# Legislative Committee Chair: Christopher Paris

# Status of Bills Reviewed by the Legislative Committee As of May 5, 2014

2014 Master Bill Digest

#### HB2013: COUNTIES; FLOOD CONTROL DISTRICTS; RULES

County boards of supervisors and county flood control district boards are required to adopt procedures for the adoption, amendment, repeal and enforcement of rules that contain at least specified provisions, including public notice at various stages and a public meeting at which the public is able to provide comments on the proposed rule. Some exceptions. Except for rules approved before the effective date of this legislation, a county or district rule cannot be enforced without substantial compliance with this legislation. Effective January 1, 2015 for counties with a population of 375,000 or more, and January 1, 2016 for counties with a population of less than 375,000.

First sponsor: Rep. Ugenti

AAR Position: Monitor

Last Action: 2/27 retained on House COW calendar.

#### **HB2014: BALLOT MEASURES; PROP 105 DISCLOSURE**

For ballot propositions that make statutory changes, a statement that the measure can never be changed except by a 3/4 vote of the Legislature or by referring the change to the ballot must be printed on the official ballot, included in the publicity pamphlet printed by the Secretary of State, and included on any advertisement or literature to support or oppose the measure. Severability clause.

First sponsor: Rep. Ugenti

AAR Position: Monitor

Last Action: 3/24 from Senate Government and Energy with amendment # 4813

#### **HB2018: MORTGAGES; TRUST DEEDS' DEFICIENCY ACTIONS**

For mortgages and deeds of trust originated after December 31, 2014, anti-deficiency protection does not apply to real property owned by a person engaged in the business of constructing and selling dwellings that was acquired by the person in the course of that business, property that contains a dwelling that was never "substantially completed" (defined), or property that contains a dwelling that is never actually utilized as a dwelling.

First sponsor: Rep. Lovas

**AAR Position:** 

**Support with Lobbying** 

Last Action: 4/22 signed by governor. Chap. 129, Laws 2014.

#### **HB2023: FINGERPRINT CLEARANCE CARDS; MANDATORY UPDATES**

The Department of Public Safety Fingerprinting Division is required, instead of allowed, to conduct periodic state criminal history records checks to update clearance status of current fingerprint clearance card holders.

First sponsor: Rep. Kavanagh

AAR Position: Monitor

Last Action: 1/14 referred to House Public Safety, Military & Regulatory Affairs.

#### **HB2035: TECH CORRECTION; CORP COMM; POWERS**

Minor change in Title 10 (Corporations) related to the powers of the Corporation Commission. Apparent striker bus.

First sponsor: Rep. Kwasman

AAR Position: Monitor

Last Action: 4/23 referred to House Rules only.

# **HB2042: TECH CORRECTION; TRANSACTION PRIVILEGE TAX**

Minor change in Title 42 (Taxation) related to transaction privilege taxes. Apparent striker bus.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/23 referred to House Rules only.

# **HB2043: TECH CORRECTION; PAYMENT METHOD**

Minor change in Title 42 (Taxation) related to methods of payment. Apparent striker bus.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/23 referred to House Rule only.

#### HB2044: MUNICIPAL IMPROVEMENT DISTRICTS; SALE CERTIFICATE

For the purpose of property sales in municipal improvement districts, a certificate of sale is permitted to include the parcel number or the street address, if any.

First sponsor: Rep. Borrelli

AAR Position: Monitor

Last Action: 4/17 from Senate Rule only.

#### **HB2054: TECH CORRECTION; DISINCORPORATION**

Minor change in Title 9 (Cities and Towns) related to disincorporation. Apparent striker bus.

First sponsor: Rep. Townsend

AAR Position: Monitor

Last Action: 4/23 referred to House Rules only.

#### **HB2070: TECH CORRECTION; TAX CORRECTION**

Minor change in Title 43 (Taxation of Income) related to tax abatements. Apparent striker bus.

First sponsor: Rep. Barton

AAR Position: Monitor

Last Action: No Action

#### **HB2091: JUST COMPENSATION; TOLLING; TIME LIMITATION**

If existing property rights are reduced by the enactment of any land use law in a way that reduces the fair market value of the property, a written demand for just compensation made by the property owner is an exhaustion requirement that tolls the three-year time period for 90 days or the length of time it takes for the state or political subdivision that enacted the land use law to deny the written demand, whichever is less. Due to voter protection, this bill requires the affirmative vote of at least 3/4 of each house of the Legislature for passage.

First sponsor: Rep. Livingston

**AAR Position: Monitor** 

Last Action: Failed to pass Senate on Reconsideration.

#### **HB2092: DEQ; CONTINUATION**

The statutory life of the Department of Environmental Quality is extended 10 years to July 1, 2024. Retroactive to July 1, 2014.

First sponsor: Rep. Shope

#### **AAR Position:**

#### Monitor

Last Action: 4/17 Senate named Griffin, McGuire and Ward to the Free Conference Committee.

#### **HB2097: DEPARTMENT OF FINANCIAL INSTITUTIONS; CONTINUATION**

The statutory life of the Department of Financial Institutions is extended 10 years to July 1, 2024. Retroactive to July 1, 2014.

First sponsor: Rep. Brophy McGee

AAR Position: Monitor to Support

Last Action: 4/27 passed Senate 22-6 read for House action on Senate amendments.

#### **HB2098: LOAN ORIGINATORS**

Modifies loan originator license renewal requirements by requiring the approved course of study for loan originators to be completed during the three-year period preceding application, increased from two years, and requiring a licensee who failed to maintain a valid license for five years or longer to retake the licensing examination.

First sponsor: Rep. Brophy McGee

AAR Position: Monitor

Last Action: 4/23 signed by governor. Chap. 196, Laws 2014.

#### HB2106: WILDLAND-URBAN INTERFACE STUDY COMMITTEE

Establishes an 11-member Wildland-Urban Interface Committee to develop legislative recommendations relating to creating defensible space in and around wildland-urban interface areas and other matters relating to wildland-urban fire prevention and control. The Committee is required to report its findings and recommendations to the Governor and the Legislature by December 31, 2014. Self-repeals October 1, 2015. AS PASSED HOUSE.

First sponsor: Rep. Kavanagh

AAR Position: Monitor

Last Action: 3/19 Failed Senate Natural Resources and Rural Affairs 3-4.

#### HB2114: ADOT; LAND ACQUISITION; CONVEYANCES; RELOCATION

Various changes relating to land acquisition by county agencies or the Department of Transportation. The maximum amounts the displacing agency is required to pay a displaced person, business or farm operation for various expenses related to relocating a dwelling, farm or business are increased. The amount of time the person is required to have actually owned and occupied a dwelling to qualify for replacement housing payments is reduced to 90 days, from

180 days, before the initiation of negotiations for property acquisition. Sections relating to county land acquisition are retroactive to July 6, 2014. AS PASSED HOUSE.

First sponsor: Rep. Fann

AAR Position: Monitor

Last Action: 4/15 signed by governor. Chap. 28, Laws 2014.

# **HB2125: AIR QUALITY FORECASTING; NONATTAINMENT AREAS**

The Department of Environmental Quality is required to develop and disseminate air quality dust forecasts for any PM-10 nonattainment or maintenance areas designated in Arizona beginning January 1, 2012, in addition to for the Maricopa County PM-10 nonattainment area. AS PASSED HOUSE.

First sponsor: Rep. Pratt

AAR Position: Monitor

Last Action: 4/17 signed by governor. Chap. 86, Laws 2014.

### HB2131: HIRING PRACTICES; CRIMINAL HISTORY; LIMITATION

Employers are prohibited from inquiring, considering or requiring disclosure of the criminal conviction record of an applicant for employment during the hiring process unless it has a direct relationship to the employment position, is only for the period of the ten most recent consecutive years, and takes place after the applicant has received a conditional offer of employment. Does not apply to positions that require a valid fingerprint clearance card.

First sponsor: Rep. Quezada

AAR Position: Monitor

Last Action: 1/22 referred to House Commerce.

# HB2134: FIRE; BUILDING; LIFE SAFETY; CONTINUATION

The statutory life of the Department of Fire, Building and Life Safety is extended 8 years to July 1, 2022. Retroactive to July 1, 2014.

First sponsor: Rep. Mitchell

AAR Position: Monitor to Support

Last Action: 4/23 signed by governor. Chap. 198, Laws 2014.

HB2141: COUNTY ASSESSOR; COMMON AREA CONSOLIDATION (TECH CORRECTION; TAX REFUND ACCOUNT)

Minor change in Title 42 (Taxation) related to tax refund accounts. Apparent striker bus.

First sponsor: Rep. Petersen

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 133, Laws 2014.

#### **HB2142: TECH CORRECTION; WATER EXCHANGES**

Minor change in Title 45 (Waters) related to water exchange contracts. Apparent striker bus.

First sponsor: Rep. Petersen

AAR Position: Monitor

Last Action: 4/23 referred to the House Rules only.

#### HB2148: MUNICIPALITIES; COUNTIES; TRANSFER; RIGHT-OF-WAY

A transfer of a county right-of-way or roadway to an adjacent municipality must be treated by the municipality as if the transferred property was newly annexed territory.

