ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

CAUCUS AGENDA

February 11, 2025

Bill Number	Short Title	Committee	Date	Action

Committee on Appropriations

Chairman: David Livingston, LD 28 **Vice Chairman:** Matt Gress, LD 4
Analyst: Jeremy Bassham **Intern:** Grey Gartin

HB 2177(BSI) appropriation; address confidentiality program fund
SPONSOR: WILLOUGHBY, LD 13 HOUSE
APPROP 1/29/2025 DP (17-0-0-1)
(Abs: GUTIERREZ)

HB 2192(BSI) appropriations; Interstate 10; vehicle lanes
SPONSOR: LIVINGSTON, LD 28 HOUSE
APPROP 1/29/2025 DPA (17-0-0-1)
(Abs: GUTIERREZ)

Committee on Commerce

Chairman: Jeff Weninger, LD 13 **Vice Chairman:** Michael Way, LD 15
Analyst: Paul Benny **Intern:** Aaryan Dravid

HB 2047(BSI) judicial appraisal; costs; attorney fees
SPONSOR: KOLODIN, LD 3 HOUSE
COM 2/4/2025 DP (10-0-0-0)

HB 2048(BSI) sales of securities; definition
SPONSOR: KOLODIN, LD 3 HOUSE
COM 2/4/2025 DP (10-0-0-0)

HB 2068(BSI) landlord tenant; assistance animals
SPONSOR: KUPPER, LD 25 HOUSE
COM 2/4/2025 DP (7-2-1-0)
(No: VILLEGAS, CAVERO Present: AGUILAR)

HB 2110(BSI) development; adaptive reuse; rezoning; prohibition
SPONSOR: BIASIUCCI, LD 30 HOUSE
COM 2/4/2025 DPA (10-0-0-0)

HB 2175(BSI) claims; prior authorization; conduct
SPONSOR: WILLOUGHBY, LD 13 HOUSE
COM 2/4/2025 DPA (10-0-0-0)

HB 2322(BSI) condominiums; commercial structures; residential structures
SPONSOR: WENINGER, LD 13 HOUSE
COM 2/4/2025 DPA (10-0-0-0)

HB 2345(BSI) loan agreements; escrow
SPONSOR: HENDRIX, LD 14 HOUSE
COM 2/4/2025 DP (10-0-0-0)

HB 2370(BSI) entrance fee; refunds; time frame
SPONSOR: GRESS, LD 4 HOUSE
COM 2/4/2025 DP (8-2-0-0)
(No: DIAZ, CONNOLLY)

HB 2450(BSI) unemployment insurance; benefit amounts
SPONSOR: CARBONE, LD 25 HOUSE
COM 2/4/2025 DP (6-3-1-0)
(No: AGUILAR, VILLEGAS, CONNOLLY Present: CAVERO)

HB 2624(BSI) timeshare salespersons; licensure
SPONSOR: WENINGER, LD 13 HOUSE
COM 2/4/2025 DP (10-0-0-0)

HB 2659(BSI) transfer to minors; age increase
SPONSOR: CARTER N, LD 15 HOUSE
COM 2/4/2025 DP (10-0-0-0)

HB 2704(BSI) tax; distribution; county stadium district
SPONSOR: WENINGER, LD 13 HOUSE
COM 2/4/2025 DPA (8-1-1-0)
(No: HENDRIX Present: VILLEGAS)

Committee on Education

Chairman: Matt Gress, LD 4 **Vice Chairman:** James Taylor, LD 29
Analyst: Chase Houser **Intern:** Lane Nelson

HB 2434(BSI) emergency response plans; charter schools
SPONSOR: GRESS, LD 4 HOUSE
ED 2/4/2025 DP (10-0-0-2)
(Abs: MARSHALL, ABEYTIA)

HB 2540(BSI) statewide assessment; accommodations; written form
SPONSOR: TAYLOR, LD 29 HOUSE
ED 2/4/2025 DP (6-4-0-2)
(No: GUTIERREZ, HERNANDEZ L, SIMACEK, GARCIA Abs: GRESS, ABEYTIA)

HB 2663(BSI) classroom management; students; temporary removal
SPONSOR: MARSHALL, LD 7 HOUSE
ED 2/4/2025 DP (6-4-0-2)
(No: GUTIERREZ, HERNANDEZ L, SIMACEK, GARCIA Abs: GRESS, ABEYTIA)

HB 2670(BSI) health education; fetal development instruction
SPONSOR: KESHEL, LD 17 HOUSE
ED 2/4/2025 DP (6-4-0-2)
(No: GUTIERREZ, HERNANDEZ L, SIMACEK, GARCIA Abs: MARSHALL, ABEYTIA)

Committee on Federalism, Military Affairs & Elections

Chairman: John Gillette, LD 30 **Vice Chairman:** Rachel Keshel, LD 17
Analyst: Joel Hobbins **Intern:** Sam Robinson

HB 2129(BSI) write-in candidates; filings; ballots
SPONSOR: BLISS, LD 1 HOUSE
FMAE 1/29/2025 DP (7-0-0-0)

HB 2205(BSI) election procedures manual; authority
SPONSOR: TAYLOR, LD 29 HOUSE
FMAE 1/29/2025 DPA (4-3-0-0)
(No: HERNANDEZ L, MÁRQUEZ, GARCIA)

HB 2425(BSI) voter registration information; registers; violations
SPONSOR: KOLODIN, LD 3 HOUSE
FMAE 2/5/2025 DP (4-3-0-0)
(No: HERNANDEZ L, MÁRQUEZ, GARCIA)

HB 2426(BSI) municipal council vacancies; appointment; deadline
SPONSOR: KOLODIN, LD 3 HOUSE
FMAE 2/5/2025 DP (4-0-3-0)
(Present: HERNANDEZ L, MÁRQUEZ, GARCIA)

HB 2448(BSI) voting locations; emergency designation; electioneering
SPONSOR: CARBONE, LD 25 HOUSE
FMAE 2/5/2025 DPA (4-1-2-0)
(No: HERNANDEZ L Present: MÁRQUEZ, GARCIA)

HB 2546(BSI) school elections; county administration; recorder
SPONSOR: DIAZ, LD 19 HOUSE
FMAE 2/5/2025 DP (7-0-0-0)

Committee on Government

Chairman: Walt Blackman, LD 7 **Vice Chairman:** Lisa Fink, LD 27
Analyst: Joel Hobbins **Intern:** Sam Robinson

HB 2152(BSI) right to jury; domestic relations
SPONSOR: KESHEL, LD 17 HOUSE
GOV 2/5/2025 DP (4-2-1-0)
(No: STAHL HAMILTON, MÁRQUEZ Present: VILLEGAS)

HB 2254(BSI) domestic relations; temporary orders; hearings
SPONSOR: KESHEL, LD 17 HOUSE
GOV 2/5/2025 DP (4-3-0-0)
(No: STAHL HAMILTON, VILLEGAS, MÁRQUEZ)

HB 2256(BSI) parental alienation; testimony; prohibition
SPONSOR: KESHEL, LD 17 HOUSE
GOV 2/5/2025 DPA (4-3-0-0)
(No: STAHL HAMILTON, VILLEGAS, MÁRQUEZ)

HB 2368(BSI) auditor general; records; financial institutions
SPONSOR: GRESS, LD 4 HOUSE
GOV 2/5/2025 DPA (4-0-3-0)
(Present: STAHL HAMILTON, VILLEGAS, MÁRQUEZ)

HB 2369(BSI) auditor general; county treasurer; review
SPONSOR: GRESS, LD 4 HOUSE
GOV 2/5/2025 DPA (6-0-0-1)
(Abs: KESHEL)

HB 2433(BSI) county treasurers; continuing education
SPONSOR: GRESS, LD 4 HOUSE
GOV 2/5/2025 DPA (7-0-0-0)

HB 2435(BSI) homelessness; data; performance audit
SPONSOR: GRESS, LD 4 HOUSE
GOV 2/5/2025 DP (4-3-0-0)
(No: STAHL HAMILTON, VILLEGAS, MÁRQUEZ)

HB 2542(BSI) state contracts; foreign adversary; prohibition
SPONSOR: DIAZ, LD 19 HOUSE
GOV 2/5/2025 DP (4-3-0-0)
(No: STAHL HAMILTON, VILLEGAS, MÁRQUEZ)

Committee on Health & Human Services

Chairman: Selina Bliss, LD 1 **Vice Chairman:** Ralph Heap, LD 10
Analyst: Ahjahna Graham **Intern:** Ashley Bills

HB 2025(BSI) medical assistants; scope of practice
SPONSOR: BLISS, LD 1 HOUSE
HHS 2/3/2025 DPA/SE (11-1-0-0)
(No: PINGERELLI)

HB 2130(BSI) claims; prior authorization; denials; contact
SPONSOR: BLISS, LD 1 HOUSE
HHS 2/3/2025 DPA (12-0-0-0)

HB 2176(BSI) health facilities; complaints; investigations; training
SPONSOR: WILLOUGHBY, LD 13 HOUSE
HHS 2/3/2025 DPA/SE (11-1-0-0)
(No: MATHIS)

HB 2405(BSI) topical medications
SPONSOR: HEAP, LD 10 HOUSE
HHS 2/3/2025 DP (12-0-0-0)

HB 2693(BSI) genetic sequencing; insurance; prohibition
SPONSOR: BIASIUCCI, LD 30 HOUSE
HHS 2/3/2025 DP (9-3-0-0)
(No: CONTRERAS P, MATHIS, LIGUORI)

Committee on Judiciary

Chairman: Quang H. Nguyen, LD 1 **Vice Chairman:** Khyl Powell, LD 14
Analyst: Nathan Mcrae **Intern:** Deborah Costea

HB 2024(BSI) prisoners; transition program
SPONSOR: BLISS, LD 1 HOUSE
JUD 1/22/2025 DP (8-0-0-1)
(Abs: KOLODIN)

HB 2255(BSI) domestic relations; court appointments; fees
SPONSOR: KESHEL, LD 17 HOUSE
JUD 2/5/2025 DPA (6-3-0-0)
(No: CONTRERAS L, HERNANDEZ A, GARCIA)

HB 2437(BSI) drug-free homeless zones
SPONSOR: GRESS, LD 4 HOUSE
JUD 2/5/2025 DP (5-3-1-0)
(No: CONTRERAS L, HERNANDEZ A, GARCIA Present: KOLODIN)

HB 2438(BSI) birth certificates; amendments; prohibition
SPONSOR: KESHEL, LD 17 HOUSE
JUD 2/5/2025 DPA (6-3-0-0)
(No: CONTRERAS L, HERNANDEZ A, GARCIA)

HB 2451(BSI) administrative hearings; change of judge
SPONSOR: WILLOUGHBY, LD 13 HOUSE
JUD 2/5/2025 DPA (9-0-0-0)

HB 2488(BSI) apprenticeship; supervised probation.
SPONSOR: HERNANDEZ A, LD 20 HOUSE
JUD 2/5/2025 DPA (9-0-0-0)

HB 2608(BSI) public officers; photographs; official use
SPONSOR: NGUYEN, LD 1 HOUSE
JUD 2/5/2025 DPA (9-0-0-0)

HB 2633(BSI) special actions; public participation; postconviction
SPONSOR: KOLODIN, LD 3 HOUSE
JUD 2/5/2025 DPA (6-3-0-0)
(No: CONTRERAS L, HERNANDEZ A, GARCIA)

Committee on Land, Agriculture & Rural Affairs

Chairman: Lupe Diaz, LD 19 **Vice Chairman:** Michele Peña, LD 23
Analyst: Blanca Santillan Ramos **Intern:** Lane Nelson

HB 2201(BSI) technical correction; electricity; power authority
SPONSOR: GRIFFIN, LD 19 HOUSE
LARA 2/3/2025 DPA/SE (5-2-1-1)
(No: PESHLAKAI, SANDOVAL Abs: STAHL HAMILTON Present: KESHEL)

HB 2577(BSI) native plants; fire prevention; exemption
SPONSOR: GRIFFIN, LD 19 HOUSE
LARA 2/3/2025 DP (5-2-0-2)
(No: PESHLAKAI, SANDOVAL Abs: BIASIUCCI, STAHL HAMILTON)

HB 2639(BSI) TPT; exemption; qualifying equipment; extension
SPONSOR: GRIFFIN, LD 19 HOUSE
LARA 2/3/2025 DP (5-2-0-2)
(No: PESHLAKAI, SANDOVAL Abs: BIASIUCCI, STAHL HAMILTON)

Committee on Natural Resources, Energy & Water

Chairman: Gail Griffin, LD 19 **Vice Chairman:** Chris Lopez, LD 16
Analyst: Corbin Wright **Intern:** Lane Nelson

HB 2223(BSI) wind farms; construction; policies; procedures
SPONSOR: MARSHALL, LD 7 HOUSE
NREW 2/4/2025 DP (6-4-0-0)
(No: CONTRERAS P, MATHIS, PESHLAKAI, LIGUORI)

HB 2679(BSI) power; public utilities; UCC; securities
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/4/2025 DP (7-2-1-0)
(No: MATHIS, PESHLAKAI Present: LIGUORI)

HCM 2008(BSI) EPA; regional offices; move
SPONSOR: WILLOUGHBY, LD 13 HOUSE
NREW 2/4/2025 DP (6-4-0-0)
(No: CONTRERAS P, MATHIS, PESHLAKAI, LIGUORI)

HCR 2022(BSI) nuclear energy; Palo Verde; support
SPONSOR: CARTER P, LD 4 HOUSE
NREW 2/4/2025 DP (6-4-0-0)
(No: CONTRERAS P, MATHIS, PESHLAKAI, LIGUORI)

HCR 2044(BSI) minerals; metals; supporting domestic supply
SPONSOR: GRIFFIN, LD 19 HOUSE
NREW 2/4/2025 DP (6-4-0-0)
(No: CONTRERAS P, MATHIS, PESHLAKAI, LIGUORI)

Committee on Public Safety & Law Enforcement

Chairman: David Marshall, Sr., LD 7 **Vice Chairman:** Pamela Carter, LD 4
Analyst: Montse Torres **Intern:** Corinne Del Castillo

HB 2013(BSI) public safety cancer insurance
SPONSOR: LIVINGSTON, LD 28 HOUSE
PSLE 2/3/2025 DP (15-0-0-0)

HB 2386(BSI) pay parity; law enforcement; benchmarks
SPONSOR: MARSHALL, LD 7 HOUSE
PSLE 2/3/2025 DP (13-0-2-0)
(Present: AUSTIN, ABEYTIA)

Committee on Regulatory Oversight

Chairman: Joseph Chaplik, LD 3 **Vice Chairman:** Alexander Kolodin, LD 3
Analyst: Diana Clay **Intern:** Aaryan Dravid

HB 2049(BSI) administrative decisions; security proceedings; hearings
SPONSOR: KOLODIN, LD 3 HOUSE
RO 2/4/2025 DP (3-2-0-0)
(No: CONTRERAS L, HERNANDEZ C)

HB 2684(BSI) pedestrians; congregating; medians; unsafe locations
SPONSOR: CHAPLIK, LD 3 HOUSE
RO 2/4/2025 DP (3-2-0-0)
(No: CONTRERAS L, HERNANDEZ C)

HCR 2038(BSI) rulemaking; legislative ratification; regulatory costs
SPONSOR: KOLODIN, LD 3 HOUSE
RO 2/4/2025 DPA (3-2-0-0)
(No: CONTRERAS L, HERNANDEZ C)

Committee on Science & Technology
Chairman: Beverly Pingerelli, LD 28 **Vice Chairman:** Justin Wilmeth, LD 2
Analyst: Nathan Mcrae **Intern:** Deborah Costea

HB 2687(BSI) Arizona space commission; strategic plan
SPONSOR: WILMETH, LD 2 HOUSE
ST 2/5/2025 DPA (8-0-0-1)
(Abs: HENDRIX)

Committee on Transportation & Infrastructure
Chairman: Leo Biasiucci, LD 30 **Vice Chairman:** Teresa Martinez, LD 16
Analyst: Luca Moldovan **Intern:** Kylee Lyon

HB 2696(BSI) critical Infrastructure; foreign adversary; prohibition
SPONSOR: KUPPER, LD 25 HOUSE
TI 2/5/2025 DPA (4-2-1-0)
(No: HERNANDEZ C, TSOSIE Present: CONTRERAS P)

Committee on Ways & Means
Chairman: Justin Olson, LD 10 **Vice Chairman:** Nick Kupper, LD 25
Analyst: Vince Perez **Intern:** Douglas Dexter

HB 2015(BSI) EORP; CORP; funded ratio
SPONSOR: LIVINGSTON, LD 28 HOUSE
WM 2/5/2025 DP (8-0-0-1)
(Abs: BLATTMAN)

HB 2034(BSI) ASRS; supplemental employee deferral plan
SPONSOR: LIVINGSTON, LD 28 HOUSE
WM 2/5/2025 DP (7-1-0-1)
(No: SANDOVAL Abs: BLATTMAN)

HB 2035(BSI) ASRS; termination incentive programs
SPONSOR: LIVINGSTON, LD 28 HOUSE
WM 2/5/2025 DP (8-0-0-1)
(Abs: BLATTMAN)

HB 2036(BSI) ASRS; temporary personnel service
SPONSOR: LIVINGSTON, LD 28 HOUSE
WM 2/5/2025 DP (8-0-0-1)
(Abs: BLATTMAN)

HB 2077(BSI) ASRS; long-term disability
SPONSOR: LIVINGSTON, LD 28 HOUSE
WM 2/5/2025 DP (8-0-0-1)
(Abs: BLATTMAN)

HB 2119(BSI) model city tax code; notice
SPONSOR: CARTER N, LD 15 HOUSE
WM 2/5/2025 DP (6-2-0-1)
(No: SANDOVAL, LUNA-NÁJERA Abs: BLATTMAN)

HB 2688(BSI) internal revenue code; conformity.
SPONSOR: OLSON, LD 10 HOUSE
WM 2/5/2025 DP (8-0-0-1)
(Abs: BLATTMAN)

HB 2177: appropriation; address confidentiality program fund
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview

Appropriates $400,000 from the state General Fund (GF) in FY 2026 to the Address Confidentiality Program Fund (Fund).

History

The Address Confidentiality Program (Program) allows the Secretary of State (SOS) to establish an alternative public address for victims of domestic violence, stalking or sexual offenses to keep their residence address confidential.

The SOS is required to: 1) assign a substitute address to a Program participant that is used by state and local government entities; 2) receive mail sent to a Program participant at a substitute address and forward that mail to the Program participant; and 3) receive first-class, certified or registered mail on behalf of a Program participant and forward that mail to the participant for no charge. The SOS may arrange to receive and forward other types of mail at the expense of the Program participant (A.R.S. § 41-162).

The SOS administers the Fund to pay for the Program's costs. Fund monies consist of an assessment of $50 imposed on all persons convicted of domestic violence, stalking or certain other sexual offenses. Fund monies are continuously appropriated and exempt from lapsing (A.R.S. § 41-169).

The FY 2024 Budget enacted an ongoing footnote specifying the SOS's annual Operating Budget lump sum has $250,000 included for the Program. This $250,000 is included in the Joint Legislative Budget Committee's FY 2026 Baseline Book.

Provisions

1. Appropriates $400,000 from the GF in FY 2026 to the Fund. (Sec. 1)
2. Declares that the Legislature intends that this appropriation be considered ongoing in future years. (Sec. 1)

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

HB 2192: appropriations; Interstate 10; vehicle lanes
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Increases the FY 2027 and FY 2028 appropriations for the widening of Interstate 10 (I-10) between State Route 85 (SR 85) and Citrus Road from a total of $108,000,000 to $120,000,000 and moves up the appropriations to FY 2026 and FY 2027.

History

Laws 1973, Chapter 146 established the Arizona Department of Transportation (ADOT) to provide for an integrated and balanced state transportation system with a director responsible for the Department's administration (A.R.S. § 28-331). ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes (A.R.S. § 28-332).

The FY 2023 Budget appropriated $64,200,000 from the State Highway Fund (SHF) in FY 2023 to ADOT for the design and construction of additional vehicle lanes, separated by a lighted median, on I-10 between SR 85 and Citrus Road.

