

Legislative Committee
Chair: Liz Recchia

Status of Bills Reviewed by the Legislative Committee
As of April 15, 2015

2015 Master Bill Digest

HB 2001: INCOME TAX BRACKETS; INFLATION INDEX

For each tax year beginning with 2016, the Department of Revenue is required to adjust the income dollar amounts for each individual income tax rate bracket by the average annual change in the metropolitan Phoenix consumer price index. The revised dollar amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior tax year. AS SIGNED BY GOVERNOR.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 91, Laws 2015.

HB 2004: TECH CORRECTION; CONSUMER FRAUD

Minor change in Title 44 (Commerce) related to consumer fraud. Apparent striker bus.

First sponsor: Representative Petersen

AAR Position:

Monitor

Last Action: 2/12 House Government and Higher Education held.

HB 2012: TECH CORRECTION; CONSUMER FRAUD

Minor change in Title 44 (Commerce) related to consumer fraud. Apparent striker bus.

First sponsor: Representative Shope

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2013: COURTS; DAYS; TRANSACTION OF BUSINESS

Municipal courts are authorized to transact business on the second Monday in October if the municipality is open on that day and the presiding judge of the municipal court approves. AS SIGNED BY GOVERNOR.

First sponsor: Representative Coleman

AAR Position:

Monitor

Last Action: 3/17 signed by governor. Chap. 28, Laws 2015.

HB 2016: CORP COMM FILINGS; DATABASE (~~TECH CORRECTION; MORTGAGE GUARANTY INSURANCE~~)

Minor change in Title 20 (Insurance) related to mortgage guaranty insurance. Apparent striker bus.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/11 FAILED to pass House 26-33.

HB 2017: TECH CORRECTION; STATE TRUST LAND

Minor change in Title 37 (Public Lands) related to state trust lands. Apparent striker bus.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2019: TECH CORRECTION; PREPAID LEGAL INSURANCE

Minor change in Title 20 (Insurance) related to prepaid legal insurance. Apparent striker bus.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2026: TECH CORRECTION; BANK DEPOSITS

Minor change in Title 6 (Financial Institutions) related to bank deposits. Apparent striker bus.

First sponsor: Representative Brophy McGee

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2031: TECH CORRECTION; NOTARIES PUBLIC; CONDUCT

Minor change in Title 41 (State Government) related to notaries public. Apparent striker bus.

First sponsor: Representative Brophy McGee

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2032: OFFICE OF ADMINISTRATIVE HEARINGS; CONTINUATION

The statutory life of the Office of Administrative Hearings is extended 4 years to July 1, 2019. Retroactive to July 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Representative Ugenti

AAR Position:

Monitor to Support

Last Action: 3/17 signed by governor. Chap. 20, Laws 2015.

HB 2043: TECH CORRECTION; MINERALS; LAND INVENTORY

Minor change in Title 27 (Minerals, Oil and Gas) related to inventory of land containing common minerals. Apparent striker bus.

First sponsor: Representative Carter

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2044: TECH CORRECTION; REAL ESTATE LICENSING

Minor change in Title 32 (Professions and Occupations) related to real estate licensing. Apparent striker bus.

First sponsor: Representative Carter

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2045: TECH CORRECTION; SELLER; DISCLOSURE

Minor change in Title 33 (Property) related to seller's duty to disclose. Apparent striker bus.

First sponsor: Representative Carter

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2054: TECH CORRECTION; TAX NOTES; DEFINITIONS

Minor change in Title 35 (Public Finances) related to tax anticipation notes. Apparent striker bus.

First sponsor: Representative Thorpe

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2058: SOVEREIGN AUTHORITY; FEDERAL RULES (~~TECH CORRECTION;~~ ~~ELECTRIC GENERATION SUPPLIERS~~)

The Governor is required to approve and the Legislature is required to be notified of state use of personnel or financial resources to enforce, administer or cooperate with any rule, regulation or policy directive effective after June 30, 2015 by an agency, board, commission, department or other entity of the federal government that has not been affirmed by a vote of the U.S. Congress and signed into law as prescribed by the U.S. Constitution. The prohibition may be waived on a case-by-case basis by either a vote of the Legislature while in session or by the Governor and the President of the Senate and the Speaker of the House of Representatives while the Legislature is not in session. AS PASSED HOUSE.

First sponsor: Representative Thorpe

AAR Position:

Monitor

Last Action: 3/18 Senate Government FAILED (3-4).

HB 2060: STATE BUDGET; CONSENSUS FORECAST

On March 1, September 1 and December 1 of each year, the Directors of the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting are required to jointly compile a consensus revenue forecast for the current fiscal year and the next three fiscal years. The consensus revenue forecast must consist of specified information and must be transmitted to the Governor and the Legislature. Revenue estimates in the annual budget submitted to the Legislature by the Governor and in the general appropriation act are required to be based on the most recent consensus revenue forecast.

First sponsor: Representative Mesnard

AAR Position:

Monitor

Last Action: 2/16 from House rules okay. To House consent calendar.

HB 2061: ONLINE TPT; INCOME TAX REDUCTION

The Department of Revenue is required to determine the amount of additional revenue collected during the first full taxable year following the date the Dept. begins collecting, as a result of a "qualifying federal law" (defined), transaction privilege and use taxes from out-of-state retailers on purchases made by Arizona residents. After the Dept. makes this determination, the Dept. is required to determine the amount that individual income taxes may be reduced in the following tax year in order to decrease individual income tax revenue by the amount of TPT collected. The Dept. must certify these determinations to the Governor and the Legislature and must specify in the certification that the new tax rates take effect in the following tax year.

First sponsor: Representative Mesnard

AAR Position:

Monitor

Last Action: 2/10 FAILED to pass House 27-30. House voted to reconsider failure to pass bill. Second vote scheduled for 2/12.

HB 2062: CONFIDENTIAL TAX INFORMATION; TAX CREDITS

For the purposes of the Joint Legislative Income Tax Credit Review Committee, legislative staff is added to the list of persons to whom the Department of Revenue may disclose statistical information gathered from confidential tax information. AS SIGNED BY GOVERNOR.

First sponsor: Representative Mesnard

AAR Position:

Monitor

Last Action: 4/6 signed by governor. Chap. 199, Laws 2015.

HB 2069: ONLINE TPT; INCOME TAX DEDUCTION (~~TECH CORRECTION; TAX REFUND ACCOUNT~~)

The Department of Revenue is required to estimate the amount of additional revenue collected during the first full taxable year following the date the Dept. begins collecting, as a result of a "qualifying federal law" (defined), transaction privilege and use taxes from out-of-state retailers on purchases made by Arizona residents. After the Dept. makes its estimate, the Dept. is required to determine the amount that individual income taxes may be reduced in the following tax year in order to decrease individual income tax revenue by the amount of the estimate. The Dept. must certify these amounts to the Governor and the Legislature and must specify in the certification that the new tax rates take effect in the following tax year. AS PASSED HOUSE.

First sponsor: Representative Mesnard

AAR Position:

Monitor

Last Action: 3/19 from Senate Finance with amendment #4926.

HB 2072: 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 be referring the change to the ballot must be 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: Representative Ugenti

AAR Position:

Monitor

Last Action: 2/2 from House elect with amendment #4037.

HB 2073: 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, 2016 for counties with a population of 375,000 or more, and January 1, 2017 for counties with a population of less than 375,000.

First sponsor: Representative Ugenti

AAR Position:

Monitor

Last Action: 1/28 referred to House County and Municipal Affairs.

**HB 2076: SUPREME COURT JUSTICES; NUMBER (~~LEGAL REPRESENTATION;~~
~~CORPORATIONS; PARTNERSHIPS~~)**

In a superior court or justice court action, a full-time officer or authorized employee of a corporation may represent the corporation, and an active general partner or authorized full-time employee may represent a partnership. Does not limit or otherwise interfere with a party's right to assign or employ counsel.

First sponsor: Representative Petersen

AAR Position:

Monitor

Last Action: 2/19 House COW approved with amendment #4137. NOTE SHORT TITLE CHANGE.

HB 2078: BOARD OF SUPERVISORS; SEVEN MEMBERS

Each county that has a population of one million or more persons (Maricopa County) is required to have a board of supervisors consisting of seven members, increased from five, who must be qualified electors of their supervisorial district. In those counties, the county planning and zoning commission must consist of 14 members, increased from 10, who are qualified electors of the county. Two members are appointed to the commission from each district by the county supervisor of each district. Of the initially appointed members, seven must be appointed to two-year terms and seven must be appointed to four-year terms. Session law provides that a county with a population of one million or more persons with an existing board of supervisors consisting of five members must begin the process of electing two additional supervisors at the 2018 general election and specifies the process for adding new members.

First sponsor: Representative Petersen

AAR Position:

Monitor

Last Action: 2/2 House County and Municipal Affairs held.

HB 2079: LOCAL BONDING; PROPERTY TAX MEASURE

For an election to authorize bond indebtedness for a political subdivision, all election materials prepared, issued or used by the political subdivision are required to use the words “property tax measure” to describe the bond question.

First sponsor: Representative Petersen

AAR Position:

Monitor

Last Action: 3/12 FAILED to pass Senate 15-13.

HB 2083: INCOME TAX REVISIONS

Various changes relating to income taxes. For tax years beginning with 2016, the Department of Revenue (DOR) is required to adjust the income dollar amounts for each individual income tax rate bracket by the average annual change in the metropolitan Phoenix consumer price index. The revised dollar amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior tax year. A taxpayer is permitted to take an expense deduction for property placed in service in tax years beginning with 2015, in the amount that would be allowed under the Internal Revenue Code as it existed on December 31, 2014 minus any amount actually allowed under the Internal Revenue Code in determining federal taxable income. A taxpayer is also permitted to take an expense deduction for "qualified property" (defined) that is placed in service in tax years beginning with 2015, in an amount allowed under the Internal Revenue Code as it existed on December 31, 2014 minus any amounts actually allowed under the Internal Revenue Code in determining federal taxable income. Establishes additions to Arizona gross income to avoid a double deduction if a taxpayer uses these expensing provisions. The lists of additions to and subtractions from Arizona gross income are modified to delete obsolete calculations. DOR is required to mail a notice for additional tax due regarding individual income tax adjustments that are not "based on federal information" (defined) within three years, decreased from four years, after the report or return is filed or required to be filed, whichever is later. For individual income tax changes or corrections based on federal information, DOR may conduct an audit after an assessment has been issued within that same time period, and the audit must be limited to changes based on federal information. Some provisions are retroactive to tax years beginning January 1, 2015. AS PASSED HOUSE.

First sponsor: Representative Mesnard

AAR Position:

Monitor

Last Action: 3/11 from Senate Finance with amendment #4825.

HB 2084: CONDOS; PLANNED COMMUNITIES; ASSOC; DISCLOSURE

Condominium unit owners' and planned community homeowners' associations (HOAs) are required to submit with their annual report to the Corporation Commission a separate statement containing the name of the designated agent or management company for the HOA, the address for the HOA, and the contact information of the HOA or its designated agent or management company. HOAs are required to file an amended statement reflecting any changes in designated agent or Management Company within 30 days of the change. The requirement for an HOA to record similar information in the office of the county recorder is deleted. AS SIGNED BY GOVERNOR.

First sponsor: Representative Petersen

AAR Position:

Support

Last Action: 3/17 signed by governor. Chap. 21, Laws 2015.

HB 2086: FINGERPRINT CLEARANCE CARDS; OMNIBUS

Various changes relating to fingerprint clearance cards (card). If the Department of Public Safety Fingerprinting Division determines that it is not authorized to issue a card to a person, or if the Division suspends or revokes a card, the Division is required to inform the person in writing and include the criminal history information on which the denial or other action was based.

Department of Child Safety employees who have contact with children or are employed in an information technology position are required to have a valid card or provide documentation of application for a card and certify that the employee has not committed any specified criminal offenses. Department of Emergency and Military Affairs employees are required to submit fingerprints for the purpose of obtaining a state and federal criminal records check, instead of being required to have a valid card. AS SIGNED BY GOVERNOR.

First sponsor: Representative Borrelli

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 94, Laws 2015.

HB 2094: EMPLOYMENT; VETERANS' PREFERENCE (~~MOBILE HOME PARKS; TREE MAINTENANCE~~)

Private employers are permitted to adopt a voluntary "veterans' preference employment policy" (defined). The policy must be in writing and applied uniformly to employment decisions. AS SIGNED BY GOVERNOR.

First sponsor: Representative Coleman

AAR Position:

Monitor

Last Action: 4/6 signed by governor. Chap. 202 Laws 2015.

HB 2096: BD OF APPRAISAL; COMPLAINTS; DISCLOSURE

The Board of Appraisal is prohibited from disclosing the name of a licensee during the complaint process unless the Board determines that there is a violation of law or the uniform standards of professional appraisal practice. The Board is required to dismiss a complaint if the Board determines there is no evidence of a violation of law or the uniform standards of professional appraisal practice. Complaints dismissed by the Board cannot be disclosed.

First sponsor: Representative Brophy McGee

AAR Position:

Monitor

Last Action: 1/20 referred to House Banking and Financial Services.

HB 2097: LOAN ORIGINATORS; ADVANCE FEE LOANS

Registered advance fee loan brokers are required to apply for renewal by June 30 of each year. A registration for which a renewal application is not received by June 30 is suspended, and the broker may not act as such until the registration is renewed or a new registration is issued. The registration expires if the broker has not filed the renewal application by July 31. A registration may not be granted to the holder of an expired registration except as provided in statute for the issuance of an original registration. Also repeals the Loan Originator Examination Committee. AS SIGNED BY GOVERNOR.

First sponsor: Representative Brophy McGee

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 97, Laws 2015.

HB 2108: PROPERTY TAX; CLASS NINE; CONVENTIONS

The class 9 property tax classification is modified to include improvements located on federal, state, county or municipal property and owned by the lessee of the property if the improvements become the property of the government on termination of the leasehold interest in the property and if both the improvements and the property are used exclusively, instead of primarily, for convention activities. AS PASSED SENATE.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 4/9 signed by governor. Chap. 233, Laws 2015.

HB 2109: BALLOT; FORM; SECONDARY PROPERTY TAXES

If political subdivision bonds are to be repaid with secondary property taxes, the ballot must contain the words “bond approval, yes” and “bond approval, no” and a statement that a “yes” vote will authorize the governing body to issue and sell the specified amount and type of bonds of the district to be repaid with secondary property taxes and that a “no” vote will not authorize the governing body to issue and sell the bonds. AS SIGNED BY GOVERNOR.

First sponsor: Representative Mitchell

AAR Position:

Monitor to Support

Last Action: 3/23 signed by governor. Chap. 48, Laws 2015.