First sponsor: Rep. Borrelli

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 134, Laws 2014.

#### **HB2152: FIRE DISTRICT BOUNDARY CHANGES**

For changes to the boundaries of a fire district, community park maintenance district or sanitary district, the information that must be included in the boundary change impact statement is expanded to include a description of the planning areas and boundaries of each potentially affected municipality and whether any property proposed to be added to the district is within the planning areas of any municipality. Notice must be mailed to the clerk of any municipality whose planning area includes any portion of the proposed annexed territory, and the municipal governing body may submit written comments to the district governing body within 20 days of receipt of the notice. The district governing body is prohibited from approving a proposed annexation if the area is within the boundaries of a municipality's planning area and the municipal governing body has adopted a resolution or ordinance that disapproves the annexation.

First sponsor: Rep. E. Farnsworth

**AAR Position: Monitor** 

Last Action: 3/5 from House Rules only.

HB2160: TECH CORRECTION; HISTORIC PROPERTY; DISQUALIFICATION

Minor change in Title 42 (Taxation) related to property classification. Apparent striker bus.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/23 referred to House Rules only.

#### **HB2161: BOARD OF EQUALIZATION; CONTINUATION**

The statutory life of the State Board of Equalization is extended 10 years to July 1, 2024. Retroactive to July 1, 2014.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/23 signed by governor. Chap. 201, Laws 2014.

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# **HB2175: PROPERTY TAX DELINQUENCIES; INTEREST RATE**

The interest rate on delinquent property taxes is reduced to 10 percent per year simple, from 16 percent per year simple, until paid.

First sponsor: Rep. Kwasman

AAR Position: Monitor

Last Action: 1/28 referred to House Ways and Means.

# **HB2181: REAL ESTATE ADVISORY BD; MEMBERSHIP**

Modifies the membership of the Real Estate Advisory Board by adding one member who has been engaged in "multifamily residential real estate brokerage" (defined) for the 5 years immediately preceding appointment and removing one public member. Current Board members may continue to serve until the expiration of their normal terms.

First sponsor: Rep. Carter

AAR Position: Monitor

Last Action: 1/22 referred to House Government.

#### HB2182: ELECTRIC UTILITIES; RENEWABLE ENERGY STANDARDS

The Legislature has exclusive authority to determine renewable energy policy for the state. Establishes renewable energy standards for public and private power entities in Arizona. Public power entities serving an annual retail load of at least 750,000 energy hours as of January 1, 2015 are required to derive at least 15 percent of electricity used by their retail customers from

renewable energy sources by 2030. A public power entity that reaches that energy hour threshold after January 1, 2015 must derive at least 15 percent of electricity used by their retail customers from renewable energy sources within 15 years after reaching the threshold. Public power entities are exempt from these requirements to the extent that it cannot be achieved consistent with the entity's statutory requirement to provide services at just and reasonable costs to customers.

First sponsor: Rep. Seel

**AAR Position: Monitor** 

Last Action: 1/22 referred to House Energy and Environment.

#### **HB2198: CERTIFICATES OF CONVENIENCE & NECESSITY**

Any entity or public service corporation proposing to provide electrical service without using infrastructure owned by a distinct public service corporation or municipality is authorized to construct an electrical line, plant, service or system without a certificate of public convenience and necessity from the Corporation Commission or any other public agency if the entity or public service corporation is "fit, willing and able" (defined) to furnish the electrical service. The Commission is authorized to issue rules establishing clear and objective standards for determining whether an entity is fit, willing and able to furnish the electrical service.

First sponsor: Rep. E. Farnsworth

AAR Position: Monitor

Last Action: 1/28 referred to House Federalism and Fiscal Responsibility.

#### **HB2206: WATER & ENERGY IMPROVEMENT DISTRICTS**

Adds a new article to Title 48 (Special Taxing Districts) establishing and regulating water and energy improvement districts. The governing body of a local government is authorized to adopt a resolution establishing a district after following specified steps. Once a district is formed, the local government is authorized to hire a program administrator and staff, contract for professional services, impose fees and assessments to offset the costs of administering a program, and issue bonds or notes to finance qualified projects. Contains a legislative intent section.

First sponsor: Rep. Orr

AAR Position: Monitor

Last Action: 1/22 referred to House Energy and Environment, Government, Appropriations.

**HB2210: DEPT OF FINANCIAL INSTITUTIONS; EXAMINATIONS** 

Department of Financial Institution examination of financial institutions and enterprises is required to verify that all products and services offered by the institution or enterprise conform to federal and state law.

First sponsor: Rep. McCune Davis

AAR Position: Monitor

Last Action: 1/28 referred to House Financial Institutions.

#### HB2216: DRIVING; WIRELESS COMMUNICATION DEVICES; REGULATION

It is a nonmoving civil traffic violation to use a wireless communication device without a handsfree device while operating a motor vehicle. Some exceptions. Violations are subject to a civil penalty of \$50, or \$200 if the person is involved in a motor vehicle accident. Establishes a warning period of January 1, 2015 through January 31, 2015, which allows law enforcement officers to stop motor vehicles and issue verbal warnings to a person who would be in violation if this legislation was effective. Becomes effective February 1, 2015.

First sponsor: Rep. Sherwood

AAR Position: Monitor

Last Action: 2/10 referred to House Transportation.

#### HB2220: IMPROVEMENT DISTRICTS; MUNICIPAL SERVICES

Statute allowing an improvement district to provide enhanced municipal services to continue to exist in an area that is no longer in a "designated area" (defined elsewhere in statute) under specified circumstances applies only to districts formed before the effective date of this legislation.

First sponsor: Rep. Fann

AAR Position: Monitor

Last Action: 3/10 referred to Senate Government and Environment and Public Safety.

#### HB2223: WATER INFRASTRUCTURE FINANCE AUTHORITY; CONTINUATION

The statutory life of the Water Infrastructure Finance Authority is extended 8 years to July 1, 2022. Retroactive to July 1, 2014.

First sponsor: Rep. Fann

AAR Position: Monitor

Last Action: 4/21 retained on Senate Committee of the Whole calendar.

**HB2239: BOARD OF APPRAISAL** 

Various changes relating to the State Board of Appraisal. The Board is prohibited from considering a complaint for administrative action if the complaint relates to an appraisal that was completed more than five years before the complaint was submitted or more than two years after final disposition of any judicial proceeding in which the appraisal was an issue, whichever period is greater, or if the complaint is filed against a Board member or staff person or relates to performance of Board of Committee duties. Some exceptions. The Board is required to consolidate complaints against the same appraiser filed within a six-month period that meet other specified requirements. Statutory caps on Board fees are deleted, and the Board is authorized to determine fee amounts. Also increases the minimum required surety bond for appraisal management companies to \$50,000, from \$20,000, and modifies disciplinary proceedings and hearings.

First sponsor: Rep. Brophy McGee

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 135, Laws 2014.

#### **HB2261: REGISTRAR OF CONTRACTORS; HANDYMAN EXEMPTIONS**

If a licensed contractor works on a project that does not require licensure under the handyman exemptions, the Registrar of Contractors is prohibited from regulating the contractor with regard to the project.

First sponsor: Rep. Forese

AAR Position: Monitor

Last Action: 2/19 from House Commerce with amendment #4245.

#### **HB2275: MOBILE HOMES; ABANDONMENT; SALE**

Circumstances under which a mobile home is considered abandoned are specified. A landlord has a lien on an abandoned mobile home until all monies due the landlord for the rental of the space are paid. Provides remedies for the landlord, including the eventual sale of the mobile home. Proceeds of the sale must be distributed first to pay costs of sale, then to satisfy the landlord's lien, then to satisfy any record lien holder's valid claims, then to the former owner of the mobile home.

First sponsor: Rep. Forese

AAR Position: Monitor

Last Action: 2/4 House Government held.

**HB2281: LEASED RELIGIOUS PROPERTY; CLASS NINE** 

Property, buildings and fixtures, or any portion thereof, that are leased to a nonprofit religious assembly or institution and that are primarily used for religious worship are classified as class 9 property for property tax purposes. Property, buildings and fixtures owned by an educational, religious or charitable organization that are leased to a nonprofit religious assembly or institution and used primarily for religious worship are exempt from taxation.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/22 VETOED

#### HB2283: PROPERTY TAXES; POSTMARK; FILING BY MAIL

Any report, claim, tax return, payment or other material dealing with property taxes, other than petitions or notices of appeal, that is required to be filed with the state or any agency or political subdivision and that is deposited with prepaid postage in an official depository of the U.S. mail is deemed filed and received by the addressee on the date of receipt or on the mailing date. These filings must be considered timely if performed by the taxpayer within five business days after the due date of the filing. Effective January 1, 2015.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 139, Laws 2014.

#### **HB2287: COUNTY TREASURER; LIEN; SALE**

If no bid is made for property subject to a tax lien that is in an amount sufficient to pay the taxes, the county sheriff is authorized to execute and deliver a bill of sale conveying the title of the property to the highest bidder. Previously, the county sheriff was required to sell the property to the county, and the county board of supervisors was required to sell the property for the best price obtainable.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/23 signed by governor. Chap. 205, Laws 2014.

