

# ARIZONA STATE LEGISLATURE

## LEGISLATIVE COUNCIL

**Minutes of the Meeting  
July 25, 2018  
9:00 A.M., House Hearing Room 3**

### **Members Present:**

Senator Steve Yarbrough, Vice-Chairman	Representative Javan Mesnard, Chairman
Senator Sylvia Allen	Representative Rusty Bowers
Senator Judy Burges	Representative Ken Clark
Senator Gail Griffin	Representative Charlene R. Fernandez
Senator Katie Hobbs	Representative David Livingston
Senator Martin Quezada	Representative T.J. Shope
Senator Steve Smith	Representative Michelle B. Ugenti-Rita

### **Staff:**

Mike Braun, Executive Director, Legislative Council  
Ken Behringer, General Counsel, Legislative Council  
Elizabeth Dunfee, Council Attorney, Legislative Council  
Michele Hanigsberg, Council Attorney, Legislative Council  
Marge Ray, Council Attorney, Legislative Council  
Nadine Sapien, Chief Editor, Legislative Council  
Amber Witter, Editor, Legislative Council

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

Representative Mesnard gave opening remarks.

**Mike Braun, Executive Director, Legislative Council**, stated that the function of the Council this morning is to adopt impartial analyses today for the four initiative measures that may appear on the November ballot. The statute requires that the impartial analysis shall include a description of the measure, shall be written in clear and concise terms, avoiding technical terms whenever possible and the analysis may contain background information. Mr. Braun distributed and explained handouts entitled "Legislative Council Staff Draft analysis of C-05-2018" (Attachment A) and a sample publicity pamphlet (Attachment B). Mr. Braun explained that the publicity pamphlet that is mailed to all voters by the Secretary of State for each initiative measure contains the proposition number, the official title, the verbatim text of the measure followed by the analysis by Legislative Council. For the four initiative measures that may be on the ballot in November, immediately after the Legislative Council analysis is the fiscal impact statement that is promulgated by the staff of the Joint Legislative Budget Committee (JLBC), after that comes all of the arguments that people submit for a particular proposition followed by all of the arguments that people submit against that proposition. Last but not least, comes the sample ballot format that gives the proposition number, the official title, a descriptive title that is promulgated by the Secretary of State and approved by the Attorney General, followed by the effect of a yes and no vote (again, promulgated by the Secretary of State,

approved by the Attorney General). So, the task today is to adopt the analysis that will appear immediately after the text of the measure and immediately above the fiscal impact statement that JLBC puts together. Mr. Braun answered questions posed by the Committee.

In response to Senator Quezada's questions, Mr. Braun explained that JLBC staff are required to adopt, to promulgate a 300-word fiscal impact statement that is on the publicity pamphlet. JLBC also traditionally put together a much more comprehensive, well in excess of 300-word analysis that appears on the JLBC website but not in the publicity pamphlet.

In response to Representative Clark's question, the Council has no say on the fiscal impact statement. The JLBC Fiscal Statement is actually prepared by the JLBC staff and goes through no approval process.

**Adoption of Ballot Analysis Pursuant to Arizona Revised Statutes, Section 19-124: C-05-2018 – The Protect Arizona Taxpayers Act**

Mr. Braun informed the Council that last Friday for all four of these measures, the copy of the Legislative Council Staff Draft was circulated to all ninety members, to all of the interested parties who were on the paperwork filed with the Secretary of State's Office for the initiatives and to all the relevant staff people. Those have been available since Friday. Since Friday, we have not received any comments from any members. We of course believe that the Legislative Council Staff Draft meets the requirements of the Title 19 provision.

**Wes Gullett, Citizens for Fair Tax Policy**, testified in support of the Constitutional amendment and support the Legislative Council's analysis as written.

**Devin DelPalacio, representing himself, School Board Member, Tolleson School District**, testified in opposition to the Legislative Council analysis.

Representative Mesnard offered comments.