HB 2110: TAXING DISTRICT BOUNDARIES; DEADLINE EXTENSIONS

The Department of Revenue may extend the deadline for municipal, school district, community college district and other special taxing district governing bodies to file information relating to changes in boundaries and the boundaries of newly created taxing jurisdictions to December 20 of the year preceding the year in which assessments or taxes are to be levied, instead of to February 15 of the year in which the assessments or taxes are to be levied. The governing body must request the extension by November 30, instead of by December 31, of the year preceding. (Note: The regular deadline for filing is November 1 of the year preceding.) AS SIGNED BY GOVERNOR.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 98, Laws 2015.

HB 2121: MUNICIPAL IMPROVEMENT DISTRICTS; SALE; DESCRIPTION (~~TECH CORRECTION; AGRICULTURAL IMPROVEMENT DIST~~)

After a sale of delinquent property in a municipal improvement district, the certificate of sale that the street superintendent is required to execute must set forth a legal description of the property sold, and may include the parcel number or street address, if any. Previously, the certificate of sale was required to set forth a description of the property sold. AS PASSED HOUSE.

First sponsor: Representative Borrelli

AAR Position:

Monitor

Last Action: 3/3 referred to Senate rules only.

HB 2122: COUNTIES; SPECIAL TAXING DISTRICTS; REPORT

The deadline for the board of supervisors to compile a report of all special taxing districts in the county during the preceding fiscal year is moved to December 1, from October 1.

First sponsor: Representative Coleman

AAR Position:

Monitor

Last Action: 2/16 from House County and Municipal Affairs do pass.

HB 2129: MUNICIPAL TAX CODE COMMISSION; CONTINUATION

The statutory life of the Municipal Tax Code Commission is extended eight years to July 1, 2023. Retroactive to July 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/17 signed by governor. Chap. 24, Laws 2015.

HB 2130: STATE TAX APPEALS BOARD; CONTINUATION

The statutory life of the State Board of Tax Appeals is extended eight years to July 1, 2023. Retroactive to July 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/17 signed by governor. Chap. 25, Laws 2015.

HB 2131: TAX ADJUDICATIONS; ATTORNEY FEES

The court is permitted to award fees and other expenses to any "party" (defined) other than the state or a county or municipality that prevails by an adjudication on the merits in an action brought by that party against the state or a county or municipality challenging the refund of taxes or the denial of a tax refund. The maximum amount of attorney fees that may be awarded is increased to \$350 per hour, from \$175 per hour, and the maximum amount of fees awarded against the state or a county or municipality is increased to \$75,000, from \$30,000, for fees incurred at each level of judicial appeal. For each calendar year beginning with 2016, the income dollar amounts must be adjusted by the Attorney General according to the average annual change in the metropolitan Phoenix Consumer Price Index. The revised amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior year. AS PASSED SENATE.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 4/9 signed by governor. Chap. 234, Laws 2015.

HB 2147: MUNICIPAL TAX; POLE ATTACHMENT

The list of items exempt from the utilities, telecommunications, commercial lease and personal property rental classifications of transaction privilege taxes is expanded to include the leasing or renting of space to make attachments to "utility poles" (defined) by or to a person engaged in business under the utilities or telecommunications classifications or to a person that is a "cable operator" (defined elsewhere in statute). The list of items of items that municipalities are prohibited from levying a transaction privilege tax or other similar tax on is expanded to include the charges for leasing or renting of space to make attachments to utility poles by or to a person engaged in business under those classifications or that is a "cable operator" (defined elsewhere in statute). Retroactive to January 1, 2015, for the purpose of the prime contracting classification of transaction privilege tax, the definition of "replacement" is modified to specify that the current definition applies regardless of whether the existing component or system or existing tangible personal property is physically removed from the existing property. AS SIGNED BY GOVERNOR.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/26 signed by governor. Chap. 72, Laws 2015.

HB 2149: TECH CORRECTION; DELINQUENT PROPERTY; SALE

Minor change in Title 48 (Special Taxing Districts) related to sale of delinquent property.
Apparent striker bus.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2169: LOAN ORIGINATOR LICENSING

The 20 hours of education that loan originator licensees must complete during the 3-year period preceding license application must include 4 hours of the laws of Arizona, and the 8 hours of continuing education that licensees must complete before submitting a renewal application must include 1 hour of the laws of Arizona. The examination for loan originator license applicants must be developed or deemed acceptable by the Nationwide Mortgage Licensing System and Registry established by federal law. AS SIGNED BY GOVERNOR.

First sponsor: Representative Brophy McGee

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 102, Laws 2015.

HB 2172: MOTOR VEHICLE LIABILITY INSURANCE REQS

For motor vehicle liability insurance policies issued or renewed beginning June 1, 2016, the minimum required coverage is increased to \$25,000 for bodily injury or death of one person in any one accident, from \$15,000, to \$50,000 for bodily injury or death of two or more persons in any one accident, from \$30,000, and to \$25,000 because of injury to or destruction of property of others in any one accident, from \$10,000.

First sponsor: Representative Brophy McGee

AAR Position:

Monitor

Last Action: 2/4 House Insurance FAILED 4-4.

HB 2173: LEGAL TENDER; SPECIE (ESCROW AGENTS; LEGAL TENDER)

Legal tender in Arizona would have consisted 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 would have been prohibited from compelling 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 would not have given rise to liability for any type of tax. Legal tender would have been declared to be money and not subject to taxation or regulation as property other than money. The Attorney General would have been required to enforce this legislation and to intervene in any legal action to preserve and protect the state's monetary authority. Would have become effective from and after 90 days after the 52nd Legislature, 2nd Regular Session adjourns sine die. AS VETOED BY GOVERNOR. In his veto message, the Governor stated that he does not believe this policy is appropriate at this time.

First sponsor: Representative Finchem

AAR Position:

Monitor

Last Action: 4/1 VETOED.

HB 2175: PUBLIC RIGHTS-OF-WAY; CLAIMS

The State of Arizona asserts and claims rights-of-way across public lands under the federal Mining Act of 1866, acquired from and after its effective date through October 21, 1976, the date of its repeal. These rights-of-way may have been acquired in any manner authorized by law, including by a list of specified methods. The state does not recognize or consent to the exchange, waiver or abandonment of any revised statute 2477 right-of-way across public lands unless by formal, written official action that was taken by the state, county or municipal agency or instrumentality that held the right-of-way and that was recorded in the office of the county recorder. Does not apply to any revised statute 2477 right-of-way across private property, and does not impair, modify or otherwise affect any private property rights in effect on the effective date of this legislation. Emergency clause. AS PASSED HOUSE.

First sponsor: Representative Finchem

AAR Position:

Monitor

Last Action: 4/13 signed by governor. Chap. 227. Laws 2015.

HB 2179: TECH CORRECTION; TPT

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

First sponsor: Representative Thorpe

AAR Position:

Monitor

Last Action: 2/19 House Government and Higher Education FAILED (0-8)

HB 2189: HOUSING DISCRIMINATION; PROHIBITION

The list of attributes for which a person cannot be discriminated against in practices related to the sale or rental of housing, including providing real estate and brokerage services, is expanded to include gender, gender identity or expression or sexual orientation.

First sponsor: Representative Mach

AAR Position:

Support

Last Action: 3/31 referred to House rules only.

HB 2197: TECH CORRECTION; CONDO ASSOCIATIONS

Minor change in Title 33 (Property) related to condominium unit owners' associations. Apparent striker bus.

First sponsor: Representative Boyer

Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2209: GOVERNMENT-OWNED REAL PROPERTY; ANNUAL REPORT

Beginning in FY2015-16, municipal governing bodies and county boards of supervisors are required to publish a report by June 30 of each year of all the real property owned by the municipality or county. Information that must be included in the report is specified.

First sponsor: Representative Finchem

AAR Position:

Monitor

Last Action: 1/22 referred to House County and Municipal Affairs.

HB 2212: LICENSING; ACCOUNTABILITY; ENFORCEMENT; EXCEEDING REGULATION

Statute prohibiting municipalities, counties, special taxing districts and state agencies from basing licensing decisions on requirements or conditions that are not specifically authorized by statute, rule, ordinance or code may be enforced in a private civil action and relief may be awarded against a municipality, county, special taxing district or the state. The court is permitted to award reasonable attorney fees, damages and license application fees to a party that prevails in an action against the municipality, county, special taxing district or state. A municipal, county, special taxing district or state employee is prohibited from intentionally or knowingly violating the statute, and violations are cause for disciplinary action or dismissal. The language of these statutes must be prominently printed on all license applications. AS SIGNED BY GOVERNOR.

First sponsor: Representative Petersen

AAR Position:

Monitor to Support

Last Action: 3/30 signed by governor. Chap. 104, Laws 2015.

HB 2213: INSPECTIONS; AUDITS; NOTICE; RIGHTS

An agency inspector, auditor or regulator who enters any premises of a regulated person to conduct an inspection is required to inform each person who is interviewed during the inspection or audit that participation in an interview is voluntary (unless the person is legally compelled to participate), that the person may have an attorney or any other experts in their field present during the interview and that the person is allowed at least 24 hours to review and revise any written statement on which the person's signature is requested. The written information that must be provided to the person subject to inspection or audit is expanded to include a notice that if the information and documents provided become a public record, the person may redact trade secrets and proprietary and confidential information, and the time limit for filing a compliance action arising from the inspection or audit. Certain inspection rights do not apply to the Department of Health Services, and certain rights do not apply to the Corporation Commission, for specified statutory purposes. AS SIGNED BY GOVERNOR.

First sponsor: Representative Petersen

AAR Position:

Support

Last Action: 4/2 signed by governor. Chap 192, Laws 2015.

HB 2245: COUNTY FLOODPLAN REGULATIONS; MOBILE HOMES

County flood control district board regulations to allow a mobile home located in a floodplain on August 3, 1984 to be replaced by another mobile home may allow the replacement mobile home chassis to have a chassis supported by reinforced piers or other foundation elements of

equivalent strength that are no less than 36 inches in height above grade and are securely anchored to an adequately anchored foundation system to resist flotation, collapse and lateral movement instead of being elevated so that the bottom of the structural frame is at or above the base flood elevation.

First sponsor: Representative Ackerley

AAR Position:

Monitor

Last Action: 2/10 from House County and Municipal Affairs with amendment #4108.

HB 2248: MOBILE HOME SALES; TRANSPORTABILITY; LIABILITY

The seller of a mobile home in a mobile home park is required to provide to the buyer a signed certificate of transportability that states whether the mobile home is physically removable from its lot in the park and whether the landlord has consented to issue a written clearance for removal of the mobile home. A buyer who receives the certificate may void the purchase if the buyer determines within 60 days after receiving title that the mobile home is not removable or that the landlord has not issued a written clearance for removal. A buyer who voids the sale is not liable for unpaid rent or other obligations incurred by the seller.

First sponsor: Representative Ackerley

AAR Position:

Monitor

Last Action: 1/22 referred to House Commerce.

HB 2252: TAX; DELINQUENCY DATES; TAX LIENS

The date on which unpaid property taxes become delinquent is moved to December 31, from November 1. The county treasurer is permitted, instead of required, to notify the purchaser of a tax lien of a pending expiration at least six months, increased from 30 days, before the expiration date. Tax liens that are assigned to the state do not expire unless the lien is resold.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 2/16 House Ways and Means held.

HB 2253: PROPERTY TAX ASSESSMENTS; ONE-YEAR CYCLE

Numerous changes relating to property tax assessment processes in order to establish a single-year property tax cycle instead of an 18 month property tax cycle. Modifies the definition of “valuation date” to mean January 1 of the year in which taxes are levied for property valued by the county assessor. Various deadlines relating to the property tax valuation process are modified. Repeals sections of statute regulating valuation in the case of new construction. The Department of Revenue is required to conduct sales-ratio studies and issue equalization orders to the county assessor for areas identified as inconsistent with the valuation directives, rules and guidelines issued by the Dept. Changes to sections of statute related to the valuation of assessed property become effective January 1, 2017. Changes to sections of statute related to the assessment process become effective January 1, 2018. AS PASSED HOUSE.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/18 Senate Finance held.

HB 2254: MUNICIPAL TAX EXEMPTION; RESIDENTIAL LEASE

Municipalities or other taxing jurisdictions are prohibited from levying a transaction privilege or other similar tax or fee on the business of renting or leasing “real property for residential purposes” (defined). A municipality or other taxing jurisdiction that levies a tax or fee on the business of renting or leasing real property for residential purposes on January 1, 2015 is prohibited from increasing the rate of the tax or fee and is required to annually reduce the rate by 25 percent of the initial rate for four consecutive years beginning on July 1, 2016 and each July 1 thereafter. Beginning July 1, 2019, municipalities and other taxing jurisdictions are required to repeal any tax or fee on the business of renting or leasing real property for residential purposes. Retroactive to January 1, 2015.

First sponsor: Representative Mitchell

AAR Position:

Support

Last Action: 2/25 retained on House COW calendar.

HB 2255: PURCHASER DWELLING ACTIONS

Numerous changes relating to purchaser dwelling actions. The statute of limitations for actions involving development of real property is decreased to six years after substantial completion of the improvement to the property, from eight years. If an injury occurred or a latent construction defect was discovered during the sixth year, an action may be brought within one year after the injury occurred or the defect was discovered. For an improvement that was substantially complete on or before September 15, 2015, the new waiting periods begin to run on that date,

and this provision applies to claims that accrued before the effective date of this legislation. Makes various changes to the requirements for notice to the seller and the right to repair or replace alleged defects. If the purchaser fails to comply with notice requirements before bringing a dwelling action, the dwelling action must be dismissed. More. Severability clause.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2256: DEPT OF FINANCIAL INSTITUTIONS; EXAMINATIONS

The examination of financial institutions and enterprises by the Department of Financial Institutions must verify that all products and services offered by financial institutions and enterprises conform to federal and state law.

First sponsor: Representative McCune Davis

AAR Position:

Monitor

Last Action: 2/3 referred to House Banking and Financial Services.

HB 2263: EMERGENCY GROUNDWATER TRANSPORTATION; COLORADO RIVER

Groundwater that is withdrawn in a groundwater basin or sub-basin that is outside of an initial active management area (AMA) and that is adjacent or reasonably accessible to the Central Arizona Project canal system may be transported to an initial AMA if the AMA is at significant risk of forced reductions in deliveries of Colorado River water and the Governor issues a formal declaration of Colorado River water shortage emergency.

First sponsor: Representative Bowers

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2270: ESTABLISHMENT OF STATE-OWNED BANK

The state is required to engage in the business of banking by establishing a Bank of Arizona. All state monies must be deposited in the Bank. The Bank retains any income earned from investments made for its own account on state monies. Deposits are guaranteed by the state.

Establishes a Bank of Arizona Commission and a Bank of Arizona Advisory Board of Directors to oversee the Bank. The Commission and the Board terminate on July 1, 2025 and all Bank statutes self-repeal on January 1, 2026.

First sponsor: Representative Mendez

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2279: 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: Representative Alston

AAR Position:

Monitor

Last Action: 2/3 referred to House Appropriations.