# **HB2288: SALES TAX; REDUCED REPORTING REQUIREMENTS**

Taxpayers with annual transaction privilege tax liability between \$2,000 and \$8,000 are required to pay TPT on a quarterly basis (instead of a monthly basis), and taxpayers with annual TPT liability of less than \$2,000 are required to pay on an annual basis. Previously, taxpayers with less than \$500 annual TPT liability were permitted to pay annually, and taxpayers with between \$500 and \$1,250 annual TPT liability were permitted to pay quarterly.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 141, Laws 2014.

#### HB2306: FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS

The Department of Public Safety is required, instead of permitted, to conduct periodic state criminal history records checks, and is permitted to conduct periodic federal criminal history records checks when authorized by federal law, for the purpose of updating fingerprint clearance cards. AS PASSED HOUSE.

First sponsor: Rep. J. Pierce

AAR Position: Monitor

Last Action: 4/16 signed by governor. Chap. 56, Laws 2014.

# HB2330: MUNICIPALITIES; DEANNEXATION; PUBLIC RIGHT-OF-WAY

A public right-of-way that is partially located within a municipality and partially located within the unincorporated area of a county may be deannexed and severed from the municipality and returned to the county by following specified procedures, including the county board of supervisors holding a public hearing on the deannexation. AS PASSED HOUSE.

First sponsor: Rep. Livingston

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 146, Laws 2014.

# HB2331: LIFE CARE CONTRACTS; IN-HOME CARE (<del>TAX CREDIT; JUST COMPENSATION</del>)

If the existing rights to use, divide, sell or possess private real property are reduced by the enactment or applicability of any land use law enacted after the date the property is transferred to the owner and that action reduces the fair market value of the property, the owner may waive the right to just compensation and instead claim an income tax credit in the same amount. The State Treasurer must withhold from the distribution of state shared revenue or other distributions to the county, municipality or other political subdivision that enacted the land use law the aggregate amount of credits claimed for that law. Monies withheld are credited to the general fund. Does not apply to a list of specified land use laws.

First sponsor: Rep. Livingston

AAR Position: Monitor

Last Action: 4/17 signed by governor. Chap. 91, Laws 2014.

#### **HB2340: PROPERTY TAX; COMMUNITY COLLEGE DISTRICTS**

A community college district with a primary property tax levy approved by the voters may resubmit a proposed amount to be raised by primary property taxes for voter approval at least 20 but not more than 35 years after the date of initial approval of the levy, if the proposed amount is not more than two times the otherwise authorized levy amount for the same year.

First sponsor: Rep. Barton

AAR Position: Monitor

Last Action: 1/22 referred to House Ways and Means.

### HB2358: TAX; VALUATION; RENEWAL ENERGY EQUIPMENT

Establishes a formula for the Department of Revenue to determine the full cash value of taxable renewable energy equipment.

First sponsor: Rep. Fann

AAR Position: Monitor

Last Action: 2/11 from House Energy and Environment with amendment #4096.

#### **HB2363: DRIVING ON SUSPENDED LICENSE; PENALTY**

If a person who drives when the person's privilege to drive was suspended for failure to pay a civil penalty for a traffic violation presents evidence to the court that the license has been reinstated, the court is authorized to find the person responsible for a civil traffic violation and impose a civil penalty of up to \$250.

First sponsor: Rep. Boyer

AAR Position: Monitor

Last Action: 3/18 Senate Transportation held.

#### **HB2376: PROHIBITION; TEXTING WHILE DRIVING**

It is a nonmoving civil traffic violation to use a handheld wireless communication device to manually write, send or read a written message while operating a motor vehicle. Some exceptions. Violations are subject to a civil penalty of \$50 or \$200 if the person is involved in a motor vehicle accident. Establishes a warning period from January 1, 2015 through January 31, 2015. Effective January 1, 2015.

First sponsor: Rep. Steele

**AAR Position:** 

Monitor

#### **HB2378: MUNICIPAL TAXES & FEES; PROHIBITION**

Except as specifically provided in statute, municipalities are prohibited from levying or assessing a municipality-wide tax or fee against property owners based on the size or value of the owner's real property or improvements for any public service provided by the municipality. Retroactive to January 1, 2014.

First sponsor: Rep. Olson

AAR Position: Monitor

Last Action: 4/23 signed by governor. Chap. 169, Laws 2014.

# **HB2379: SPECIAL DISTRICTS; SECONDARY LEVY LIMITS**

Beginning in tax year 2014, the maximum amount of the secondary property tax levy for a county free library district, county jail district, juvenile detention facilities district or public health services district is the amount of the levy in the preceding tax year, adjusted annually by the rate of change in the primary property tax levy limit for the county in which the district is located.

First sponsor: Rep. Olson

AAR Position: Monitor

Last Action: 2/18 from House Ways and Means with amendment #4186 on re-referral.

# **HB2380: TAX LIENS; PRIORITY**

Liens or encumbrances held by the state are no longer prior and superior to property tax liens.

First sponsor: Rep. Olson

**AAR Position: Monitor** 

Last Action: 4/24 Hose concurred in Senate amendments and passed on final reading 34-22;

ready for governor.

#### **HB2381: ASSIGNMENT OF TAX LIENS**

The county treasurer in a county with a population of more than 900,000 (Maricopa County) is required to assign a tax lien against real property to a third party if he/she receives a written authorization from the property owner to assign the lien to the third party and payment in the amount of the taxes, interest and penalties due on the property. The property owner and the third party are permitted to enter into an agreement for payment of all amounts secured by the lien. The assignment and payment agreement must be filed with the county recorder and are prima

facie evidence of the valid assignment of the lien. If the property owner defaults on the payment agreement, the assignee of the tax lien may foreclose.

First sponsor: Rep. Olson

AAR Position: Monitor

Last Action: 3/6 retained on House Committee of the Whole calendar.

# HB2385: COST ACCOUNTING STUDY COMMITTEE (STATE AGENCIES; BUDGET SUBMISSION)

By September 1 of each year, each budget unit is required to submit to the Legislature a summary of all monies that were spent by or passed through the budget unit during the preceding fiscal year and an estimate of the monies projected to be spent or passed through for the current FY. The Legislature must reduce the appropriation of each budget unit who fails to submit the summary by at least ten percent of the preceding FY appropriation.

First sponsor: Rep. Olson

AAR Position: Monitor

Last Action: 4/24 VETOED

#### HB2386: SPECIAL DISTRICTS; ELECTIONS; FINANCING; LIMITS

Public bonds issued by a special taxing district established beginning July 1, 2014 must be included in the calculation of the aggregate indebtedness of a county, municipality or municipal corporation that includes any portion of the special taxing district. Public bonds are prohibited from being issued by any entity that is not governed by an elected governing body. Specified election dates required for authorization of secondary property taxes do not apply to an agricultural improvement district and do apply to any election regarding the formation of a special taxing district.

First sponsor: Rep. Olson

AAR Position: Monitor

Last Action: 2/18 House Government held.

#### HB2387: IMPROVEMENT DISTRICTS; LIGHTING; STREETS; PARKS

A county improvement district for lighting public streets and parks that is entirely annexed into a municipality must be converted from a county improvement district to a municipal improvement district on adoption of a resolution by the municipality, delivering notice of the resolution to the county board of supervisors and recording the resolution with the county recorder.

First sponsor: Rep. Ugenti

**AAR Position:** 

#### Monitor

Last Action: 3/17 referred to Senate Finance.

#### **HB2389: TECH CORRECTION; TPT**

Minor change in Title 42 (Taxation) related to transaction privilege tax. Apparent striker bus.

First sponsor: Rep. Lesko

AAR Position: Monitor

Last Action: 4/30 signed by governor. Chap. No. Awaited.

#### **HB2395: PROPERTY TAX CALCULATIONS; SCHOOL DISTRICTS**

The Property Tax Oversight Commission is given oversight responsibility for school district property tax levies and rates. The county school superintendent is required to re-compute the equalization assistance for education for each school district, compute the additional amount to be levied using property values provided by the county assessor, and certify these amounts to the Commission by July 25 of each year. AS PASSED HOUSE.

First sponsor: Rep. Lesko

AAR Position: Taxation

Last Action: 4/23 signed by governor. Chap. 209, Laws 2014.

#### HB2413: SCHOOLS; BONDING LEVEL INCREASE; REPEAL

Repeals session law passed in 2011 that increased the limitation on bonded indebtedness for common or union high school districts to 10 percent of the district's net assessed valuation (NAV) and for unified school districts to 20 percent of the NAV for any bonds approved before April 15, 2011.

First sponsor: Rep. Stevens

AAR Position: Monitor

Last Action: 2/18 form House Ways and Means do-pass.

#### HB2434: WATER INFRASTRUCTURE FINANCE AUTHORITY; REPORT

The deadline for the Water Infrastructure Finance Authority Board's annual report to be submitted to the Governor and the Legislature is moved to January 31, from January 1.

First sponsor: Rep. Thorpe

AAR Position: Monitor

Last Action: 4/23 referred to House rules only.