**Tom Farley, Arizona Association of Realtors**, testified in support of the analysis as drafted by Legislative Council.

**Representative Clark** distributed his amendments (Attachment C).

Representative Mesnard read Representative Clark's proposed amendments (Attachment C) to the Legislative Council Analysis as follows:

Line 3, after "any" insert "NEW"

Line 4, after "state" insert "WHICH IS ESTIMATED TO BE \$5.2 BILLION IN FOREGONE REVENUE"

Line 5, strike "affect" insert "ELIMINATE"

Representative Clark explained his amendments (Attachment C) and answered questions.

Mr. Braun explained that the fiscal impact summaries have been circulated by the JLBC electronically, but they have not been submitted to the Secretary of State's Office as of July 24, 2018.

Representative Mesnard requested staff to obtain a copy and distribute to the Committee all four JLBC Fiscal Impact Summaries:

Ballot Proposition C-05-2018: Protect Arizona Taxpayers Act Fiscal Impact Summary (Attachment D)

Ballot Proposition C-03-2018: Stop Political Dirty Money Amendment Fiscal Impact Summary (Attachment E)

Ballot Proposition C-04-2018: Clean Energy for a Healthy Arizona Fiscal Impact Summary (Attachment F)

Ballot Proposition I-17-2018: Invest in Education Act Fiscal Impact Summary (Attachment G)

Representative Clark offered comments and answered questions posed by the Committee.

Mr. Gullett answered questions posed by the Committee regarding Representative Clark's amendments.

**Senator Quezada** offered comments.

**Senator Smith** offered comments.

Representative Clark offered additional comments.

Representative Mesnard offered comments and read language from the JLBC Fiscal Analysis (Attachment H).

Mr. Gullett answered additional questions posed by the Committee.

Mr. Braun offered additional comment on Representative Clark's amendments.

Representative Clark offered additional comments.

Mr. Braun answered additional questions posed by the Committee.

Committee discussion on Representative Clark's amendments.

Mr. Braun answered additional questions posed by the Committee.

Representative Mesnard offered additional comments.

Representative Clark moved to take the amendments individually to vote.

**Representative Clark offered the Clark #1 amendment (Attachment C) to the Legislative Council Staff Draft Analysis of C-05-2018 (Attachment A) to read:**

**That we change line 3, rather than what we have written down here after "any" insert "new". It would be after "imposing" insert "new".**

**Representative Mesnard clarified the Clark #1 amendment to the Legislative Council Staff Draft Analysis of C-05-2018 (Attachment A) would now read as follows:**

**On line 2, after the word "imposing" we would say "ANY NEW"**

**On line 3, after "any" we insert the word "EXISTING"**

Representative Mesnard called for any other discussion.

Mr. Gullett offered comments on the proposed amendment.

**Representative Mesnard called for a vote on the motion. The motion CARRIED by voice vote.**

**Representative Clark moved the Clark #3 amendment (Attachment C) to the Legislative Council Staff Draft Analysis of C-05-2018 (Attachment A) that now reads:**

**Line 5, strike "effect" and insert "REPEAL OR NULLIFY"**

The Committee discussed the Clark #3 amendment as stated.

**Representative Mesnard called for a vote on the motion. The motion CARRIED by voice vote.**

**Representative Clark moved the Clark #2 amendment (Attachment C) to the Legislative Council Staff Draft Analysis of C-05-2018 (Attachment A) to now read:**

**Line 4, after the word "state" insert "WHICH IS ESTIMATED TO BE 5.2 BILLION DOLLARS IN FORGONE REVENUE"**

Representative Mesnard called for any other discussion.

**Representative Mesnard called for a vote on the motion. The motion FAILED by voice vote.**

**Senator Yarbrough moved the ADOPTION of the draft analysis prepared by the staff of Legislative Council (Attachment A) AS AMENDED. The motion CARRIED with a roll call vote of 10-4-0 (Attachment 1).**

Senator Quezada, Representatives Bowers, Clark, Fernandez, Livingston, and Mesnard explained their vote.

**Adoption of Ballot Analysis Pursuant to Arizona Revised Statutes, Section 19-124: C-03-2018 - Stop Political Dirty Money Amendment**

**Marge Ray, Legislative Council, Council Attorney**, distributed and explained the Legislative Council Staff Draft analysis of measure C-03-2018 (Attachment I) a proposed amendment to the Arizona Constitution relating to campaign finance. We believe this analysis meets the requirements of A.R.S. section 19-124 as a fair and impartial analysis of the measure.