HB 2297: STATE AGENCY 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 necessary to implement statutes or required by a final court order or decision. Some exceptions. Any person subject to a civil or criminal proceeding arising from the enforcement of a rule in violation has an affirmative defense to the enforcement action. The court or administrative body considering or reviewing the defense must rule on its merits without deference to any legislative, administrative or executive finding concerning the rule, and is permitted to award the prevailing party, other than the agency, attorney fees and costs. AS PASSED SENATE.

First sponsor: Representative E. Farnsworth

AAR Position:

Monitor to Support

Last Action: 4/9 signed by governor. Chap. 240, Laws 2015.

HB 2311: JUDGEMENT LIENS; RECORDATION; REAL PROPERTY

A certified copy of the judgment of any court in the state may be filed and recorded in the office of the county recorder in each county where the judgment creditor desires the judgment to become a lien on the real property of the judgment debtor. On recording, the judgment becomes a lien on the real property of the judgment debtor. Applies to judgments that are recorded beginning January 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Representative E. Farnsworth

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 110, Laws 2015.

HB 2316: SMALL WATER SYSTEMS FUND

The authorized uses of monies from the Small Water Systems Fund are modified to delete the development of public education and information programs and the provision of advice in technical areas and to allow emergency grants to “small water systems” (defined) to be used to replace water infrastructure, instead of only to repair it. AS PASSED HOUSE.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 4/9 signed by governor. Chap. 241, Laws 2015.

HB 2321: PUBLIC LANDS; CONVEYANCE AND TAXATION

By December 31, 2016, the state of Arizona demands that the United States extinguish title to all public lands in and transfer title to the state of Arizona. Does not apply to property that meets specified conditions. The Public Lands Board of Review is required to recommend legislation establishing a commission to administer the disposal of public lands and establishing the process for the state to receive title to public lands from the U.S. The Board is required to reports its findings to the Governor and the Legislature by November 30, 2020. AS PASSED HOUSE.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 3/17 from Senate Rural Affairs and Environment do pass.

HB 2349: FLOOD CONTROL DISTRICT; ADMIN ENFORCEMENT

In a county with a population of less than 175,000 persons, a flood control district is permitted to adopt a procedure in which the hearing officer issues a written finding of a violation and a final decision and order relating to the violation rather than submitting the officer's recommendation to the chief engineer. Modifies various requirements for flood control district violations, including removing the option for a person to appear in person, by attorney or by another designated representative to admit or deny the allegations in a violation notice. If a person denies the allegations and requests a stay of any cease and desist order, the chief engineer is required to issue the stay unless there is a threat to public health or safety or to another person's property rights. AS PASSED SENATE.

First sponsor: Representative Fann

AAR Position:

Monitor

Last Action: 4/13 signed by governor. Chap. 283. Laws 2015.

HB 2370: TEXTING WHILE DRIVING; PROHIBITION

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, 2016 through January 31, 2016. Effective January 1, 2016.

First sponsor: Representative Steele

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2382: LOW-INCOME HOUSING; PROPERTY TAX

Adds a new article to Title 42 (Taxation) governing the valuation of "low-income multifamily residential rental property" (defined). The owner of such property may elect a statutory income method for valuing the property by submitting specified information to the county assessor. Properties valued according to this method are added to class 4 property for property tax purposes.

First sponsor: Representative Olson

AAR Position:

Monitor to Support

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

**HB 2383: INVALID ANNEXATION; RETURN PROCEDURE (~~CONTRACTING; TPT;~~
~~LAND VALUE~~)**

For territory located in a county with a population of more than 2 million persons (Maricopa County), a territory seeking to void its annexation and be severed from the municipality and returned to the county is required, within 20 years after the territory's initial annexation, to file with the clerk of the county board of supervisors of the county in which the land is located a petition signed by the owners of 1/2 or more in value of the real and personal property and more than 1/2 of the persons owning real and personal property of the territory, a description and map of the territory to be severed, an affidavit stating that the municipality failed to comply with statutory requirements for annexation, and an affidavit stating that the developer did not complete the municipality's subdivision regulations. The board of supervisors is required to set a public hearing and to notify the governing body of the municipality in which the territory to be severed is located and each owner of real property in the territory. If owners of at least 51 percent of the land area protest the action or if the municipality demonstrates compliance with annexation statutes, the board of supervisors cannot declare the initial annexation void. If the requirements are met and after the public hearing, the board of supervisors is required to order the territory to be severed from the municipality and returned to the county. These provisions self-repeal on July 1, 2017. A municipality is prohibited from requiring the owner of property that is not located in the municipal boundaries to improve the owner's property unless the improvement has a substantial nexus to water or wastewater service that is provided to the owner's property by the municipality. AS PASSED CONFERENCE COMMITTEE.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 4/13 signed by governor. Chap. 284. Laws 2015.

HB 2384: COMMUNITY FACILITIES DISTRICTS; FORMATION

Various changes related to community facilities districts, including increasing the maximum term of bonds to 30 years, from 25, and allowing a bond election question to include authorization for an ad valorem tax levy to pay debt service on the bonds and a limitation on the tax levy.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 2/9 House Ways and Means held.

HB 2393: WATER SETTLEMENT ACT; REPLENISHMENT FORMULA

Modifies the calculations for the south side replenishment obligations, the municipal replenishment obligation for the western municipal protection zone, and the municipal and industrial replenishment obligation for the eastern protection zones north and south under the Gila River Indian Community Water Settlement Program. AS SIGNED BY GOVERNOR.

First sponsor: Representative Pratt

Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 121, Laws 2015.

HB 2394: AIR QUALITY; AGRICULTURAL MGMT PRACTICES

A person who commences a regulated agricultural activity is required to immediately comply with the agricultural general permit requirements, instead of being required to comply within 18 months of commencing the activity. Effective January 1, 2016.

First sponsor: Representative Pratt

AAR Position:

Monitor

Last Action: 4/9 signed by governor. Chap. 243, Laws 2015.

HB 2398: RESIDENTIAL TOW TRUCK PARKING; LIMITATION

Municipalities cannot prohibit a tow truck operator from parking a single tow truck at the operator's residence if the operator is required to be available on an on-call basis.

First sponsor: Representative Pratt

AAR Position:

Monitor

Last Action: 3/25 FAILED to pass Senate 12-17.

HB 2406: FIRE DISTRICT ASSISTANCE TAX; OVERRIDE

The net assessed valuation of all property in a county fire district is no longer required to decline by a combined total of 20 percent or more over two consecutive valuation years for the voters of the district to authorize an assistance tax override allowing annual levies that are exempt from the tax rate limit of \$3.25. Once authorized, overrides are valid for eight consecutive tax years,

increased from five, and are no longer subject to an annual levy limit of the amount of the preceding year's levy multiplied by 1.05.

First sponsor: Representative Stevens

AAR Position:

Monitor

Last Action: 2/9 House Ways and Means held.

**HB 2419: MUNICIPALITIES; PAWNBROKERS; GOLD; PROHIBITED FEES
(~~COMMISSION FEES; PAYMENT METHOD~~)**

The Corporation Commission is authorized to allow fees to be paid by alternative methods, including credit cards, charge cards, debit cards and electronic funds transfers.

First sponsor: Representative Stevens

AAR Position:

Monitor

Last Action: 4/2 FAILED to pass Senate on reconsideration 13-16.

HB 2430: TECH CORRECTION; REAL ESTATE DEPT

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

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

**HB 2447: REAL PROPERTY MANAGERS; CONSOLIDATED RETURNS (~~TECH
CORRECTION; BOND ELECTION~~)**

A municipality that levies a transaction privilege or other similar tax on the business of rental, leasing or licensing use of real property is required to allow property managers to file consolidated tax returns with respect to gross income or gross proceeds from the individual properties under management on behalf of the client property owners. A property manager filing a consolidated return is required to obtain the written consent of each participating client property owner. For tax periods beginning January 1, 2017, the Department of Revenue is required to develop the software application and related coding necessary for property managers or real property to file online a single consolidated tax return that captures each client property

owner's license number and separately identifies each owner's property locations and the detailed gross income and corresponding deductions for each property location. Beginning January 1, 2018, any property manager who files a consolidated return is required to file the return electronically. AS PASSED SENATE.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 4/2 passed Senate 28-0; ready for House action on Senate amendments.

HB 2449: TECH CORRECTION; WATER PROTECTION

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

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/9 retained on House COW calendar.

HB 2470: 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: Representative Mendez

AAR Position:

Monitor

Last Action: 2/3 referred to House Ways and Means.

HB 2485: TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION

Lots, parcels or fractional interests that are the result of a foreclosure of the right to redeem are added to the list of lands that are exempt from statutes regulating the sale of subdivided lands. Does not apply to a tax lien investor who plans to offer the subdivided lands for sale to a person who is not required to complete a public report. AS PASSED HOUSE.

First sponsor: Representative Shope

AAR Position:

Monitor

Last Action: 3/4 referred to Senate Finance.

HB 2508: NAVIGABLE STREAM ADJUDICATION COMMISSION; EXTENSION

The statutory life of the Arizona Navigable Stream Adjudication Commission is extended four years to June 30, 2020. AS SIGNED BY GOVERNOR.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 3/23 signed by governor. Chap. 58, Laws 2015.

HB 2510: GROUNDWATER TRANSFERS; BASINS; WELL DEPTH

On request and based on special circumstances as determined by the Director of the Department of Water Resources, the Dept. is permitted to authorize the withdrawal of groundwater from a depth greater than the statutory depth limit from the McMullen valley groundwater basin, the Butler Valley groundwater basin, or the Harquahala irrigation non-expansion area for specified purposes.

First sponsor: Representative Bowers

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2515: TECH CORRECTION; NONPROFIT CORPORATIONS

Minor change in Title 10 (Corporations) related to nonprofit corporations. Apparent striker bus.

First sponsor: Representative Kern

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2538: SPECIAL DISTRICTS; TRUTH IN TAXATION

By February 10 of each year, the county assessor is required to transmit and certify to the governing body of each county flood control district, county free library district, county jail district and public health services district the total net assessed values that are required to compute the property tax levy for that district. If the proposed secondary property tax levy of the district, excluding amounts attributable to new construction, is greater than the amount levied by the district in the preceding year, the governing body is required to publish a notice that meets specified requirement and must hold a truth in taxation hearing concurrently with the adoption of the county budget. The governing body may only consider a motion to levy the increased property taxes by roll call vote. Effective January 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 128, Laws 2015.

HB 2539: TECH CORRECTION; DISINCORPORATION

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

First sponsor: Representative Finchem

AAR Position:

Monitor

Last Action: 2/3 referred to House County and Municipal Affairs.

HB 2570: MUNICIPALITIES; VEGETATION REQUIREMENTS; PROHIBITION

Municipalities are prohibited from adopting any ordinance or other legal requirement that requires a property owner to salvage or install plants, trees or other vegetation species or to install a density of landscaping that exceeds the recommendations of a registered landscape architect or specified landscaping standards.

First sponsor: Representative Mitchell

AAR Position:

Support

Last Action: 3/2 House COW approved.

HB 2572: COUNTY ROADS; REPAIRS; DAMAGE REIMBURSEMENT

Counties are required to use at least 80 percent of monies received from the Highway User Revenue Fund (HURF) for road construction, reconstruction, maintenance, repair or roadside development, including materials and labor, and no more than 20 percent may be used for associated administrative costs. Beginning January 1, 2018, counties are required to reimburse a person for damage caused to the person's vehicle by the county's failure to maintain a roadway from HURF monies. Requirements for an application for reimbursement are specified.

First sponsor: Representative Finchem

AAR Position:

Monitor

Last Action: 2/2 referred to House County and Municipal Affairs, Appropriations

HB 2576: TAX; SOLAR ENERGY DEVICES

For property tax purposes, solar energy devices and systems designed to produce solar energy primarily for in-site consumption are considered to have no value and add no value to the property on which they are installed whether or not the system or device is owned or leased by the owner of the property.

First sponsor: Representative Clark

AAR Position:

Monitor

Last Action: 2/10 referred to House Ways and Means.

HB 2578: REAL PROPERTY; PURCHASER DWELLING ACTIONS

Various changes to statutes regulating purchaser dwelling actions. A seller who receives a written notice of claim has a right to repair or replace any alleged construction defects after providing written notice to the purchaser of the seller's intent to do so, and a purchaser cannot file a dwelling action until the seller has completed all intended repairs and replacements. Establishes a process for the purchaser to allow the seller a reasonable opportunity to repair or replace the defects. During the notice and repair or replacement process, and for 30 days after substantial completion of the repair or replacement, the statute of limitations and statute of repose applicable to the purchaser are tolled as to the seller. Both parties' conduct during the repair or replacement process may be introduced in any subsequent dwelling action. Sellers are authorized to offer cash or other consideration instead of or in addition to a repair or replacement. The purchaser is permitted to accept or reject an offer of monetary compensation or other consideration, other than repair or replacement. Severability clause. AS SIGNED BY GOVERNOR.

First sponsor: Representative Mitchell

AAR Position:

Monitor

Last Action: 3/23 signed by governor. Chap. 60, Laws 2015.

HB 2590: TPT REFORM; CONTRACTORS

Establishes provisions for determining the tax liability of a person that is either a prime contractor or a subcontractor working under the control of a prime contractor that purchases tangible personal property that was excluded from the tax base under the retail classification of transaction privilege tax (TPT) or use tax at the time of purchase and that incorporates or fabricates the property into a specified project. The amount is calculated and reported based on the location of the project, and is equal to any tax that the seller would have been required to pay under the retail classification of transaction privilege taxes. Specified types of improvements and contracts are subject to or exempt from prime contracting transaction privilege taxes. Establishes deadlines and processes for reporting and payment of the taxes. The lists of exemptions from the retail classification of transaction privilege and use taxes are expanded to include sales of tangible personal property incorporated or fabricated into a project located in an Indian Reservation for which the owner of the project is an "Indian Tribe" or an "Affiliated Indian" (both defined). Counties and municipalities are prohibited from requiring an applicant for a building permit to hold a TPT license or business license as a condition for issuing the building permit. The applicant's current TPT license number is removed from the list of information that an applicant for licensure as a contractor must submit to the Registrar of Contractors. More. Emergency clause.

First sponsor: Representative Fann

AAR Position:

Monitor

Last Action: see SB 1446.

HB 2614: HOAS; INTERIOR CONSTRUCTION; APPROVAL (CONTRACTOR TRANSACTION PRIVILEGE TAX; APPLICATION)

Statute passed into law in 2014 that became effective on January 1, 2015 that subjects the gross income derived from a contract for the maintenance, repair, replacement or alteration of existing property that includes modification activities to the prime contracting transaction privilege tax does not apply to contracts entered into by prime contractors or pursuant to written bids made by contractors before January 1, 2015. To qualify for this exemption, the prime contractor must maintain documentation to verify the date of the contract or written bid. Retroactive to January 1, 2015.