# **HB2441: LINE SITING COMMITTEE; MEMBERSHIP**

The State Land Commissioner and the Director of the Game and Fish Commission or their designees are added to the membership of the Power Plant and Transmission Line Siting Committee.

First sponsor: Rep. Gowan

**AAR Position: Monitor** 

Last Action: 4/23 referred to House rules only.

### **HB2456: RULEMAKING; RESTRICTIONS**

State agencies are prohibited from adopting any new rule that would increase existing regulatory restraints or burdens on the free exercise of property rights or the freedom to engage in an otherwise lawful business or occupation, unless the rule is a component of a comprehensive effort to reduce regulatory restraints or burdens or is strictly ministerial in implementing legislation standards. Any person subject to a civil or criminal proceeding arising from the enforcement of a rule in violation has a defense to the enforcement action.

First sponsor: Rep. E. Farnsworth

**AAR Position:** 

Monitor

Last Action: 1/30 referred to House Government.

#### HB2458: BUILDING PERMITS; PROPERTY RIGHTS; WAIVER

Municipalities are prohibited from requesting or requiring a person who applies for or receives a building permit to waive any right the person may possess under the Private Property Rights Protection Act.

First sponsor: Rep. E. Farnsworth

AAR Position: Monitor

Last Action: 1/28 referred to House Government.

#### HB2464: CAPITAL GAINS; TAX; PHASE OUT

The following amounts of capital gain included in federal adjusted gross income are subtracted from Arizona individual and corporate income taxes: 40 percent of net capital gain in tax year 2016, 55 percent in tax year 2017, 70 percent in tax year 2018, 85 percent in tax year 2019, and 100 percent beginning in tax year 2020.

First sponsor: Rep. Mesnard

**AAR Position:** 

#### Monitor

Last Action: 1/29 referred to House Ways and Means.

#### **HB2475: TAX CREDITS; VETERANS**

For tax years 2014 through 2016, an individual and corporate income tax credit is established for a taxpayer who hires an employee who is a veteran of the U.S. armed forces and who is collecting unemployment benefits at the time of hiring, if the employee's compensation is at least equal to the median annual wage in Arizona. The amount of the credit is the lowest of either 10 percent of the employee's salary, \$1,200 for an employee, or \$2,400 for an employee with a specified disability. If the amount of the credit exceeds taxes due, the taxpayer may carry forward the unused amount for up to five consecutive taxable years. The tax credits self-repeal on January 1, 2017. Effective January 1, 2015, the Department of Administration is required to establish a veteran-owned business participation goal of awarding state procurement contracts to veteran-owned businesses. The goal applies to the overall dollar amount spent each year on state procurement contracts, and must be at least 1.5 percent during the first year and increase to 3 percent or more for every year after.

First sponsor: Rep. Cardenas

AAR Position: Monitor

Last Action: 4/23 referred to Senate Rules only.

#### **HB2477: HOAS; TRANSFER FEES; EXEMPTION**

Homeowners and condo associations are prohibited from charging a fee for a transfer of property if the parties to a transaction can conclusively demonstrate that the conveyance of property is exempt from recording an affidavit of value for specified reasons.

First sponsor: Rep. Petersen

AAR Position: Support

Last Action: 4/17 signed by governor. Chap. 94, Laws 2014.

#### HB2479: LICENSED CONTRACTORS; RESIDENTIAL BONDS; RECOVERY

The residential bond or deposit paid by licensed contractors to the Registrar of Contractors are for the benefit of and subject to claims by any licensed contractor, instead of any person.

First sponsor: Rep. Cardenas

AAR Position: Monitor

Last Action: 2/11 referred to House Commerce.

HB2483: FIREARMS; PRIVATE LAND; LAWFUL DISCHARGE

County ordinances are prohibited from preventing, restricting or otherwise regulating the lawful discharge of a firearm or air gun or use of archery equipment on a private lot or parcel of land that is not open to the public on a commercial or membership basis. The otherwise lawful discharge of a firearm or air gun or use of archery equipment cannot be enjoined by the court except under specified circumstances shown by clear and convincing evidence.

First sponsor: Rep. Kavanagh

**AAR Position: Monitor** 

Last Action: 4/16 signed by governor. Chap. 62, Laws 2014.

### **HB2489: FIRE ACCESS ROADS; LIMITATION; SPRINKLERS**

Municipalities and counties are prohibited from adopting any fire code or other legal requirement for an approved fire apparatus access road and/or road extension that directly or indirectly requires a one or two family residence or a "utility or miscellaneous accessory building" (defined) to install fire sprinklers.

First sponsor: Rep. Petersen

AAR Position: Support

Last Action: 4/14 see S1183.

#### HB2499: SEPARATING SERVICE MEMBERS; PROFESSIONAL LICENSES

A license or certificate regulated in Title 32 (Professions and Occupations) must be issued at the same practice level as determined by the regulating entity, and without an examination, to a person who has separated from the U.S. armed forces under honorable conditions in the preceding 90 days.

First sponsor: Rep. Gallego

AAR Position: Monitor

Last Action: 1/30 referred to House Public Safety, Military & Regulatory Affairs.

#### HB2500: PROFESSIONAL LICENSURE; RECIPROCITY; MILITARY SPOUSES

Deletes several requirements for reciprocal licensure for spouses of an active duty member of the U.S. armed forces who accompany the member to an official permanent change of station to a military installation in Arizona. Requires a reciprocal license or certificate for a military spouse to be issued within 72 hours of application if no criminal background check is required, or within 120 hours if a criminal background check is required.

First sponsor: Rep. Gallego

**AAR Position:** 

#### Monitor

Last Action: 2/5 referred to House Public Safety, Military & Regulatory Affairs.

#### HB2516: GROUNDWATER; CREDITS; PINAL MANAGEMENT AREA

The Department of Water Resources is prohibited from adopting or implementing any administrative rule in the Pinal Active Management Area that reduces the amount or quantity of credits for the extinguishment of irrigation grandfathered rights. Retroactive to January 1, 2014.

First sponsor: Rep. Smith

AAR Position: Monitor

Last Action: 1/30 referred to House Agriculture and Water.

### HB2519: AFFORDABLE HOUSING PROJECTS; TAX ASSESSMENT

A parcel of "affordable housing" (defined) property must be valued not at market value but at a value that reflects legal restrictions on its use, transferability and below-market sales price and limited profit margin under the applicable municipal affordable housing program. The Department of Revenue is required to prescribe uniform rules, procedures and formulas for determining and fixing valuation for affordable housing.

First sponsor: Rep. Mendez

AAR Position: Monitor

Last Action: 1/30 referred to House Ways and Means.

# **HB2523: PROJECTS; WATER SUPPLY DEVELOPMENT**

For the purposes of the Water Supply Development Revolving Fund, the definition of "water provider" is expanded to include a county that enters into an intergovernmental agreement with a municipality or other water provider regarding a water supply development project. Monies in the Fund may be used for subdivided land located outside an active management area if the Department of Water Resources determines that there is an adequate water supply for that subdivided land or has designated the provider as having an adequate water supply. The maximum length of repaying for loans from the Fund is increased to 50 years, from 30 years. Appropriates \$30 million from the general fund in FY2014-15 to the Fund.

First sponsor: Rep. Barton

AAR Position: Monitor

Last Action: 4/23 signed by governor. Chap. 212, Laws 2014.

#### **HB2524: HOUSING TRUST FUND; UNCLAIMED PROPERTY**

The amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent of the proceeds, instead of \$2.5 million.

First sponsor: Rep. Alston

AAR Position: Monitor

Last Action: 2/17 House Financial Institutions held.

# **HB2536: BEST LAND MGMT PRACTICES; APPROP**

By January 1, 2016, the State Land Commissioner, in coordination with the State Forester, is required to develop and adopt best land management practices for state lands to decrease the severity of wildland fires. Establishes the Best Land Management Practices Fund to be used for the administration and implementation of best land management practices. Appropriates \$20 million from the general fund in FY2014-15 to the Fund.

First sponsor: Rep. Otondo

AAR Position: Support

Last Action: 2/11 from House Energy and Environment with amendment #4097.

#### **HB2541: FEDERAL LAND; EMERGENCY ACCESS**

During a state of emergency or local emergency, the state or a county or municipality is authorized to access federal land to address the emergency.

First sponsor: Rep. Townsend

AAR Position: Monitor

Last Action: 4/17 VETOED.

#### HB2554: BUSINESS ENTITIES; PUBLICATION; POSTING; REQUIREMENT

The Corporation Commission is required to establish and maintain a database for documents filed pursuant to statutory public notice requirements for corporate filings. The Commission is required to post the database on its website to allow the public to search for business information. The Commission is authorized to charge a fee to the entity whose information is entered into the database to pay the cost of database maintenance. Various requirements for corporate filings to be published are replaced with a requirement for the Commission to input the information into the database within 5 business days after approval. Appropriates \$65,000 from the Public Access Fund in FY2014-15 to the Commission for the purpose of developing and maintaining the database. Effective January 1, 2015.

First sponsor: Rep. Kavanagh

AAR Position: Monitor to Support Last Action: 3/6 House Committee of the Whole with amendment #4144. Failed to pass House 24-33.