**Amanda Melcher, Outlaw Dirty Money**, testified in support of the proposed language as put forth.

**Kathleen Honne, representing herself**, testified in support of the analysis as written.

**Rivko Knox, League of Women Voters of Arizona**, testified in support of the analysis as written.

**Senator Yarbrough moved the ADOPTION of the draft analysis prepared by the staff of the Legislative Council (Attachment I). The motion CARRIED with a roll call vote of 12-0-2 (Attachment 2).**

Representatives Livingston and Mesnard explained their vote.

**Adoption of Ballot Analysis Pursuant to Arizona Revised Statutes, Section 19-124: C-04-2018 – Clean Energy for a Healthy Arizona Amendment**

**Michele Hanigsberg, Council Attorney, Legislative Council**, distributed and explained the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J) which is the Clean Energy for a Healthy Arizona. We believe it complies with the requirements of Section 19-124 and that it is a fair and accurate description of the measure.

Representative Mesnard called for amendments.

Representative Clark requested testimony prior to discussion on amendments.

**Alejandra Gomez, Co-Chair, Clean Energy Campaign**, testified as neutral to the language for the ballot.

**Jim Barton, representing himself**, testified in opposition to the analysis and answered questions posed by the Committee.

Mr. Braun answered questions posed by the Committee.

Mr. Barton answered additional questions posed by the Committee.

The Committee discussed the Legislative Council Staff Draft analysis C-04-2018 (Attachment J).

Ms. Hanigsberg further explained the Legislative Council Staff Draft analysis C-04-2018 (Attachment J) and answered questions posed by the Committee.

Mr. Braun answered additional questions posed by the Committee.

Ms. Hanigsberg continued to explain the Legislative Council Staff Draft analysis C-04-2018 (Attachment J).

**Dylan Sullivan, Policy Director, Clean Energy for a Healthy Arizona Campaign,** testified as neutral to the Legislative Council Staff Draft analysis C-04-2018 (Attachment J) and answered questions posed by the Committee.

**Senator Allen** offered comments.

The Committee continued to discuss the Legislative Council Staff Draft analysis.

Mr. Sullivan continued with his testimony on the Legislative Council Staff Draft analysis.

Ms. Hanigsberg further explained the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J) and answered additional questions posed by the Committee.

**Charles Miller, representing himself,** testified as neutral to the Legislative Council Draft Staff analysis.

**Dru Bacon, representing himself,** testified as neutral to the Legislative Council Draft Staff analysis.

**Representative Fernandez** distributed and explained the Fernandez #1 amendment (Attachment K) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

The Committee discussed the Fernandez #1 amendment (Attachment K) to the Legislative Draft analysis of C-04-2018 (Attachment J).

Mr. Braun answered questions posed by the Committee.

The Committee continued to discuss the Fernandez #1 amendment (Attachment K).

Mr. Braun answered additional questions posed by the Committee

The Committee continued to discuss the Fernandez #1 amendment (Attachment K).

**Representative Mesnard offered a verbal amendment to amend the Fernandez #1 amendment (Attachment K) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J) to read:**

**"Proposition \_\_\_\_\_ would amend the Arizona Constitution to require utilities companies that produce electricity and that are regulated by the Arizona Corporation Commission".**

Representative Mesnard call for discussion.

**Representative Mesnard called for a vote on the motion. The motion CARRIED by voice vote.**

Representative Fernandez explained the Fernandez #2 amendment (Attachment K) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

The Committee discussed the Fernandez #2 amendment (Attachment K) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

**Representative Mesnard stated the motion for the Fernandez #2 amendment (Attachment K) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J). The motion FAILED by voice vote.**

Representative Fernandez explained the Fernandez #3 amendment (Attachment K) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

The Committee discussed the Fernandez #3 amendment (Attachment K) to the Legislative Council Draft analysis of C-04-2018 (Attachment J).