The FY 2024 Budget adjusted the FY 2023 appropriation by supplementing an additional $52,090,000 from the GF in FY 2023 and decreasing the SHF appropriation to $60,910,000. These adjustments resulted in a total of $113,000,000 being appropriated for the I-10 widening project between SR 85 and Citrus Road in FY 2023.

The FY 2025 Budget deferred funding for multiple transportation projects that received appropriations in previous fiscal years. $108,000,000 of FY 2023 funding for the I-10 widening project between SR 85 and Citrus Road was deferred to FY 2027 and FY 2028. $30,000,000 is appropriated from the GF in FY 2027 and $78,000,000 from the GF in FY 2028 for the I-10 widening project between SR 85 and Citrus Road.

Provisions

1. Increases from $30,000,000 to $70,000,000, an existing FY 2027 appropriation from the GF to ADOT for the design and construction of additional vehicle lanes, separated by a lighted median, on I-10 between SR 85 and Citrus Road and moves the appropriation up to FY 2026. (Sec. 1)
2. Decreases from $78,000,000 to $50,000,000, an existing FY 2028 appropriation from the GF to ADOT for the design and construction of additional vehicle lanes, separated by a lighted median, on I-10 between SR 85 and Citrus Road and moves the appropriation up to FY 2027. (Sec. 1)
3. Requires ADOT to procure construction-manager-at-risk or design-build construction services to expedite construction and ensure completion of the I-10 widening project between SR85 and Citrus Road. (Sec. 1)

Amendments

Committee on Appropriations

1. Appropriates $40,000,000, rather than $70,000,000, from the GF in FY 2026 to ADOT for the design and construction of additional vehicle lanes, separated by a lighted median, on I-10 between SR 85 and Citrus Road.
2. Appropriates $93,000,000, rather than $50,000,000, from the GF in FY 2027 to ADOT for the design and construction of additional vehicle lanes, separated by a lighted median, on I-10 between SR 85 and Citrus Road.
3. Removes the requirement for ADOT to procure construction-manager-at-risk or design-build construction services to expedite construction and ensure completion of the I-10 widening project.
4. Requires ADOT to procure construction bids that incorporate the cost-plus-time (A+B) method to expedite construction and ensure completion of the I-10 widening project in a timely manner.

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

HB 2047: judicial appraisal; costs; attorney fees
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview
Designates the applicable court costs that are assessed against a corporation in an appraisal proceeding.

History
A dissenter is a shareholder of a domestic corporation who is entitled to dissent from and obtain payment of the fair value of the shareholder's shares in the event of certain corporate actions such as a merger, acquisition or sale.

A shareholder who wishes to assert dissenters' rights must deliver to the corporation written notice of the shareholder's intent to demand payment for the shareholder's shares if the proposed action is effectuated and must not vote the shares in favor of the corporation's proposed action. When a shareholder sends a dissenters' notice, they must demand payment, certify whether the shareholder acquired beneficial ownership of the shares before the date required to be set forth in the dissenters' notice and deposit the shareholder's certificates. A dissenter may notify the corporation in writing of the dissenter's own estimate of the fair value of the dissenter's shares and amount of interest due and either demand payment of the dissenter's estimate or reject the corporation's offer and demand payment of the fair value of the dissenter's shares and interest due.

If a demand for payment remains unsettled, the corporation must commence a proceeding within 60 days after receiving the payment demand and petition the court to determine the fair value of the shares and accrued interest. If the corporation does not commence the proceeding within the 60-day period, it must pay each dissenter whose demand remains unsettled the amount demanded.

The court, then, in an appraisal proceeding determines all costs of the proceeding. The court must assess the court costs and attorney fees and expenses against the corporation and, to an extent, the dissenters (Title 10, Chapter 13, A.R.S.).

Provisions
1. Specifies, in an appraisal proceeding, the court costs and the attorney fees and expenses that are assessed against the corporation apply to the corporation, the surviving corporation or a resulting corporation from a sale, merger or acquisition. (Sec. 1)

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

HB 2048: sales of securities; definition
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview
Modifies the definition of *offer to sell* or *offer for sale* in the context of the sale of securities.

History
The Arizona Corporation Commission (ACC) regulates securities in Arizona through the registration of securities being offered or sold and the registration of dealers who sell, purchase or offer to sell or buy securities in Arizona. The sale of a federal covered security that complies with ACC filing requirements is exempt from the requirement to register securities. Statute also outlines exemptions to dealer registration and ACC filing requirements (Title 44, Chapter 12, A.R.S.).

A *security*, in general, is any tradeable interest or instrument such as a note, stock, treasury stock, bond, commodity investment contract, commodity option, debenture or evidence of indebtedness. A security must be registered with the ACC, unless it is a covered federal security, and may only be sold by a dealer or salesmen who is registered with the ACC before an offer to sell a security may be made (A.R.S. §§ 44-1814, 44-1842).

Statute defines *offer to sell* as an attempt or offer to dispose of, or solicitation of an order or offer to buy, a security or interest in a security for value or any sale or offer for sale of a warrant or right to subscribe to another security of the same issuer or of another issuer. Any sale or offer for sale of a security that gives the holder thereof a present or future right or privilege to convert such security into another security of the same issuer or of another issuer shall be deemed an offer to sell the security to be acquired pursuant to such right or privilege, but the existence thereof shall not be construed as affecting the registration or exemption under this chapter of the security to which it attaches (A.R.S. § 44-1801).

Provisions
1. Includes, to the definition of *offer to sell* or *offer for sale*, an offer, including an offer to sell or offer for sale, occurs only where acceptance of the offer and payment of consideration would complete the sale. (Sec. 1)

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

HB 2068: landlord tenant; assistance animals
Sponsor: Representative Kupper, LD 25
Caucus & COW

Overview

Provides for allowing a tenant to request for an accommodation relating to an assistance animal.

History

The federal Fair Housing Act makes it unlawful to refuse to make reasonable accommodations to rules, policies, practices, or services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling and public and common use areas. A *reasonable accommodation* is a change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with disabilities to have an equal opportunity to use and enjoy a dwelling.

According to the U.S. Department of Housing and Urban Development, an assistance animal is an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or that provides emotional support that alleviates one or more identified effects of a person's disability. An assistance animal is not a pet. A housing provider must allow a reasonable accommodation involving an assistance animal in situations that meet all of the following conditions:

1) A request was made to the housing provider by or for a person with a disability;
2) The request was supported by reliable disability-related information, if the disability and the disability-related need for the animal were not apparent and the housing provider requested such information; and
3) The housing provider has not demonstrated that:
   a) granting the request would impose an undue financial and administrative burden on the housing provider;
   b) the request would fundamentally alter the essential nature of the housing provider's operations;
   c) the specific assistance animal in question would pose a direct threat to the health or safety of others despite any other reasonable accommodations that could eliminate or reduce the threat; and
   d) the request would not result in significant physical damage to the property of others despite any other reasonable accommodations that could eliminate or reduce the physical damage.

Under statute, any person or entity that operates a public place is prohibited from discriminating against individuals with disabilities who use service animals if the work or tasks performed by the service animal are directly related to the individual's disability. A *service animal* is any dog or miniature horse that is individually trained or in training to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual or other mental disability. Service animal does not include other species of animals, whether wild or domestic or trained or untrained (A.R.S. 11-1024).

The Arizona Attorney General (AG) provides civil rights guidance relating to service, support and assistance animals. The AG defines *support animal* as an animal, trained or untrained, that does work, performs tasks, provides assistance, and/or provides therapeutic emotional support for individuals with disabilities. Support animals can be any other animals commonly kept in households. The AG considers *assistance animals* as both service animals and support animals as the term only applies in housing.

Provisions

1. Allows a landlord, if a tenant requests an accommodation for an assistance animal, to:
   a. acquire reliable documentation of the disability and the disability-related need for an assistance animal, only if the disability and related need is unknown or unapparent;

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

b. request that the person submit certain information on a standardized form;
c. require prescribed documentation for each additional assistance animal; and
d. deny or rescind an accommodation to the assistance animal for specified reasons. (Sec. 1)

2. Requires a person requesting an accommodation to submit reliable documentation establishing that the person has a disability requiring the use of an assistance animal as a reasonable accommodation. (Sec. 1)

3. Specifies the reliable documentation to be in writing and describe the disability-related need for the assistance animal. (Sec. 1)

4. Exempts a landlord from liability of injuries caused by an assistance animal that is allowed as a reasonable accommodation on or within the landlord's property. (Sec. 1)

5. Defines *assistance animal*, *disability* and *reasonable accommodation*. (Sec. 1)

HB 2110: development; adaptive reuse; rezoning; prohibition
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview

An emergency measure that makes various revisions to statute relating to multifamily residential development and adaptive reuse.

History

Laws 2024, Chapter 141 established requirements for certain municipalities to establish objective standards to allow multifamily residential development and adaptive reuse on up to 10% of the total existing commercial, office or mixed use buildings without requiring a conditional use permit or any other application that would require a public hearing.

The objective standards established by a municipality must require: 1) a municipal site plan review and approval process requirement; 2) adequate public sewer and water service for the entire proposed development; 3) compliance with all applicable building and fire codes; 4) that the existing buildings are economically or functionally obsolete; 5) that the existing buildings are located on a parcel or parcels that are at least 1 acre in size but not more than 20 acres in size; and 6) a set aside of 10% of the total dwelling units for either moderate-income housing or low-income housing or any combination of the two for at least 20 years after the initial occupation of the proposed development.

Provisions

1. Changes the deadline for which a municipality must establish objective standards to allow for multifamily residential development or adaptive reuse. (Sec. 1)
2. Removes language relating to the percentage cap of buildings within the municipality that must allow for multifamily residential development or adaptive reuse. (Sec. 1)
3. Deletes language allowing a municipality to modify the percentage of buildings available for multifamily residential development or adaptive reuse every 10 years. (Sec. 1)
4. Requires a municipality to allow for multifamily residential development or adaptive reuse of at least 10% of the existing commercial, office or mixed use parcels. (Sec. 1)
5. Allows a municipality, in determining the minimum percentage of eligible parcels, to analyze the commercial, office and mixed use parcels every 10 years. (Sec. 1)
6. Prohibits a municipality from:
   a. designating individual parcels that are eligible for multifamily residential development or adaptive reuse;
   b. excluding commercial, office or mixed use parcels from multifamily residential develop or adaptive reuse other than as permitted or if 10% of the parcels have already been developed or adapted for reuse; and
   c. excluding commercial, office or mixed use parcels from multifamily residential development or adaptive reuse if the average sound level at the parcel is below 65 decibels. (Sec. 1)
7. Removes the allowable height limitation of 5 stories for a multifamily residential development. (Sec. 1)
8. Clarifies a municipality may limit the height to 2 stories in the areas of a multifamily residential development site *directly adjacent to* and within 70, rather than 100, feet of single-family residential zones. (Sec. 1)
9. Deletes language relating to a multifamily residential development not qualifying as being within 1 mile of certain buildings. (Sec. 1)
10. Adds that a municipality may allow for greater height in the remainder of the multifamily resident development site. (Sec. 1)

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

11. Clarifies the requirements for setbacks and maximum height for adaptive reuse. (Sec. 1)

12. Deletes language relating to easements that are located within setback areas. (Sec. 1)

13. Replaces the term *buildings* with *parcels* as appropriate. (Sec. 1)

14. Modifies the definitions for *low-income housing, moderate-income housing* and *nonconforming.* (Sec. 1)

15. Makes technical and clarifying changes. (Sec. 1)

16. Applies the revisions for multifamily residential development and adaptive reuse retroactively to January 1, 2025. (Sec. 2)

17. Contain an emergency clause. (Sec. 3)

Amendments

Committee on Commerce

1. Modifies the deadline for which a municipality must establish objective standards.
2. Clarifies the setback requirements for mixed use buildings.
3. Adds a maximum height and density requirement for multifamily residential developments.
4. Reinserts language relating to:
   a) the allowable height limitation for a multifamily residential developments;
   b) a multifamily residential development not qualifying as being within 1 mile of certain parcels; and
   c) easements that are located within setback areas.
5. Requires, rather than allows, a municipality to allow for greater height in the remainder of the multifamily residential development site.

HB 2175: claims; prior authorization; conduct
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview
Requires a health care provider to review each claim for health care services before denial or prior authorization.

History
A health care services plan or its utilization review agent may impose a prior authorization requirement for health care services provided to an enrollee. A prior authorization requirement is a practice implemented by a health care services plan or its utilization review agent in which coverage of a health care service is dependent on an enrollee or a provider obtaining approval from the health care services plan before the service is performed, received or prescribed, as applicable. If the prior authorization request is denied, the health care services plan or its utilization review agent shall state the specific reason for the denial. On a denial of a prior authorization request, the enrollee and the provider may exercise the review and appeal rights granted under the health care appeals process (A.R.S. §§ 20-3402, 20-3404).

A member who receives an adverse determination may pursue the applicable review process as prescribed in statute. A health care insurer must provide at least the following levels of review: 1) an expedited medical review and expedited appeal; 2) an initial appeal; and 3) an external independent review (A.R.S. § 20-2533).

Provisions
1. Requires a health care provider to individually review each claim for health care services before a health care insurer denies a claim or a prior authorization unless:
   a. the denial is due to a lack of administrative completeness;
   b. the member enrollment status is excluded from coverage under the plan; or
   c. a determination is made that a service or provider type is categorically excluded from coverage under the plan. (Sec. 1)
2. Prohibits the use of artificial intelligence to deny a claim or prior authorization. (Sec. 1)
3. Classifies the denial of a claim or a prior authorization without an individual review of the claim as an act of unprofessional conduct. (Sec. 1)
4. Outlines the health care professionals that are defined as a *health care provider*. (Sec. 1)

Amendments
Committee on Commerce
1. Removes language outlining the conditions in which a health care provider is not required to review each claim for health care services.
2. Clarifies that artificial intelligence may not be used to deny a claim or a prior authorization *for medical necessity, experimental status or any other reason that involves the use of medical judgment.*

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

HB 2322: condominiums; commercial structures; residential structures
Sponsor: Representative Weninger, LD 13
Caucus & COW

Overview

Provides requirements for the allocation of common expenses for condominiums that include commercial structures that are separate from residential structures.

History

A condominium association imposes an assessment on each unit owner to defray the cost of common expenses. Common expenses are expenditures made by or financial liabilities of the association. Generally, common expenses include costs for maintaining, repairing and replacing the common elements of the community. Statute dictates that any common expense associated with the maintenance, repair or replacement of a limited common element to be equally assess against the units to which the limited common element is assigned and a common expense benefitting fewer than all of the units to be assessed exclusively against the units benefitted (Title 33, Chapter 9, A.R.S.).

Provisions

1. Stipulates, for condominiums that include a commercial structure that is separate from a residential structure, all the following apply:
   a. any common expense or portion of a common expense that exclusively benefits the commercial structure must be assessed exclusively against the units in the commercial structure;
   b. any common expense or portion of a common expense that exclusively benefits the residential structure must be assessed exclusively against the units in the residential structure;
   c. any common expense or portion of a common expense that exclusively benefits both the commercial and the residential structures must be assessed in proportion to the structures benefitted on a pro rata basis.
   d. in any dispute over the allocation of a common expense or portion of a common expense, the association bears the burden of proving that it is in compliance with allocation requirements of assessing common expenses. (Sec. 1)
2. Defines pertinent terms. (Sec. 1)
3. Makes technical changes. (Sec. 1)
4. Applies the allocation of common expense assessment requirements to condominiums existing after the effective date. (Sec. 2)

Amendments

Committee on Commerce

1. Removes language relating to the association's responsibility to proof compliance with allocation of common expenses.
2. Adds the requirement for the association, in any dispute of common expense allocations, to make available all records relating to the association's common expense allocations.
3. Prohibits the association from withholding a record based on the pendency of litigation relating to common expense allocations if the record would otherwise be available to a unit owner.
4. Makes technical changes.

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

HB 2345: loan agreements; escrow
Sponsor: Representative Hendrix, LD 14
Caucus & COW

Overview

Specifies escrow monies may only be used to make payments pursuant to the loan agreement unless outlined exceptions apply.

History

An escrow agent is a person engaged in the business of accepting escrows which is any transaction in which escrow property is delivered to a person not otherwise having any right or title in connection with the sale or transfer of real or personal property to be delivered by that person upon the contingent happening of a specified event or performance (A.R.S. § 6-801).

An escrow agent is required to deposit and maintain all monies deposited in escrow to be delivered on the close of the escrow or on any other contingency in a bank and keep all escrow monies separate from monies belonging to the agent (A.R.S. § 6-834).

An escrow agent may only disburse money out of an escrow account if deposits are previously made that are at least equal to the disbursements and the deposits relate directly to the transaction for which the money is being disbursed (A.R.S. § 6-843).

Provisions

1. Specifies escrow agents may use monies in an escrow account only to make a onetime payment or multiple payments according to the loan agreement unless:
   a. the loan agreement specifically states that the monies may be used for another purpose and that purpose is expressly stated in the loan agreement;
   b. a deed in lieu of foreclosure agreement specifically states the monies may be used for another purpose and that purpose is stated in the deed in lieu of foreclosure agreement;
   c. an agreement is entered into by the parties to negotiate a settlement of the loan and that agreement includes a provision for the use of the monies; or
   d. an agreement is entered into by the parties that provides for a portion of the escrow account to be used to bring an account that is in arrears to a current status. (Sec. 1)

HB 2370: entrance fee; refunds; time frame
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview
Provides requirements for assigning a vacated unit a sequential refund number for refunding entrance fees.

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, within sixty days after a facility receives a resident's notice to vacate, the facility to assign the vacated unit a sequential refund number among the available units with refundable entrance fees and provide refunds in order based on the sequential refund number if:
   a. the life care contract provides for a refundable entrance fee;
   b. the terms under a life care contract for issuing a sequential refund number are fulfilled; and
   c. the unit is restored pursuant to statute. (Sec. 1)
2. Specifies that the requirement to assign a sequential refund number does not apply to a life care contract that provides for a two-year waiting period before a facility is required to provide a refund. (Sec. 1)
3. Allows a facility to restore a unit to its original condition after the unit is vacated. (Sec. 1
4. Allows a facility to impose fees until all personal property is removed after the unit is vacated. (Sec. 1)
5. Authorizes the facility to remove the resident's personal property on the 21 day after the facility receives the notice to vacate. (Sec. 1)
6. Makes technical changes. (Sec. 1)
7. Contains a delayed effective date of January 1, 2026. (Sec. 2)

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

HB 2450: unemployment insurance; benefit amounts
Sponsor: Representative Carbone, LD 25
Caucus & COW

Overview

Changes the duration of unemployment insurance (UI) benefits for which an individual may receive during a benefit year.

History

The Department of Economic Security administers the UI Benefit Program which provides unemployment benefits to individuals who are unemployed through no fault of their own.

Individuals awarded unemployment insurance benefits are entitled to receive a weekly benefit in an amount equal to 4% of the total wages for insured work paid in the highest quarter of their base period. The base period is the first four of the last five completed calendar quarters immediately preceding the first day of their benefit year. The weekly benefit amount is statutorily capped at $320 (A.R.S. § 23-779).

The duration of benefits is based on the unemployment rate in the prior calendar quarter, which is the average of the seasonally adjusted unemployment rates for the three months of the most recently published calendar year quarter as published by the Office of Economic Opportunity. If the prior calendar quarter unemployment rate is less than 5% the duration of benefits is 24 weeks. If the prior calendar quarter unemployment rate is 5% or more the duration of benefits is 26 weeks (A.R.S. § 23-780).

According to the Office of Economic Opportunity, Arizona's unemployment rate (November 2024 – seasonally adjusted) is 3.7%.

Provisions

1. Modifies the duration schedule for which an eligible individual receives UI benefits based on incremental changes in the unemployment rate (UR) in the prior calendar quarter:
   a. 12 weeks, if the UR is 5% or less;
   b. 14 weeks, if the UR is more than 5% but not more than 5.5%;
   c. 16 weeks, if the UR is more than 5.5% but not more than 6%;
   d. 18 weeks, if the UR is more than 6% but not more than 6.5%;
   e. 20 weeks, if the UR is more than 6.5% but not more than 7%;
   f. 22 weeks, if the UR is more than 7% but not more than 7.5%;
   g. 24 weeks, if the UR is more than 7.5% but not more than 8%;
   h. 26 weeks, if the UR is more than 8%. (Sec 1)

HB 2624: timeshare salespersons; licensure
Sponsor: Representative Weninger, LD 13
Caucus & COW

Overview
Establishes requirements and qualifications for a timeshare salesperson license.