#### HB2556: HOMEOWNERS' ASSOCIATION; ALTERNATIVE DISPUTE RESOLUTION

Homeowners' association and condo association boards are required to adopt a formal alternative dispute resolution policy for every dispute arising under the association documents that requires the parties to the dispute to participate in alternative dispute resolution in good faith before petitioning for an administrative hearing or filing any court action.

First sponsor: Rep. Meyer

AAR Position: Monitor

Last Action: 2/11 referred to House Government.

#### **HB2561: PRIVATE CERTIFICATION; OCCUPATIONS**

Adds a new chapter to Title 32 (Professions and Occupations) regulating "private certifying organizations" (defined) and authorizing an individual who is certified by a private certifying organization to engage in the lawful occupation for which that individual is privately certified, regardless of any occupational regulation. State or local boards, agencies and departments are prohibited from imposing a monetary assessment, penalty, fine or fee on a privately certified individual for engaging in lawful occupation.

First sponsor: Rep. Petersen

AAR Position: Monitor

Last Action: 2/19 from House Commerce do pass.

#### HB2570: CONDOS; SUBSTANTIAL CHANGE; MAINTENANCE; ASSESSMENTS

For any substantial change in the common elements of a condominium involving security or the outside appearance of the condominium, the board of directors of the condominium association is required to submit the proposed change to a vote of the membership. A condominium association cannot impose a regular common expense assessment that is more than 20 percent greater than the immediately preceding fiscal year's assessment without the approval of a majority of the unit owners. If a condominium association fails to maintain the common elements in a manner that affects health, safety or structural integrity, a unit owner may mail written notice to the board of directors. If the failure is not corrected within 60 days, the unit owner may lawfully withhold one or more assessment payments until the failure is corrected.

First sponsor: Rep. Larkin

AAR Position: Monitor

Last Action: 2/12 referred to House Government, Commerce.

# HB2578: MUNICIPALITIES; COUNTIES; WILDLAND-URBAN INTERFACE REGULATION

Municipal governing bodies and county boards of supervisors of municipalities or counties that contain a "wildland-urban interface area" (defined) are required to compel the owner or occupant of property in that area to remove hazardous vegetation, natural fuels, trash or other wildfire hazards by ordinance. Other requirements for the ordinance are specified.

First sponsor: Rep. Pratt

**AAR Position: Monitor to Oppose** 

Last Action: 3/10 referred to Senate Natural Resources and Rural Affairs, and Senate

Government and Energy Committee.

#### **HB2592: PROPERTY TAX; CREDIT**

Real property subject to an action filed by the federal government claiming ownership of the property on behalf of the U.S. government or any Indian tribe is exempt from taxation for all tax years between the filing of the action through final resolution or dismissal of the action if the action prevents the owner from transferring title, using the property as collateral for loans or otherwise exercising the rights of ownership. Applies retroactively to tax years beginning January 1, 1994. A claim based on the retroactive application of this legislation must be filed by December 31, 2014.

First sponsor: Rep. Dial

AAR Position: Monitor

Last Action: 2/11 referred to House Ways and Means.

#### HB2595: TAX; RENEWABLE ENERGY; ON-SITE CONSUMPTION

For solar energy devices or systems to be considered to have no value for property tax purposes, the production of solar energy primarily for on-site consumption must be on-site consumption by the owner of the device or system.

First sponsor: Rep. Allen

AAR Position: Monitor

Last Action: 2/17 House Ways and Means held.

# HB2596: SCHOOLS; ELECTION DAY; TEACHER IN-SERVICE (OFFICE OF PEST MANAGEMENT; REPORTS)

If a school district schedules "teacher in-service training days" (defined) during a school year, two of those days must be on election days. Public officers or employees with authority over a public building operated by a political subdivision, including a school district, are required to

make that public building available for use as a polling place on an election day on request of the officer in charge of elections. AS PASSED HOUSE.

First sponsor: Rep. Ugenti

AAR Position: Monitor

Last Action: 3/21 FAILED Senate Government and Energy. 0-5.

#### HB2597: HOMEOWNERS' ASSOCIATIONS; WEBSITE; ELECTRONIC PAYMENTS

An HOA is required to establish and maintain an internet website that allows for receipt of all payments to the HOA by way of electronic funds transfers.

First sponsor: Rep. Montenegro

AAR Position: Monitor to Support

Last Action: 2/11 referred to House Government.

#### **HB2621: TASK FORCE; GAS TAX REPLACEMENT**

Establishes a 24-member Highway User Fee Replacement Task Force to develop a design for revenue collection for the state's transportation system that will replace the motor fuel tax and use fuel tax. The Task Force is required to design pilot programs to be used to test alternative approaches by December 15, 2015. By October 1, 2016, the Department of Transportation is required to develop and implement pilot programs as directed by the Task Force to test alternatives to motor vehicle fuel taxes and use fuel taxes to pay for highway use. The Dept is authorized to use monies in the State Highway Fund to implement and support the Task Force and pilot programs. Effective September 1, 2014. Self-repeals October 1, 2024.

First sponsor: Rep. Orr

AAR Position: Monitor

Last Action: 2/11 referred to House Ways and Means.

#### HB2646: VETERANS; HOME BUYERS; GRANTS; APPROP

The Department of Housing is authorized to issue a one-time \$5,000 grant to an "Arizona veteran" (defined) who is a first-time home buyer and who is purchasing a home located in Arizona. Appropriates \$1 million from the Housing Trust Fund in FY2014-15 to the Dept for the grants.

First sponsor: Rep. Borrelli

AAR Position: Monitor

Last Action: 2/26 House Appropriations held.

# **HB2653: MORTGAGES; TRUST DEEDS; DEFICIENCY ACTIONS**

For mortgages that secure loans that are originated beginning January 1, 2015, the prohibition on a lien of judgment in a foreclosure action extending to any other property of the judgment debtor in certain circumstances does not apply to a mortgage on property owned by a person engaged in the business of designing, constructing or selling dwellings, property that contains a dwelling that is not "substantially completed" (defined), or property that contains a dwelling that is not actually utilized as a dwelling.

First sponsor: Rep. Forese

**AAR Position:** 

**Support with Lobbying** 

Last Action: 3/17 referred to Senate Commerce, Energy and Military Reform.

#### **HB2659: WATER INFRASTRUCTURE; APPROPRIATION**

Appropriates \$4,835,000 from the general fund in FY2014-15 to the Water Infrastructure Finance Authority of Arizona for water infrastructure projects. The Authority is required to consult with a tribal water users association located along the border between Utah and Arizona for planning and developing critical water supply and infrastructure on tribal lands.

First sponsor: Rep. Peshlakai

AAR Position: Monitor

Last Action: 2/12 referred to House Agriculture and Water, Appropriations.

# **HB2665: CAMPAIGN FINANCE; ELECTION; CANDIDATE COMMITTEES**

Candidates are required to only designate a single campaign committee that applies to both the primary election and the general election for that designated office. Contributions to a candidate's exploratory committee or campaign committee must be applied to the primary election unless the contributor designates otherwise, the application would result in exceeding a contribution limit, or the contribution is received after the primary election. If an exploratory committee or campaign committee receives contributions designated for use in the general election before the primary election, the committee is required to use an acceptable accounting method to distinguish between contributions received for the primary election and those received for the general election. After the primary election, unexpended or unencumbered contributions may be transferred to the general election account in specified circumstances. Statute allowing a candidate's campaign committee to transfer or contribute monies to another campaign committee designated by the same candidate includes allowing the transfer to a committee for another office or in another jurisdiction. Retroactive to September 13, 2013. Session law provides for applicability to the 2014 primary and general elections. Emergency clause.

First sponsor: Rep. Mesnard

AAR Position: Monitor to Support

#### **HB2683: FORECLOSURE MEDIATION PROGRAM**

A mandatory foreclosure mediation program is established in the Administrative Office of the Courts to address all issues of foreclosure, including modification and restructuring of the debt. For owner-occupied residences, no trust property may be sold until the mediation process has been satisfactorily completed. The program terminates on July 1, 2024.

First sponsor: Rep. Hernandez

AAR Position: Monitor

Last Action: 2/12 referred to House Financial Institutions.

# **HB2684: REAL ESTATE DEPT; CIVIL PENALTIES**

If the Real Estate Commissioner issues a cease and desist order against a person in violation of real estate regulations, the Commissioner is authorized to order the person to pay a civil penalty of \$1,000 for a first violation and up to \$2,500 for a subsequent violation.

First sponsor: Rep. Hernandez

**AAR Position: Monitor to Oppose** 

Last Action: 2/12 referred to House Commerce.

#### **HB2695: HOAS AMENDMENT MENTS; OMNIBUS**

Repeals and reinstates various changes made by Laws 2013, Chapter 254, including statute prohibiting municipal planning agencies and county planning and zoning commissions from requiring a subdivider or developer to establish a homeowner's association as part of a subdivision regulation or zoning ordinance, statute allowing a management company and its employees to act on behalf of a contracted HOA and the HOA Board by recording a lien or notice of claim of lien of the HOA or appearing on behalf of the HOA in a small claims court action when specified conditions are met, statute allowing homeowners and condo association members to use the member's property as a rental property unless prohibited in the declaration, and statute prohibiting condominium associations from prohibiting the indoor or outdoor display of a "political sign" (defined) by a unit owner on the owner's property, except earlier than 71 days before election day and later than 3 days after election day, thereby delaying the effective dates of these changes. Also, HOAs and condo associations are added to the list of entities authorized to bring an action in superior court against a property owner to abate and prevent criminal activity at a residential property.