**Representative Mesnard call for a vote on the Fernandez #3 amendment (Attachment K) to the Legislative Council Draft analysis of C-04-2018 (Attachment J). The motion FAILED by voice vote.**

**Senator Quezada** explained the Quezada amendment (Attachment L) to the Legislative Council Draft analysis of C-04-2018 (Attachment J).

The Committee discussed the Quezada amendment (Attachment L) to the Legislative Council Draft analysis of C-04-2018 (Attachment J).

Mr. Braun offered comments.

The Committee further discussed the Quezada amendment (Attachment L) to the Legislative Council Draft analysis of C-04-2018 (Attachment J).

Mr. Braun asked for clarification on the suggested changes to the Quezada amendment (Attachment L).

Mr. Braun stated the changes to the Quezada amendment (Attachment K) as follows:

"MEET 50% of RETAIL ELECTRICITY SALES WITH"

**Senator Quezada agreed with and moved the language as read by Mr. Braun. The motion FAILED by voice vote.**

**Representative Clark** explained the Clark #1 amendment (Attachment M) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J) and answered questions posed by the Committee.

**Representative Mesnard called for the vote on the Clark #1 amendment (Attachment M) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J). The motion FAILED by voice vote.**

Representative Clark explained the Clark #2 amendment (Attachment M) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J) with possible changes to the amendment.

Ms. Hanigsberg answered questions posed by the Committee.

The Committee discussed the Clark #2 amendment (Attachment M) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

Ms. Hanigsberg answered additional questions posed by the Committee.

Representative Clark further explained the Clark #2 amendment (Attachment M) as written.

Ms. Hanigsberg further explained the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

The Committee further discussed the Clark #2 amendment (Attachment M) and possible modifications to the amendment.

**Representative Clark moved the following amendment to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J):**

**Line 17, strike "produced", insert "LOCATED"**

**The motion CARRIED by voice vote.**

**Representative Clark moved the following amendment to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J):**

**Line 21, after the period insert "DISTRIBUTED RENEWABLE ENERGY PRODUCED TO MEET THIS REQUIREMENT WOULD COUNT TOWARD THE ANNUAL RENEWABLE ENERGY REQUIREMENT".**

**Strike lines 22-24**

**Renumber to conform**

**The motion CARRIED by voice vote.**

**Representative Clark moved the following amendment to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J):**

**Line 17, after "premises" insert ", SUCH AS ROOFTOP SOLAR"**

**The motion FAILED by voice vote.**



Representative Mesnard distributed and explained the Mesnard amendment (Attachment N) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J) and the Legislative Council Staff Draft engrossed as amended analysis of C-04-2018 (Attachment O). Representative Mesnard answered questions posed by the Committee.

Mr. Braun answered questions posed by the Committee.

Ms. Hanigsberg answered questions posed by the Committee.

The Committee discussed the Mesnard amendment (Attachment N) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J).

**Representative Mesnard moved the Mesnard amendment (Attachment N) to the Legislative Council Staff Draft analysis of C-04-2018 (Attachment J). The motion CARRIED by voice vote.**

**Senator Yarbrough moved the adoption of the draft analysis prepared by the staff of the Legislative Council (Attachment J) AS AMENDED. The motion CARRIED with a roll call vote of 14-0-0 (Attachment 3).**

Representative Fernandez explained her vote.

**Adoption of Ballot Analysis Pursuant to Arizona Revised Statutes, Section 19-124: I-17-2018 – Invest in Education Act**

**Mike Braun, Executive Director, Legislative Council**, distributed the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P). This is one of the draft analysis that was distributed last Friday to all ninety members pursuant to law. We have not received any comments from any of the members who are not members of Legislative Council. We do believe that the Legislative Council Staff Draft meets the requirements of law and I would be happy to answer any questions. Mr. Braun answered questions posed by the Committee.

**Joshua Buckley, representing himself, Mesa Public School Educator, Chair, Invest In Ed Campaign**, testified in opposition to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

Mr. Braun further explained the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Mr. Buckley continued with his testimony and answered additional questions posed by the Committee.

Mr. Barton, testified in opposition to the Legislative Council Staff Draft analysis of (Attachment P) and answered questions posed by the Committee.