History
The Arizona Department of Real Estate (ADRE) protects the public interest through licensure and regulation of the real estate profession in Arizona. ADRE, under direction of the Real Estate Commissioner (Commissioner), is responsible for: 1) licensing and regulating real estate, cemetery and membership camping salespersons and brokers; 2) investigating complaints from the public and licensees regarding real estate transactions; 3) ensuring enforcement of real estate statutes and rules; 4) providing proper educational material to guide and assist the public and licensees; 5) issues public reports for timeshares, subdivisions and unsubdivided land; and 6) inspects brokers' records and transactions to ensure compliance with statutory requirements.

In order to qualify for a real estate license, the applicant must show satisfactory evidence: 1) of the honestly, truthfulness, character and competency of the applicant; 2) that the applicant has not had a real estate license denied within one year, or revoked within two years immediately preceding the application; and 3) that the applicant is at least 18 years of age. Additionally, complete 90 hours of real estate pre-licensing education through an ADRE approved school and pass the school final examination (A.R.S. § 32-2124).

Any person who sells, offers to sell or attempts to solicit prospective purchasers located in this state to purchase a timeshare interest or any person who creates a timeshare plan with an accommodation in this state, whether or not the plan is sold or offered for sale in this state, must register a notice of intent to sell and application for a public report with ADRE (A.R.S. § 32-2197.02).

Provisions
1. Allows the Commissioner to adopt rules specifying the requirements of examination preparation courses for timeshare salesperson license applicants. (Sec. 3)
2. Limits the preparation course and timeshare examination to specific real estate laws, regulations and business practices and ethics that are directly related to the sale of timeshare interests. (Sec. 3)
3. Instructs the Commissioner to ascertain that a timeshare salesperson license applicant meets outlined qualifications. (Sec. 3)
4. Exempts a timeshare salesperson renewal applicant from submitting to an examination provided the application is made within 12 months after the license expires and the license has not been canceled, terminated or suspended. (Sec. 3)
5. Allows a real estate broker or salesperson to engage in timeshare sales activities without being separately licensed. (Sec. 4)
6. Includes timeshare sales to the list of categories in which a real estate licensee may have only one employing broker. (Sec. 4)
7. Clarifies it is unlawful for a person to act as a real estate broker or salesperson, timeshare salesperson, cemetery broker or salesperson or membership camping broker or salesperson while the licensee's license is expired. (Sec. 5)
8. Allows the Commissioner to issue a onetime 30-day certificate of convenience to a person who has applied and qualifies for a timeshare salesperson's license without examination. (Sec. 6)

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

9. Instructs an employing timeshare plan developer's designated broker to certify that the timeshare salesperson applicant will be trained in applicable timeshare and contract laws before participating in any offer or sale. (Sec. 6)

10. Applies statutory grounds for denial of a license to a timeshare salesperson applicant. (Sec. 7)

11. Defines *timeshare salesperson* as a natural person who acts under the supervision of a licensed real estate broker to sell or exchange timeshare properties on behalf of a timeshare plan developer or other person. (Sec. 1)

12. Makes conforming changes. (Sec. 2)

13. Contains a legislative intent clause. (Sec. 8)

14. Contains a delayed effective date of July 1, 2026. (Sec. 9)

HB 2659: transfer to minors; age increase
Sponsor: Representative Carter N, LD 15
Caucus & COW

Overview
Increases the age at which certain property must be transferred to a minor.

History
The Uniform Transfers to Minors Act (UTMA) allows donors to transfer property, like money or securities, to a custodian to manage for the benefit of a minor until they reach the legal age without the need to set up a formal trust or have a conservator established through a formal judicial conservatorship process.

Currently, under the provisions of the UTMA act, a minor must receive property at different ages. For property given to the minor through a gift, the exercise of the power of appointment, a last will and testament or a revocable trust, the custodian is statutorily required to transfer the property to the minor by the minor's 21st birthday. For property given to a minor through a transfer to a separate fiduciary or property that is held by an individual who owes a liquidated debt to a minor, the custodian must transfer the property to the minor by the minor's 18th birthday (Title 41, Chapter 7, A.R.S.).

Provisions
1. Requires property that is given to the minor through a gift, the exercise of power of appointment, a last will and testament or a revocable trust to be transferred to the minor by the minor's 25th birthday, rather than the 21st birthday. (Sec. 1)

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

HB 2704: tax; distribution; county stadium district
Sponsor: Representative Weninger, LD 13
Caucus & COW

Overview

Creates a funding mechanism for reconstructing, equipping, repairing, maintaining or improving the Major League Baseball facility owned and operated by the County Stadium District.

History

The Maricopa County Stadium District was formed in accordance with A.R.S. § 48-4202(A) through action of the Maricopa County Board of Supervisors in September 1991. The Stadium District owns Chase Field, home of the Arizona Diamondbacks.

Provisions

1. Requires, beginning July 1, 2026, the State Treasurer to transfer the applicable income taxes collected from professional baseball athletes to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 2)
2. Requires the State Treasurer, beginning October 1, 2025, to transfer the applicable transaction privilege tax (TPT) revenues to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 6)
3. States the applicable TPT revenues will be derived from persons conducting business under the retail, amusement, restaurant and prime contracting classifications at, or with respect to events at the Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 6)
4. Requires, beginning October 1, 2025, Arizona Department of Revenue (DOR) to separately account for revenues collected under the retail classification from businesses selling tangible personal property on the premises of a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 7)
5. Requires, beginning October 1, 2025, DOR to separately account for revenues collected under the amusement classification from the sales of admissions to a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 8)
6. Requires, beginning October 1, 2025, DOR to separately account for revenues collected under the restaurant classification from businesses operating restaurants, dining rooms, lunchrooms, lunch stands, soda fountains, catering services or similar establishments on the premises of a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 9)
7. Requires, beginning October 1, 2025, DOR to separately account for revenues collected under the prime contracting classification from any prime contractor engaged in the construction of any buildings and associated improvements that are for the benefit of a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 10)
8. Requires, beginning October 1, 2025, a city or town to transmit the applicable TPT or similar taxes and fees to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 12)
9. States the applicable city or town TPT or similar taxes and fees will be derived from persons selling tangible personal property at retail, operating as an amusement or similar specified activities, operating as a restaurant or similar specified establishment and prime contracting at, or with respect to events at the Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 12)

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

10. Requires, beginning January 1, 2026, DOR to separately account for these city or town collected revenues. (Sec. 12)

11. Requires, beginning October 1, 2025, a county to transmit the applicable county excise taxes collected to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 13)

12. States the applicable county excise taxes collected will be derived from persons selling tangible personal property at retail, operating as an amusement or similar specified activities, operating as a restaurant or similar specified establishment and prime contracting at, or with respect to events at the Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 13)

13. Requires, beginning January 1, 2026, DOR to separately account for these county excise tax revenues. (Sec. 13)

14. Includes the income tax amount reported to DOR by a professional baseball franchise organization when determining net proceeds of the state income taxes for the year. (Sec. 14)

15. Requires a professional baseball franchise organization that is domiciled in AZ to provide DOR the federal taxpayer identification number for each resident and nonresident employee of the organization who provided services in this state for the organization. (Sec. 15)

16. Requires DOR, on or before March 31 of each year, to separately account for and report to the State Treasurer as an aggregate amount the total net income tax revenues collected on all income from an AZ professional baseball franchise organization and its resident and nonresident employees domiciled in AZ during the preceding year. (Sec. 15)

17. Defines *professional baseball franchise organization*. (Sec. 15)

18. Requires that the applicable state TPT, city, town and county excise taxes, and income taxes transmitted to the county stadium district fund be used only for reconstructing, equipping, repairing, maintaining or improving the Major League Baseball facility owned and operated by the County Stadium District. (Sec. 16)

19. Contains technical and conforming changes.

Amendments

Committee on Commerce

1. Requires, on or before November 1 of each year, the Board of Directors to report to the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting regarding all new maintenance and operations projects that cost more than $1 Million. (Sec. 16)

2. Stipulates that any individual, including employees of the Professional Baseball Franchise Organization, are subject to the Conflict of Interest laws for the purposes of spending monies in the Fund. (Sec. 17)

3. Requires the District Treasurer to notify the State Treasurer and the Department of Revenue if the Professional Baseball Franchise Organization leaves AZ. On receipt of the notice, the State Treasurer will stop transmitting monies to the Maricopa County Stadium District. (Sec. 18)

4. Requires the State Treasurer to assess a penalty on the Professional Baseball Franchise Organization in the following amounts:
   a) $10 Million if it leaves AZ before October 1, 2035.
   b) $5 Million if it leaves AZ before October 1, 2045.
   c) $1 Million if it leaves AZ before October 1, 2050. (Sec. 18)

5. Allows for DOR to stop separately accounting for the TPT and Income tax revenues associated with this funding. (Sec. 18)

6. Requires any remaining monies that are unexpended and unencumbered to be sent to the appropriate jurisdiction from which the monies were generated. (Sec. 18)

HB 2434: emergency response plans; charter schools
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview
Mandates a charter school develop an emergency response plan for each school.

History
A school district governing board must develop, in conjunction with local law enforcement and emergency response agencies, an emergency response plan for each school in accordance with the minimum standards developed by the Arizona Department of Education (ADE) and the Division of Emergency Management within the Department of Emergency and Military Affairs (DEMA). Any emergency response plan must address how the school and emergency responders will communicate with and assist students with disabilities (A.R.S. § 15-341).

ADE provides both emergency operations plan (EOP) development guidance and templates for schools to use when developing an EOP. In 2024, ADE and DEMA published an edition of the Arizona Minimum Requirements for School EOPs that all local education agencies must comply with beginning the 2026-2027 school year (ADE, Arizona Minimum Requirements for EOPs).

Provisions
1. Requires a charter school, in conjunction with local law enforcement and emergency response agencies, to develop an emergency response plan for each school in accordance with ADE and DEMA minimum standards. (Sec. 1)
2. Stipulates any emergency response plan developed by a charter school must address how the school and emergency responders will communicate with and assist students with disabilities. (Sec. 1)

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

HB 2540: statewide assessment; accommodations; written form
Sponsor: Representative Taylor, LD 29
Caucus & COW

Overview

Details the circumstances in which a school district or charter school may administer the statewide assessment in the form of a written test.

History

The statewide assessment is adopted by the State Board of Education (SBE) to measure student achievement of the academic standards in reading, writing and math in at least four grades designated by SBE. Statute authorizes SBE to also administer achievement assessments in social studies and science. SBE is required to determine the manner of implementation for statewide assessments. On request, a school district or charter school may administer the statewide assessment in the form of a written test (A.R.S. § 15-741).

The statewide achievement assessments for the 2024-2025 school year are: 1) Arizona's Academic Standards Assessment (3rd-8th grades); 2) AzSCI (5th, 8th and 11th grades); 3) ACT Aspire (9th grade); and 4) the ACT with writing (11th grade). The SBE-adopted English language proficiency assessments and alternate assessment will also be administered to eligible students during the 2024-2025 school year (Assessments Overview 2024-2025).

An *individualized education program* (IEP) is a written statement for a child with a disability that is developed in accordance with federal law and regulations. Among other requirements, an IEP must contain a statement of: 1) the child's present levels of academic achievement and functional performance; 2) measurable annual goals; 3) the child's progress towards meeting the annual goals; and 4) the special education, related services and supplementary aids and services to be provided (20 U.S.C. § 1401) (34 C.F.R. § 300.320).

A Section 504 plan is a written statement for a student with a disability that includes the provision of regular or special education and related aids and services that is designed to meet individual educational needs (A.R.S. § 15-731).

Provisions

1. Stipulates a school district or charter school may administer the statewide assessment in the form of a written test pursuant to an IEP or Section 504 plan, to accommodate special circumstances or for religious purposes, rather than on request of the school district or charter school. (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-seventh Legislature
First Regular Session
House: ED DP 6-4-0-2

HB 2663: classroom management; students; temporary removal
Sponsor: Representative Marshall, LD 7
Caucus & COW

Overview

Asserts a principal or school administrator, if a teacher removes a student from a classroom, may direct the student to return to the classroom only if the principal or administrator provides the teacher a written certification that contains prescribed information.

History

Statute asserts that students must comply with the rules, pursue the required course of study and submit to the authority of the teachers, administrators and school district governing board (governing board). A teacher may send a student to the principal's office to maintain effective classroom discipline and the principal must employ appropriate discipline management techniques that are consistent with governing board rules. A teacher may remove a student from the classroom if the teacher has either: 1) documented that the student has repeatedly interfered with the teacher's ability to communicate effectively with other students or with the ability of other students to learn; or 2) determined that the student's behavior is so unruly, disruptive or abusive that it seriously interferes with the teacher's ability to communicate effectively with other students or with the ability of other students to learn (A.R.S. § 15-841).

A governing board, in consultation with teachers and parents, must prescribe rules for the discipline, suspension and expulsion of students. Governing board rules must be consistent with the constitutional rights of students (A.R.S. § 15-843).

Provisions

1. Stipulates that if a teacher removes a student from a classroom pursuant to rules governing student conduct, the principal or designated school administrator may direct the student to return to the classroom only if the principal or administrator provides the teacher a written certification that:
   a. states the principal or administrator is authorizing the student to be readmitted to the classroom; and
   b. describes any disciplinary action taken in response to the behavior for which the student was removed. (Sec. 1)
2. Defines *classroom* and *rules governing student conduct*. (Sec. 1)

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

HB 2670: health education; fetal development instruction
Sponsor: Representative Keshel, LD 17
Caucus & COW

Overview

Directs the State Board of Education (SBE) to require that all health education instruction provided in the 7th or 8th grades include instruction on fetal development. Details parental notice and opt out procedures.

History

SBE must prescribe minimum course of study requirements that incorporate the academic standards to be taught in common schools and that are required for the graduation of students from high school. SBE is also required to prescribe competency requirements in at least the areas of reading, writing, math, science and social studies for the promotion of students from the 3rd and 8th grades and for the graduation of students from high school (A.R.S. §§ 15-701, 15-701.01).

Currently, SBE rules require common school students to demonstrate competency in health/physical education (A.A.C. R7-2-301).

Provisions

1. Instructs SBE, in adopting course of study and competency requirements, to require that all health education instruction provided to students in the 7th or 8th grades include instruction on fetal development. (Sec. 1)
2. Specifies the instruction on fetal development must include:
   a. information about the human reproductive process, pregnancy and infertility; and
   b. a description of the growth and development of an unborn child that occurs during each trimester of pregnancy. (Sec. 1)
3. Allows SBE to require that health education instruction provided to students in the 1st-6th grades or 9th-12th grades include age-appropriate instruction on fetal development. (Sec. 1)
4. Exempts a student from instruction on fetal development at the request of the student's parent. (Sec. 1)
5. Mandates each school district and charter school provide a description of the course curriculum to all parents and notify parents of their ability to withdraw their child from the instruction on fetal development. (Sec. 1)

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

HB 2129: write-in candidates; filings; ballots
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Modifies the nomination paper deadline requirement and the form of the ballot relating to write-in candidates.

History

Uniformed and Overseas Voters Absentee Voting Act (UOCAVA)

Federal law allows United States citizens who are active members of the uniformed services, their eligible family members and those who are otherwise residing outside the United States, to vote in federal elections by absentee ballot. Such voters may cast their ballot through a Federal Post Card Application form or a Federal Write-in Absentee Ballot form. States are required to send ballots to UOCAVA voters at least 45 days before federal elections (52 U.S.C. § 20302(a)(8)).

Nomination Paper Deadlines

To be listed on the ballot, a candidate must file their nomination paper and nomination petition between 150 and 120 days before the primary election with the appropriate filing officer. For write-in candidates, this deadline is between 150 and 40 days before the election. A *nomination paper* is the form filed with the appropriate office by a person wishing to declare the person's intent to become a candidate for a particular office. A *nomination petition* refers to the form or forms used for obtaining the required number of signatures of qualified electors, which is circulated by or on behalf of the person wishing to become a candidate for a political office (A.R.S. §§ 16-311, 16-312, 16-314).

Provisions

1. Alters the deadline during which a write-in candidate must file a nomination paper from between 150 and 40 days to between 150 and 70 days before the election. (Sec. 1)
2. Requires the official ballot to include as many blank lines as there are qualified write-in candidates for that office, plus one additional blank line, not to exceed the number of seats for an office. (Sec. 2)
3. Clarifies that if there are no qualified write-in candidates for an office, the official ballot must include one blank line for the voter to put a mark. (Sec. 2)
4. Makes a technical change. (Sec. 2)

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

HB 2205: election procedures manual; authority
Sponsor: Representative Taylor, LD 29
Caucus & COW

Overview

Asserts the delegated authority to adopt an Elections Procedures Manual is not an excessive delegation of legislative powers.

History

The official instructions and procedures manual for elections often referred to as the *Elections Procedures Manual* (EPM), must be issued by December 31 of each odd-numbered year preceding the general election. The EPM must be submitted by the Secretary of State to the Governor and Attorney General for approval no later than October 1 of the year before each general election. The EPM creates rules and procedures for how to conduct impartial, accurate and efficient elections by detailing how to conduct voting, tabulation and management of ballots. The penalty for violating any EPM rule is a class 2 misdemeanor (A.R.S. § 16-452).

Provisions

1. States the Legislature's delegation of authority to the Secretary of State to produce an official instructions and procedures manual does not constitute an excessive delegation of legislative powers. (Sec. 1)

Amendments

Committee on Federalism, Military Affairs & Elections

1. Specifies the official instructions and procedures manual only has the force of law for provisions specifically authorized by the Legislature.

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

HB 2425: voter registration information; registers; violations
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview

Removes language classifying the possession or purchase of official precinct registers as a class 6 felony.

History

Public inspection of voter registration records is allowed at the office of the county recorder for specific purposes, except for specified pieces of sensitive identifying information (A.R.S. § 16-168).

Official precinct registers are prepared by the county recorder and contain a list of all qualified electors in each precinct in the county. The precinct registers must contain at least the full name, party preference, date of registration and residence address for each registered qualified elector. Other lists of registration information include precinct lists with additional required information, daily list of persons who have requested an early ballot and weekly lists of persons who have returned their early ballot. These lists can only be used for purposes relating to political or political party activity, a political campaign or election, revising election district boundaries and other purposes specifically authorized by law (A.R.S. § 16-168).

Provisions

1. Removes language making the unauthorized reproduction, transfer, sale or distribution of precinct registers and other lists of information derived from registration forms a class 6 felony. (Sec. 1)
2. Makes technical changes. (Sec. 1)

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

HB 2426: municipal council vacancies; appointment; deadline
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview
Requires vacancies on a municipal council to be filled within 30 days of the vacancy notice.

History
A municipal council must fill a vacancy by appointment until the next regularly scheduled council election if the vacancy occurs more than 30 days before the nomination petition deadline. If provided by ordinance, a municipality can fill the vacancy by allowing a primary candidate who wins the majority of all votes cast for that office to fill the vacancy. (A.R.S. § 9-235)

Provisions
1. Requires a municipal council to fill a vacancy by appointment within 30 calendar days after it receives a notice of vacancy. (Sec. 1)
2. Makes technical and conforming changes. (Sec. 1)

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

HB 2448: voting locations; emergency designation; electioneering
Sponsor: Representative Carbone, LD 25
Caucus & COW

Overview

Authorizes electioneering and other political activities outside the 75-foot limit at all voting locations and removes the ability of a county to grant an emergency designation to a polling place.

History

Emergency Designations

The County Recorder or officer in charge of elections may grant an emergency designation to a polling place if an act of God renders a previously designated polling place unusable, or they have exhausted all options and there are no suitable facilities willing to serve as a polling place without an emergency designation. An emergency designation prohibits electioneering and other political activities outside the 75-foot limit (A.R.S. § 16-411).