First sponsor: Rep. Ugenti

**AAR Position:** 

**Support with Lobbying** Last Action: 4/14 see. S1482.

#### HB2698: AIR QUALITY; PARTICULATES; COOPERATION PROHIBITED

The Department of Environmental Quality is prohibited from cooperating with the U.S. Environmental Protection Agency regarding implementation or enforcement of standards established under the federal Clean Air Act for particulates, including PM-10.

First sponsor: Rep. Thorpe

**AAR Position: Monitor** 

Last Action: 2/12 referred to House Energy and Environment.

# HB2700: FEDERAL ACQUISITION; STATE LANDS; MONITORING

The State Land Department is required to identify state lands that have been acquired by the federal government after statehood; select a third-party to assess the financial impacts that the acquisition of state lands by the federal government has on the state and the trust beneficiaries; monitor federal activity for proposals to sell or transfer federal land to a private group or individual; notify the Attorney General, Governor, and the Legislature when state lands are acquired by the federal government; and submit a report relating to the acquisition of state lands by the federal government to the Governor and the Legislature by December 31 of each year.

First sponsor: Rep. Thorpe

AAR Position: Monitor

Last Action: 4/15 FAILED to pass Senate 14-15.

#### HCM2011: URGING CONGRESS; GLASS-STEAGALL ACT

The Legislature urges the U.S. Congress to adopt the Return to Prudent Banking Act of 2013 and the 21st Century Glass-Steagall Act of 2013. The Secretary of State is directed to transmit copies of this memorial to the President of the U.S., the President of the U.S. Senate, the Speaker of the U.S. House, each member of Congress from Arizona and six other specified members of U.S. Congress.

First sponsor: Rep. Peshlakai

AAR Position: Monitor

Last Action: 2/11 referred to House Financial Institutions.

#### HCR2022: PERSONAL PROPERTY TAX; EXEMPTION

The 2014 general election ballot is to carry the question of whether to amendment the state Constitution to prohibit the Legislature from levying a tax on the full cash value of the first \$2.4 million of assessed cash value of personal property that is initially acquired during or after tax year 2015 and that is used for agricultural purposes or in trade or business. The Legislature is

required to provide by law an increase to the full cash value of the first \$2.4 million according to annual variations in a designated national inflation index.

First sponsor: Rep. Mesnard

AAR Position: Monitor

Last Action: 3/20 from Senate Finance do pass.

#### HCR2032: NET METERING; ELECTRIC UTILITIES

The 2014 general election ballot is to carry the question of whether to amendment the state Constitution to require electric utilities to interconnect with any retail customer with a net metering facility and prescribe requirements for net metering charges, billing and tariffs.

First sponsor: Rep. Campbell

AAR Position: Monitor

Last Action: 2/12 referred to House Energy and Environment.

#### SB1003: TECH CORRECTION; MUNICIPAL PLATTING

Minor change in Title 9 (Cities and Towns) related to municipal plat amendment. Apparent striker bus.

First sponsor: Sen. Begay

AAR Position: Monitor

Last Action: 1/13 referred to Senate rules only.

### SB1022: DISCRIMINATION; ENFORCEMENT; DAMAGES

Increases the statute of limitations on filing employment discrimination charges to 2 years from 1 year. Allows the recovering party in unlawful employment practice cases to recover punitive or compensatory damages if specified conditions are met.

First sponsor: Sen. Ableser

AAR Position: Monitor

Last Action: 1/13 referred to Senate Judiciary.

# SB1026: RESIDENTIAL MORTGAGES; MORTGAGE BROKER DUTIES

Prescribes prohibited acts for mortgage brokers, including making a residential mortgage loan without verifying the borrower's reasonable ability to pay or with the intent that the loan will not be repaid, making a residential mortgage loan that is of a lower investment grade than the borrower's credit score indicates without informing the borrower, and influencing the independent judgment of an appraiser.

First sponsor: Sen. Ableser

AAR Position: Monitor

Last Action: 1/13 referred to Finance.

#### SB1046: FINANCIAL TRANSACTIONS; OMNIBUS

Numerous changes to statutes relating to financial transactions, including establishing regulations for "derivative transactions" (defined). Modifies various rules relating to collateral and filing of financing statements for secured transactions. Adds a new article to the uniform commercial code regulating financing statements for secured transactions, which applies to a transaction or lien within its scope even if the transaction or lien was entered into or created before the effective date of this legislation, except as otherwise specified. Emergency clause. AS PASSED SENATE.

First sponsor: Sen. Yarbrough

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 103, Laws 2014...

### SB1047: CLOSING PROTECTION LETTERS; ESCROW AGENTS

Title insurers are authorized to provide a closing protection letter to any party to a title insurance policy transaction. Closing protection letters may indemnify an insured against a loss resulting from specified actions of a policy-issuing title insurance agent or other settlement service provider, including theft or misappropriation of settlement monies. Title insurers are required to charge a party receiving a closing protection letter a fee of up to \$25. AS PASSED SENATE.

First sponsor: Sen. Yarbrough

**AAR Position: Monitor** 

Last Action: 4/24 signed by governor. Chap 216, Laws 2014.

#### SB1096: LEGAL TENDER; ESCROW AGENTS

Legal tender in Arizona consists of legal tender authorized by Congress, specie coin issued by the U.S. government, and any other "specie" (defined as coin or bullion having gold or silver content) that a court of competent jurisdiction rules to be within the scope of state authority to make a legal tender. A person cannot compel another person to tender or accept specie legal tender, except as expressly provided by contract. The exchange of one form of legal tender for another does not give rise to liability for any type of tax. Legal tender is money and is not subject to taxation or regulation as property other than money. The Attorney General is required to enforce this legislation without prejudice to an individual's right of judicial action. Adds a new article to statute to authorizing licensed escrow agents to provide legal tender services, including exchanging money in one legal tender class for money in another legal tender class. In

determining the amount of tax for specie legal tender, a taxpayer is required to use the most recent paper dollar London fixing price for the specie legal tender used by the purchaser. The Department of Revenue is required to prescribe by rule a method for determining the amount of tax due if the paper dollar London fixing price is not available for a particular day. Effective from and after 90 days after the 52nd Legislature, 1st Regular Session adjourns sine die. AS PASSED SENATE.

First sponsor: Sen. Crandell

AAR Position: Monitor

Last Action: 3/12 from House Federalism and Fiscal Responsibility do pass.

# SB1113: TECH CORRECTION; LIQUOR; LIABILITY

Minor change in Title 4 (Alcoholic Beverages) related to liquor liability. Apparent striker bus.

First sponsor: Sen. Shooter

AAR Position: Monitor

Last Action: 1/21 referred to Senate rules only.

#### SB1133: BUILDING CODE MORATORIUM; REPEAL

Repeals the moratorium on new or modified residential or commercial building codes that was in effect from June 30, 2009 to June 30, 2011.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 3/18 House Government held.

#### SB1134: SALES TAX; REDUCED REPORTING REQUIREMENTS

Taxpayers with annual transaction privilege tax liability between \$2,000 and \$8,000 are required to pay TPT on a quarterly basis (instead of a monthly basis), and taxpayers with annual TPT liability of less than \$2,000 are required to pay on an annual basis. (Previously, taxpayers with less than \$500 annual TPT liability were permitted to pay annually, and taxpayers with between \$500 and \$1,250 annual TPT liability were permitted to pay quarterly).

First sponsor: Sen. Farley

**AAR Position: Monitor** 

Last Action: 3/13 from House rules okay. To House consent calendar.

#### SB1147: TEXT MESSAGING WHILE DRIVING; PROHIBITION

It is a nonmoving civil traffic violation to use a wireless communication device to send or receive a written message while operating a motor vehicle. Some exceptions. Violations are subject to a civil penalty of \$100 for a first violation and \$300 for a second or subsequent violation, or \$300 if the person is involved in a motor vehicle accident.

First sponsor: Sen. Farley

AAR Position: Monitor

Last Action: 1/22 referred to Senate Transportation, Public Safety, Government and

Environment.

#### SB1150: SEWER CONNECTION; COUNTY ISLANDS; PROHIBITION

Municipalities are prohibited from requiring a property owner in the municipal planning area to connect to the municipal sewer system if the property is located in a county island. Some exceptions. This prohibition preempts all local laws, ordinances and charter provisions to the contrary. AS PASSED SENATE.

First sponsor: Sen. D. Farnsworth

AAR Position: Monitor

Last Action: 4/17 signed by governor. Chap. 72, Laws 2014.

#### SB1151: FOWL REGULATION; PROHIBITION

Municipalities are prohibited from adopting a zoning ordinance that prohibits a resident of a single-family detached residence from keeping fowl in the backyard of the property. Municipalities may restrict the number of fowl. This legislation preempts all local laws, ordinances and charter provisions to the contrary.