First sponsor: Representative Petersen

AAR Position:

Monitor

Last Action: 4/2 FAILED to pass Senate on reconsideration 13-17.

**HB 2617: POLITICAL SUBDIVISIONS; FINANCIAL AUDIT REPORT
(REGULATORY RELIEF TAX CREDIT)**

The deadline for counties, municipalities and community college districts to file financial reports with the Auditor General under the uniform expenditure reporting system is moved to nine months after the close of the FY, instead of four months after, and the authority for the Auditor General to grant an extension is deleted. Counties, municipalities and community college districts are required to post financial statements and audits in a prominent location on their official websites no later than seven business days after the date of filing the statements with the Auditor General, and must be accessible for at least 60 months. If the financial statements are not completed and filed, on or before the adoption of the municipal, county or district budget in the subsequent fiscal year, the municipal governing body, county board of supervisors, or district board is required to include a form in the published budget stating that the financial statements are pending, the reasons for the delay and the estimated date of completion. A copy of the form must be sent to the Auditor General, the Speaker of the House and the President of the Senate. Beginning July 1, 2016, a fee is assessed to each council of governments (COG) that receives state shared revenues and to each regional transportation authority (RTA) in counties with a population of more than 400,000 (Pima and Maricopa) that receives state shared revenues as determined by the Department of Revenue. The share of fees assessed to these entities must be in proportion to the aggregate amount of monies distributed to all COGs or RTAs for the FY two years preceding the current FY, as a percentage of aggregate distributions to all relevant local governments for that FY. Counties with a population of more than 200,000 but less than 900,000 persons (Pinal, Mohave, and Yavapai) are authorized to use up to \$1 million to meet any county fiscal obligation from any source of county revenue designated by the county, including monies of any countywide special taxing jurisdiction in which the board of supervisors serves as the board of directors. By October 1, 2015, these counties are required to report to the Director of the Joint Legislative Budget Committee if the county used a revenue source for other than its designated purpose to meet a county fiscal obligation. AS PASSED SENATE.

First sponsor: Representative Mesnard

AAR Position:

Monitor

Last Action: 4/14 signed by governor. Chap. 323. Laws 2015.

HB 2623: 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: Representative Olson

AAR Position:

Monitor to Support

Last Action: 3/31 referred to House rules only.

HB 2646: RULEMAKING; APPROVAL OF GOVERNOR; FACTORS

An agency is prohibited from conducting any formal or informal rulemaking without the prior written approval of the Governor, unless the purpose of the rulemaking is to comply with a state statute or session law, including any action necessary to implement the state budget. When seeking approval to conduct rulemaking, an agency is required to specify one or more of a specified list of factors as justification for the rulemaking. For the purpose of these requirements, "agency" does not include the Corporation Commission, any agency that is headed by a single elected state official, and any agency whose administrative head is not appointed by the Governor. AS PASSED SENATE.

First sponsor: Representative Olson

AAR Position:

Monitor to Support

Last Action: 3/24 passed Senate 16-12; ready for House action on Senate amendments.

HB 2653: TAX LIENS; DELINQUENCY; PARTIAL PAYMENTS

Eliminates the requirement for a person to pay interest at a delinquency rate of 16 percent when redeeming a real property tax lien in a county that has established an Elderly Assistance Fund, instead of the rate stated in the certificate of purchase. Eliminates the requirement for the county treasurer to deposit an amount in the Fund that is equal to the different between 16 percent and the amount of interest stated in the certificate of purchase. It is the intent of the Legislature that the Elderly Assistance Program will continue using monies currently in the Fund. AS PASSED SENATE.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 4/14 signed by governor. Chap. 324. Laws 2015.

HB 2655: PROPERTY; DIMINUTION; COMPENSATION; FEDERAL LAW

Land use laws that are required by federal law are no longer exempt from the requirement for the state or political subdivision that enacts a land use law that reduces the fair market value of a property to pay just compensation to the property owner.

First sponsor: Representative Townsend

AAR Position:

Monitor

Last Action: 2/11 referred to House Judiciary.

HB 2658: FEDERAL LANDS; TRANSFER; STUDY COMMITTEE

Establishes a 5-member Transfer of Federal Lands Study Committee to examine processes to transfer, manage and dispose of federal lands in Arizona. The Committee is required to report its findings and recommendations to the Governor and the Legislature by December 31, 2019 and self-repeals October 1, 2020. AS PASSED SENATE.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 4/9 signed by governor. Chap. 248, Laws 2015.

HB 2661: MULTI-COUNTY WATER DISTRICTS; STORAGE TAX

The maximum tax for water storage levied on the assessed valuation of property in a multi-county water conservation district is 4 cents per \$100 of assessed valuation in the district through December 31, 2024. Beginning January 1, 2015, the maximum tax levy is 3 cents per \$100 of assessed valuation in the district. Statute authorizing the tax is repealed on January 2, 2030, instead of January 2, 2017.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 4/6 signed by governor. Chap. 224, Laws 2015.

HB 2671: BUDGET; GENERAL APPROPRIATIONS; FY2015-16

The "feed bill" for FY2015-16, containing appropriations for state agencies and programs. Provisions include: Continues deferment of \$930.7 million in basic state aid payments to schools until FY2016-17, and continues deferment of \$200 million in payments to universities until FY2016-17. Defers \$21 million in payments to providers of services to the Department of Economic Security (DES), and defers \$11 million in payments to providers of services to the Department of Child Safety (DCS). Reduces the FY2014-15 appropriation from the general fund to the Department of Administration (DOA) for costs associated with the establishment of DCS to \$19.5 million, from \$25 million. The FY2015-16 amounts appropriated to DCS include increases of specified amounts in preventive support services, out-of-home support services and foster care placement to address backlog cases. Appropriates \$5.08 million to AHCCCS for disproportionate share payments to hospitals, including \$4.2 million for the Maricopa County Health Care District and \$884,800 for private qualifying disproportionate share hospitals. Reduces the FY2014-15 appropriation to AHCCCS by \$48.52 million from the general fund, and increases the AHCCCS appropriation from the expenditure authority in FY2014-15. Reduces the FY2014-15 general fund appropriations to DES in specified line items and increases appropriations of federal block grants and expenditure authority to DES. Includes an appropriation of \$74.39 million to the Arizona Department of Education (ADE) for additional inflation, which ADE must allocate to school districts and charter schools in FY2015-16 in the same manner that it would allocate the monies if the monies were for an additional increase of \$54.31 in the base level defined for FY2015-16. Makes a supplemental appropriation of \$26.86 million from the general fund in FY2014-15 to the State Board of Education and Superintendent of Public Instruction for basic state aid and additional state aid. Reduces the FY2014-15 general fund appropriation to the School Facilities Board by \$9.42 million for the new school facilities debt service line item. Appropriates \$23.9 million to the Access our Best Public Schools Fund for the purpose of developing mechanisms that an Arizona Public School Achievement District could use to assist in the expansion of member schools or the construction of new facilities for member schools. Monies in the Fund cannot be expended until the executive branch submits an expenditure plan to the Joint Legislative Budget Committee for review, and the executive branch is required to recommend proposed legislation to codify the mechanisms developed. Appropriates \$5.5 million from the general fund in FY2015-16 to DOA for distribution to counties with a population of less than 200,000 for maintenance of essential county services and \$500,000 for distribution to a county with a population of more than 30,000 and less than 40,000 (Graham County) for maintenance of essential county services. Appropriates \$10.46 million from the Risk Management Revolving Fund to DOA to reimburse the federal government for specified disallowed costs and fund transfers. Appropriates \$300,000 from the general fund in FY2015-16 to the Arizona Commerce Authority to operate a trade office in Mexico City. Requires various reports and makes various fund transfers.

First sponsor: Representative Gowan

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4747. See SB 1469.

HB 2672: BUDGET; CAPITAL OUTLAY; FY2015-16

Makes various appropriations for capital expenditures for FY2015-16, including \$234.47 million for state highway construction, \$21.8 million for airport planning and development, and \$19.5 million for major maintenance and repair activities for state buildings. Appropriates \$2.9 million in FY2015-16 from the State Highway Fund to the Department of Transportation for the construction of vehicle wash systems, and \$1 million in FY2015-16 from the Arizona Exposition and State Fair Fund to the Arizona Exposition and State Fair Board for capital improvements.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4735. See SB 1470.

HB 2673: BUDGET; BRB; REVENUE; FY2015-16

Makes various changes relating to general revenues for FY2015-16. The job training employer tax of .01 percent of taxable wages paid is repealed on January 1, 2016, instead of January 1, 2017. Beginning July 1, 2015, the Department of Revenue (DPR) is required to assess and collect fees from municipalities and counties to recover a portion of administrative, program and other operating costs incurred in providing transaction privilege tax administrative and collection services to local governments. The fee is assessed to each county and municipality that receives state shared revenues, and the amount of the fee is in proportion to the aggregate amount of monies distributed to the jurisdiction in the preceding FY as a percentage of the aggregate distributions to all jurisdictions in the preceding FY, not to exceed a total amount of \$20,755,835 from all jurisdictions in any FY. Beginning July 1, 2015, a fee is assessed to each municipality for which DOR does not administer and collect TPT. The fee is 76 cents multiplied by the population of the municipality used for the purposes of computing state shared revenue. The FY 2016-17 distribution of Highway User Revenue Fund (HURF) revenues to counties and municipalities in percentages reflecting non-state distribution of HURF revenues is reduced to \$30 million, from \$60 million. If a taxpayer has an unpaid tax liability for TPT or individual or corporate income taxes as of August 1, 2015 for any tax year ending before July 1, 2015, the taxpayer is permitted to apply to DOR for amnesty beginning September 1, 2015 through October 31, 2015. The taxpayer must remit with the application full payment of all unpaid tax liability for each tax year covered by the application. A taxpayer who is approved for tax amnesty waives any right to refund or credit for the total amount of the tax liability for each tax year included in the application, and granting amnesty terminates any appeal by the taxpayer of an audit determination or refund denial. The Department of Insurance is required to submit to the Directors of the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting quarterly reports on collection of insurance premium tax by insurance

line and an annual report on the amount of insurance premium tax credits that were used during the previous fiscal year. Authorizes the Department of Financial Institutions to use the Financial Services Fund for general operating expenditures of the Dept., and to use monies in the Department Receivership Revolving Fund through FY2015-16 for expenditures on an electronic licensing system, with a limit of \$850,000 on total expenditures for the system. Authorizes the Radiation Regulatory Agency to increase fees in FY2014-15 to generate up to \$561,000 and the Department of Agriculture to continue existing fees from FY2013-14 in FY2014-15 to generate specified amounts for various funds. Fees collected by the Department of Insurance are not required to recover between 95 and 110 percent of the Dept.'s appropriation. Counties with a population of less than 200,000 are authorized to meet any county fiscal obligation from any source of county revenue designated by the county.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4751. See SB 1471.

HB 2674: BUDGET; BUDGET PROCEDURES; FY2015-16

Makes various changes that affect the budget across agencies. Provisions include: Requires any unrestricted federal monies received by Arizona in FY2015-16 to be deposited in the general fund. For FY2015-16, FY2016-17 and FY2017-18, the Legislature is not required to appropriate monies to or transfer monies from the Budget Stabilization Fund. Allows appropriations for all budget units to be limited to one FY for FY2015-16, FY2016-17 and FY2017-18. Continues the Capital Outlay Stabilization Fund rent rate at \$13.08/square foot for office space and \$4.74/square foot for storage space. The Department of Administration is authorized to charge a transaction fee to each state agency that uses the Arizona Financial Information, to be deposited in the newly established Arizona Financial Information System Collections Fund and used to reimburse the Dept. for the costs of operating the System.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved. See SB 1472.

HB 2675: BUDGET; BRB; GOVERNMENT; FY2015-16

Makes various policy changes in the operation of state government that impact the budget. Reimbursement of charges incurred by the counties for the presidential preference election will be made in the amount of \$1.25 for each active registered voter in the county on January 1 of the year of the election, instead of at 100 percent of the costs incurred. If the Secretary of State

determines that reimbursement at that rate would jeopardize the ability of a county to comply with federal and state laws and regulations, the Secretary of State may release the county from that reimbursement rate. The sum of money in the Job Creation Withholdings Clearing Account is reduced to \$26.5 million of withholding tax revenues in FY2015-16 and to \$21.5 million for each FY after, from \$31 million. The amount the State Treasurer is required to credit on the 20th day of each month from the Account to the Arizona Competes Fund is reduced to 1/12 of the annual sum of \$16.5 million in FY2015-16 and \$11.5 million for each FY after, from \$21 million.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4736. See SB 1473.

HB 2676: BUDGET; BRB; ENVIRONMENT; FY2015-16

Makes policy changes pertaining to environmental regulation that affect the state budget. Monies in the Yarnell Hill Memorial Fund may be used for purchasing, designing and constructing the Yarnell Hill Memorial. The Arizona Water Protection Fund Commission is permitted to grant to the Department of Water Resources (DWR) up to \$336,000 of the unobligated balance in the Fund to pay for administrative costs of DWR in FY2015-16. DWR is authorized to increase fees in FY2015-16 to generate revenue up to \$100,200. The Arizona State Parks Board is authorized to spend up to \$692,100 from the Board's portion of the Off-Highway Vehicle Recreation Fund in FY2015-16 for Board operating expenses. Suspends the administrative cap on the Underground Storage Tank Assurance Account for FY2014-15 and allows the Department of Environmental Quality (DEQ) to transfer a combined total of \$6.5 million from the Account for administrative costs of DEQ. Caps the general fund appropriation to the Water Quality Assurance Revolving Fund at \$7 million. Authorizes DEQ to use up to \$1.8 million from the Emissions Inspection Fund for the Safe Drinking Water Program. Repeals the Trust Land Management Fund and authorized uses of the Fund and conditionally reestablishes identical language on the state Constitution being amended by the voters at the 2016 general election to allow a portion of the annual proceeds of trust lands to be used to manage the trust lands.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4739. See SB 1474.