Electioneering & the 75-Foot Limit

A 75-foot limit must be measured from the main outside entrance of all voting locations and marked with three notices that meet specified requirements. Electioneering within the 75-foot limit is prohibited. *Electioneering* occurs when a person knowingly and intentionally, by verbal expression to induce another person to vote in a particular manner, or to refrain from voting, expresses support for or opposition to a candidate, ballot question or political party. Violation of any prohibited activity within the 75-foot limit, including electioneering, is a class 2 misdemeanor (A.R.S. § 16-515).

Provisions

1. Removes provisions authorizing the County Recorder or officer in charge of elections to grant an emergency designation to a polling place. (Sec. 1)
2. Repeals provisions prohibiting electioneering and other political activities outside the 75-foot limit of a polling place with an emergency designation. (Sec. 1)

Amendments

Committee on Federalism, Military Affairs & Elections

1. Establishes the option to designate a voting location as a non-electioneering voting location if the facility is not a government facility and either:
   a) an act of God renders a previously set location unavailable; or
   b) a location refuses to serve as a voting location unless it is given a non-electioneering designation.
2. Requires all Government owned buildings and facilities to serve as polling places when requested to do so.

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

HB 2546: school elections; county administration; recorder
Sponsor: Representative Diaz, LD 19
Caucus & COW

Overview
Places the County Recorder and the officer in charge of elections over school elections.

History
The County School Superintendent is responsible for conducting all regular and school district elections. School district elections may be conducted at a time and place other than general elections. In this circumstance, the County School Superintendent must appoint inspectors, judges, marshals and clerks to each election precinct, as necessary to conduct the election. Employees of a school district serve as election officers for that district. The County School Superintendent and the chairman of the Board of Supervisors canvass school elections in the same manner as a canvass for a general election (A.R.S. §§ 15-302, 15-404, 15-426).

The County Recorder must provide printed or typed lists of all uncanceled registrations of each school district in the county at least five days before a school district election. These lists are the official school district precinct registers. The school district registers are provided to each school district for use in the school election (A.R.S. § 15-423).

Provisions
1. Instructs the County Recorder to assume and maintain the voter registration rolls for all school related elections. (Sec. 1)
2. Directs the County Recorder and officer in charge of elections to conduct and carry out all election related duties otherwise designated to school officials. (Sec. 1)
3. Requires the County Recorder or officer in charge of elections to conduct school elections in the same manner as county elections. (Sec. 1)
4. Designates the officer in charge of elections as the filing officer for school elections. (Sec. 1)
5. Applies the nomination paper requirements for non-partisan candidates to candidates for school district offices. (Sec. 2)
6. Applies this act to elections conducted after December 31, 2025. (Sec. 3)
7. Contains a conforming legislation clause. (Sec. 4)
8. Makes technical and conforming changes. (Sec. 2)

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

HB 2152: right to jury; domestic relations
Sponsor: Representative Keshel, LD 17
Caucus & COW

Overview

Permits the demand of a jury trial in any dissolution of marriage, determination of legal decision-making or parental time proceeding.

History

The right to a jury trial is guaranteed by the Seventh Amendment to the United States Constitution. This right is guaranteed for federal trials and has not been incorporated by the Supreme Court of the United States to apply to the states (U.S. Constitution – Seventh Amendment, Incorporation doctrine).

Currently, in a legal decision-making or parental time hearing the court makes determinations on questions of law and fact. In a dissolution of marriage case the superior court is vested with original jurisdiction to hear and decide all matters. In certain circumstances the case can be referred to a conciliation court, which has the full power to make and enforce orders or temporary orders (A.R.S. §§ 25-311, 25-381.17, 25-407).

Provisions

1. Allows either party to demand a jury trial in any dissolution of marriage, determination of legal decision-making or parental time proceeding. (Sec. 1)
2. Allows the jury to decide issues of fact regarding:
   a) the classification of property as either separate or communal;
   b) the value of community property;
   c) the best interest of the child;
   d) the potential relocation of either party;
   e) findings regarding spousal maintenance factors;
   f) findings regarding allegations of domestic violence or child abuse, neglect or abandonment;
   g) the determination of a contempt of court allegation; and
   h) any other issue mandated by statute alleged in the petition. (Sec. 1)
3. Requires the court to make the following orders regarding matters that require the exercise of judicial discretion:
   a) orders and conditions of parenting time schedules;
   b) other orders that are in the best interest of the child;
   c) orders of child support; and
   d) orders of spousal maintenance, including the amount and duration. (Sec. 1)
4. Mandates that the jury's verdict is binding and that the court must incorporate the jury's findings in its final orders. (Sec. 1)
5. Permits the Supreme Court to adopt rules for the proceedings of a family court jury trial. (Sec. 1)

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

HB 2254: domestic relations; temporary orders; hearings
Sponsor: Representative Keshel, LD 17
Caucus & COW

Overview

Outlines when a court must reevaluate a temporary order and the requirements for the proceedings when reevaluating a temporary order.

History

In legal decision-making and parenting time proceedings the court, without a jury, decides all questions of law and fact. These proceedings receive priority in being set for hearing and if a motion for a temporary order is filed the court must hold an evidentiary hearing within 60 days (A.R.S. § 25-407).

Temporary orders can be moved for by any party in a legal decision-making or parenting time proceeding. The court may make a temporary legal decision-making and parenting time ruling pursuant to the factors regarding the best interest of the child. A decision on a temporary order is vacated if the proceedings in a dissolution of marriage or legal separation are dismissed (A.R.S. § 25-404).

Provisions

1. Requires a court to reevaluate each issued temporary order within six months of the order date. (Sec. 1)
2. Specifies that a court must set an evidentiary hearing to determine if an existing temporary order is in the best interest of the child upon the request of either party. (Sec. 1)
3. Requires a court, upon issuance of a temporary order regarding legal decision-making or parenting time, to put on the record the specific factual findings made, and which factors were relevant to the best interests of the child. (Sec. 2)
4. Sets a minimum of 120 minutes of hearing time for any evidentiary hearing on a petition for temporary orders involving legal decision-making and parenting time. (Sec. 2)
5. Makes technical changes. (Sec. 1, 2)

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

HB 2256: parental alienation; testimony; prohibition
Sponsor: Representative Keshel, LD 17
Caucus & COW

Overview

Prohibits a court from making a decision in specified family court proceedings based solely on an allegation of parental alienation.

History

Legal decision-making is the legal right and responsibility to make all nonemergency legal decisions for a child. Parenting time refers to the amount of time during which each parent has access to a child. The court is required to make a decision in either of these proceedings based on all factors considered relevant to the child's physical and emotional well-being. Any modification to these agreements are subject to the review of certain factors including domestic violence, status as a military parent and the consideration of time (A.R.S. §§ 25-401, 25-403, 25-411).

Provisions

1. Prohibits a court from taking testimony or ruling on a legal decision-making or parenting time petition based solely on an allegation of parental alienation. (Sec. 1)

2. Defines *parental alienation*. (Sec. 1)

Amendments

Committee on Government

1. Changes the definition of *parental alienation* to include alienating behavior, resist-refuse dynamics, parent child contact problems, rejected parent, aligned parent, enmeshed parent, preferred parent and alienated parent.

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: GOV DPA 4-0-3-0

HB 2368: auditor general; records; financial institutions
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview
Requires financial institutions and enterprises to provide specified information relating to state agencies or political subdivisions to the Office of the Auditor General when requested to do so.

History
The Office of the Auditor General (OAG) is a legislative agency responsible for auditing state agencies, counties, universities, community college districts and school districts. The OAG is currently organized into five operating divisions: the Accountability Services Division, the Financial Audit Division, the Division of Financial Investigations, the Performance Audit Division and the Division of School Audits. In addition to its auditing functions, the OAG provides specific recommendations to improve Arizona's government agencies. The OAG reports to the Joint Legislative Audit Committee which oversees all audit functions of the Legislature (A.R.S. § 41-1278, *et seq.*, OAG Website).

Provisions
1. Authorizes the OAG to have access to a financial institution's or enterprise's accounts, books, records, statements, reports, communications, transactions and other information relating to any entity of the state or its political subdivisions. (Sec. 1)
2. Requires a financial institution or enterprise to provide all information requested at the time and in the form requested by the OAG. (Sec. 1)
3. Instructs an authorized representative of the financial institution or enterprise to certify all information provided to the OAG. (Sec. 1)
4. Allocates all costs or fees associated with producing the requested information to the state entity or political subdivision. (Sec. 1)
5. Exempts a financial institution or enterprise from liability to the state entity or political subdivision for providing information requested by the OAG. (Sec. 1)

Amendments
Committee on Government
1. Adds that the Auditor General must notify the County Treasurer before accessing a financial institution or enterprise's records or other information.

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: GOV DPA 6-0-0-1

HB 2369: auditor general; county treasurer; review
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview
Directs the Auditor General to conduct procedural reviews of County Treasurer's offices.

History
The Auditor General is required to order and enforce a correct and uniform system of accounting for counties, community college districts and school district officers and must instruct them on the proper mode of keeping accounts for their offices. The Auditor General's Uniform Accounting Manual for Arizona County Treasurers establishes uniform accounting principles and terminology designed to make it easier for County Treasurers to adhere to Arizona law (A.R.S. § 41-1279.21, UAMACT).

Provisions
1. Instructs the Office of the Auditor General (OAG) to perform procedural reviews of County Treasurer's offices. (Sec. 1)
2. Authorizes a procedural review of a County Treasurer's office to include an evaluation of compliance with the uniform system of accounting for County Treasurers. (Sec. 1)
3. Directs the OAG to provide the results of a procedural review of a County Treasurer to:
   a. The County Treasurer;
   b. The Board of Supervisors; and
   c. The JLAC. (Sec. 1)
4. Requires the County Treasurer to submit a status report on correcting deficiencies and implementing recommendations, at the request of the OAG, within one year after receiving the results of the procedural review. (Sec. 1)
5. Instructs the OAG to follow-up and review a County Treasurer's progress toward correcting deficiencies and implementing recommendations during the one-year period following the review.
6. Specifies the OAG must submit a status report of the follow-up and review to the Board of Supervisors the JLAC. (Sec. 1)
7. Authorizes the OAG to review a County Treasurer's progress after the one-year period if there are uncorrected deficiencies or unimplemented recommendations. (Sec. 1)
8. Requires the County Treasurer to participate in any hearing scheduled by the JLAC or it's designee committee during the review period. (Sec. 1)

Amendments
Committee on Government
1. Requires a County Treasurer subject to a procedural review to notify the Auditor General in writing whether they agree or disagree with the findings and whether or not they will implement the Auditor General's recommendations.

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

HB 2433: county treasurers; continuing education
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview
Requires County Treasurers and their chief deputies to complete a minimum of 10 hours of continuing education in topics relating to their powers and duties each year.

History
A County Treasurer is responsible for receiving and dispersing the monies of the county, and any other monies as directed by law. As such, County Treasurers must keep an account of the receipt and expenditure of monies in books or electronic books for that purpose. The books must include the amount of monies received or disbursed, the time, from or to whom and the reason the monies were received or disbursed (A.R.S. § 11-493).

Provisions
1. Instructs County Treasurers and chief deputy treasurers to complete at least 10 hours of continuing education each year. (Sec. 1)
2. Requires at least one training hour each year to be dedicated to the subject of waste, fraud and abuse. (Sec. 1)
3. Requires an education provider conducting continuing education to be approved by the Board of Supervisors. (Sec. 1)
4. Authorizes education providers to include government entities, financial institutions and coursework from an accredited college or university. (Sec. 1)
5. Instructs the Board of Supervisors to cover all costs and fees associated with the education. (Sec. 1)
6. Requires continuing education to cover topics related to the powers and duties of the Treasurer's office, including:
   a. investment strategies;
   b. waste, fraud and abuse prevention and detection;
   c. cash management;
   d. cybersecurity;
   e. internal auditing and compliance; and
   f. generally accepted accounting principles. (Sec. 1)
7. Directs the County Treasurer and chief deputy treasurer to submit a certified statement with documentation of the complete continuing education hours to the clerk of the Board of Supervisors. (Sec. 1)
8. Instructs the Clerk of the Board of Supervisors to notify the Board of Supervisors of a County Treasurer or chief deputy treasurer who fails to submit the required certification of continuing education. (Sec. 1)
9. Allows the Board of Supervisors to impose a civil penalty on a County Treasurer or chief deputy treasurer of $50 for each hour of education not completed, not to exceed $500. (Sec. 1)

Amendments
Committee on Government
1. Specifies the Board of Supervisors must complete at least six hours of continuing education each year.
2. Removes that the Board of Supervisors must sign off on the education provider for Treasurers.
3. Adds that an education provider includes state and national professional financial associations.

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

HB 2435: homelessness; data; performance audit
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Directs the Arizona Criminal Justice Commission to collect specified information on homeless individuals, including overdoses and crimes committed among the homeless population and instructs the Auditor General to conduct a special audit of monies spent on homelessness in Arizona.

History

Arizona Criminal Justice Commission

The Arizona Criminal Justice Commission (ACJC) is designated as the central collection point for criminal justice data collection. ACJC may require any state or local criminal justice agency to submit any necessary information readily reportable by the agency (A.R.S. § 41-2408).

A *criminal justice agency* includes:

1) a court at any governmental level with criminal or equivalent jurisdiction, including courts of any foreign sovereignty duly recognized by the federal government; and
2) a government agency or subunit of a government agency that is specifically authorized to perform as its principal function the administration of criminal justice pursuant to a statute, ordinance or executive order and that allocates more than fifty percent of its annual budget to the administration of criminal justice, including agencies of any foreign sovereignty duly recognized by the federal government (A.R.S. § 41-1750).

Special Audits

The Auditor General is responsible for conducting audits of state agencies, counties, universities, community college districts and school districts. A special audit may be conducted by the Auditor General upon request of the Joint Legislative Audit Committee or if a special audit is designated by law. A *special audit* is an audit of limited scope (A.R.S. §§ 41-1278, 41-1279.03).

Provisions

ACJC Data Collection

1. Instructs ACJC to collect information and data from first responders, medical examiners and the Arizona Health Care Cost Containment System on drug overdoses and associated deaths among the homeless population. (Sec. 1)

2. Directs Arizona's criminal justice agencies to collect, and ACJC to record, information indicating crimes committed by and against homeless individuals. (Sec. 1)

3. Requires ACJC to submit an annual report of information collected on drug overdoses and crimes committed by and against homeless individuals to specified members of the executive and legislative branches. (Sec. 1)

Special Audit Provisions

4. Directs the Auditor General to conduct a special audit of the amount of monies spent on programs and services for homeless individuals in this state. (Sec. 2)

5. Requires the special audit to include:
   a. state expenditures;
   b. expenditures of municipalities and counties with a homeless population higher than the per capita average in Arizona;
   c. expenditures of federal monies allocated to Arizona for homeless programs; and

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

d. expenditures by state and local law enforcement agencies to address homelessness, including specified acts. (Sec. 2)

6. Requires all state and local government entities to cooperate with the special audit and to grant access, at no cost, to all financial records and other information necessary to complete the audit. (Sec. 2)

7. Requires the Special audit to examine:
   a. the awarding of contracts and grants related to homeless services and support;
   b. the metrics used to examine the success of any expenditures;
   c. the efficiency of data management systems in relation to these programs; and
   d. the expenditure for each homeless individual for each service provided. (Sec. 2)

8. Instructs the Auditor General to submit copies of the special audit report to specified members of the executive and legislative branches by December 31, 2026. (Sec. 2)

Miscellaneous

9. Contains a delayed repeal date of July 1, 2027. (Sec. 2)

10. Makes technical changes. (Sec. 1)

HB 2542: state contracts; foreign adversary; prohibition
Sponsor: Representative Diaz, LD 19
Caucus & COW

Overview

Prohibits a *foreign adversary* company from attempting to enter or entering a contract with a state agency or other subdivision of the state for goods or services.

History

The Arizona Department of Administration (ADOA) was established to support the operation of state government including the purchase of goods and services necessary to conduct business. The director of ADOA supervises the procurement of all materials, services and construction needed by the state. In addition, the director establishes and maintains programs for the inspection and acceptance of materials, services and construction (A.R.S. § 41-2511, ADOA Website).

Provisions

1. Prohibits a foreign adversary company from bidding on, submitting a proposal for or entering a contract with a state agency or other political subdivision of the state for goods or services. (Sec. 1)
2. Requires companies that submit a bid or proposal for a state contract for goods or services to submit a certification letter to the ADOA certifying that it was not with a foreign adversary company. (Sec. 1)
3. Specifies that if a certification letter is submitted that is false or misleading, all the following must occur:
   a) the company is liable for a civil penalty of a specified amount;
   b) the contract between the company and the state agency or department must terminate; and
   c) the company must not bid on any state contracts for at least five years. (Sec. 1)
4. Allows a state agency to enter into a contract for goods manufactured by a foreign adversary company if all of the following apply:
   a) no other reasonable options exist for the procurement of the specific goods;
   b) the contract is preapproved by the ADOA; and
   c) a greater threat would exist to the state from not procuring the specific goods than the threat from the manufacture of the goods by a foreign adversary company. (Sec. 1)
5. Defines *company*, *domicile*, *federally banned corporation*, *foreign adversary* and *foreign adversary company*. (Sec. 1)
6. Entitles this act as the *Protection Procurement Act*. (Sec. 2)

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

HB 2025: medical assistants; scope of practice
S/E: scope of practice; medical assistants
Sponsor: Representative Bliss, LD 1
Caucus & COW
Summary of the Strike-Everything Amendment to HB 2025

Overview

Allows medical assistants to place and remove urinary catheters after appropriate training and under general supervision of a licensed physician, physician assistant (PA) or nurse practitioner (NP).

History

A *medical assistant* is an unlicensed person who performs specified tasks as outlined in statute, has completed an education program approved by the Arizona Medical Board (Board), assists in a medical practice under the supervision of a licensed Doctor of Medicine (MD), PA or NP and performs delegated procedures that commensurate with the medical assistant's education and training but does not diagnose, interpret, design or modify established treatment programs or perform any functions that would violate any statute applicable to the practice of medicine (A.R.S. § 32-1401).

Medical assistants may perform certain medical procedures while under the direct supervision of an MD, PA or NP such as taking bodily fluid specimens or administering injections. A *urinary catheter* is a flexible tube used to empty the bladder and collect urine in a drainage bag (U.S. Centers for Disease Control and Prevention).

The Board, by rule, may prescribe other medical procedures that a medical assistant may perform under the direct supervision of an MD, PA or NP on a determination by the Board that the procedures may be competently performed by the medical assistant (A.R.S. § 32-1456).

Additionally, the Board by rule can establish medical assistant training requirements. The training requirements for a medical assistant may be satisfied through a training program that meets all of the following: 1) is designed and offered by a physician; 2) meets or exceeds any of the approved training program requirements specified in rule; 3) verifies the entry-level competencies of a medical assistant as prescribed by rule; and 4) provides written verification to the individual of successful completion of the training program (A.R.S. § 32-1456).

Provisions

1. Expands the scope of practice for medical assistants to include placing and removing urinary catheters after appropriate training and under the general supervision of a licensed physician, PA or NP. (Sec. 1)
2. Defines *general supervision* to mean a procedure or service that is provided under a physician, NP or PA overall direction and control, but the physician, NP or PA presence is not required during the performance of the procedure or service. (Sec. 1)
3. Makes conforming changes. (Sec. 1)

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

HB 2130: claims; prior authorization; denials; contact
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Requires a health care insurer that denies a claim or prior authorization for any reason to provide both a detailed explanation as to why a claim or prior authorization was denied and the contact information of the individual or specific department that can address questions about the claim or prior authorization denial.

History

Health care insurer means a disability insurer, group disability insurer, blanket disability insurer, health care services organization, prepaid dental plan organization, hospital service corporation, medical service corporation, dental service corporation, optometric service corporation or hospital, medical, dental and optometric service corporation. *Clean claims* are written or electronic claims for health care services or benefits that may be processed without obtaining additional information, including coordination of benefits information, from the health care provider, the enrollee or a third party, except in fraud cases (A.R.S. § 20-3101).