First sponsor: Sen. D. Farnsworth

AAR Position: Monitor

Last Action: House COW FAILED to approve after adopting a Robson floor amendment. Roll

call: 25-32.

# SB1161: MUNICIPAL POLICIES; AUTHORITY

Municipalities are authorized to adopt a specified set of "streamlined local government policies" through municipal legislation, charter amendment or local initiative. Establishes policies for property rights, criminal law enforcement and fiscal provisions. Severability clause.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 1/27 Senate Government and Environment held.

# SB1163: TEXTING WHILE DRIVING; TRANSPORTATION VEHICLES

A person is prohibited from using a handheld wireless communication device to make or receive a telephone call, engage in a telephone conversation or manually write, send or read a written message while operating a vehicle for public transit, a livery vehicle, taxi, limousine or a bus.

First sponsor: Sen. McGuire

AAR Position: Monitor

Last Action: 1/23 referred to Senate Transportation, Public Safety, Government and

Environment.

#### SB1166: GROUNDWATER; EXTINGUISHMENT CREDITS; PINAL AMA

The Department of Water Resources is prohibited from adopting or implementing any administrative rule in the Pinal Active Management Area that reduces the amount or quantity of credits for the extinguishment of irrigation grandfathered rights. Applies to any rule adopted before or after the effective date of this legislation.

First sponsor: Sen. McGuire

AAR Position: Monitor

Last Action: 1/23 referred to Senate Government and Environment.

#### SB1172: TECH CORRECTION; CONSERVATION EASEMENTS; APPLICABILITY

Minor change in Title 33 (Property) related to applicability of conservation easements. Apparent striker bus.

First sponsor: Sen. Melvin

AAR Position: Monitor

Last Action: 1/23 referred to Senate rules only.

#### SB1178: SPECIAL DETAINER ACTIONS; LANDLORD; TENANT

For special detainer actions for remedies for noncompliance with the rental agreement by a tenant, specifies that the number of days the trail may be postponed for are business days, and various other deadlines are specified as either business days or calendar days.

First sponsor: Sen. Burges

AAR Position: Monitor

Last Action: 3/18 House Commerce held.

#### SB1183: FIRE ACCESS ROADS; LIMITATION; SPRINKLERS

Municipalities and counties are prohibited from adopting any fire code or other legal requirement for an approved fire apparatus access road and/or road extension that directly or indirectly requires a one or two family residence or a "utility or miscellaneous accessory building" (defined) to install fire sprinklers. Fire code officials are permitted to increase or extend an approved fire apparatus access road or access road extension to comply with this requirement. AS PASSED SENATE.

First sponsor: Sen. D. Farnsworth

AAR Position: Monitor

Last Action: 4/17 signed by governor. Chap. 73, Laws 2014.

#### SB1184: PLANNED COMMUNITIES; DEFINITION; PROPERTY EASEMENTS

For the purpose of planned community regulations, real estate on which an easement is held by a nonprofit corporation or unincorporated association of owners created for the purpose of managing the property is added to the definition of "planned community."

First sponsor: Sen. S. Pierce

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 112, Laws 2014.

#### SB1185: HOME SALES; WATER SUPPLY DISCLOSURE

Beginning January 1, 2015, a subdivider selling lots outside an active management area must record with the county recorder a document containing a statement of water adequacy or inadequacy for that subdivision.

First sponsor: Sen. Ableser

AAR Position: Monitor

Last Action: 1/27 referred to Senate Natural Resources and Rural Affairs, Government and

Environment.

# SB1202: TECH CORRECTION; WATER PROTECTION

Minor change in Title 45 (Waters) related to water protection. Apparent striker bus.

First sponsor: Sen. Burges

AAR Position: Monitor

Last Action: 1/27 referred to Senate rules only.

# SB1204: TECH CORRECTION; FIRE DISTRICTS

Minor change in Title 48 (Special Taxing Districts) related to fire district chiefs. Apparent striker bus.

First sponsor: Sen. Burges

AAR Position: Monitor

Last Action: 1/27 referred to Senate rules only.

# SB1205: TECH CORRECTION; WATER QUALITY FUND

Minor change in Title 49 (Environment) related to the Water Quality Assurance Revolving Fund. Apparent striker bus.

First sponsor: Sen. Burges

AAR Position: Monitor

Last Action: 1/27 referred to Senate rules only.

# SB1213: REAL ESTATE ADVISORY BD; MEMBERSHIP (TECH CORRECTION; REAL ESTATE LICENSING)

Increases the membership of the Real Estate Advisory Board to ten members by increasing the number of residential real estate broker members to three, from two. The additional broker member is required to have been engaged in multifamily residential rental property management with a real estate broker license for the five years immediately preceding appointment. AS PASSED SENATE.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 4/17 signed by governor. Chap. 74, Laws 2014.

# SB1214: NATURAL RESOURCE CONSERVATION DIST; EXPERTISE (TECH CORRECTION; REAL ESTATE REGULATION)

The state recognizes the special expertise of natural resource conservation districts in the fields of land, soil, water and natural resources management within the boundaries of the district. AS PASSED SENATE.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 4/30 signed by governor. Chap. 243, Laws 2014.

# SB1215: REAL ESTATE; UNSUBDIVIDED LAND DEFINITION (TECH CORRECTION; REAL ESTATE DEPARTMENT)

Minor change in Title 32 (Professions and Occupations) related to the Real Estate Department. Apparent striker bus.

First sponsor: Sen. Griffin

**AAR Position: Monitor** 

Last Action: 4/23 signed by governor. Chap. 187, Laws 2014.

#### SB1227: MUNICIPALITIES; COUNTIES; ENERGY EFFICIENT CODES

Municipalities and counties are prohibited from adopting as mandatory any building code, ordinance or other legal requirement that is related to energy efficiency, energy conservation or green construction in new construction, and from denying any license or building permit or imposing any fine on a person for failure to comply with such a requirement. Does not apply to any legal requirement that was adopted and effective before the effective date of this legislation.

First sponsor: Sen. Crandell

AAR Position: Monitor

Last Action: 3/3 Senate COW approved with floor amendment #4465.

#### SB1231: COUNTYWIDE FIRE DISTRICTS

Beginning July 1, 2017, counties with a population of more than 200,000 but less than 350,000 (Mohave and Yavapai Counties) are required to contain a single, countywide fire district with the same boundaries as the county that is governed by the county board of supervisors acting as the fire district board of directors. Countywide fire districts are authorized to levy a countywide secondary property tax and issue and sell bonds, and assume all the powers and duties of fire districts except for levying or collecting a fire district assistance tax. On July 1, 2017, all assets and liabilities of each fire district in these counties must be transferred to the county board of supervisors. Municipal fire districts are exempt.

First sponsor: Sen. Crandell

AAR Position: Monitor

Last Action: 1/28 referred to Senate rules only.

# SB1251: TECH CORRECTION; BUILDING CODES

Minor change in Title 11 (Counties) related to building codes. Apparent striker bus.

First sponsor: Sen. Griffin

**AAR Position:** 

Last Action: 1/29 referred to Senate rules only.

#### SB1267: NATURAL RESOURCE MANAGEMENT; STATE AGENCIES

The State Land Department, Department of Water Resources, Department of Environmental Quality and Arizona Game and Fish Department are required to monitor federal natural resource management issues that impact federal lands located in Arizona, encourage increased cooperation with federal agencies and submit comments as necessary regarding federal regulations impacting natural resource management of federal lands in Arizona, and inform the Legislature of federal natural resource management issues considered to be of statewide importance.

First sponsor: Sen. S. Pierce

AAR Position: Monitor

Last Action: 3/4 from Senate Rules okay.

#### **SB1271: COUNTY LIENS; ABATEMENTS**

The sale of a real property tax lien or foreclosure of the right to redeem does not extinguish a county lien for nuisance abatement, dangerous building abatement, or abatement or injunction of rubbish, debris or dilapidated buildings.

First sponsor: Sen. Ward

AAR Position: Monitor

Last Action: 1/30 referred to Senate Government and Environment.

### SB1273: QUALIFIED MORTGAGE STANDARDS

Adds a new chapter to Title 6 (Financial Institutions) regulating mortgages. Creditors are prohibited from making a loan unless there is a reasonable and good faith determination that the consumer will have the ability to repay the loan according to its terms. Factors that must be considered in making the repayment ability determination are specified. Establishes regulations for balloon payments and prepayment penalties. Effective January 1, 2015.

First sponsor: Sen. Farley

AAR Position: Monitor

Last Action: 1/30 referred to Finance.

# SB1274: AQUIFER PROTECTION PERMITS; POST-CLOSURE PROCEDURE

Various changes relating to aquifer protection permits, including modifying the definition of "post-closure monitoring and maintenance." The cost estimate that the Department of Water Resources may consider in evaluating an applicant's financial competence for a permit must be

based on the cost for the applicant to hire a third party to conduct the closure strategy or plan. Some exceptions. Permitees are required to demonstrate financial responsibility to cover the estimated costs to close the facility by providing a financial assurance mechanism, and must maintain demonstration of financial responsibility for the duration of the permit. AS PASSED SENATE.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 4/22 signed by governor. Chap. 115, Laws 2014.