The Committee discussed the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Mr. Braun offered comments.

The Committee continued to discuss the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Representative Mesnard offered comments regarding recess and correcting the adoption of an amendment.

## **RECESS**

At 1:08 p.m. the Chairman recessed the meeting.

## **RECONVENE**

At 1:43 p.m. the Chairman reconvened the meeting.

**Senator Yarbrough moved that the Analysis Adopted by Legislative Council to C-04-2018 be further amended as follows:**

**Line 2, strike "but not" insert "WHICH DO NOT INCLUDE"**

**The motion CARRIED by voice vote.**

**Senator Yarbrough moved the Analysis AS AMENDED, be ADOPTED.  
The motion CARRIED with a roll call vote of 13-0-1 (Attachment 4).**

**Mary O'Grady, representing herself, Lawyer,** testified in opposition to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

**Jaime Molera, Chairman, Arizonans for Great Schools and a Strong Economy,** testified in support of the language as written and answered questions posed by the Committee.

The Committee discussed the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and clarifying the word teacher.

Mr. Braun offered comments.

The Committee further discussed the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

**Chad Heinrich, National Federation of Independent Business of Arizona,** testified in support of the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and offered comments.

**Rivko Knox, League of Women Voters of Arizona,** testified in opposition to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

**Heather Labelle, representing herself, public school teacher, Washington Elementary School District,** testified in opposition to the Legislative Council Staff Draft analysis I-17-2018 (Attachment P).

**Scot Mussi, Arizona Free Enterprise Club;** testified in support of the frame work of the Legislative Council Staff Draft analysis I-17-2018 (Attachment P) and offered comments. Mr. Mussi answered questions posed by the Committee.

**Julie Gunnigle, representing herself, Attorney, Law Professor,** testified in opposition to the Legislation Council Staff Draft analysis I-17-2018 (Attachment P) and answered questions posed by the Committee.

The Committee discussed the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Mr. Braun offered comments.

Mr. Barton further testified on the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

The Committee further discussed the Legislative Council Staff Draft analysis of I17-2018 (Attachment P).

Representative Mesnard offered comments.

**Senator Hobbs** distributed and explained the Hobbs #1 amendment (Attachment Q) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

The Committee discussed the Hobbs #1 amendment.

Mr. Braun offered comments on the Hobbs #1 amendment.

The Committee discussed Senator Hobbs #1 amendment.

**Ken Behringer, General Counsel, Legislative Council,** answered questions posed by the Committee.

The Committee continued to discuss the Hobbs #1 amendment.

**Representative Mesnard called for the vote on the Hobbs #1 amendment (Attachment Q). The motion FAILED by voice vote.**

**Representative Mesnard offered a verbal amendment to the Legislative Council Staff Draft analysis (Attachment P) to read as follows:**

**Line 2, after the word "on" insert the word "TAXABLE"; after the word "income" strike "over" and insert "IN EXCESS OF"**

**The motion CARRIED by voice vote.**

**Senator Quezada** distributed and explained the Quezada amendment (Attachment R) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Representative Mesnard offered comments.

Representative Livingston offered comments.

Representative Bowers offered comments.

**Representative Mesnard called for the vote on the Quezada amendment (Attachment R). The motion FAILED by voice vote.**

**Representative Fernandez** distributed and explained the Fernandez amendments to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) to read as follows:

Fernandez #1 amendment (Attachment S) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P):

Page 1, line 8, after "on" insert "TAXABLE (analysis would read "Proposition \_\_\_ would increase tax rates on TAXABLE individual income")

Fernandez #2 amendment (Attachment S) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P):

Page 1, lines 11 and 13, "For a single person or a married person filling separately", I would like to make the correction, the spelling correction of "FILING" so you have to take the "L" out. That's in amendment #2.

Representative Mesnard requested clarification on the Fernandez #1 amendment.

Representative Fernandez clarified amendment #1 would change the analysis to read:

"Proposition \_\_\_ would increase tax rates on taxable individual income as follows beginning in 2019"

Representative Fernandez stated that would eliminate "Line 10, strike "subchapter S corporations)" and strike line 9. Representative Fernandez answered questions posed by the Committee.