Statute outlines the process for timely payment of health care provider's claims and to address grievances. Specifically, health care insurers must adjudicate any clean claim from a contracted or noncontracted health care provider relating to health care insurance coverage within 30 days after the health care insurer receives the clean claim or within the time specified by the contract. If the claim is not a clean claim and the health care insurer requires additional information to adjudicate the claim, the health care insurer must send a written request for additional information to the contracted or noncontracted health care provider, enrollee or third party within 30 days after the health care insurer receives the claim.

A health care insurer must not delay the payment of clean claims to a contracted or noncontracted provider or pay less than the amount agreed to by contract to a contracted health care provider without reasonable justification (A.R.S. § 20-3102).

Provisions

1. Requires a health care insurer, if a claim or prior authorization is denied for any reason, to provide both:
   a) a detailed explanation as to why the claim or prior authorization was denied; and
   b) the name and contact information of an individual or specific department of the insurer that can address questions about the claim or prior authorization denial. (Sec. 1)

Amendments

Committee on Health & Human Services

1. Requires a health care insurer, if a claim or prior authorization is denied for any reason, to provide both:
   a) a telephone number or email address to reach an individual or a department that can provide a detailed explanation and address questions as to why the claim or prior authorization was denied; and
   b) a substantive response to questions about why the claim or prior authorization was denied within two business days after receipt of the questions. (Sec. 1)
2. Contains an effective date of July 1, 2026. (Sec. 2)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: HHS DPA/SE 11-1-0-0

HB 2176: health facilities; complaints; investigations; training
S/E: training; investigations; complaints; health facilities
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2176

Overview

Establishes requirements for the Arizona Department of Health Services (DHS) relating to complaint investigations. Describes the process for licensee's who receive a statement of deficiencies following a state survey or complaint investigation and wishes to refute those deficiencies. Requires DHS to implement an annual training program for all licensing surveyors, supervisors and managers of licensing surveyors to ensure compliance with health care institution licensing, survey and complaint investigation requirements and outlines objectives for the training program.

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.

Current law establishes processes and procedures that applicants must follow to obtain a health care institution license. Applicants must submit to DHS: 1) an application on a written or electronic form that contains certain information about the health care institution; 2) a notarized attestation form that verifies the architectural plans and specifications of the health care institution; and 3) the applicable application fee. An application for a health care institution license must be submitted at least 60 days, but not more than 120 days before the anticipated date of operation. An application for a substantial compliance survey must be submitted at least 30 days before the date on which the survey was requested.

If a current licensee intends to terminate the operation of a licensed health care institution or if a change in ownership is planned, the current licensee must notify the DHS Director in writing at least 30 days before the termination of operation or change in ownership has taken place. The current licensee is responsible for preventing any interruption of services required to sustain the life, health and safety of the patients or residents. A new owner is prohibited from beginning to operate the health care institution until the DHS Director issues a license to the new owner (A.R.S. § 36-401 and 36-422).

The DHS Director may continue to pursue any court, administrative or enforcement action against a licensee even if the health care institution is in the process of being sold, transferred or has closed. DHS may deny an application for a health care institution license if either: 1) the applicant, the licensee or controlling person has a health care institution license that is in an enforcement action or court action related to the health and safety of the residents or patients; or 2) DHS has determined for other reasons that the issuance of a new license is likely to jeopardize resident or patient safety. DHS may deny the approval of a change in ownership of a currently licensed health care institution if it determines that the transfer of ownership, whether involving a direct or indirect owner, may jeopardize patient safety (A.R.S. § 36-420.05).

Provisions

Complaint Priority Matrix

1. Requires DHS to notify the licensee of the nature of the complaint when entering a health care institution for an investigation related to a complaint. (Sec. 3)

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

2. Requires DHS to ensure that the notice does not include protected health information or information that may identify the complainant. (Sec. 3)

3. Requires DHS to provide a priority matrix for complaints filed against health care institutions on its public website with a link to the rules that govern the complaint process. (Sec. 3)

4. Requires the priority matrix to provide:
   a. details of the various levels of complaints;
   b. the process for determining the complaint level assignment; and
   c. the time frames for initiating a complaint investigation. (Sec. 3)

5. Requires DHS, before conducting a complaint investigation to disclose:
   a. the level of the complaint; and
   b. all documents that affect the internal procedures of the department or impose additional requirements or penalties on the licensees. (Sec. 3)

6. Requires DHS to include in a statement of deficiencies that is issued following a state survey or complaint investigation the citation for the statute or rule that applies to each identified deficiency. (Sec. 3)

7. Requires a licensee that receives a statement of deficiencies following a state survey or complain investigation and wishes to refute them to do the following during the informal dispute process:
   a. indicate to DHS each deficiency the licensee is refuting;
   b. provide a detailed explanation of why the licensee believes the information contained in the statement of deficiencies is inaccurate;
   c. provide a request for the information to be corrected or rescinded; and
   d. provide any supporting documentation that explains the reason the deficiency should be rescinded. (Sec. 3)

8. Requires DHS to review the information and documentation provided by the licensee within 10 days after receiving the information and render a written decision stating:
   a. whether the licensee's request is approved or denied; and
   b. contain a detailed explanation of the approval or reason for approving or denying each deficiency contained in the dispute. (Sec. 3)

9. Directs DHS to close the complaint if it approves the removal of all deficiencies from the statement of deficiencies during the informal dispute resolution process. (Sec. 3)

DHS Annual Training Program

10. Requires DHS to implement an annual training program for all licensing surveyors, supervisors and managers of licensing surveyors to ensure compliance with the health care institution licensing, investigations and complaints. (Sec. 3)

11. Requires the annual training program to include modules and a process that train surveyors, supervisors and managers of licensing surveyors to demonstrate practical knowledge and understanding on the following:
   a. governing policies and procedures, statues and rules for which the employee is responsible;
   b. how to ascertain whether a complaint or grievance that is filed with DHS should result in opening a complaint investigation;
   c. how to act in a professional manner with an emphasis on dignity and respect; and
   d. the importance of clear and transparent communication with licensees. (Sec. 3)

Miscellaneous

12. Requires DHS to adopt rules outlining the evaluation process for the transfer, sale or change in ownership of a health care institution license from which the DHS Director will make a determination. (Sec. 1)

13. Requires, rather than allows, the DHS Director to accept proof that a health care institution is an accredited hospital or an accredited health care institution in lieu of all compliance inspections if:
   a. the DHS Director receives a copy of the health care institution's accreditation report for the licensure period; and
   b. the health care institution is accredited by a federally approved independent, nonprofit accrediting organization. (Sec. 2)

HB 2405: topical medications
Sponsor: Representative Heap, LD 10
Caucus & COW

Overview

Entitles this act the *Topical Medical Waste Reduction Act* which establishes regulations on facility-provided medication.

History

The American Academy of Ophthalmology (AAO) created the *Topical Medical Waste Reduction Model Act,* inspired by an Illinois law, to reduce medical waste by allowing surgeons to give patients unused ointments, creams and eye drops to take home. As of June 2024, the legislation has been adopted by Tennessee, Colorado, Delaware and Nebraska (AAO).

A prescription-only drug must be dispensed only under one of the following conditions: 1) by a medical practitioner; 2) on a written prescription order bearing the prescribing medical practitioner's manual signature; 3) on an electronically transmitted prescription order containing the prescribing medical practitioner's electronic or digital signature; 4) on a written prescription order generated from electronic media containing the prescribing medical practitioner's electronic or manual signature; 5) on an oral prescription order that is reduced promptly to writing and filed by the pharmacist; 6) by refilling any written, electronically transmitted or oral prescription order if a refill is authorized by the prescriber either in the original prescription order, by an electronically transmitted refill order that is documented promptly and filed by the pharmacist or by an oral refill order that is documented promptly and filed by the pharmacist; 7) on a prescription order that the prescribing medical practitioner or the prescribing medical practitioner's agent transmits by fax or e-mail; and 8) on a prescription order that the patient transmits by fax or by e-mail if the patient presents a written prescription order bearing the prescribing medical practitioner's manual signature when the prescription-only drug is picked up at the pharmacy (A.R.S. § 32-1968).

Only a pharmacist, graduate intern or pharmacy intern can provide oral consultation about a prescription medication to a patient or patient's caregiver in an outpatient setting, including a patient discharged from a hospital. The oral consultation is required whenever the following occurs:

1) the prescription medication has not been previously dispensed to the patient in the same strength or dosage form or with the same directions;
2) the pharmacist, through the exercise of professional judgment, determines that oral consultation is warranted; or
3) the patient or patient's care-giver requests oral consultation (A.A.C. R4-23-402).

Provisions

1. Allows any unused portion of a facility-provided medication to be offered to a patient on discharge if the medication is:
   a. ordered at least 24 hours before a surgical procedure;
   b. administered to a patient at a hospital or outpatient surgical center; and
   c. required for continuing treatment. (Sec. 1)

2. Makes the prescriber the responsible party for counseling the patient on the proper use and administration of the facility-provided medication and any pharmacist counseling requirement is waived if the facility-provided medication is used in an operating room or emergency department setting. (Sec. 1)

3. Requires facility-provided medication to be consistent with the labeling requirements as outlined in statute. (Sec. 1)

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

4. Defines *facility-provided medication* to mean any topical antibiotic or anti-inflammatory, dilation or glaucoma drop or ointment that the staff of a hospital operating room, emergency department or outpatient surgical center has ordered or retrieved from a dispensing system for a specific patient for use during a procedure or visit. (Sec. 1)

5. Cites this act as the *Topical Medical Waste Reduction Act*. (Sec. 2)

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: HHS DP 9-3-0-0

HB 2693: genetic sequencing; insurance; prohibition
Sponsor: Representative Biasiucci, LD 30
Caucus & COW

Overview
Establishes insurance coverage and Arizona Health Care Cost Containment System (AHCCCS) limitations on genetic sequencing. Outlines prohibitions and requirements for health care institutions and research facilities relating to genetic sequencers and software used for genetic sequencing.

History
Health care insurers include disability insurers, group disability insurers, blanket disability insurers, health care services organizations, hospital service corporations and medical service corporations (insurers) (A.R.S. § 20-1379). AHCCCS contracts with health professionals to provide medically necessary health and medical services to eligible members, including inpatient and outpatient health services and early and periodic health screening and diagnostic services (A.R.S. § 36-2907). The Department of Insurance and Financial Institutions regulates policies, certificates, evidence of coverage and contracts of insurance (insurance policies) that are issued or delivered by health care insurers.

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).

Provisions
1. Allows an insurance policy and AHCCCS, subject to approval of the U.S. Centers for Medicare and Medicaid Services, to limit coverage to a subscriber, enrollee, insured or member for genetic sequencing if the genetic sequencing is performed on a device that is either:
   a. produced by a company that is domiciled in a foreign adversary; or
   b. produced by a company owned or substantially controlled by a company that is domiciled in a foreign adversary. (Sec. 1-4 and 6)

2. Clarifies that the coverage limitations for genetic sequencing do not:
   a) require coverage for genetic sequencing; or
   b) limit an insurer or AHCCCS from denying coverage for any valid reason. (Sec. 1-4 and 6)

3. Prohibits a health care institution or research facility 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 or its affiliate subsidiary or company;
   b. a company, subsidiary or enterprise that is deemed a Chinese military company or an affiliate pursuant to the federal annual publication requirements;
   c. a company, subsidiary or enterprise domiciled within a foreign adversary or its affiliate; or
   d. a company owned or controlled subsidiary of a company that is domiciled in a foreign adversary or its affiliates. (Sec. 5)

4. Requires all prohibited genetic sequencers and operational or research software that are not permanently disabled to be removed and replaced with non-prohibited genetic sequencers and software. (Sec. 5)

5. Requires by December 31, 2026, and annually thereafter, an attorney for the health care institution or research facility to certify in writing that the health care institution or research facility is in compliance with the genetic sequencing prohibitions. (Sec. 5)

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

6. 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. 5)

7. Permits any individual to notify the Attorney General of a violation or suspected violation and the following apply:
   a. if the notifying individual is an employee of the health care institution or research facility, the employee has whistleblower protection; and
   b. if the notifying individual is a patient or research subject and the provider of the human genome used in violation, that individual is entitled to recover statutory damages of at least $1,000 for each instance in which the individual's human genome was processed using prohibited technology. (Sec. 5)

8. Requires all genetic sequencing data to be stored in the United States. (Sec. 5)

9. Prohibits any remote access of data storage, other than open data, unless approved in writing by the Director of the Arizona Department of Health Services. (Sec. 5)

10. 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. 5)

11. Defines the following terms:
   a. company;
   b. *domiciled*;
   c. *foreign adversary*;
   d. *genetic sequencing*; and
   e. *violations*. (Sec. 1-6)

HB 2024: prisoners; transition program
Sponsor: Representative Bliss, LD 1
Caucus & COW

Overview

Allows the Department of Corrections (DOC) to grant inmates a one-time, 90-day extension of transition services if they meet certain eligibility requirements.

History

Current law requires DOC to establish a transition program for eligible inmates to receive transition services in the community for up to 90 days. DOC is tasked with administering the transition program and contracting with private or nonprofit entities to provide eligible inmates with transition services. Statute outlines eligibility requirements for inmates, lists the required services and programs that must be offered and requires that victims be notified and given the opportunity to be heard before inmates are released from the program. DOC is also required to conduct and submit an annual survey to members of the executive and legislative branches on specified data points relating to the transition services (A.R.S. § 31-281).

Provisions

1. Authorizes DOC to grant a one-time extension of up to 90 days for an inmate to continue receiving transition services if all of the following apply:
   a. DOC determines the inmate needs additional treatment or intervention to address the inmate's criminogenic needs;
   b. the contracted entity providing transition services uses an empirically validated, peer-reviewed instrument to evaluate the inmate's risk of recidivism and identifies the inmate's primary criminogenic factor; and
   c. after evaluating the inmate, the contracted entity providing transition services submits an updated individualized service plan to DOC. (Sec. 1)

2. Makes conforming changes. (Sec. 1)

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

HB 2255: domestic relations; court appointments; fees
Sponsor: Representative Keshel, LD 17
Caucus & COW

Overview

Revises qualifications under which investigators may be appointed by the court during custody proceedings, and requires the court to pay the costs of any appointment.

History

In a custody hearing (i.e. a hearing for legal decision-making authority or parenting time), the court may interview a child in chambers to ascertain his wishes concerning parenting time; in addition, the court may seek the advice of professional personnel (A.R.S. § 25-405).

In contested proceedings, the court may order an investigation into each parent's ability to care for the child; this investigation may be performed by the court social service agency, the staff of the juvenile court, the local probation or welfare department or a private person. Parents are generally responsible for paying for these investigations, with costs allocated based on financial ability. Statute requires the investigators to complete the following training to qualify:

1) six initial hours of domestic violence training;
2) six initial hours of child abuse training; and
3) four subsequent hours of training every two years (A.R.S. § 25-406).

In Arizona law, *legal decision-making authority* means the schedule of time during which each parent has access to a child at specified times; *parenting time* means the legal right and responsibility to make all non-emergency legal decisions for a child including those regarding education, health care, religious training and personal care decisions (A.R.S. § 25-401).

Provisions

Evaluating the Best Interests of the Child

1. Restricts a court's ability to seek the advice of professional personnel in a child custody hearing to only cases where the best interests of the child cannot be determined without professional advice. (Sec. 1)

2. Requires that any court-ordered evaluation of the child's best interest must be conducted by a professional with:
   a. expertise and clinical experience in child development;
   b. expertise and clinical experience working with victims of domestic violence or abuse; or
   c. significant interaction with the parents and children that are the subject of the proceeding. (Sec. 1)

3. Prohibits the psychiatric evaluation of a parent unless the parent exhibits behavior that presents a high risk of harm to the child. (Sec. 1)

4. Directs that the court, not the parents, must pay the costs for the professional evaluation. (Sec. 1)

Investigations in Contested Custody Proceedings

5. Requires, when a court orders an investigation in a contested custody proceeding, the investigator to be a licensed professional who has:
   a. expertise and clinical experience in child development;
   b. expertise and clinical experience working with victims of domestic violence or abuse; or
   c. significant interaction with the parents and children that are the subject of the proceeding. (Sec. 2)

6. Strikes the previous requirements for an investigator in a contested proceeding. (Sec. 2)

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

7. Directs that the court, rather than the parents, must pay the costs for the investigation in the contested proceeding. (Sec. 2)

8. Makes technical and conforming changes. (Sec. 2)

Amendments

Committee on Judiciary

1. Removes the limitation on the court that only permits it to seek professional advice when the child's best interests cannot be determined.

2. Requires experts to abide by the canons and guidelines of their licensed professions.

3. Restores struck language permitting court appointed attorneys, experts and investigators in contested cases, so long as they meet certain minimum-hour training standards.

4. Replaces the term *licensed professional* with *expert*.

HB 2437: drug-free homeless zones
Sponsor: Representative Gress, LD 4
Caucus & COW

Overview

Creates enhanced penalties for selling or transferring drugs within drug-free homeless service zones.

History

Pursuant to A.R.S. § 13-3411, it is unlawful for a person to intentionally be present in a drug-free school zone to transfer marijuana, peyote, prescription-only drugs, dangerous drugs or narcotic drugs. An individual who violates these restrictions is to be sentenced to one year in prison more than he otherwise would be. Drug free school zones are required to have a permanently affixed sign at the entrance of the school, identifying the school and its accompanying grounds as a drug free school zone.

Provisions

1. Makes it unlawful for a person to intentionally be present in a drug-free homeless service zone, with the intent of transferring dangerous and narcotic drugs. (Sec. 1)
2. Makes it unlawful for an operator or an employee of a facility-based service to knowingly allow the possession or use of dangerous or narcotic drugs in the drug-free homeless zone. (Sec. 1)
3. Classifies an offense as the same class of felony had the person committed the offense outside of a drug-free homeless service zone, but with an enhanced sentence of one additional year. (Sec. 1)
4. Stipulates that such an offender is not eligible for suspension of sentence, probation, pardon or release until the sentence imposed by the court has been served or commuted, except for temporary removal from confinement for work not to exceed one day or for compassionate leave. (Sec. 1)
5. Requires the court to order a person convicted of a violation in a drug-free zone to pay a minimum fine of $2,000 or three times the value of the drugs involved in the offense, whichever is greater, up to the maximum fine of $150,000 for felony offences. (Sec. 1)
6. Outlines requirements for drug-free facilities to place and maintain permanently affixed signs on their premises identifying them as drug-free locations. (Sec. 1)
7. Defines the terms *drug-free homeless service zone* and *homeless individual*. (Sec. 1)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: JUD DPA 6-3-0-0

HB 2438: birth certificates; amendments; prohibition
Sponsor: Representative Keshel, LD 17
Caucus & COW

Overview
Prohibits judges pro tempore and commissioners from issuing orders for birth certificate amendments.

History
Judges pro tempore are temporary judges appointed by the Chief Justice of the Arizona Supreme Court. Their terms are limited to 12 months. They have the same judicial powers and responsibilities as regular judges during their term (A.R.S. Title 12, Chapter 1, Article 3).

Superior Court commissioners are attorneys appointed by the presiding judge of a superior court to perform limited judicial duties. They are not permitted to issue ex-parte orders that would: 1) deprive a person of child custody; 2) change a person's legal counsel; 3) deprive a person's liberty; 4) deprive a person or entity of property; or 5) grant injunctive relief (A.R.S. § 12-213).

The State Registrar is required to amend a birth certificate under various circumstances, including:

1) adoption, which would change the parents listed;
2) paternity establishment or change, which would change the father's name;
3) sex change — by a sex change operation or a chromosomal count —, which would change the sex marker; and
4) court order, which can change any part of the birth certificate as ordered by the judge (A.R.S. § 36-337).

Provisions

1. Prohibits a judge pro tempore or commissioner from issuing an order to add an amendment to a birth certificate. (Sec. 1)
2. Makes technical changes. (Sec. 1)

Amendments
Committee on Judiciary

1. Asserts that birth certificates are vital records, and that in order to protect their integrity and accuracy no amendment may be made to them that is contrary to law.
2. Strikes the ability to amend a birth certificate on the grounds of having received a sex change operation or having a chromosomal count that establishes the person's sex as different from that which is listed on the birth certificate.
3. Prohibits changing the sex marker as a result of a sex change surgery.
4. Requires, for any other birth certificate change not explicitly laid out in law, the applicant to provide evidence to the State Registrar that shows, beyond a reasonable doubt, that the certificate is factually inaccurate.