HB 2677: BUDGET; BRB; HEALTH; FY2015-16

Makes various policy changes in the area of public health that affect the budget. Specifies county contributions for the Arizona Long-Term Care System, and AHCCCS acute care and hospitalization and medical care for FY2015-16. The AHCCCS capitation rate increases cannot exceed 3 percent in FY2015-16 and 1.5 percent in FY2016-17 and FY2017-18. For rates effective October 1, 2015 through September 30, 2016, the AHCCCS Administration is authorized to reduce payment up to 5 percent for all health care providers, excluding nursing facilities, developmental disability and home and community based health care providers. The AHCCCS Administration and its contractors must reimburse ambulance service providers in an amount equal to 68.59 percent, reduced from 80 percent, of the amounts prescribed by the Department of Health Services (DHS). For the contract year beginning October 1, 2015 and ending September 30, 2016, the AHCCCS Administration is authorized to continue the risk contingency rate setting for all managed care organizations and the funding for all managed care organizations administrative funding levels that was imposed for the contract year beginning October 1, 2010. The AHCCCS Administration is required to pursue cost sharing requirements for members to the maximum extent allowed under federal law. Subject to approval by the Centers for Medicare and Medicaid Services, beginning January 1, 2016, the AHCCCS Administration is required to charge and collect from each enrolled person a premium of 2 percent of the person's household income, a copayment of \$8 for nonemergency use of an emergency room for the first incident and \$25 for each subsequent incident if the person is not admitted to the hospital by the emergency department. After the minimum disproportionate share hospitals (DSH) payments required by federal law are made to eligible hospitals, the Arizona State Hospital and a special health care district, the allocations of DSH payment must be made available first to qualifying private hospitals located outside of the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area before being made available to qualifying private hospitals within those areas. The DSH payment for FY2014-15 for a qualifying nonstate operated public hospital and the maximum DSH payment that may be attributed to the Maricopa County Special Health Care District are increased to \$105.95 million, from \$89.88 million. DSH payments for FY2015-16 include \$113.8 million for a qualifying nonstate operated public hospital, \$4.2 million of which must be distributed to the Maricopa County Special Health Care District, \$28.5 million for the Arizona State Hospital, and \$884,800 for private qualifying hospitals. Counties are required to reimburse DHS for 31 percent of the costs of a commitment of a sexually violent individual for FY2015-16. Municipalities and counties are required to reimburse DHS for 100 percent of the costs of a defendant's inpatient, in custody competency restoration treatment for FY2015-16. Establishes various reporting requirements.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4740. See SB 1475.

HB 2678: BUDGET; BRB; K-12 EDUCATION; FY2015-16

Makes various policy changes pertaining to K-12 education that affect the budget. Provisions include: Increases the per student base level amount for basic state aid to \$3,426.74, from \$3,373.11, for FY2015-16, and increases the transportation support level per route mile funding for FY2015-16. Beginning July 1, 2016, for school finance purposes, the definition of “student count” is average daily membership for the current year, instead of for the FY before the current year. For FY2015-16, the Department of Education is required to reduce by \$352.44 million the amount of basic state aid that otherwise would be apportioned to school districts statewide for district additional assistance and must reduce school district budget limits accordingly. It is the intent of the Legislature that at least \$113.46 million of the reduction be implemented by school districts through reductions in nonclassroom spending. The superintendent or chief executive officer and the school finance officer of each school district is required to certify that the school district’s prorated share of that amount has been achieved through reductions in nonclassroom spending. The sum of district additional assistance reductions for school districts with a student count of fewer than 1,100 cannot exceed \$5 million. The Dept. is required to reduce by \$18.66 million the amount of charter additional assistance funding that otherwise would be apportioned to charter schools statewide for FY2015-16 and must reduce school district budget limits accordingly. It is the intent of the Legislature that at least \$3 million of the reduction be implemented by school districts through reductions in nonclassroom spending. The superintendent or chief executive officer and the school finance officer of each school district is required to certify that the school district’s prorated share of that amount has been achieved through reductions in nonclassroom spending. Beginning in FY2015-16, the maximum amount of additional state aid for education that will be funded by the state is \$1 million per county. For any county with a school district or districts that collectively would otherwise receive more than \$1 million in additional state aid for education, the Property Tax Oversight Commission is required to determine the proportion of the violation of the state Constitutional property tax limits that is attributable to each taxing jurisdiction within the affected district(s). Based on those proportions, the Commission is required to determine an amount that each taxing jurisdiction is required to transfer to the district(s) during the FY in order to compensate the affected district(s) for its pro rata share of the reduction in additional state aid for education funding. School district governing boards are no longer permitted to sponsor charter schools, and statutes regulating district-sponsored charter schools, including financial provisions, are deleted. A school district that operates a district-sponsored charter school on the effective date of this legislation is authorized to continue to operate that charter school through June 30, 2015. The small school weights do not apply to charter schools if the charter holder operates more than one charter school, except that for FY2015-16 only, the small school weights apply to charter schools affiliated with a charter holder that operates more than one charter school, and the Department of Education is required to reduce by 50 percent in FY2015-16 the additional funding provided by the small school weights to these charter schools. Increases the amount of charter additional assistance to \$1,734.92 per student count in K-8, from \$1,707.77, and to \$2,022.02 per student count in grades 9-12, from \$1990.38. Establishes the Access our Best Public Schools Fund, and monies in the Fund are continuously appropriated and available to public schools that are

members of the Arizona Public School Achievement District to construct new school facilities or to expand existing school facilities. At least 50 percent of the projects that receive monies from the Fund must be in low socioeconomic areas. By December 31, 2015, each community college district and each university under the jurisdiction of the Arizona Board of Regents is required to transmit \$6 per full-time equivalent student to the Department of Education for deposit in the Education Learning and Accountability Fund. Repeals the Student Success Fund. Establishes various reporting requirements.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/31 referred to House rules only.

HB 2679: BUDGET; BRB; HIGHER EDUCATION; FY2015-16

Makes policy changes in college and university programs that affect the state budget. A community college district located in a county with a population of 350,000 persons or more is not eligible to receive stat aid for science, technology, engineering and mathematics and workforce programs. For FY2015-16, each dollar raised by the surcharge on student registration assessed by ABOR for the Financial Aid Trust Fund may be matched by less than \$2 appropriated by the Legislature.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4752. See SB 1477.

HB 2680: BUDGET; BRB; CRIMINAL JUSTICE; FY2015-16

Makes policy changes pertaining to criminal justice programs that affect the budget. Provisions include: A child who is adjudicated delinquent for an offense that is not a felony or who is under 14 years of age cannot be committed to the Department of Juvenile Corrections (DJC), instead of a child who is under the age of 8. Applies only to a child who is committed to DJC on or after the effective date of this legislation. Using data from the previous year, DJC is required to annually develop a plan for the per diem cost for the confinement of committed youth to a secure care facility. After review of the plan by the Joint Legislative Budget Committee, DJC is required to annually submit to the county that adjudicated the youth who is confined in a secure care facility a request for monies for the previous FY's costs. The costs are equal to 25 percent of the aggregate number of days the youth was confined multiplied by the reviewed per diem plan. Each county is required to pay the monies owed within 30 days after request by DJC, and if a county fails to make the payment, the State Treasurer is required to withhold the amount from

that county's portion of state shared revenues. The Department of Corrections (DOC) is permitted to credit against payments owed in the current FY to the Dept.'s health care contractor the amount of state and federal monies paid by the AHCCCS Administration for health care services on behalf of Medicaid-eligible inmates regardless of the dates of service. Repeals session law from the FY2012-13 and FY2014-15 budgets requiring DOC to award contracts for medium security prison beds at private prisons in Arizona, and specifies that the intent of the Legislature is that this authority for those beds ceases beginning July 1, 2015. Requires DOC to award contracts for up to 1,000 beds on July 1, 2016 pursuant to a request for proposals for up to 2,000 medium security prison beds at new or existing contracted bed facilities in Arizona. Suspends statutory caps and transfers of Highway User Revenue Fund monies available to fund the Department of Public Safety highway patrol costs for FY2015-16. Suspends county non-supplanting requirements for probation services, criminal case processing and alternative dispute resolution programs. The Attorney General is authorized to use monies in the State Aid to Indigent Defense Fund for activities related to capital post-conviction prosecution.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4753. See SB 1478.

HB 2681: BUDGET; BRB; HUMAN SERVICES; FY2015-16

Makes various policy changes in the areas of human services that affect the budget. Effective July 1, 2016, a needy family is ineligible for Temporary Assistance for Needy Families cash assistance, except in case of hardship, if the needy family includes a head of household or spouse who has received cash assistance for himself or on behalf of a dependent child for a total of 12 months, reduced from 24 months. Applies retroactively to cash assistance received on or after October 1, 2002 and applies regardless of whether the 12 months are consecutive. The 12 month time limit does not apply to child only cases. Cash assistance will terminate on July 1, 2016 for any family that has received 12 or more months of cash assistance as of that date. For FY2015-16, the Department of Economic Security (DES) is authorized to reduce maximum income eligibility levels for child care assistance in order to manage within appropriated and available monies. During FY2015-16, DES is required to screen and test each adult recipient of Temporary Assistance for Needy Families cash assistance who DES has reasonable cause to believe engages in the illegal use of controlled substances, and any recipient who tests positive for the use of a controlled substance that was not prescribed by a licensed health professional is ineligible to receive benefits for one year. The Auditor General is required to provide various reports concerning the Department of Child Safety to the Governor and the Legislature, and deadlines for the reports are specified.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4742. See SB 1479.

HB 2682: BUDGET; BRB; AGENCY CONSOLIDATION; FY2015-16

Makes various changes to state agencies that affect the budget. The Department of Racing (DOR) is eliminated and responsibility for regulating of racing is transferred to the newly established Division of Racing within the Department of Gaming (DOG). DOG succeeds to the authority, powers, duties and responsibilities of DOR. The State Board of Appraisal is repealed and responsibility for regulating real estate appraisals is transferred to the Department of Financial Institutions (DFI). DFI succeeds to the authority, powers, duties and responsibilities of the Board. These changes are effective on the later of July 1, 2015 or the effective date of this legislation. Beginning July 1, 2016, the provision of behavioral health services under the Department of Health Services (DHS) is transferred to and must be administered by the AHCCCS Administration. Beginning July 1, 2016, the AHCCCS Administration succeeds to the authority, powers, duties and responsibilities of the DHS Division of Behavioral Health Services.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4743. See SB 1480.

HB 2683: BUDGET; BRB; K-12 EDUCATION; FY2015-16

Makes various policy changes pertaining to K-12 education that affect the budget. Provisions include: Increases the per student base level amount for basic state aid to \$3,426.74, from \$3,373.11, for FY2015-16, and increases the transportation support level per route mile funding for FY2015-16. Beginning July 1, 2016, for school finance purposes, the definition of “student count” is average daily membership for the current year, instead of for the FY before the current year. For FY2015-16, the Department of Education is required to reduce by \$352.44 million the amount of basic state aid that otherwise would be apportioned to school districts statewide for district additional assistance and must reduce school district budget limits accordingly. It is the intent of the Legislature that at least \$113.46 million of the reduction be implemented by school districts through reductions in nonclassroom spending. The superintendent or chief executive officer and the school finance officer of each school district is required to certify that the school district’s prorated share of that amount has been achieved through reductions in nonclassroom spending. The sum of district additional assistance reductions for school districts with a student count of fewer than 1,100 cannot exceed \$5 million. The Dept. is required to reduce by \$18.66 million the amount of charter additional assistance funding that otherwise would be apportioned to charter schools statewide for FY2015-16 and must reduce school district budget limits accordingly. It is the intent of the Legislature that at least \$3 million of the reduction be

implemented by school districts through reductions in nonclassroom spending. The superintendent or chief executive officer and the school finance officer of each school district is required to certify that the school district's prorated share of that amount has been achieved through reductions in nonclassroom spending. Beginning in FY2015-16, the maximum amount of additional state aid for education that will be funded by the state is \$1 million per county. For any county with a school district or districts that collectively would otherwise receive more than \$1 million in additional state aid for education, the Property Tax Oversight Commission is required to determine the proportion of the violation of the state Constitutional property tax limits that is attributable to each taxing jurisdiction within the affected district(s). Based on those proportions, the Commission is required to determine an amount that each taxing jurisdiction is required to transfer to the district(s) during the FY in order to compensate the affected district(s) for its pro rata share of the reduction in additional state aid for education funding. School district governing boards are no longer permitted to sponsor charter schools, and statutes regulating district-sponsored charter schools, including financial provisions, are deleted. A school district that operates a district-sponsored charter school on the effective date of this legislation is authorized to continue to operate that charter school through June 30, 2015. The small school weights do not apply to charter schools if the charter holder operates more than one charter school, except that for FY2015-16 only, the small school weights apply to charter schools affiliated with a charter holder that operates more than one charter school, and the Department of Education is required to reduce by 50 percent in FY2015-16 the additional funding provided by the small school weights to these charter schools. Increases the amount of charter additional assistance to \$1,734.92 per student count in K-8, from \$1,707.77, and to \$2,022.02 per student count in grades 9-12, from \$1990.38. Establishes the Access our Best Public Schools Fund, and monies in the Fund are subject to legislative appropriation and available to public schools that are members of the Arizona Public School Achievement District to construct new school facilities or to expand existing school facilities. At least 50 percent of the projects that receive monies from the Fund must be in low socioeconomic areas. By December 31, 2015, each community college district and each university under the jurisdiction of the Arizona Board of Regents is required to transmit \$6 per full-time equivalent student to the Department of Education for deposit in the Education Learning and Accountability Fund. Repeals the Student Success Fund. Establishes various reporting requirements.

First sponsor: Representative Olson

AAR Position:

Monitor

Last Action: 3/7 House COW approved with floor amendment #4754, #4755 and #4756. See SB 1476.

HCM2005: FEDERAL LANDS; DEVOLUTION TO ARIZONA

The Legislature urges the U.S. government to immediately and not later than December 31, 2019 dispose of the public lands within Arizona's borders directly to the state, and urges the U.S.

Congress to engage in good faith communication and consultation with the state regarding that disposal. The Secretary of State is directed to transmit copies of this memorial to the President of the U.S. Senate, the Speaker of the U.S. House, four other specified federal officials, and each member of Congress from Arizona. AS SENT TO SECRETARY OF STATE.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 3/31 passed Senate 16-13; to secretary of state.

HCR2001: CONSTITUTIONAL AMENDMENTS; SIXTY PERCENT APPROVAL

The 2016 general election ballot is to carry the question of whether to amend the state Constitution to require initiatives and referendums that propose amendments to the state Constitution to be approved by at least 60 percent of the voters for passage.

First sponsor: Representative Lovas

AAR Position:

Monitor

Last Action: 2/19 House Government and Higher Education held.

HCR2037: STATE AUTHORITY; NONNAVIGABLE, INTRASTATE WATERS

The 2016 general election ballot is to carry the question of whether to amend the state Constitution to prohibit any federal agency or official from enforcing any federal regulation that purports to regulate nonnavigable, intrastate waters or waterways within Arizona unless that regulation is clearly authorized by an act of the U.S. Congress, and to prohibit the state, state agencies and political subdivisions from using any personnel or resources to enforce, administer or cooperate with any federal action or program that purports to regulate nonnavigable, intrastate waters or waterways within Arizona, with some exceptions.

First sponsor: Representative Barton

AAR Position:

Monitor

Last Action: 3/4 retained on House COW calendar.