Mr. Braun answered questions posed by the Committee.

The Committee discussed the Fernandez #1 and #2 amendments (Attachment S) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

**Representative Mesnard called for the vote on the Fernandez #1 amendment (Attachment S) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P). The motion FAILED by voice vote.**

**Representative Fernandez moved a verbal amendment to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) to read:**

**Page 1, line 8, after "on" insert "TAXABLE"**

**The motion CARRIED by voice vote.**

Representative Mesnard requested to hold the Fernandez #2 amendment (Attachment S) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) after the discussion on the Mesnard amendment.

Senator Hobbs explained the Hobbs #2 and #3 amendments (Attachment Q) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

The Committee discussed the Hobbs #2 and #3 amendments (Attachment Q).

The Hobbs #2 and #3 amendments were not offered (Attachment Q).

Representative Mesnard distributed four amendments and explained the Mesnard amendment #1 (Attachment T) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

Mr. Braun offered comments on the amendment.

Mr. Barton offered comments and answered questions posed by the Committee.

The Committee discussed the Mesnard #1 amendment (Attachment T).

**Representative Mesnard called for the vote on the Mesnard #1 amendment (Attachment T) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P). The motion CARRIED by voice vote.**

Representative Mesnard explained the Mesnard #2 amendment (Attachment U) to Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

Mr. Bran answered questions posed by the Committee.

**Representative Mesnard called for the vote on the Mesnard #2 amendment (Attachment U) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P). The motion CARRIED by voice vote.**

Representative Mesnard explained the Mesnard #3 amendment (Attachment V) to Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

Mr. Braun answered questions posed by the Committee.

Representative Mesnard answered additional questions posed by the Committee.

The Committee discussed the Mesnard #3 amendment (Attachment V) to Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Representative Mesnard further explained the Mesnard #3 amendment (Attachment V) to Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered additional questions posed by the Committee.

**Chad Heinrich, National Federation of Independent Business**, testified in support of the Mesnard #3 amendment (Attachment V).

**Representative Mesnard called for the vote on the Mesnard #3 amendment (Attachment V) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P). The motion CARRIED by voice vote.**

The Committee discussed the language for C corporations.

Representative Mesnard explained the Mesnard #4 amendment (Attachment W) to Legislative Council Staff Draft analysis of I-17-2018 (Attachment P) and answered questions posed by the Committee.

Mr. Braun answered questions posed by the Committee.

The Committee discussed the Mesnard #4 amendment (Attachment W) to Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

Mr. Barton testified in opposition to the Mesnard #4 amendment (Attachment W) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P).

**Rivko Knox, League of Women Voters of Arizona**, testified to the Mesnard #4 amendment (Attachment W).

**Sean McCarthy, Senior Research Analyst, Arizona Tax Research Association**, testified in support of the Mesnard #4 amendment (Attachment W).

**Richard Gross, representing himself**, testified to the Mesnard #4 amendment (Attachment W).

**Joshua Buckley, representing himself, Mesa Public School Educator, Chair, Invest In Ed Campaign**, testified in opposition to the Mesnard #4 amendment (Attachment W).

**Representative Mesnard called for the vote on the Mesnard #4 amendment (Attachment W) to the Legislative Council Staff Draft analysis of I-17-2018 (Attachment P). The motion CARRIED by voice vote.**

Mr. Braun clarified the Mesnard verbal amendment to read:

**Page 2, line 1, strike "designated" insert "ALLOWABLE"**

**Representative Mesnard called for the vote on the verbal amendment. The motion CARRIED by voice vote.**

**Senator Yarbrough move the Adoption of the Draft Analysis prepared by the Staff of the Legislative Council (Attachment P) AS AMENDED. The motion CARRIED with a roll call vote of 8-4-2 (Attachment 5).**

Senator Quezada, Representatives Clark, Fernandez, Livingston, Shope and Mesnard explained their vote.

Attached is a list noting the individuals who registered their position on the agenda items (Attachment X).

There being no further business, the meeting was adjourned at 4:29 p.m.

Respectfully submitted,

Toy Brown  
Committee Secretary

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