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

HB 2451: administrative hearings; change of judge
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview

Grants each party one change of administrative law judge (ALJ) as a matter of right and broadens when ALJs can be disqualified from a case.

History

The Arizona Court's rules entitle each side in a criminal case to one change of judge as a matter of right. A party may exercise a right to change of judge by filing a notice, which must include an avowal that the party is making the request in good faith (Rules of Crim. Proc., 10.2).

Pursuant to A.R.S. § 41-1092.07, a party in a contested case or appealable agency action is permitted to file a non-peremptory motion, with the director Office of Administrative Hearings, to disqualify an ALJ from conducting a hearing if the ALJ has bias, prejudice, a personal interest or a lack of technical expertise necessary for a hearing.

Provisions

1. Entitles each party, in a contested case or appealable agency action, to one change of ALJ as a matter of right. (Sec. 1)
2. Alters subsequent for-cause changes of ALJ from being a non-peremptory motion to being a peremptory motion. (Sec. 1)
3. Expands when an ALJ can be changed to include when the ALJ:
   a. was previously engaged as legal counsel in the case before being employed as an ALJ;
   b. is related to a party in the case; or
   c. is a material witness. (Sec. 1)
4. Asserts that if a party files a peremptory motion to disqualify an ALJ, it counts as a peremptory strike against that ALJ. (Sec. 1)
5. Makes technical and conforming changes. (Sec. 1)

Amendments

Committee on Judiciary

1. Returns subsequent for-cause changes of ALJ from being a peremptory motion to being a non-peremptory motion.
2. Strikes language asserting that if a party files a peremptory motion to disqualify an ALJ, it counts as a peremptory strike against that ALJ.
3. Narrows the circumstances under which an ALJ may be changed.
4. Modifies the definition of *licensing decision*.

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

HB 2488: apprenticeship; supervised probation.
Sponsor: Representative Hernandez A, LD 20
Caucus & COW

Overview

Grants additional work hours and travel permissions to certain persons on probation if they are participating in an apprenticeship program.

History

If a person who has been convicted of an offense is eligible for probation, the court may suspend the imposition or execution of sentence and must place the person on probation on such terms and conditions as the law requires and the court deems appropriate (A.R.S. § 13-901).

If the court imposes a term of probation, the court may require the defendant to report to a probation officer; the court or the defendant's probation officer may allow the defendant to fulfill a reporting requirement through remote reporting. The probation officer must take into consideration and make accommodations for the probationer's work schedule, family caregiver obligations, substance abuse programs, mental health treatments, transportation availability and medical care requirements before setting the reporting time and location requirements for the probationer (A.R.S. § 13-901).

Provisions

1. Permits a probationer who is on supervised probation, and participating in a state or federally recognized apprenticeship program, to do both of the following:
   a. work during any hours of the day, while in good standing with the apprenticeship; and
   b. travel outside his residing jurisdiction to work in the apprenticeship, provided he returns to his residing jurisdiction by 11:59PM each day. (Sec. 1)

Amendments

Committee on Judiciary

1. Clarifies that if the probationer leaves his residing jurisdiction for his apprenticeship, he must still stay within the state.

2. Strikes the section requiring a probationer to return to his residing jurisdiction by 11:59PM each day.

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

HB 2608: public officers; photographs; official use
Sponsor: Representative Nguyen, LD 1
Caucus & COW

Overview

Mandates that before assuming office, a public officer must provide a photograph for official use that was taken within the last 12 months.

Provisions

1. Requires all public officers, who hold elected office by election or appointment, to provide a photograph for official use that was taken within the last 12 months. (Sec. 1)

Amendments

Committee on Judiciary

1. Changes the photograph's requirement from having been taken within the past 12-months, to having been taken within the past 24-months.

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

HB 2633: special actions; public participation; postconviction
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview

Broadens laws against *strategic legal actions against public participation* (SLAPP suits) to cover political and religious expression, creates additional remedies against state actors who bring SLAPP suits and establishes a pathway for postconviction relief when a defendant asserts that a prosecution was politically motivated.

History

Laws 2006, Chapter 234 established anti-SLAPP protections, and included a legislative finding statement concluding that civil actions have been filed against citizens and organizations in Arizona when defendants were legally exercising their valid constitutional rights of petition, speech and association. Arizona's anti-SLAPP statute allows a party in a case to file a motion to dismiss a legal action on the basis that the action is brought to suppress the party's constitutional rights of petition, speech or association. If the moving party can establish prima facie proof that the nonmoving party's action is substantially motivated by a desire to prevent the lawful exercise of said constitutional rights, then the court is to grant the motion to dismiss (A.R.S. § 12-752).

The anti-SLAPP statute does not:
1) Affect the moving party's right to a remedy authorized by law;
2) Apply to an enforcement action brought in the name of the state;
3) Create immunities or affect privileges authorized by law; or
4) Limit a public agency from enforcing its rules of procedure (A.R.S. § 12-752).

Provisions

General Anti-SLAPP Protections

1. Expands anti-SLAPP suit protections to cover the:
   a. Right to religious liberty;
   b. Freedom to hold or express political or religious views; and
   c. Freedom to engage in political advocacy without fear of retaliation. (Sec. 1)
2. Narrows the defenses that a state actor may use when presented with an anti-SLAPP motion to dismiss, by removing the ability of the state actor to use the fact that it has a historically consistent practice of similar legal actions as a stand-alone defense. (Sec. 1)
3. Requires costs and fees to be awarded against a state actor, if the state actor is the unsuccessful nonmoving party. (Sec. 1)
4. Provides that, if the court finds that an anti-SLAPP motion is frivolous, the court is not required to award costs and fees to the prevailing nonmoving party if the nonmoving party is a state actor. (Sec. 1)
5. Asserts that the purpose of the anti-SLAPP statute is to prevent the government from being used as a tool to chill the expression of unpopular ideas, and so requires the law to be liberally construed to this end. (Sec. 1)

SLAPP Liability for State Actors

6. Asserts that a state actor is liable for intentionally bringing or maintaining a legal action motivated to deter protected speech or beliefs. (Sec. 1)
7. Stipulates that a suit brought against a state actor for engaging in a SLAPP action must be commenced within four years after the underlying legal action concludes and entitles parties to a jury trial. (Sec. 1)
8. Stipulates that the following are not a defense for the state actor:

a. The outcome of the original prosecution; or
b. The lack of an anti-SLAPP motion to dismiss being filed in the underlying case. (Sec. 1)

9. Entitles the prevailing party to: a) declaratory relief; b) nominal damages; c) compensatory damages; d) attorney fees and costs; and e) vacatur and the sealing of any adverse judgments and dispositions in the underlying action. (Sec. 1)

10. Prohibits, if an individual is found liable, that individual from being indemnified by the state or a political subdivision of the state. (Sec. 1)

11. Provides that peace officers are immune from liability under the anti-SLAPP statute. (Sec. 1)

Postconviction Relief for Criminal Political Prosecutions

12. Asserts that a defendant convicted of a criminal offence in a SLAPP prosecution may file a petition for postconviction relief. (Sec. 2)

13. Stipulates that postconviction relief may not be precluded because the accused consented to the jurisdiction of the court or failed to timely raise the issue. (Sec. 2)

14. Mandates that a defendant who obtains relief under the anti-SLAPP statute must have his conviction set aside and fees and costs awarded. (Sec. 2)

15. Outlines timelines for the initial filing and hearing of a petition for postconviction relief under the anti-SLAPP statute. (Sec. 2)

16. Asserts that the section of law, governing postconviction relief under the anti-SLAPP statute, is to be liberally construed to:
    a. Protect individuals who have been subjected to political prosecution; and
    b. Preserve the integrity of the criminal justice system. (Sec. 2)

17. Defines who is an *eligible petitioner* for postconviction relief under the anti-SLAPP statute as:
    a. A current or former public candidate;
    b. A current or former candidate for public office;
    c. A current or former officer of a nonprofit, a political action committee or a political party;
    d. A current or former public figure;
    e. A current or former police officer;
    f. A current or former participant in a protest whose arrest was related to that protest;
    g. An agent, employee or attorney for any of the above. (Sec. 2)

Miscellaneous

18. Modifies the definition of *state actor*. (Sec. 1)

19. Contains an intent clause. (Sec. 3)

20. Contains a legislative findings clause. (Sec. 4)

21. Contains a severability clause. (Sec. 5)

22. Designates this legislation with the short title *Justice For All Act*. (Sec. 6)

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

Amendments

Committee on Judiciary

1. Permits, if an individual is found liable, that individual to be indemnified by the state or a political subdivision of the state.

2. Restricts the liability, for a state actor intentionally bringing or maintaining a legal action motivated to deter protected speech or beliefs, to only noncriminal or traffic legal actions.

HB 2201: technical correction; electricity; power authority
S/E: wildfire mitigation planning; utilities; approval
Sponsor: Representative Griffin, LD 19
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2201

Overview

Outlines requirements, procedures and reporting requirements for a Public Power Entity (Power Entity) and an Electric Utility when submitting a Wildfire Mitigation Plan (Plan).

History

In 1944, the Arizona Legislature established the Arizona Power Authority (APA) as a result of the Boulder Canyon Project Act of 1928 that allocated a portion of power produced from the Boulder Canyon Project (Hoover Dam and Power Plant). In order to receive and distribute Arizona's share of hydroelectric power from the Hoover Dam, the APA may acquire or construct and operate electric transmission systems, standby or auxiliary plants and facilities and generate, store, produce, sell at wholesale, transmit and deliver such electric power to qualified purchasers (A.R.S. §§ 30-102, 30-121).

The Arizona Corporation Commission (ACC) is composed of five elected Commissioners that governs the offer and sale of securities and investments in or from Arizona, licenses investment advisers and their representatives, registers securities dealers and salesman, regulate public utilities, register corporations and limited liability companies and enforce regulations to ensure railroad and pipeline safety.

Provisions

Wildfire Mitigation Plan

1. Requires a Power Entity to prepare and submit a Plan to the Power Entity's governing body for review and approval. (Sec. 1)
2. Directs an Electric Utility to prepare and submit a Plan to the ACC for review and approval. (Sec. 2)
3. Allows the Power Entity or Electric Utility to use the submission as an update to the last approved Plan. (Sec. 1 and 2)
4. Instructs the Power Entity to submit the Plan to the Power Entity's governing body by May 1, 2026 and every even-numbered year thereafter unless the governing body orders otherwise. (Sec. 1)
5. Directs an Electric Utility to submit the Plan to the ACC by May 1, 2026 and every even-numbered year thereafter. (Sec. 2)
6. Requires the Power Entity or Electric Utility to consult with a state or federal land management or fire protection agency that has authority in the Power Entity's or Electric Utility's service territory, as applicable, as to the content of the Plan before submitting the Plan to the governing body or the ACC. (Sec. 1 and 2)
7. States a Plan is deemed approved when submitted to the governing body or the ACC. (Sec. 1 and 2)
8. Allows the Power Entity or Electric Utility to update the Plan as needed. (Sec. 1 and 2)
9. Specifies that any submission of an updated Plan is deemed approved when submitted to the governing body or the ACC. (Sec. 1 and 2)
10. Instructs the governing body or the ACC to review the submitted Plan to ensure it:

a. complies with laws relating to wildfire mitigation planning and all applicable rules and regulations;
b. is reasonable; and
c. is in the public interest. (Sec. 1 and 2)

11. Allows the governing body or the ACC to request additional information or a modification to the submitted Plan within 120 days after receipt of the Plan by providing written notice to the Power Entity or Electric Utility. (Sec. 1 and 2)

12. States a Plan remains approved while the Power Entity or Electric Utility makes a good faith effort to address the governing body's or the ACC's request. (Sec. 1 and 2)

13. Requires the Power Entity or Electric Utility, within 90 days after receipt of the notice, to revise the Plan to address the governing body's or the ACC's request. (Sec. 1 and 2)

14. Instructs the governing body or the ACC to consider, within 60 days, the Power Entity's or Electric Utility's response and any proposed additional information or modification to the Plan. (Sec. 1 and 2)

15. States that if the governing body or the ACC does not take any action within 60 days to reject the Plan or any portion of the Plan, the Plan is deemed approved. (Sec. 1 and 2)

16. Specifies that the Plan is deemed approved during the pendency of any hearing or judicial action that seeks review of the governing body's or the ACC's rejection of the Plan or any portion of the Plan. (Sec. 1 and 2)

17. Requires the Plan to include a description of:
    a. areas within the geographic region where the Power Entity's or Electric Utility's facilities may be subject to a heightened risk of wildfire;
    b. procedures and standards that the Power Entity or Electric Utility will use to inspect and operate the Power Entity's or Electric Utility's infrastructure to mitigate the risk of wildfires;
    c. key individuals or position titles of those persons who are responsible for implementing the Plan;
    d. procedures for deenergizing power lines and disabling reclosers to mitigate potential wildfires or provide a public safety power shut off plan;
    e. community outreach and public awareness efforts;
    f. potential participation, if applicable, with state or local wildfire protection efforts; and
    g. how the Power Entity or Electric Utility will monitor compliance with the Plan. (Sec. 1 and 2)

18. States the Plan must include a:
    a. plan for vegetation management; and
    b. summary of the procedures the Power Entity or Electric Utility intends to use to restore the Power Entity's or Electric Utility's electrical system in the event of a wildfire. (Sec. 1 and 2)

19. Allows a Power Entity or Electric Utility to reference procedures and standards that are not specifically enumerated in the Plan in lieu of the prescribed Plan requirements. (Sec. 1 and 2)

20. Requires referenced material to be included as attachments to the Plan submission. (Sec. 1 and 2)

21. Instructs an Electric Utility, governed by an elected board, to submit a copy of the Plan to the governing board, instead of the ACC, by May 1, 2026 and every even-numbered year thereafter, unless the governing board orders otherwise, for review and approval. (Sec. 2)

22. States the elected board must replace the role of the ACC for review and approval of the Plan. (Sec. 2)

23. Requires an Electric Utility to consult with a state or federal land management or fire protection agency that has authority in the Electric Utility's service territory, as applicable, as to the content of the Plan before submitting the Plan to the elected board. (Sec. 2)

Cause of Action

24. States that laws relating to wildfire mitigation planning does not establish a new cause of action. (Sec. 1 and 2)

25. Asserts that if there is a conflict between statute relating to wildfire mitigation planning as added by this legislation and any other state law, the wildfire mitigation planning statutes control. (Sec. 1 and 2)

26. Asserts that laws relating to wildfire mitigation planning establishes the exclusive means of recovery from a Power Entity and Electric Utility for claims or damages that result from wildfires. (Sec. 1 and 2)

27. Prohibits laws relating to wildfire mitigation planning from any additional legal duty that supports any claim that would not otherwise already exist. (Sec. 1 and 2)

28. Requires a parent, subsidiary or other corporate affiliate of the Power Entity or Electric Utility that is related to a wildfire to be treated the same as and considered equivalent to a Power Entity or Electric Utility in any cause of action against them. (Sec. 1 and 2)

29. States that in any cause of action against a Power Entity or Electric Utility that is related to a wildfire, and attachor must be considered to be a Power Entity or Electric Utility with respect to any liability that can be alleged to have arisen out of the attachor's equipment. (Sec. 1 and 2)

Liability for Causing Wildfires

30. Stipulates that any cause of action against a Power Entity or Electric Utility that is related to a wildfire, all of the elements must be proven by clear and convincing evidence. (Sec. 1 and 2)

31. States that a Power Entity or Electric Utility that substantially acts in compliance with the approved Plan is deemed to meet the standards of care for a reasonably prudent Power Entity or Electric Utility unless there is clear and convincing evidence of wilfull, intentional or reckless misconduct. (Sec. 1 and 2)

32. Stipulates that a failure to comply with an approved Plan does not constitute negligence per se. (Sec. 1 and 2)

33. Prohibits a Power Entity's or Electric Utility's Plan from being admissible as evidence against another Power Entity or Electric Utility in a civil action that arose out of a wildfire. (Sec. 1 and 2)

34. Exempts a Power Entity or Electric Utility from being apportioned any fault for:
    a. the ignition of a wildfire from sources that are outside of the Power Entity's or Electric Utility's control, including lighting strikes or actions by third parties;
    b. vegetation or other wildfire risks outside of the Power Entity's or Electric Utility's right-of-way, lease or other property rights or areas in which the Power Entity or Electric Utility has been delayed in accessing or denied access to for purposes of performing vegetation management; or
    c. the Power Entity's or Electric Utility's decision to deenergize or not deenergize, including fault for interrupted services. (Sec. 1 and 2)

35. Grants a Power Entity or Electric Utility sole discretion regarding when deenergization is appropriate. (Sec. 1 and 2)

36. Prohibits a claim for condemnation or inverse condemnation from existing against a Power Entity or Electric Utility related to wildfires. (Sec. 1 and 2)

37. States that in an action to recover any damages that result from a wildfire, neither consequential property nor exemplary or punitive bodily injury or property damages must be recovered. (Sec. 1 and 2)

38. Prohibits a class actions brought under Arizona rule of civil procedure from being maintained for any cause of action against a Power Entity or Electric Utility related to a wildfire. (Sec. 1 and 2)

39. Declares, if any wildfire mitigation planning provision or the Power Entity's or Electric Utility's application to any person or circumstances is held invalid, the invalidity does not affect other wildfire mitigation planning provisions or applications that can be given effect without the invalid provision or application and, to this end, the provisions are severable. (Sec. 1 and 2)

40. Defines pertinent terms. (Sec. 1 and 2)

Amendments

Committee on Land, Agriculture & Rural Affairs

1. Makes a technical change.

HB 2577: native plants; fire prevention; exemption
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Exempts the Arizona Department of Forestry & Fire Management (DFFM) and the State Forester from notification requirements to the Arizona Department of Agriculture (ADA) for the removal or destruction of protected native plants when preventing, managing or suppressing wildfires.

History

Currently, if a state agency proposes to remove or destroy protected native plants over an area of state land exceeding one-fourth acre, the agency must notify ADA in writing at least 60 days before the plants are destroyed, and any such destruction must occur within one year of the date of destruction disclosed in the notice (A.R.S. § 3-905).

The protected group of native plants is any plant or part of a plant that is growing wild on state, public or on privately owned land without being propagated or cultivated by human beings and which is included by the Director of ADA on any of the definitive lists of protected categories of protected native plants. A list of native plants can be found on ADA Rules (A.R.S. § 3-903 and A.C.C. Title 3, Art. 11, App. A)

Provisions

1. Exempts, as the State Forester determines necessary, DFFM from notifying ADA in writing 60 days before the removal or destruction of protected native plants when preventing, managing or suppressing wildfires. (Sec. 1 and 2)
2. Exempts the State Forester from notifying ADA of the removal or destruction of protected native plants for preventing, managing or suppressing wildfires. (Sec. 3)
3. Makes technical and conforming changes. (Sec. 1, 2 and 3)

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

HB 2639: TPT; exemption; qualifying equipment; extension
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Extends the exemption, from December 31, 2026 to December 31, 2028, for the gross income from sales of qualifying equipment used for harvesting or processing qualifying forest products.

History

The gross proceeds of sales or gross income derived from sales of qualifying equipment purchased on June 30, 2004 through December 31, 2026 by a qualified business for harvesting or processing qualified forest products removed from qualified projects must be deducted from the tax base. To qualify for this deduction, the qualified business at the time of purchase must present its certification approved by the Arizona Department of Revenue (ADOR) (A.R.S. § 42-5061).

To qualify for state tax incentives, a business must:

1) be primarily engaged in a qualified project;
2) employ at least one permanent full-time employee;
3) agree to furnish to the Arizona Commerce Authority (Authority)information relating to the amount of state tax benefits that the business receives each year;
4) enter into a memorandum of understanding with the Authority; and
5) submit a copy of the certification to ADOR for approval before using the certificate for any tax incentive (A.R.S. § 41-1516).