# SB1303: PROPERTY VALUATION; CLASS SIX

The list of property classified as class 6 for property tax purposes is expanded to include real and personal property and improvements that are owned by a taxpayer that is a regionally accredited institution of higher education with at least one university campus in Arizona and that has more than 2,000 students residing on the campus in Arizona. AS PASSED SENATE.

First sponsor: Sen. Yarbrough

AAR Position: Oppose

Last Action: 3/11 from House Ways and Means do pass.

#### SB1305: SEMIPUBLIC SWIMMING POOL BARRIER GATES

Beginning January 1, 2015, a code or ordinance adopted by a municipality or county applies to locking devices for pool barrier gates used for semipublic swimming pools, and a new construction or major renovation of a semipublic swimming pool must meet the requirements of the code or ordinance.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 4/17 signed by governor. Chap. 78, Laws 2014.

# SB1331: FIRE; BUILDING; LIFE SAFETY; CONTINUATION

The statutory life of the Department of Fire, Building and Life Safety is extended 8 years to July 1, 2022. Retroactive to July 1, 2014.

First sponsor: Sen. Shooter

AAR Position: Monitor to Support

Last Action: 4/22 signed by governor. Chap. 121, Laws 2014.

# SB1333: AIR QUALITY STUDIES; COUNTIES; ASSOCIATIONS

When conducting air quality studies at the request of a county, the Department of Environmental Quality is authorized to seek cooperative arrangements with cooperative associations, membership organizations or other entities that have available facilities or personnel suitable for the conduct of the research.

First sponsor: Sen. Shooter

AAR Position: Monitor

Last Action: 3/13 referred to House Agriculture and Water.

#### SB1334: HOAS; HEARINGS; ATTORNEY FEES

Attorney fees cannot be awarded in an administrative hearing for a dispute between an owner and a homeowners' association or condo association.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 3/18 FAILED House Government 4-4.

#### SB1348: SPECIAL DISTRICTS; AUDITS; BUDGETS; BOARDS

Special taxing districts that receive \$500,000 or more, decreased from \$1 million or more, in total revenues must have an annual audit performed. The county attorney is authorized to investigate any claimed failure to comply with special taxing district audit and financial review requirements. For a fire district that amendment s its budget after its initial adoption, the district board is required to hold at least two hearings on the revision. Emergency clause.

First sponsor: Sen. Crandell

AAR Position: Monitor

Last Action: 4/2 from House Rules only.

#### SB1352: PROPERTY TAX ROLL; CORRECTIONS

Property owners must be notified of a property tax roll correction, and the property owner may appeal the correction. The correction of property tax errors is limited to real property that has not been issued a certificate of purchase. On the consent of the taxpayer to the roll correction or on the decision of the board of equalization, the county treasurer must mail a corrected billing to the taxpayer, and taxes are delinquent if they are not paid within 90 days after the corrected billing is mailed. If taxes have been overpaid, they must be refunded with interest within 90 days after the roll is corrected.

First sponsor: Sen. Worsley

**AAR Position:** 

#### Monitor

Last Action: 4/23 signed by governor. Chap 249, Laws 2014.

#### SB1356: GOVT LAND PURCHASES; RECORDING NOTIFICATION

If the state or any county, municipality or political subdivision purchases private real property, the county recorder is required to notify the State Land Department of the purchase and provide the Dept with a copy of the recorded deed.

First sponsor: Sen. Griffin

AAR Position: Monitor

Last Action: 2/17 Senate Government and Environment held.

#### SB1387: FIRE DISTRICTS; BOARD SIZE; FORMATION

For any fire district administered by a three-member board that levies taxes in a fiscal year of \$500,000 or more, the district is required to be administered by a five-member board beginning with the first general election held after the end of that fiscal year. Establishes initial terms for boards adding additional members based on the numbers of votes for board members. Eliminates authorization for organizing boards to reimburse third parties for certain services. Session law provides that for any petition approved for circulation before the effective date of this legislation, the organizing board may lawfully reimburse third parties for agreed-upon services. Emergency clause.

First sponsor: Sen. Crandell

AAR Position: Monitor

Last Action: 4/30 signed by governor. Chap. 252, Laws 2014.

#### SB1402: RENEWABLE ENERGY; DEFINITION

For the purpose of all statutes and laws of the state, "renewable energy" is defined as solar, wind, hydroelectric, pumped storage, flywheel storage, hydrogen, geothermal, biomass and biomass base load energy, and nuclear energy from sources fueled by uranium fuel rods that include 80 percent or more of recycled nuclear fuel and natural thorium reactor resources under development.

First sponsor: Sen. Melvin

AAR Position: Monitor

Last Action: 3/4 referred to House Energy and Environment.

SB1412: ACCELERATED DEPRECIATION; CLASS 6 PROPERTY

The accelerated depreciation schedule for certain class 1 and class 2 property also applies to personal property that is acquired during or after tax year 2014 and is initially classified during or after tax year 2015 as class 6 property. Beginning in valuation year 2015, the Department of Revenue is required to reduce the minimum value prescribed for class 6 property valued by the county assessor by 2.5 percent good each year.

First sponsor: Sen. Yarbrough

AAR Position: Monitor

Last Action: 4/3 retained on House Committee of the Whole calendar.

# SB1458: CONSERVATION LAND; PURPOSE; OWNERSHIP

The county assessor is required to identify land used for "conservation purposes" (defined), and the Department of Revenue is required to create a new identifiable property use code for conservation land.

First sponsor: Sen. Griffin

**AAR Position: Monitor** 

Last Action: 2/19 Senate Natural Resources and Rural Affairs held.

#### SB1471: RECORDED DOCUMENTS; FALSE FILING; LIABILITY

A person who purports a claim of easement and any claim based on a provision in a declaration of restrictive covenants against real property and who causes a document asserting the claim to be recorded while knowing the document to be forged or false is liable to the property owner and is guilty of a class 1 (highest) misdemeanor.

First sponsor: Sen. Driggs

AAR Position: Monitor

Last Action: 2/11 from Senate Judiciary do pass.

#### SB1472: FIRE DISTRICT ASSISTANCE TAX; LIMIT

For FY2014-15, the maximum fire district assistance tax is increased to \$3.50 per \$100 of assessed valuation, from \$3.25. Beginning in FY2015-16 and each succeeding FY, the tax rate must be increased by two percent annually.

First sponsor: Sen. Driggs

AAR Position: Monitor

Last Action: 2/20 from Finance with amendment #4253.

#### SB1475: CONTRACTOR LICENSING EXEMPTIONS; PROPERTY OWNERS

The exemption from licensed contractor regulations for property owners who improve that property and who do the work themselves applies if the structure is not intended for occupancy solely by the owner or if the structure is intended for sale or for rent.

First sponsor: Sen. D. Farnsworth

AAR Position: Monitor to Support

Last Action: 2/12 Senate Commerce, Energy, Military held.

# SB1482: HOAS AMENDMENT MENTS; OMNIBUS

Repeals and reinstates various changes made by Laws 2013, Chapter 254, including statute prohibiting municipal planning agencies and county planning and zoning commissions from requiring a subdivider or developer to establish a homeowner's association as part of a subdivision regulation or zoning ordinance, statute allowing a management company and its employees to act on behalf of a contracted HOA and the HOA Board by recording a lien or notice of claim of lien of the HOA or appearing on behalf of the HOA in a small claims court action when specified conditions are met, statute allowing homeowners and condo association members to use the member's property as a rental property unless prohibited in the declaration, and statute prohibiting condominium associations from prohibiting the indoor or outdoor display of a "political sign" (defined) by a unit owner on the owner's property, except earlier than 71 days before election day and later than 3 days after election day, thereby delaying the effective dates of these changes. Also, HOAs and condo associations are added to the list of entities authorized to bring an action in superior court against a property owner to abate and prevent criminal activity at a residential property. Severability clause. AS PASSED SENATE.

First sponsor: Sen. Griffin

**AAR Position:** 

**Support with Lobbying** 

Last Action: 4/17 signed by governor. Chap. 83, Laws 2014.

# SCR1004: TECH CORRECTION; STATE LANDS; PRICE

Proposes a minor change in Article X, Section 5, of the state Constitution related to state trust lands. Apparent striker bus for a proposition to be referred to the ballot at the next general election.

First sponsor: Sen. Biggs

AAR Position: Monitor

Last Action: 2/25 Senate Appropriations held.

SM1001: TECH CORRECTION; URGING THE EPA

The Legislature urges the U.S. Environmental Protection Agency to take unspecified action (blank in original). Apparent striker bus.

First sponsor: Sen. Griffin

**AAR Position: Monitor** 

Last Action: 1/29 referred to Senate rules only.

# SR1003: EPA; NULLIFICATION OF RULES

The members of the Senate support the nullification in the State of Arizona of all rules imposed by the U.S. Environmental Protection Agency (EPA) and support consultation between the EPA and tribal governments prior to the implementation of rules that impact tribal governments. AS SENT TO SECRETARY OF STATE.

First sponsor: Sen. Burges

AAR Position: Monitor

Last Action: 2/20 passed Senate 18-11; to secretary of state.