist, intentionally interferes with passage on a highway or other public thoroughfare or entrance into a public forum that results in preventing other persons from gaining access to a governmental meeting, hearing or a political campaign event. A person guilty of this is responsible for a class 1 misdemeanor (A.R.S. § 13-2906).

Provisions

1. Prohibits a pedestrian from congregating or engaging in solicitation if the pedestrian is:
   a. on a painted or raised traffic island or median;
   b. on an exit or entrance ramp or roadway of a controlled access highway; or
   c. in an unsafe location where there is not a sidewalk or a safe corridor for pedestrians. (Sec. 1)
2. State that if a person violates these requirements:
   a. for the first violation, a peace office may only issue a warning;
   b. for a second violation, the person is responsible for a civil traffic violation; and
   c. for a third or subsequent violation, the person is guilty of a class 1 misdemeanor. (Sec. 1)

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