A *qualifying project* means harvesting, transporting or processing qualifying forest products as required for certification (A.R.S. § 41-1516).

Provisions

1. Extends the transaction privilege and use tax exemption for qualifying equipment purchased by businesses certified as healthy forest enterprises from December 31, 2026 to December 31, 2028. (Sec. 1 and 2)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: DP NREW 6-4-0-0

HB 2223: wind farms; construction; policies; procedures
Sponsor: Representative Marshall, LD 7
Caucus & COW

Overview
Establishes requirements to approve, permit, construct and operate a wind farm. Creates the Wind Farm Health Impacts Study committee and prescribes duties.

History
A County Board of Supervisors (BOS) may adopt a zoning ordinance in order to conserve and promote the public health, safety convenience and general welfare (A.R.S. § 11-811). The BOS may adopt zoning ordinances that are formulated and drafted by the County Planning and Zoning Commission (A.R.S. § 11-813).

Provisions
1. Provides definitions. (Sec. 1, 2 and 4)

County Responsibility

2. Requires the County Planning and Zoning Commission to:
   a. hold a public hearing to consider a permit to construct and use a wind farm;
   b. follow posting, mailing and notification steps as outlined; and
   c. require the wind farm owner to pay the costs of posting, mailing and notification. (Sec. 2)

3. Mandates that prior to issuing a permit for the construction and use of a wind farm that the county require:
   a. a wind farm owner to submit an indemnity bond or assurance approved by the county that does all of the following:
      i. indemnifies and holds harmless the county from and against all claims from the owner's operation of the wind farm that results in claim for damages including physical harm and destruction of property;
      ii. holds the county harmless against any claims or costs that the county may incur due to the existence or discovery of any hazardous substances on or released by the wind farm; and
      iii. all assurances relating to the indemnification are required to be in full effect during the agreement and are binding on all successors of the wind farm's ownership;
   b. if the wind farm is on public land, financial surety to the satisfaction of the county and U.S. Bureau of Land Management;
   c. any indemnity bond, financial surety or assurance contain provisions that:
      i. release the monies to the county in the event of that cleanup and mitigation are not in a timely manner; and
      ii. be maintained for the life of the project and that annually the recertification of the bond, surety or assurance be submitted to the county;
   d. lists steps for decommissioning of the wind farm; and
   e. the wind farm owner retain an engineer to re-estimate the costs of cleanup, decommissioning and restoring the wind farm and property. (Sec. 2)

4. Prohibits the conveyance or transfer of ownership of a windfarm unless permitted by the county. (Sec. 2)

5. Requires the owner to notify the county when ownership is planned to be transferred or conveyed. (Sec. 2)

6. Allows for person who owns real property that is diminished in value by the wind farm to entitlement to just compensation. (Sec. 2)

7. Allows a county to reach an agreement to waive the claim of diminution. (Sec. 2)

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

8. Provides authority and outlines actions for a referendum petition against the issuance of a wind farm construction or use permit. (Sec. 3)

9. Prohibits a wind farm from being located within:
   a. six miles of any property owned by another person, unless that person consents to the wind farm; or
   b. 12 miles of any property that is zoned for residential use. (Sec. 4)

10. Requires the notification of any governing body or political subdivision of the state within 10 days if any authorization to begin natural resources surveys or to install wind or meteorological devices occur. (Sec. 4)

11. Describes required approvals for a wind farm owner to obtain prior to an application for any lease or conditional use permit. (Sec. 4)

12. Requires the owner of a wind farm to annually consult with the supervisor of the Natural Resources Conservation District in which the farm is located to address listed changes to the environment. (Sec. 4)

Leases of State Land

13. Requires the State Land Department to cooperate with cities and towns that are within 25 miles of the outer perimeter of the land proposed to be leased for a wind farm. (Sec. 5)

14. Requires that if a lessee of State Land is a wind farm that their lease contain all the requirements of the county construction and conditional use permit for the county where the wind farm is located. (Sec. 6)

15. Allows anyone who resides within 12 miles of a proposed auction of state land for the construction and conditional use of a wind farm has standing to protest the proposed auction. (Sec. 7)

16. Specifies that a grant for a state land right-of-way or site for construction or use of a wind farm will be at public auction to the highest and best bidder. (Sec. 9)

Corporation Commission

17. Requires the Powerplant and Transmission Line Siting Committee, when reviewing a certificate of environmental compatibility for a wind farm to address:
   a. impact on visual and aesthetic character of the area; and
   b. the preservation and protection of natural qualities of scenic areas, historic sites, districts of historical significance and structures and geologic features. (Sec. 10)

Wind Farm Health Impacts Study Committee

18. Creates the Wind Farm Health Impacts Study Committee, outlines membership, prescribes duties, requires a report and repeals the committee on October 1, 2026. (Sec. 11)

Miscellaneous

19. Contains a retroactivity clause of January 1, 2025. (Sec. 12)

20. Makes technical and conforming changes. (Sec. 1,5,6,7 and 10)

HB 2679: power; public utilities; UCC; securities
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Permits public power entities, public service corporations and member owned cooperative corporations to initiate in securitization transactions.

History

A public power entity means *any municipal corporation, city, town or other political subdivision that is organized under state law, that generates, transmits, distributes or otherwise provides electricity and that is not a public service corporation* (A.R.S. § 30-801). The Corporation Commission (Commission) is permitted to supervise and regulate every public service corporation in the state and do all things necessary and convenient in the exercise of that power and jurisdiction (A.R.S. § 40-202).

Provisions

Public Power Entities

1. Permits a public power entity to initiate a securitization transaction and outlines required actions when initiating the adoption of a financing resolution. (Sec. 1)
2. Outlines the requirements of the securitization proposal. (Sec. 1)
3. Lists required actions to be taken by a public power entity during a public comment period and meeting. (Sec. 1)
4. Permits the adoption of a financing resolution that approves initiation of the transaction under the requirement that the governing board finds that certain conditions are met. (Sec. 1)
5. Outlines requirements for a rehearing and lists actions to obtain a rehearing with the public power utility's governing board. (Sec. 1)

Public Service Corporations

6. Permits a public service corporation, member-owned cooperative corporation and two or more member owned cooperatives corporations to request from the Commission the permission to initiate a securitization transaction. (Sec. 2)
7. Outlines the requirements for the application. (Sec. 2)
8. Requires the Commission to approve the financing order if certain conditions are met. (Sec. 2)
9. Prescribes the authority and jurisdiction with the Commission for the actions related to securitization transactions. (Sec. 2)
10. Outlines requirements for and actions relating to obtaining a rehearing with the Commission. (Sec. 2)

Language that Applies to Both Public Service Corporations and Public Power Entities

11. Defines pertinent terms. (Sec. 1 and 2)
12. Contains a statement of public policy. (Sec. 1 and 2)
13. Designates the governing mechanisms for security interests in transition property. (Sec. 1 and 2)
14. Provides authority of a qualified special purpose entity to issue transition bonds and differentiates what are obligated and nonobligated actions. (Sec. 1 and 2)

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

15. Outlines transition property characteristics and operations. (Sec. 1 and 2)

16. Designates true-up mechanism actions and civil actions regarding financing payments. (Sec. 1 and 2)

17. Permits public power entities and public service corporations to utilize their resources and duties to perform the duties of a servicer under a transition billing services tariff and outlines payment collecting actions. (Sec. 1 and 2)

18. Prohibits the transition property, the true-up mechanism and the financing charges from being subject to reduction, impairment, rescission, irrevocability and other actions or designations. (Sec. 1 and 2)

19. Prohibits financial charges from being subject to:
    a. a franchise fee that is imposed by a municipality, county or other local government unit as a result of a franchise agreement of lawful ordinance; or
    b. taxes that are applicable to services provided by or rates of a public power entity. (Sec. 1 and 2)

20. Prohibits transition bonds from being deemed public debt and details related prohibitions and actions. (Sec. 1 and 2)

21. Directs that transition bonds are legal investments for:
    a. all governmental units;
    b. permanent funds of this state;
    c. finance authorities;
    d. financial institutions;
    e. insurance companies;
    f. fiduciaries; and
    g. other persons requiring statutory authority regarding legal investments. (Sec. 1 and 2)

22. Prescribes obligations of financing resolutions for successors to a public power entity. (Sec. 1 and 2)

23. Outlines procedures in the case of conflict between other law regarding security interest in transition property, invalidation, replacement or repeal of the chapter. (Sec. 1 and 2)

24. Makes technical changes. (Sec 1, 2 and 3)

Uniform Commercial Code (UCC)

25. Exempts a security interest from a public power entity, public service corporation, member-owned cooperative corporation or two or more member owned cooperatives corporations from the scope of the UCC. (Sec. 3)

HCM 2008: EPA; regional offices; move
Sponsor: Representative Willoughby, LD 13
Caucus & COW

Overview

Urges the United States federal government to either move the Environmental Protection Agency's (EPA) regional office to Arizona or move Arizona to a different region.

History

The EPA is tasked with protecting human health and the environment. When Congress enacts an environmental law, EPA implements it by writing regulations that serve as the standards for each state (or that apply across the country). The EPA also distributes grants to state environmental programs, non-profits, educational institutions and others (EPA).

EPA Region 9's office is located in San Francisco, California and serves Arizona, California, Hawaii, Nevada, the Pacific Islands and 148 Tribal Nations.

EPA Region 8's office is located in Denver, Colorado and serves Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming and 28 Tribal Nations

Provisions

1. Urges the President of the United States and the EPA Director to either:
   a. move Arizona from EPA Region 9 to Region 8; or
   b. move the EPA Region 9 office to Arizona.

2. Requests the Arizona Secretary of State to transmit copies of this Memorial to the President of the United States and the EPA Director.

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

HCR 2022: nuclear energy; Palo Verde; support
Sponsor: Representative Carter P, LD 4
Caucus & COW

Overview

Supports the Palo Verde Generating station and the safe and efficient use of nuclear energy.

History

The Palo Verde Generating System (PVGS) is located approximately 55 miles from downtown Phoenix, Arizona. PVGS is one of the largest nuclear power plants in all of America, it contains a combined capacity of 3.8 Gigawatts (U.S. Energy Information Administration). PVGS produces electricity powering portions of the states of Arizona, California, New Mexico and Texas. (PVGS).

Provisions

1. States the Legislature's support of the Palo Verde Generating Station and the safe and efficient use of nuclear energy.

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

HCR 2044: minerals; metals; supporting domestic supply
Sponsor: Representative Griffin, LD 19
Caucus & COW

Overview

Displays the Legislature's support of mining and urges supportive policies from the federal government.

History

Arizona is a state that contains many metal and mineral resources that are important to local, national and global economies. Arizona produces over 70% of the nation's copper and has over 450 active mines (ASMI).

Hard rock mining contributes approximately $21.2 billion to Arizona's economy and provides just under 59,000 direct and indirect jobs in the state. (AMA)

Provisions

1. Resolves that the Legislature recognizes the importance of Arizona's mineral resources, supports domestic production and asks the federal government to develop a mineral policy to prioritize national security, economic stability and environmental sustainability.

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

HB 2013: public safety cancer insurance
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Changes the Public Safety Cancer Insurance Policy Program (Program) account to use up to 10% of the total claims paid averaged over the past five years instead of up to 10% of account monies to pay administrative costs.

History

The Program account is administered by the Board of Trustees of the Public Safety Personnel Retirement System (Board) to pay a group cancer insurance policy for participating employers that employ the following: 1) firefighters; 2) peace officers; 3) corrections officers; 4) detention officers; or 5) other outlined members (A.R.S. §§ 38-641; 38-642; 38-643).

To be eligible for the Program, a person must satisfy all the following criteria:

1) be an active or retired member of the Public Safety Personnel Retirement System (PSPRS), the Corrections Officer Retirement Plan or a participant in the PSPRS Defined Contribution Retirement Plan;
2) be one of the following;
   a) a firefighter who is or was regularly assigned to hazardous duty normally expected of a firefighter;
   b) a peace officer; or
   c) a corrections officer employed by the Department of Corrections or the Department of Juvenile Corrections, a detention officer employed by a county, city, or town or any other member as outlined.
3) have their first cancer diagnosis after the date of membership into PSPRS or the Corrections Officer Retirement Plan or date of participation in the PSPRS Defined Contribution Retirement Plan (A.R.S. § 38-644).

The Program's coverage pays for expenses designated by the Board and that are incurred during cancer treatment, including treatment by clinics or providers outside the United States (A.R.S. § 38-645).

Provisions

1. Modifies the Program Account to use up to 10% of the total claims paid averaged over the past five years, excluding claim processing costs, instead of up to 10% of account monies to pay administrative costs. (Sec. 1)
2. Alters the Program Account's administrative costs formula deadline from July 31 to June 30. (Sec. 1)
3. Removes the ability for PSPRS to use account funds from previous years to pay for administrative costs, if no monies are deposited in a given year. (Sec. 1)
4. Makes technical changes. (Sec. 1)

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

HB 2386: pay parity; law enforcement; benchmarks
Sponsor: Representative Marshall, LD 7
Caucus & COW

Overview

Directs the Department of Public Safety (DPS) to establish compensation benchmarks for expenditures from the Parity Compensation Fund (Fund) to enhance the ability of DPS to recruit and retain qualified law enforcement personnel.

History

DPS is responsible for creating and coordinating services for local law enforcement agencies in protecting public safety. DPS consists of divisions on the Arizona Highway Patrol, narcotics enforcement and criminal investigation, scientific criminal analysis, training and education (A.R.S. §§ 41-1711; 41-1712).

DPS administers the Fund for salaries and benefits for law enforcement personnel. The Fund consists of monies from vehicle license tax and legislative appropriations. The Fund's monies cannot revert to the state General Fund and are exempt from lapsing (A.R.S. § 41-1720).

Provisions

1. Directs DPS to spend from the Fund on law enforcement personnel that they determine will enhance the ability of DPS to recruit and retain qualified law enforcement personnel. (Sec. 2)
2. Requires DPS to annually establish and consider benchmarks based on the average total compensation for each comparable law enforcement personal rank of DPS's three largest county or municipal peer law enforcement agencies in Arizona to determine the expenditure amount from the Fund. (Sec. 2)
3. Defines *total compensation*. (Sec.2)
4. Adds salary benchmark information to be included in the annual report on state personnel and state personnel system operation. (Sec. 1)
5. Makes a technical change. (Sec. 2)

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

HB 2049: administrative decisions; security proceedings; hearings
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview

Requires the right to trial by jury to be available and exercisable to the defendant in an appeal of a final administrative decision in which the judgment or order sought seeks payment from the other party.

History

A person is permitted to appeal a final administrative decision of a contested case or an appealable agency action in accordance with statute relating to judicial review of administrative decisions. In an action for judicial review of a final administrative decision, jurisdiction is vested with the superior court, unless another venue is expressly prescribed in statute (A.R.S. §§ 41-1092.08 and 12-905).

An affected party in a final administrative decision must file a notice of appeal within 35 days of receiving the decision in order to commence an action to review a final administrative decision. The notice of appeal must contain a statement of the findings and decisions sought to be reviewed (A.R.S. §§ 12-904 and 12-909).

After reviewing the administrative record and supplementing evidence, the court may affirm, reverse, modify or vacate and remand the agency action. The court is required to affirm the agency action unless the court concludes that the agency action is: 1) contrary to law; 2) not supported by substantial evidence; 3) arbitrary and capricious; or 4) an abuse of discretion.

Statutes relating to the appeal of a final administrative decision do not apply to the issuance of evidence of indebtedness, such as stocks and bonds, by public service corporations under the jurisdiction of the Corporation Commission (A.R.S. §§ 40-301 and 12-910).

Provisions

1. Requires the right to trial by jury to be available and exercisable to the defendant in an appeal of a final administrative decision in which the judgement or order sought seeks payment from the other party. (Sec. 1)
2. Removes, pertaining to appeals of final administrative decisions before judicial review, language that exempts public service corporations that issue stocks and bonds. (Sec. 1)
3. Makes conforming changes. (Sec. 1)

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

HB 2684: 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).

A similar bill was introduced in the 56th Legislature, 2nd Regular Session and was vetoed by the Governor (HB 2658 pedestrians; congregating; medians; intersections).

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. States 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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: RO DPA 3-2-0-0

HCR 2038: rulemaking; legislative ratification; regulatory costs
Sponsor: Representative Kolodin, LD 3
Caucus & COW

Overview
Submits a proposition regarding legislative ratification of proposed rules to the voters.

History
The mission of the Office of Economic Opportunity (OEO) is to expand economic opportunities for people in Arizona by leading the analysis and evaluation of Arizona's population and economy and investing in communities to power the state's economic growth (OEO).

The Administrative Rules Oversight Committee (AROC) has the authority to review any proposed or final rule for conformity with statute and legislative intent. AROC additionally receives complaints concerning statutes, rules, agency practices and substantive policy statements that are alleged to be duplicative or onerous and may hold hearings regarding the allegations (A.R.S. §§ 41-1047, 41-1048).

Provisions
1. Directs an agency to submit a proposed rule to OEO for review if the rule is estimated to increase state regulatory costs by more than $100,000 within five years after implementation. (Sec. 1)
2. Specifies that if OEO confirms a proposed rule is estimated to increase state regulatory costs by more than $500,000 within five years after the rule's implementation, the rule becomes effective only when the Legislature enacts legislation ratifying the rule. (Sec. 1)
3. Stipulates that OEO submit the proposed rule to AROC not later than 30 days before the next regular legislative session. (Sec. 1)
4. Instructs AROC to submit the proposed rule to the legislature as soon as practicable. (Sec.1)
5. Authorizes any member of the Legislature to introduce legislation to ratify the proposed rule and exempts the proposed rule from statute relating to the time and manner of rulemaking. (Sec. 1)
6. Prohibits an agency from filing a final rule with the Secretary of State before obtaining legislative approval through legislation ratifying the proposed rule. (Sec. 1)
7. Requires an agency to publish a notice of termination in the register and terminate the proposed rulemaking if the Legislature does not enact legislation to ratify the proposed rule during the current legislative session. (Sec. 1)
8. Allows a person who is regulated by an agency proposing a rule or a legislator to request OEO to review the rule. (Sec. 1)
9. Exempts emergency rules adopted pursuant to statute from the legislative ratification requirements on rulemaking. (Sec. 1)
10. States that, beginning on the general effective date, a rule is void and unenforceable unless the rule is ratified as prescribed. (Sec. 1)
11. Excludes the Arizona Corporation Commission from the requirements of legislative ratification of proposed rules. (Sec. 1)
12. Allows the Legislature to eliminate by concurrent resolution any agency rule that costs taxpayers more than $1,000,000 per year. (Sec. 1)

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

13. Stipulates that citizens or businesses affected by an agency rule may request OEO assess a rule's impact on taxpayers. (Sec. 1)

14. Requires OEO to complete the assessment and notify AROC, the public and the Legislature of the findings within six months. (Sec. 1)

15. Contains a severability clause. (Sec. 2)

16. Directs the Secretary of State to submit this proposition to the voters at the next general election. (Sec. 2)

Amendments

Committee on Regulatory Oversight

1. Strikes section § 41-1049, the section pertaining to rulemaking, regulatory costs that relate to specific dollar amounts, timeframes and legislative ratification.

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: ST DPA 8-0-1

HB 2687: Arizona space commission; strategic plan
Sponsor: Representative Wilmeth, LD 2
Caucus & COW

Overview
Changes the deadline for the Arizona Space Commission (ASC) to submit the strategic plan to designated parties to every odd numbered year.

History
Laws 1991, Chapter 118 created the Commission to serve as Arizona's coordinator of all space-related commercial and technological partnerships and provide expertise to government entities on the development of the space-related industry in Arizona (ASC, Legislative Charge). In 2001, ASC was continued for 10 years but terminated on July 1, 2011 (Laws 2001, Chapter 29). ASC was reestablished in the Fifty-sixth Legislature (Laws 2024, Chapter 10).

ASC is required to develop strategic plans to promote and expand space aeronautics. ASC is to submit the strategic plan to the Governor, President of the Senate and Speak of the House on every even numbered year. The initial report is due by December 31, 2024 (A.R.S 41-1551.01).