SB 1007: STATE IMPLEMENTATION PLAN; CARBON EMISSIONS (TECH CORRECTION; TRUST LANDS; ACCESS)

Establishes a 6-member Joint Legislative Review Committee on State Plans Relating to Carbon Dioxide Emissions from Existing Power Plants. The Director of the Department of Environmental Quality (DEQ) is required to develop, adopt and enforce a state plan to regulate the emissions of carbon dioxide from existing electric generation units in compliance with rules adopted by the Administrator of the U.S. Environmental Protection Agency (EPA) under the federal Clean Air Act. At least 90 days before submitting a complete state plan to the EPA, DEQ is required to transmit the plan to the Committee for review. Within 60 days after DEQ transmits a proposed plan to the Committee, the Committee is required to review the plan based on factors it has developed, take public comment, and consider whether submission of the plan to the EPA is in the public interest. After review and comment by the Committee or if the Committee fails to act in a timely manner, DEQ is permitted to submit a state plan to the EPA for approval. Submission of a state plan does not impair the ability of any affected state entity to challenge the lawfulness of the federal regulation of carbon dioxide emissions from existing electric generating units and does not constitute a waiver of any claims. The Committee ends on July 1, 2018. AS SIGNED BY GOVERNOR.

First sponsor: Senator Burges

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 78, Laws 2015.

SB 1013: EMPLOYMENT 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: Senator Ableser

AAR Position:

Monitor

Last Action: 1/12 referred to Senate Government.

SB 1017: LEGISLATORS; DISCLOSURE OF INTEREST

Legislators casting a vote on legislation in which the legislator has a “direct financial interest” (defined) must prepare a written statement on the interest and file the statement with the Chief Clerk of the House or Secretary of the Senate. Some exceptions. The statement must be posted on the Legislature's website. Violations are a class 1 misdemeanor.

First sponsor: Senator Ableser

AAR Position:

Monitor

Last Action: 1/12 referred to Senate Government.

SB 1026: HOME SALES; WATER SUPPLY DISCLOSURE

Beginning January 1, 2016, 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: Senator Ableser

AAR Position:

Monitor

Last Action: 1/12 referred to Senate Water and Energy, Government.

SB 1027: DISCLOSURES; LOBBYISTS; SPECIAL EVENTS; GIFTS

Lobbyists are prohibited from making an expenditure for a gift for a state officer or employee, and state officers and employees are prohibited from accepting a gift from a lobbyist. The exemptions for certain types of special events and entertainment are deleted. For the purpose of financial disclosures for public officers and candidates, the definition of "gift" is modified.

First sponsor: Senator Ableser

AAR Position:

Monitor

Last Action: 1/12 referred to Senate Government.

**SB 1041: SIMULCAST RACING; PARI-MUTUEL WAGERING (~~TECH CORRECTION;~~
~~GROUNDWATER PERMITS~~)**

Simulcast racing is permitted to occur at the same time as live racing if agreed to by written contract between all the racing permittees in the same county. AS PASSED SENATE.

First sponsor: Senator Pierce

AAR Position:

Monitor

Last Action: 4/13 signed by governor. Chap. 267. Laws 2015.

SB 1043: TECH CORRECTION; STATE LANDS

Minor change in Title 37 (Public Lands) related to the sale of state lands. Apparent striker bus.

First sponsor: Senator Pierce

AAR Position:

Monitor

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

SB 1044: TECH CORRECTION; PRIVATE FUNDS; DISPOSITION

Minor change in Title 35 (Public Finances) related to disposition of private funds. Apparent striker bus.

First sponsor: Senator Pierce

AAR Position:

Monitor

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

SB 1045: TECH CORRECTION; POWER AUTHORITY; WATER

Minor change in Title 30 (Power) related to water rights of the Arizona Power Authority. Apparent striker bus.

First sponsor: Senator Pierce

AAR Position:

Monitor

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

**SB 1046: CRIMINAL TRESPASS; CLASSIFICATION (~~TECH CORRECTION;~~
~~MOBILE HOME PARKS~~)**

Criminal trespass in the first degree by knowingly entering or remaining unlawfully in or on a critical public service facility is a class 5 (second lowest) felony, increased from a class 6 (lowest) felony. AS PASSED SENATE.

First sponsor: Senator Pierce

AAR Position:

Monitor

Last Action: 4/10 signed by governor. Chap. 298. Laws 2015.

SB 1062: DRUG LABORATORY REMEDIATION; TRANSFER

Responsibility for regulation of drug laboratory remediation, including certification of remediation specialists and drug laboratory site remediation firms, is transferred to the Department of Environmental Quality, from the Board of Technical Registration. All related matters and rules are transferred to the Dept. and are effective and enforceable by the Dept. on the effective date of this legislation. All unexpended and unencumbered monies remaining in the Board of Technical Registration Fund, which is repealed by this act, are transferred to the Hazardous Waste Management Fund on the effective date of this legislation, and all property relating to drug laboratory remediation is transferred to the Dept.

First sponsor: Senator Kavanagh

AAR Position:

Monitor

Last Action: 3/19 House Government and Higher Education FAILED (2-7).

SB 1070: TECH CORRECTION; PUBLIC ROADWAYS

Minor change in Title 28 (Transportation) related to public roadways. Apparent striker bus.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 1/20 referred to Senate rules only.

SB 1071: TAX LIEN DEEDS; AGGREGATE FEES

The maximum aggregate fee the county treasurer may require to execute and deliver a deed for any judgment foreclosing the right to redeem ten or more individual parcels is \$500. Applies to any judgment entered before the effective date of this legislation for which a treasurer's deed has not been applied or issued.

First sponsor: Senator Smith

AAR Position:

Monitor to Support

Last Action: 3/25 FAILED to pass House on reconsideration 28-31.

SB 1072: LOCAL PLANNING; RESIDENTIAL HOUSING; PROHIBITIONS

Municipalities and counties are prohibited from adopting a land use regulation or general or specific plan provision, or imposing as a condition for approving a building or use permit a requirement or fee that has the effect of establishing the sales or lease price for a residential housing unit or residential dwelling lot or parcel or that requires a residential housing unit or residential dwelling lot or parcel to be designated for sale or lease to any particular class or group of residents. Does not limit the authority of a county or municipality to adopt or enforce an incentive, density bonus or other voluntary condition designed to increase the supply of moderate or lower cost housing. Retroactive to January 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Senator Smith

AAR Position:

Monitor

Last Action: 4/1 signed by governor. Chap 140, Laws 2015.

SB 1079: SOLID WASTE COLLECTION; MULTIFAMILY HOUSING

Municipalities cannot prohibit or unreasonably restrain a private enterprise from delivering recycling or solid waste management services to “multifamily residential properties” (defined) within the municipality. Municipalities cannot be mandated to provide recycling and solid waste management services to commercial, industrial and multifamily residential properties. Multifamily residential properties are required to provide the applicable municipality with at least 60 calendar days’ notice to terminate recycling or solid waste management services. Effective July 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Monitor

Last Action: 4/1 signed by governor. Chap 142, Laws 2015.

SB 1088: EMPOWERMENT SCHOLARSHIP ACCOUNTS; ELIGIBILITY (~~INCOME TAX BRACKETS; INFLATION INDEX~~)

For each tax year beginning with 2016, the Department of Revenue is required to adjust the income dollar amounts for each individual income tax rate bracket by the average annual change in the metropolitan Phoenix consumer price index. The revised dollar amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior tax year.

First sponsor: Senator Lesko

AAR Position:

Monitor

Last Action: 4/1 House COW approved with amendment #4888 and floor amendment #5178.
NOTE SHORT TITLE CHANGE.

SB 1091: HOAS; REMOVAL; SPECIAL MEETINGS

Members of a condominium unit owners' or planned community homeowners' association (HOA) who are eligible to vote at the time of a meeting may remove any member of the HOA board by a majority vote of those voting on the matter at a meeting if a quorum is present. Some exceptions. For the purpose of the number of signatures needed on a petition calling for removal of a board member and of determining if a quorum is present at a meeting, the required percentages are based on the number of persons eligible to vote in the HOA at the time the person signs the petition or attends the meeting. AS SIGNED BY GOVERNOR.

First sponsor: Senator Lesko

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 81, Laws 2015.

SB 1101: CAMPAIGN FINANCE; INDEPENDENT EXPENDITURES; DISCLOSURES

It is a class 6 (lowest) felony for an officer of a corporation, limited liability company or labor organization to transfer money or anything of value through a transfer or series of transfers with the intent to prevent the disclosure of the identity of one or more campaign contributors. Campaign literature or advertisements that are independent expenditures must include the names of the three "identifiable contributors" (defined) making the largest cumulative contributions to the political committee making the expenditure during the preceding 18 month period, instead of the names of the three political committees making the largest contributions during the calendar year. Campaign literature or advertisements to support or oppose a ballot proposition must include the names of the three largest identifiable contributors, instead of the names of the four largest major funding sources. Specifies relevant factors to be used in determining whether an entity's primary purpose is influencing an election for the purpose of requiring that entity to file as a political committee.

First sponsor: Senator Farley

AAR Position:

Monitor

Last Action: 1/21 referred to Senate Government.

SB 1102: 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. If a person in violation is involved in a motor vehicle accident, the person is subject to a civil penalty of \$500, except that if the accident results in the death of another person, the civil penalty is \$10,000.

First sponsor: Senator Farley

AAR Position:

Monitor

Last Action: 2/5 from Senate Government with amendment #4068.

SB 1108: 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, 2016. By October 1, 2017, 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, 2015. Self-repeals October 1, 2025.

First sponsor: Senator Farley

AAR Position:

Monitor

Last Action: 1/22 referred to Senate Transportation, Appropriations, and Finance.

SB 1111: TOWING; MOTOR VEHICLES

Establishes regulations for private property trespass towers (defined). Beginning July 1, 2016, the Department of Transportation is required to set rate caps for towing, storage and other services provided by towers. Establishes requirements for records of towed vehicles, notification of law enforcement, insurance coverage, posting of towing and storage rates and charges, and the release of towed or impounded vehicles. Also includes unlawful practices and civil and criminal penalties for violations. These regulations self-repeal on July 1, 2025. Fees collected by the Dept. for processing abandoned vehicle reports are no longer capped at \$10 and must be used to pay for enforcement of these regulations.

First sponsor: Senator Ableser

AAR Position:

Monitor

Last Action: 1/22 referred to Senate Transportation, Commerce and Workforce Development.

SB 1134: 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: Senator Smith

AAR Position:

Monitor

Last Action: 2/10 from Senate rules okay.

SB 1135: TAX LIENS; DELINQUENCY; PARTIAL PAYMENTS

For all certificates of purchase sold in calendar year 2016 and afterwards for tax year 2014 and afterwards in a county with a population of more than 3 million persons (Maricopa County), if no prior year certificates of purchase are outstanding, the county treasurer is required to accept a partial payment in an amount equal to at least 25 percent of the principal amount shown on the oldest remaining year of the delinquency plus any accrued interest and fees due on the principal amount. If no certificate of purchase is outstanding, the county treasurer is required to credit the taxpayer for the payment. If any part of the tax or any installment remains unpaid at the date of delinquency, the delinquency relates only to the amount remaining unpaid. Partial payments on delinquent taxes are required to be impounded and disbursed by the county treasurer as prescribed by statute. Beginning in calendar year 2016, on or after June 1 in a county with a population of more than 3 million persons (Maricopa County), if no prior year certificates of purchase are outstanding and if a person who holds a certificate of purchase for tax year 2014 and afterwards desires to pay subsequent taxes, the county treasurer is required to issue a separate certificate of purchase by assignment for each subsequent year's taxes, accrued interest and fees due on the property. The principal amount of each subsequent year's certificate of purchase bears interest at the rate stated in the original certificate of purchase from the first day of the month following the purchase of the subsequent certificate. Subsequent certificates of purchase by assignment issued by the county treasurer carry the full foreclosure right as the original certificate of purchase. A lien that has been partially redeemed must be fully redeemed before the delivery of a treasurer's deed to the purchaser. The county treasurer is prohibited from accepting partial payments after the date the treasurer receives notice of action to foreclose the right to redeem. More. AS PASSED HOUSE.

First sponsor: Senator Smith

AAR Position:

Monitor

Last Action: 4/14 signed by governor. Chap. 322. Laws 2015.

SB 1140: FAILURE; PROCURE; EXHIBIT; BUSINESS LICENSE

The criminal classification for failure to procure or exhibit a business license is reduced to a petty offense, from a class 2 (mid-level) misdemeanor.

First sponsor: Senator Dial

AAR Position:

Monitor

Last Action: 1/22 referred to Senate Judiciary.

**SB 1147: WATER BANKING FUND; APPROP (~~WATER PROTECTION FUND;~~
APPROP)**

The unencumbered monies remaining in the Nevada Operating and Resource Subaccounts of the Arizona Water Banking Fund on June 30, 2015 are appropriated in FY2015-16 to the Arizona Water Banking Authority for distribution to the Southside Replenishment Bank. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Monitor

Last Action: 4/1 signed by governor. Chap 149, Laws 2015.

SB 1154: TECH CORRECTION; STATE TRUST LANDS

Minor change in Title 37 (Public Lands) related to state trust lands. Apparent striker bus.

First sponsor: Senator Begay

AAR Position:

Monitor

Last Action: 1/26 referred to Senate rules only.

SB 1169: FIRE CODE REQUIREMENTS; FIRE WATCH

If the State Fire Safety Committee, county boards of supervisors, municipalities or fire districts require the use of a “fire watch” (defined as a person who is stationed in a building or in a place relative to a building to observe building openings when the fire protection system for the building is temporarily nonoperational or absent), an employee who works at the building in which a fire watch is required may serve as the fire watch. A person designated as a fire watch must be equipped with means to contact the local fire department, and the person's only duty must be to perform constant patrols of the protected premises while keeping watch for fires. AS SIGNED BY GOVERNOR.

First sponsor: Senator S. Allen

AAR Position:

Monitor

Last Action: 4/1 signed by governor. Chap 152, Laws 2015.

SB 1183: IMPROVEMENT DIST; ENHANCED MUNICIPAL SVCS

Improvement districts for enhanced municipal services are no longer required to be formed within a "designated area" (defined elsewhere in statute).

First sponsor: Senator Ward

AAR Position:

Monitor

Last Action: 1/26 referred to Senate Financial Institutions.

SB 1187: SERVICES OUTSIDE MUNICIPAL BOUNDARIES; REQUIREMENTS

Regulations for municipal waste or garbage collection services outside of the municipal boundaries are expanded to apply to municipal landfill services or recycling collection or processing services outside of the municipal boundaries. For the portion of equipment or land used by a municipality to provide services outside its boundaries, the municipality is required to make an in-lieu contribution to other state and local taxing jurisdictions equal to the taxes that would be required of private companies performing the same services. For a municipality that has entered into a contract or agreement with another entity before January 1, 2015 for landfill services or recycling collection or processing services outside of its boundaries, these requirements do not apply until the contract or agreement expires or terminates or January 1, 2020, whichever is earlier. Does not apply to the disposal of noncommercial solid waste from a single-family residence brought to a municipal landfill by a person residing outside the municipal boundaries. Does not apply to a municipality with a population of less than 5,000 persons that only provides landfill services or recycling collection or processing services outside of the municipal boundaries. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Monitor

Last Action: 4/1 signed by governor. Chap 153, Laws 2015.