Provisions
1. Changes the date for submission of strategic plan, from every even numbered year to every odd numbered year. (Sec. 1)
2. Contains a retroactivity clause from December 31, 2024. (Sec. 1)
3. Contains an emergency clause. (Sec. 1)

Amendments
Committee on Science and Technology
1. Outlines term dates for members expiring in 2026, 2028 and 2030.

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: TI DPA 4-2-1-0

HB 2696: critical Infrastructure; foreign adversary; prohibition
Sponsor: Representative Kupper, LD 25
Caucus & COW

Overview

Prohibits any software used for critical infrastructure in this state from being produced by a company that is headquartered in a foreign adversary or that is under the control of a foreign adversary. Directs an owner of critical infrastructure to notify the attorney general of any proposed sale to, transfer of ownership to or investment in critical infrastructure by a foreign adversary or an entity domiciled outside of the United States. Mandates requirements on critical infrastructure for the attorney general, the court, governmental entities and companies.

History

The Arizona Department of Administration (ADOA) must develop, implement and maintain a coordinated statewide plan for information technology, including evaluating specific information technology projects relating to the approved budget unit and statewide information technology plans in consultation with the statewide information security and privacy office in the Arizona Department of Homeland Security (AZDOHS). ADOA must manage enterprise-level information technology infrastructure, except that the information security and privacy office in the AZDOHS must manage the information security aspects of the infrastructure, and temporarily suspend access to information technology infrastructure when directed by AZDOHS and consult with AZDOHS regarding security policies, standards and procedures (A.R.S. § 18-104).

Critical infrastructure means systems and assets, whether physical or virtual, that are so vital to this state and the United States that the incapacity or destruction of those systems and assets would have a debilitating impact on security, economic security, public health or safety (A.R.S § 41-1801).

The United States Secretary of Secretary of Commerce has determined that the following foreign governments or foreign non-government persons have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the United States or security and safety of United States persons and constitute foreign adversaries:

1) The People's Republic of China, including the Hong Kong Special Administrative Region;
2) Republic of Cuba;
3) Islamic Republic of Iran;
4) Democratic People's Republic of Korea;
5) Russian Federation; and
6) Venezuelan politician Nicolás Maduro (15 C.F.R. § 791.4).

Provisions

Critical Communications Infrastructure Software

1. Prohibits any software that is used for critical infrastructure in this state from being produced by a company that is headquartered in a foreign adversary or that is under the control of a foreign adversary. (Sec. 1)

2. Mandates that any critical communications infrastructure within this state may not include any equipment that is manufactured by a federally banned corporation. (Sec. 1)

3. Requires any equipment of critical communications infrastructure in this state currently manufactured by a federally banned corporation to be replaced with equipment manufactured in the United States. (Sec. 1)

4. States that any communications provider that removes, discontinues or replaces any communications equipment prohibited by software regulation is not required to obtain an additional permit from any state agency or political subdivision of this state for the removal, discontinuance or replacement of the prohibited equipment. (Sec.1)

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

5. Prohibits a governmental entity in this state from entering into or renewing a contract with a wi-fi router or modem system vendor if:
   a. The vendor is owned by the government of a foreign adversary;
   b. The government of a foreign adversary has a controlling interest in the vendor; or
   c. The vendor is selling a product produced by the government of a foreign adversary, a company domiciled in a foreign adversary or a company owned or controlled by a company domiciled in a foreign adversary. (Sec. 1)

6. Directs each critical infrastructure service provider in this state to certify to the attorney general that the provider does not use any wi-fi router or modem produced by:
   a. A company owned by the government of a foreign adversary;
   b. A company in which a foreign adversary has a controlling interest; or
   c. The government of a foreign adversary, a company domiciled in a foreign adversary or a company owned or controlled by a company domiciled in a foreign adversary. (Sec. 1)

7. Requires the attorney general, by December 31, 2025 and each year thereafter, to publish a list of all wi-fi routers and modems prohibited pursuant to software regulation and to post the list on the attorney general's website. (Sec. 1)

Attorney General and Court Requirements

8. Directs an owner of critical infrastructure in this state to notify the attorney general of any proposed sale to, transfer of ownership to or investment in critical infrastructure by a foreign adversary or an entity domiciled outside of the United States. (Sec. 2)

9. Stipulates that the attorney general must investigate the sale, transfer of ownership or investment in the critical infrastructure within 30 days after receiving the notice. (Sec. 2)

10. Requires the attorney general to file a request for an injunction opposing the proposed sale, transfer or investment if the attorney general finds that the proposed sale, transfer or investment threatens the security of critical infrastructure in this state, the economic security of this state or the public health or safety. (Sec. 2)

11. Mandates, if a court of competent jurisdiction finds that the sale, transfer of ownership or investment in the critical infrastructure poses a reasonable threat to this state, the court must deny the proposed sale, transfer or investment. (Sec. 2)

12. Directs the attorney general, by December 31, 2025 and each year thereafter, to publish a list of all prohibited traffic camera vendors and light detection and ranging technology vendors and to post the list on the attorney general's website. (Sec. 2)

Governmental Entities and Companies

13. Restricts a governmental entity in this state from entering into or renewing a contract, with a light detection and ranging technology vendor, with a vendor of a school bus infraction detection system, a speed detection system, a traffic infraction detector or any other vendor of camera equipment used for enforcing traffic laws if:
   a. The vendor is owned by the government of a foreign adversary;
   b. The government of a foreign adversary has a controlling interest in the vendor; or
   c. The vendor is selling a product produced by the government of a foreign adversary, a company domiciled in a foreign adversary or a company owned or controlled by a company domiciled in a foreign adversary. (Sec. 2)

14. Prohibits a company or a governmental entity in this state from entering into an agreement or contract involving critical infrastructure with a foreign principal from a foreign adversary if under the agreement or contract the foreign principal, directly or remotely, would be able to access or control critical infrastructure. (Sec. 3)

15. Permits a company or a governmental entity in this state from entering into an agreement or contract involving critical infrastructure with a foreign principal from a foreign adversary if:
   a. No other reasonable option exists for addressing a need that is relevant to critical infrastructure;
   b. The agreement or contract is preapproved by the Arizona Department of Administration; or
   c. Not entering into the agreement would pose a greater threat to this state than the threat associated with entering into the agreement or contract. (Sec. 3)

Miscellaneous

16. Stipulates that this act may be cited as the "*Arizona Critical Infrastructure Protection Act*". (Sec. 4)

17. Defines pertinent terms. (Sec. 1-3)

Amendments

Committee on Transportation & Infrastructure

1. Mandates that any equipment of critical communications infrastructure currently manufactured by a federally banned corporation must be replaced with equipment not manufactured by a federally banned corporation, rather than by equipment manufactured in the United States.

2. Requires, by January 1st of each year, a critical communications infrastructure provider (provider) participating in the Secure and Trusted Communications Networks Reimbursement program, to certify to the Arizona Commerce Authority (ACA) any instances of prohibited critical communications infrastructure equipment use, along with the geographic coordinates of the areas served by the prohibited equipment.

3. Directs the certified provider to submit a status report to the ACA every quarter detailing compliance with the Secure and Trusted Communications Networks Reimbursement program.

4. Requires the ACA to produce, each quarter, a map of this state detailing the areas that are serviced by critical communications infrastructure that includes equipment manufactured by a federally banned corporation.

5. Prohibits a governmental entity in this state from entering into or renewing a contract with a wi-fi router, modem, lidar, camera or battery systems, or smart meter vendor or a vendor of any other technology, if:
   a) the vendor is owned by the government of a foreign adversary;
   b) the government of a foreign adversary has a controlling interest in the vendor;
   c) the vendor is selling a product produced by the government of a foreign adversary, a company domiciled in a foreign adversary or a company owned or controlled by a company domiciled in a foreign adversary;
   d) the vendor's product includes cellular internet-of-things modules from a foreign adversary; or
   e) the vendor's product includes a product produced by a Chinese military company operating in the United States as identified by the William M. Thornberry National Defense Authorization Act for FY2021.

6. Requires a company to file an ACA-prescribed certification form and pay a certification fee to access critical infrastructure in this state.

7. Prohibits a company from using cloud service providers or data centers that are foreign entities, to maintain registration as a company with access to critical infrastructure, and requires the company to:
   a) identify all employes of the company who have access to critical infrastructure;
   b) before hiring an employee or before allowing an employee to continue having access to critical infrastructure, obtain from a private entity any criminal history records information relating to the employee and any other background information necessary to protect critical infrastructure from infiltration or interference by a foreign adversary;
   c) prohibit foreign nationals from a foreign adversary from accessing critical infrastructure;
   d) disclose any ownership of, partnerships with or control from any entity not domiciled in the United States;
   e) store and process all data generated by critical infrastructure domestic servers; and
   f) immediately report any cyberattack, security breach or suspicious activity to the ACA.

8. Directs the ACA to establish a secure and dedicated communications channel for critical infrastructure providers and military installations across this state to connect with the ACA and the Office of the Governor in the event of an emergency that damages critical communications infrastructure.

9. Makes conforming and technical changes.

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: WM DP 8-0-0-1

HB 2015: EORP; CORP; funded ratio
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Modifies the Elected Officials Retirement Plan (EORP) and the Corrections Officer Retirement Plan (CORP) requirements for employer and member contributions. Requires the board of trustees (board) for EORP and CORP to account for excess valuation assets up to 100% of present value of all future benefits, changes how excess member compensation can be used, sets requirements the board must follow to suspend contributions to EORP and modifies the requirements to suspend contributions to CORP, and allows a CORP employer to request the transfer of assets of an employer.

History

The EORP employer level percent compensation contribution that is paid, less the amount contributed by the employer and eligible members, must not be used to pay for an increase in benefits that is otherwise payable to members and instead be used to meet the normal cost plus an amount to amortize the unfunded liability. After the close of any fiscal year, if a plan's actuary determines that the actuarial valuation of the fund contains excess assets and is more than 100% funded, the board must account for 50% of the excess valuation assets in a stabilization reserve account. From fiscal year 2011-2012 and each fiscal year after employers are prevented from using the amount of a member's contribution exceeding 7% to reduce the employer's contributions (A.R.S. § 38-810).

The minimum CORP employer contribution that is paid and is in excess of the normal cost plus the actuarially determined amount required to amortize the unfunded accrued liability must be used to reduce future employer contribution increases and not be used to pay for an increase in benefits that are otherwise payable to members. After the close of any fiscal year, if a plan's actuary determines that the actuarial valuation of the fund contains excess assets and is more than 100% funded, the board must account for 50% of the excess valuation assets in a stabilization reserve account. From fiscal year 2011-2012 and each fiscal year after employers are prevented from using the amount of a member's contribution exceeding 8.41% or 7.96% to reduce the employer's contributions to the CORP. In any fiscal year the employer contributions in combination with member contributions may not be less than the actuarially determined normal cost for that fiscal year. The board is prohibited from suspending contributions to the plan unless both the plan's actuary determines that continuing to accrue excess earnings could result in disqualification of the plan's tax-exempt status and the board determines that suspending the normal cost of contributions would not conflict with its fiduciary responsibility (A.R.S. § 38-891).

Provisions

Elected Officials Retirement Plan

1. Allows the board to account for excess valuation assets up to 100% of present value of all future benefits of the employer in a stabilization reserve fund instead of 50%. (Sec. 1 and 2)
2. Removes *For fiscal year 2011-2012 and each fiscal year thereafter*. (Sec. 1)
3. Mandates that member contributions exceeding 7% will not be used to reduce employer contributions until the employer's funded ratio is at or above 100%. (Sec. 1)
4. States that if an employer's funded ratio falls below 100%, the member's contributions above 7% cannot be used until the employer's funded ratio returns to 100%. (Sec. 1)
5. States that an employer's contribution to the plan in combination with member contributions may not be less than the actuarially determined cost for that fiscal year. (Sec. 1)

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

6. Stipulates that the board cannot suspend contributions to a plan unless the plan actuary determines the stabilization reserve of an employer's account is funded to 100% of present value of all future benefits of the employer and if the board determines that suspending the normal cost contributions would not conflict with its fiduciary responsibility. (Sec. 1)

Corrections Officer Retirement Plan

7. Removes the limit on employer contribution being less than 6% of salary and the requirement for employers who actual contribution rate is below 6% must be at least 5%. (Sec. 2)
8. Removes *For fiscal year 2011-2012 and each fiscal year thereafter*. (Sec. 2)
9. Mandates that member contributions exceeding 8.41% for members other than a full-time dispatcher or 7.96% for members that are full-time dispatchers cannot be used to reduce employer contributions until the employer's funded ratio is at or above 100%.
10. States that if the employer's funded ratio fall below 100%, the member contributions exceeding 8.41% or 7.96% cannot be used to reduce the employer's contribution rate until the employer funded ratio returns to 100%. (Sec. 2)
11. Maintains that the board may not suspend contributions to the Public Safety Personnel Retirement System (system) unless both:
    a) The plan actuary, based on the annual valuation, determines the stabilization reserve of an employer's account is funded to 100% of present value of all future benefits of the employer.
    b) The board determines that suspending the normal cost contributions would not conflict with its fiduciary responsibility. (Sec. 2)
12. Allows employers to request the board to transfer excess assets of an employer's account with no liabilities or beneficiaries to another account of the employer that is managed by the board if all apply:
    a) All liabilities have been reconciled and there are no remaining or potential liabilities or beneficiaries of the employer's account which is verified by the board.
    b) The board and the system bear no liability that the proposed transfer with any restrictions on the use or transfer of the assets of the proposed transfer.
    c) The transfer does not violate the Internal Revenue Code (IRC) or will impair the systems status as a qualified plan under the IRC. (Sec. 2)
13. Stipulates that to request a transfer of assets an employer must:
    a) The governing body of the employer must adopt a resolution requesting the transfer of assets in a public section available for public comment.
    b) The employer must submit a written request to the administrator of the board for the transfer of assets along with the adopted resolution. (Sec. 2)
14. Allows the Joint Legislative Budget Committee (JLBC) to request conformation from the administrator of the board that a state employer meets the requirements for the transfer of assets.
15. Instructs the legislature to pass a bill directing the transfer of assets from the eligible state employer account to another account of the employer. (Sec. 2)
16. Directs the JLBC to confirm that the assets are eligible for transfer with the administrator of the board and to discuss the matter in a public meeting before the bill is passed. (Sec. 2)
17. Specifies that the system refers to the Public Safety Personnel Retirement. (Sec. 2)
18. Makes conforming changes. (Sec. 1 and 2)

HB 2034: ASRS; supplemental employee deferral plan
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Outlines that public employees can participate in the Arizona State Retirement System (ASRS) supplemental employee deferral plan if they are not participating in the Public Safety Personnel Retirement System (PSPRS).

History

Employees of an ASRS employer are unable to participate in a supplemental employe deferral plan if they are eligible to participate in a PSPRS plan (A.R.S. § 38-781).

PSPRS is a retirement system for Arizona public safety personnel who are regularly assigned hazardous duty (A.R.S. § 38-841).

Provisions

1. Changes *eligible to participate* to *participating*. (Sec. 1)
2. Outlines that employees of political subdivisions, which participate in ASRS, are ineligible to participate in supplemental employee deferral plans if they are participating in PSPRS. (Sec. 1)

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

HB 2035: ASRS; termination incentive programs
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Creates a definition for *unfunded liability* used for assessing the cost for an unfunded liability resulted from a termination incentive program.

History

Employers are required, if they offer a termination incentive program, to pay the Arizona State Retirement System (ASRS) if a unfunded liability results from a termination incentive program (A.R.S. § 38-749).

Provisions

1. Defines *unfunded liability* for each type of termination incentive program. (Sec. 1)
2. Makes technical changes. (Sec. 1)

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

HB 2036: ASRS; temporary personnel service
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Amends the credit for military service in the Arizona State Retirement System (ASRS) to include temporary personnel covered by the Civilian Reservist Emergency Workforce Act of 2021 (CREW act).

History

ASRS employers are currently required to make employer and employee contributions for no more than 60 months for a member who is called to active-duty military service (A.R.S. § 38-745).

The CREW act protects the job rights of Federal Emergency Management Agency (FEMA) reservists while they are deployed to disasters, emergencies and trainings through the inclusion of FEMA reservists under the Uniformed Services Employment and Reemployment Rights Act (USERRA) (FEMA.gov). Through its inclusion under USERRA FEMA reservists are able to make employee contributions to pension benefit plans during the period beginning with the date of reemployment and whose duration is three times the period of the person's service in the uniformed services, however the payment period cannot exceed five years (38 U.S.C. § 4318).

Provisions

1. Expands credited service in ASRS to temporary personnel who are called to serve by a federal agency. (Sec. 1)
2. Adds the CREW act to statute. (Sec. 1)
3. Makes technical changes. (Sec. 1)

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

HB 2077: ASRS; long-term disability
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Outlines that a member must be employed by an Arizona State Retirement System (ASRS) employer to qualify as disabled in the Long-Term Disability (LTD) program.

History

A member is considered to have a disability if in the first 30 months of disability the member is unable to perform one or more duties of the occupation or if a member has received monthly LTD program benefits for 24 months within a five year period (A.R.S. § 38-797.07).

Provisions

1. Specifies that a member must be with an ASRS employer. (Sec. 1)

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

HB 2119: model city tax code; notice
Sponsor: Representative Carter N, LD 15
Caucus & COW

Overview

Requires a municipality that proposes an ordinance to adopt or repeal a Model City Tax Code (MCTC) model or local option to notify all affected businesses in an affected business classification by mail at last sixty days prior to the proposed ordinance being approved or rejected by the municipality.

History

Current law prohibits municipalities from levying or assessing any new taxes or fees or increasing existing taxes or fees without doing the following: preparing a schedule of the proposed new or increased tax or fee and filing it in the municipalities clerks office; preparing a schedule of any proposed new tax or fee that supports the new charge on the municipalities website; prepare a written notice of any proposal to increase an existing tax or fee increase that supports the proposed increase on the municipalities website; or prepare a notice of intent to establish or increase taxes, assessments or fees including a schedule that supports the new or increased tax or fee on the municipalities website. (A.R.S. § 9-499.15)

Provisions

1. Requires a municipality that proposes an ordinance to adopt or repeal a Model City Tax Code (MCTC) model or local option to notify all affected businesses in an affected business classification by mail at last sixty days prior to the proposed ordinance being approved or rejected by the municipality. (Sec. 1)
2. States that the mail notification process does not apply to ordinances that impose a use tax or that exempt a city from use tax or to impose a two-tiered tax rate for retail sales. (Sec. 1)
3. Requires a municipality to provide a license applicant with a notice of any MCTC model or local options that will apply to the applicant. (Sec. 2)
4. Requires a city or town that proposes an ordinance to adopt or repeal an MCTC model or local option to notify all businesses in the affected business classification. (Sec. 3)

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

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
House: WM DP 8-0-0-1

HB 2688: internal revenue code; conformity.
Sponsor: Representative Olson, LD 10
Caucus & COW

Overview

Conforms the Arizona tax statutes to the U.S. Internal Revenue Code (IRC) of 1986, as amended, and in effect as of January 1, 2025, including those provisions that became effective during 2024 with the specific adoption of all the retroactive dates, but excluding any changes to the IRC enacted after January 1, 2025.

History

Current law conforms Arizona's income tax calculation to the IRC of 1986, as amended, in effect on January 1, 2024, including those provisions that became effective during 2023 with the specific adoption of all retroactive effective dates, but excluding any changes to the code enacted after January 1, 2024. (A.R.S. § 43-105)

Generally, each year changes are made to the IRC that affect the Arizona income tax calculation. Tax conformity with the IRC is deemed necessary because the calculation of Arizona corporate income tax begins with federal taxable income and the federal adjusted gross income is the starting point for individual income tax.

Provisions

1. Updates the definition of *Internal Revenue Code.* (Sec. 1)
2. Conforms the Arizona tax statutes to the U.S. Internal Revenue Code (IRC) of 1986, as amended, and in effect as of January 1, 2025, including those provisions that became effective during 2024 with the specific adoption of all the retroactive dates, but excluding any changes to the IRC enacted after January , 2025. (Sec. 2)
3. Makes conforming changes. (Sec. 2)

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