SB 1199: TECH CORRECTION; GROUNDWATER PERMITS

Minor change in Title 45 (Waters) related to groundwater permits. Apparent striker bus.

First sponsor: Senator Griffin

AAR Position:

Monitor

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

SB 1202: COUNTY ZONING ORDINANCE; NOISE LIMITATION

County zoning ordinances are authorized to impose noise limitation requirements, including the prohibition of any noise that is detrimental to the life, health or well-being of any individual or that unreasonably disturbs the peace and quiet of a neighborhood.

First sponsor: Senator Pierce

AAR Position:

Monitor

Last Action: 1/27 referred to Senate Government.

SB 1204: PROPERTY TAX; ASSESSMENT OF GREENHOUSES

“Greenhouses” (defined) that are used for growing and processing vegetables and that total at least 100,000 square feet in areas must be valued and assessed as agricultural tangible personal property for property tax purposes.

First sponsor: Senator Pierce

AAR Position:

Monitor

Last Action: 2/2 from Senate Natural Resources do pass.

SB 1216: 2015 TAX CORRECTION ACT

Corrections to the tax code as recommended by the Department of Revenue and Legislative Council. Changes are for clarification or to blend conflicting statutes and are not intended to be substantive. 64 pages. An annual exercise. AS PASSED HOUSE.

First sponsor: Senator Lesko

AAR Position:

Monitor

Last Action: 4/9 signed by governor. Chap. 230, Laws 2015.

SB 1224: VEHICLE EQUIPMENT; LIGHTING (MUNICIPALITIES; COUNTIES; PROHIBITED SECURITY REQUIREMENTS)

A tail lamp is added to the list of vehicle lamps that must be maintained at all times in good working condition, in addition to a stop lamp or other signal lamps. AS PASSED SENATE.

First sponsor: Senator Kavanagh

AAR Position:

Monitor

Last Action: 3/25 House COW approved.

SB 1241: AUXILIARY CONTAINERS; REGULATION; PROHIBITION (AHCCCS; CONTRACTORS; PROVIDERS)

Counties and municipalities are prohibited from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption. Counties and municipalities are prohibited from imposing a tax, fee, assessment, charge or return deposit on a consumer or an owner, operator or tenant of a business, commercial building or multifamily housing property for "auxiliary containers" (defined). Counties and municipalities are prohibited from regulating the sale, use or disposition of auxiliary containers by an owner, operator or tenant of a business, commercial building or multifamily housing property. Does not prevent a county or municipality from continuing a voluntary recycling and waste reduction program or ensuring that discarded auxiliary containers defined as solid waste are disposed of properly. AS PASSED HOUSE.

First sponsor: Senator Barto

AAR Position:

Support

Last Action: 4/13 signed by governor. Chap. 271. Laws 2015.

SB 1252: RURAL AREA FIRE DISTRICTS COMMITTEE

Establishes a 9-member Joint Select Study Committee on Rural Area Fire District Funding and Taxation to consider the level of fire safety services provided to rural areas and review taxation levels in various counties. The Committee is required to report its findings and recommendations to the Governor and the Legislature by December 15, 2015 and self-repeals January 1, 2016.

First sponsor: Senator S. Allen

AAR Position:

Monitor

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

SB 1298: RULES; COUNTIES; FLOOD CONTROL DISTRICTS

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, 2016 for counties with a population of 375,000 persons or more, and January 1, 2017 for counties with a population of less than 375,000 persons. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 86, Laws 2015.

SB 1335: FIRE ACCESS ROADS; LIMITATIONS; ENFORCEMENT

Statute prohibiting counties and municipalities from adopting a fire code or other legal requirement for an approved fire apparatus access road that requires the installation of fire sprinklers may be enforced in a private civil action, and relief may be awarded against the county or municipality, including an injunction. The court is required to award reasonable attorney fees, damages, interest and other specified costs to a party that prevails in an action against a county or municipality for violations of these requirements. The Legislature determines that property rights are a matter of statewide concern, and this statutory prohibition preempts any regulation adopted by a county or municipality regarding an approved fire apparatus access road or extension. AS SIGNED BY GOVERNOR.

First sponsor: Senator D. Farnsworth

AAR Position:

Support

Last Action: 3/30 signed by governor. Chap. 88, Laws 2015.

SB 1342: RESPONSIBILITY OF PAYMENT; UTILITY SERVICES

For residential property of four or fewer units, a municipality is prohibited from requiring payment of the assessments imposed for removal of rubbish, trash, filth or debris if the property was serving as a rental and had a tenant during the time of the removal. For residential property of four or fewer units, a garbage collection service provider, private water company or sewer corporation is prohibited from requiring payment of unpaid rates and charges by anyone other than the person who the provider or company contracted with to provide the service, who physically resides or resided at the property and who receives or received the service. For residential property of four or fewer units, municipalities are prohibited from requiring payment of unpaid utility user fees by anyone other than the person who the municipality contracted with to provide the service, who physically resides or resided at the property and who receives or received the service. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Support with Lobbying

Last Action: 4/1 signed by governor. Chap 166, Laws 2015.

SB 1345: PRIVATE LAND ACQUISITION; STUDY COMMITTEE (~~GOVERNMENT PURCHASE OF PRIVATE PROPERTY~~)

Establishes a 7-member Study Committee on Private Land Acquisition to conduct hearings and collect information relating to the acquisition of privately owned real property by government entities, examine the impact the government ownership of real property has on the state and local economies, and identify a process to allow a government entity to acquire privately owned real property without reducing the tax base of the local community. The Committee is required to report its findings and recommendations to the Governor and the Legislature by December 31, 2017 and self-repeals October 1, 2018. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Monitor

Last Action: 4/2 signed by governor. Chap 188, Laws 2015.

SB 1368: MUNICIPALITIES; ADDITIONAL BUSINESS LICENSES; PROHIBITION

Municipalities are prohibited from requiring a licensed real estate broker or salesperson to obtain an additional business license to do business within that municipality if the person is licensed to do business in the municipality in which the person's primary place of business is located. AS SIGNED BY GOVERNOR.

First sponsor: Senator Griffin

AAR Position:

Support with Lobbying

Last Action: 4/2 signed by governor. Chap 189, Laws 2015.

SB 1372: LANDLORD TENANT ACT; GUEST REMOVAL

A landlord is authorized to take action to remove or otherwise terminate the stay of any guest of the tenant after written notice to the tenant pursuant to the terms of the rental or lease agreement, unless otherwise mutually agreed to in writing by both the landlord and the tenant. A person who stays on the premises after permission to remain is denied by the landlord or tenant is not a tenant and that person's presence does not constitute residency or tenancy. AS PASSED SENATE.

First sponsor: Senator Griffin

AAR Position:

Monitor to Support

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

SB 1385: HOAS; TRAFFIC ENFORCEMENT; PENALTIES

If a homeowners' association (HOA) owns or otherwise has legal authority over the roads and parking areas in the community and takes enforcement action regarding the use of those roads or parking areas, the HOA is required to provide written notice to the owner regarding a violation within 24 hours after it occurs. The notice must include specified information. Any monetary fine, penalty or other fee assessed against the owner relating to the violation cannot exceed the fee for the same violation that would have been issued by an enforcement officer in the county or municipality in which the community is located. Applies to any enforcement action taken on behalf of a planned community after the effective date of this legislation.

First sponsor: Senator Kavanagh

AAR Position:

Monitor

Last Action: 2/23 FAILED to pass Senate 10-19.

SB 1448: TRUSTEE'S SALE; FORECLOSURE; NOTICE; RECORDING

The written notice that a trustee is required to give of the time and place of sale of trust property must contain a statement that if a person believes there is a defense to the trustee sale or has an objection to the trustee sale, he/she must file an action and obtain a court order stopping the sale no later than 5:00 PM of the last business day before the scheduled date of the sale, and that unless the person obtains a court order, the sale will be final. AS SIGNED BY GOVERNOR.

First sponsor: Senator D. Farnsworth

AAR Position:

Monitor

Last Action: 4/2 signed by governor. Chap 190, Laws 2015.

SB 1452: HOAS; DIRECTOR REMOVAL

On removal of a member of a condo or HOA board of directors, the board is required to hold an election for the replacement of the removed director at a separate meeting of the membership, which must be held no later than 30 days after the day of the meeting at which the director was removed. The director who was removed cannot be appointed or elected to the board for two years after the date of removal unless the HOA documents specifically provide for a greater period of time. AS PASSED SENATE.

First sponsor: Senator D. Farnsworth

AAR Position:

Monitor

Last Action: 3/30 FAILED to pass House 18-42.

SB 1453: HOAS; ENFORCEMENT; ELECTIONS; MEETINGS

Various changes related to homeowner's associations and condominium associations (HOAs). HOAs are required to provide notice that an assessment is overdue before imposing charges for late payment of assessments. If absentee ballots are used in an HOA vote, the completed ballot must include the name, address and signature of the person voting, and ballots must be retained and made available for inspection for at least one year after the election. Information provided to a member by an HOA must include notice of the member's option to petition for an administrative hearing in the Department of Fire, Building and Life Safety. AS PASSED SENATE.

First sponsor: Senator D. Farnsworth

AAR Position:

Monitor to Support

Last Action: 3/30 FAILED to pass House 19-41.

SB 1457: TECH CORRECTION; ACTIVE MANAGEMENT AREAS

Minor change in Title 45 (Waters) related to active management areas. Apparent striker bus.

First sponsor: Senator Ward

AAR Position:

Monitor

Last Action: 2/3 referred to Senate rules only.

SB 1469: BUDGET; GENERAL APPROPRIATIONS; FY2015-16

The "feed bill" for FY2015-16, containing appropriations for state agencies and programs. Provisions include: Continues deferment of \$930.7 million in basic state aid payments to schools until FY2016-17, and continues deferment of \$200 million in payments to universities until FY2016-17. Defers \$21 million in payments to providers of services to the Department of Economic Security (DES), and defers \$11 million in payments to providers of services to the Department of Child Safety (DCS). Reduces the FY2014-15 appropriation from the general fund to the Department of Administration (DOA) for costs associated with the establishment of DCS to \$19.5 million, from \$25 million. The FY2015-16 amounts appropriated to DCS include increases of specified amounts in preventive support services, out-of-home support services and foster care placement to address backlog cases. Appropriates \$5.08 million to AHCCCS for disproportionate share payments to hospitals, including \$4.2 million for the Maricopa County Health Care District and \$884,800 for private qualifying disproportionate share hospitals. Reduces the FY2014-15 appropriation to AHCCCS by \$48.52 million from the general fund, and increases the AHCCCS appropriation from the expenditure authority in FY2014-15. Reduces the FY2014-15 general fund appropriations to DES in specified line items and increases appropriations of federal block grants and expenditure authority to DES. Includes an appropriation of \$74.39 million to the Arizona Department of Education (ADE) for additional inflation, which ADE must allocate to school districts and charter schools in FY2015-16 in the same manner that it would allocate the monies if the monies were for an additional increase of \$54.31 in the base level defined for FY2015-16. Makes a supplemental appropriation of \$26.86 million from the general fund in FY2014-15 to the State Board of Education and Superintendent of Public Instruction for basic state aid and additional state aid. Reduces the FY2014-15 general fund appropriation to the School Facilities Board by \$9.42 million for the new school facilities debt service line item. Appropriates \$23.9 million to the Access Our Best Public Schools Fund for the purpose of developing mechanisms that an Arizona Public School Achievement District could use to assist in the expansion of member schools or the construction of new facilities for member schools. Monies in the Fund cannot be expended until the executive branch submits an expenditure plan to the Joint Legislative Budget Committee for review, and the executive branch is required to recommend proposed legislation to codify the mechanisms developed.

Appropriates \$5.5 million from the general fund in FY2015-16 to DOA for distribution to counties with a population of less than 200,000 for maintenance of essential county services and \$500,000 for distribution to a county with a population of more than 30,000 and less than 40,000 (Graham County) for maintenance of essential county services. Appropriates \$10.46 million from the Risk Management Revolving Fund to DOA to reimburse the federal government for specified disallowed costs and fund transfers. Appropriates \$300,000 from the general fund in FY2015-16 to the Arizona Commerce Authority to operate a trade office in Mexico City. Requires various reports and makes various fund transfers. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 8, Laws 2015.

SB 1470: BUDGET; CAPITAL OUTLAY; FY2015-16

Makes various appropriations for capital expenditures for FY2015-16, including \$234.47 million for state highway construction, \$21.8 million for airport planning and development, and \$19.5 million for major maintenance and repair activities for state buildings. Appropriates \$2.9 million in FY2015-16 from the State Highway Fund to the Department of Transportation for the construction of vehicle wash systems, and \$1 million in FY2015-16 from the Arizona Exposition and State Fair Fund to the Arizona Exposition and State Fair Board for capital improvements. Appropriates \$1.2 million from the general fund in FY2015-16 to the Department of Transportation for distribution to the Navajo Nation for transportation projects on reservation land. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 9, Laws 2015.

SB 1471: BUDGET; BRB; REVENUE; FY2015-16

Makes various changes relating to general revenues for FY2015-16. The job training employer tax of .01 percent of taxable wages paid is repealed on January 1, 2016, instead of January 1, 2017. Beginning July 1, 2015, the Department of Revenue (DOR) is required to assess and collect fees from municipalities and counties as determined by the DOR Director to recover a portion of administrative, program and other operating costs incurred in providing transaction privilege tax administrative and collection services to local governments. The fee is assessed to each county and municipality that receives state shared revenues. For FY2015-16, a fee is assessed to each municipality for which DOR does not administer and collect TPT. A legislative

intent section states that the Legislature intends that the total fees for all counties and municipalities not exceed \$20.76 million in any FY and that the share of fees assessed to all counties and municipalities be in proportion to the aggregate amount of state shared revenues distributed to each in the preceding two FYs as a percentage of aggregate distributions to all counties and municipalities in the preceding two FYs. Counties and municipalities are authorized to meet their cost sharing obligation from any source of revenue designated by the appropriate county or municipality, and contributions made to the fee are excluded from the applicable expenditure limitations. DOR is required to establish a tax recovery program where taxpayers may apply for DOR to waive all the civil penalties and interest for tax liabilities that have been or could be assessed for any taxable period during the applicable “liability period” (defined as any taxable period ending before January 1, 2014 for taxpayers filing annually and any taxable period ending before February 1, 2015 for all other taxpayers). Establishes requirements for taxpayers to qualify for tax recovery and an application process. DOR is required to report specified information on the tax recovery program to the Governor and the Legislature by January 1, 2016. The FY 2016-17 distribution of Highway User Revenue Fund (HURF) revenues to counties and municipalities in percentages reflecting non-state distribution of HURF revenues is reduced to \$30 million, from \$60 million. Authorizes the Department of Financial Institutions to use the Financial Services Fund for general operating expenditures of the Dept., and to use monies in the Department Receivership Revolving Fund through FY2015-16 for expenditures on an electronic licensing system, with a limit of \$850,000 on total expenditures for the system. Authorizes the Radiation Regulatory Agency to increase fees in FY2014-15 to generate up to \$561,000 and the Department of Agriculture to continue existing fees from FY2013-14 in FY2014-15 to generate specified amounts for various funds. Fees collected by the Department of Insurance are not required to recover between 95 and 110 percent of the Dept.’s appropriation. Counties with a population of less than 200,000 are authorized to meet any county fiscal obligation from any source of county revenue designated by the county. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 10, Laws 2015.

SB 1472: BUDGET; BUDGET PROCEDURES; FY2015-16

Makes various changes that affect the budget across agencies. Requires any unrestricted federal monies received by Arizona in FY2015-16 to be deposited in the general fund. For FY2015-16, FY2016-17 and FY2017-18, the Legislature is not required to appropriate monies to or transfer monies from the Budget Stabilization Fund. Allows appropriations for all budget units to be limited to one FY for FY2015-16, FY2016-17 and FY2017-18. Continues the Capital Outlay Stabilization Fund rent rate at \$13.08/square foot for office space and \$4.74/square foot for storage space. The Department of Administration is authorized to charge a transaction fee to

each state agency that uses the Arizona Financial Information System, to be deposited in the newly established Arizona Financial Information System Collections Fund and used to reimburse the Dept. for the costs of operating the System. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 11, Laws 2015.

SB 1473: BUDGET; BRB; GOVERNMENT; FY2015-16

Makes various policy changes in the operation of state government that impact the budget. Reimbursement of charges incurred by the counties for the presidential preference election will be made in the amount of \$1.25 for each active registered voter in the county on January 1 of the year of the election, instead of at 100 percent of the costs incurred. If the Secretary of State determines that reimbursement at that rate would jeopardize the ability of a county to comply with federal and state laws and regulations, the Secretary of State may release the county from that reimbursement rate. The sum of money in the Job Creation Withholdings Clearing Account is reduced to \$26.5 million of withholding tax revenues in FY2015-16 and to \$21.5 million for each FY after, from \$31 million. The amount the State Treasurer is required to credit on the 20th day of each month from the Account to the Arizona Competes Fund is reduced to 1/12 of the annual sum of \$16.5 million in FY2015-16 and \$11.5 million for each FY after, from \$21 million. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 12, Laws 2015.

SB 1474: BUDGET; BRB; ENVIRONMENT; FY2015-16

Makes policy changes pertaining to environmental regulation that affect the state budget. Monies in the Yarnell Hill Memorial Fund may be used for purchasing, designing and constructing the Yarnell Hill Memorial. The Arizona Water Protection Fund Commission is permitted to grant to the Department of Water Resources (DWR) up to \$336,000 of the unobligated balance in the Fund to pay for administrative costs of DWR in FY2015-16. DWR is authorized to increase fees in FY2015-16 to generate revenue up to \$100,200. The Arizona State Parks Board is authorized to spend up to \$692,100 from the Board's portion of the Off-Highway Vehicle Recreation Fund in FY2015-16 for Board operating expenses. Suspends the administrative cap on the Underground Storage Tank Assurance Account for FY2014-15 and allows the Department of

Environmental Quality (DEQ) to transfer a combined total of \$6.5 million from the Account for administrative costs of DEQ. Caps the general fund appropriation to the Water Quality Assurance Revolving Fund at \$7 million. Authorizes DEQ to use up to \$1.8 million from the Emissions Inspection Fund for the Safe Drinking Water Program. Repeals the Trust Land Management Fund and authorized uses of the Fund and conditionally reestablishes identical language on the state Constitution being amended by the voters at the 2016 general election to allow a portion of the annual proceeds of trust lands to be used to manage the trust lands, except that the Fund is renamed the Trust Land Administration Fund. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 13, Laws 2015.

SB 1475: BUDGET; BRB; HEALTH; FY2015-16

Makes various policy changes in the area of public health that affect the budget. Specifies county contributions for the Arizona Long-Term Care System, and AHCCCS acute care and hospitalization and medical care for FY2015-16. The AHCCCS capitation rate increases and Department of Health Services capitation rate increases cannot exceed 1.5 percent in FY2016-17 and FY2017-18. For rates effective October 1, 2015 through September 30, 2016, the AHCCCS Administration is authorized to reduce payment up to 5 percent for all health care providers, excluding nursing facilities, developmental disability and home and community based health care providers. The AHCCCS Administration is permitted to reduce provider payments by less than 5 percent if adjustments to capitation rates for changes in utilization for that period are less than the amounts appropriated in the general appropriation act to the AHCCCS Administration for a 3 percent capitation rate increase in FY2015-16. Subject to the approval of the Centers for Medicare and Medicaid Services, political subdivisions, tribal governments and public universities are authorized to provide to the AHCCCS Administration monies in addition to any general fund appropriations for critical access hospitals in order to qualify for additional federal monies. Any amount of federal monies received by the state from doing so must be distributed as supplemental payments to critical access hospitals. The AHCCCS Administration and its contractors must reimburse ambulance service providers in an amount equal to 68.59 percent, reduced from 80 percent, of the amounts prescribed by the Department of Health Services (DHS). For the contract year beginning October 1, 2015 and ending September 30, 2016, the AHCCCS Administration is authorized to continue the risk contingency rate setting for all managed care organizations and the funding for all managed care organizations administrative funding levels that was imposed for the contract year beginning October 1, 2010. The AHCCCS Administration is required to pursue cost sharing requirements for members to the maximum extent allowed under federal law. Subject to approval by the Centers for Medicare and Medicaid Services, beginning January 1, 2016, the AHCCCS Administration is required to charge and collect from each enrolled person a premium of 2 percent of the person's household income, a

copayment of \$8 for nonemergency use of an emergency room for the first incident and \$25 for each subsequent incident if the person is not admitted to the hospital by the emergency department. After the minimum disproportionate share hospitals (DSH) payments required by federal law are made to eligible hospitals, the Arizona State Hospital and a special health care district, the allocations of DSH payment must be made available first to qualifying private hospitals located outside of the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area before being made available to qualifying private hospitals within those areas. The DSH payment for FY2014-15 for a qualifying nonstate operated public hospital is increased to \$105.95 million, from \$89.88 million. DSH payments for FY2015-16 include \$113.8 million for a qualifying nonstate operated public hospital, \$4.2 million of which must be distributed to the Maricopa County Special Health Care District, \$28.5 million for the Arizona State Hospital, and \$884,800 for private qualifying hospitals. Counties are required to reimburse DHS for 31 percent of the costs of a commitment of a sexually violent individual for FY2015-16. Municipalities and counties are required to reimburse DHS for 100 percent of the costs of a defendant's inpatient, in custody competency restoration treatment for FY2015-16. Establishes various reporting requirements. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 14, Laws 2015.

SB 1476: BUDGET; BRB; K-12 EDUCATION; FY2015-16

Makes various policy changes pertaining to K-12 education that affect the budget. Increases the per student base level amount for basic state aid to \$3,426.74, from \$3,373.11, for FY2015-16, and increases the transportation support level per route mile funding for FY2015-16. Beginning July 1, 2016, for school finance purposes, the definition of "student count" is average daily membership for the current year, instead of for the FY before the current year. For FY2015-16, the Department of Education is required to reduce by \$352.44 million the amount of basic state aid that otherwise would be apportioned to school districts statewide for district additional assistance and must reduce school district budget limits accordingly. It is the intent of the Governor and the Legislature that school districts increase the total percentage of classroom spending over the previous year's percentages in the combined categories of instruction, student support and instructional support as defined by the Auditor General. The sum of district additional assistance reductions for school districts with a student count of fewer than 1,100 cannot exceed \$5 million. The Dept. is required to reduce by \$18.66 million the amount of charter additional assistance funding that otherwise would be apportioned to charter schools statewide for FY2015-16 and must reduce school district budget limits accordingly. Beginning in FY2015-16, the maximum amount of additional state aid for education that will be funded by the state is \$1 million per county. For any county with a school district or districts that collectively would otherwise receive more than \$1 million in additional state aid for education, the Property

Tax Oversight Commission is required to determine the proportion of the violation of the state Constitutional property tax limits that is attributable to each taxing jurisdiction within the affected district(s). Based on those proportions, the Commission is required to determine an amount that each taxing jurisdiction is required to transfer to the district(s) during the FY in order to compensate the affected district(s) for its pro rata share of the reduction in additional state aid for education funding. The Legislature intends that school district-sponsored charter schools be phased out by FY2016-17. For FY2015-16. The Department of Education is required to fund “incremental monies” (defined as the additional funding received under the state equalization funding formula for schools in excess of the amount that would be received if the school was operated by a school district but was not a charter school) for district-sponsored charter schools at 50 percent of the level of incremental monies that would otherwise be provided and to reduce budget limits accordingly. The small school weights apply if a charter holder holds one charter for one or more school sites and the average daily membership for the sites are combined for the calculation of the small school weight. The small school weight is prohibited from being applied individually to a charter holder if the combined average daily membership derived from one or more of the following conditions is greater than 600: the organizational structure or management agreement of the charter holder requires the charter holder or charter school to contract with a specific management company, the governing body of the charter holder has identical membership to another charter holder in Arizona, the charter holder is a subsidiary of a corporation that has other subsidiaries that are charter holders in Arizona, or the charter holder holds one or more charters in Arizona. The Department of Education is required to reduce the amount provided by the small school weight for charter schools under these provisions by 33 percent for FY2015-16, and by 67 percent for FY2016-17. Increases the amount of charter additional assistance to \$1,734.92 per student count in K-8, from \$1,707.77, and to \$2,022.02 per student count in grades 9-12, from \$1990.38. Beginning in FY2016-17, base support level funding that a school district, charter school or JTED receives for students enrolled in both a school district or charter school and a joint technical education district (JTED) satellite campus program is funded at 92.5 percent of the base support level funding that the school district, charter school or JTED would otherwise receive. A school district or charter school that experiences a reduction in its base support level funding due to this reduction of base support level funding is permitted to use a portion of JTED monies in order to offset the loss of regular education funding that it experiences due to the reduction. School districts cannot prohibit or discourage students enrolled in that district from attending courses offered by a JTED. Establishes the Access our Best Public Schools Fund. Monies in the Fund are subject to legislative appropriation and are available to public schools that are members of the Arizona Public School Achievement District to construct new school facilities or to expand existing school facilities. At least 50 percent of the projects that receive monies from the Fund must be in low socioeconomic areas. By December 31, 2015, each community college district and each university under the jurisdiction of the Arizona Board of Regents is required to transmit \$6 per full-time equivalent student to the Department of Education for deposit in the Education Learning and Accountability Fund. Repeals the Student Success Fund. Establishes various reporting requirements. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 15, Laws 2015.

SB 1477: BUDGET; BRB; HIGHER EDUCATION; FY2015-16

Makes policy changes in college and university programs that affect the state budget. A community college district located in a county with a population of 750,000 persons or more (Maricopa and Pima Counties) is not eligible to receive state aid for science, technology, engineering and mathematics and workforce programs. For FY2015-16, each dollar raised by the surcharge on student registration assessed by ABOR for the Financial Aid Trust Fund may be matched by less than \$2 appropriated by the Legislature. Establishes the Tribal College Dual Enrollment Program Fund and allocates 15 percent of unclaimed prize money from the State Lottery to the Fund, not to exceed \$160,000 in any FY. The amount of unclaimed prize money from the State Lottery that must be held in the State Lottery Prize Fund for use as additional prizes in future games is reduced to 55 percent, from 70 percent. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 16, Laws 2015.

SB 1478: BUDGET; BRB; CRIMINAL JUSTICE; FY2015-16

Makes policy changes pertaining to criminal justice programs that affect the budget. A child who is adjudicated delinquent for an offense that is not a felony, unless the child has been previously adjudicated delinquent for a felony offense or is seriously mentally ill, who is under 14 years of age, or who is a dependent or incorrigible child cannot be committed to the Department of Juvenile Corrections (DJC), instead of a child who is under the age of 8. Applies only to a child who is committed to DJC on or after the effective date of this legislation. DJC is required to annually assess a committed youth confinement cost sharing fee to each county. It is the intent of the Legislature that the amount of the fee is each county's proportional share of \$12 million based on county population. Each county is required to pay the monies owed within 30 days after request by DJC, and if a county fails to make the payment, the State Treasurer is required to withhold the amount from that county's portion of state shared revenues. County contributions made for the fee are excluded from the county expenditure limitation, and counties are authorized to pay the fee from any source of county revenue. The Department of Corrections (DOC) is permitted to credit against payments owed in the current FY to the Dept.'s health care contractor the amount of state and federal monies paid by the AHCCCS Administration for health care services on behalf of Medicaid-eligible inmates regardless of the dates of service.

Repeals session law from the FY2012-13 and FY2014-15 budgets requiring DOC to award contracts for medium security prison beds at private prisons in Arizona, and specifies that the intent of the Legislature is that this authority for those beds ceases beginning July 1, 2015. Requires DOC to award contracts for up to 1,000 beds on July 1, 2016 pursuant to a request for proposals for up to 2,000 medium security prison beds at new or existing contracted bed facilities in Arizona. Suspends statutory caps and transfers of Highway User Revenue Fund monies available to fund the Department of Public Safety highway patrol costs for FY2015-16. Suspends county non-supplanting requirements for probation services, criminal case processing and alternative dispute resolution programs. The Attorney General is authorized to use monies in the State Aid to Indigent Defense Fund for activities related to capital post-conviction prosecution. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 17, Laws 2015.

SB 1479: BUDGET; BRB; HUMAN SERVICES; FY2015-16

Makes various policy changes in the areas of human services that affect the budget. Effective July 1, 2016, a needy family is ineligible for Temporary Assistance for Needy Families cash assistance, except in case of hardship, if the needy family includes a head of household or spouse who has received cash assistance for himself or on behalf of a dependent child for a total of 12 months, reduced from 24 months. Applies retroactively to cash assistance received on or after October 1, 2002 and applies regardless of whether the 12 months are consecutive. The 12 month time limit does not apply to child only cases. Cash assistance will terminate on July 1, 2016 for any family that has received 12 or more months of cash assistance as of that date. For FY2015-16, the Department of Economic Security (DES) is authorized to reduce maximum income eligibility levels for child care assistance in order to manage within appropriated and available monies. During FY2015-16, DES is required to screen and test each adult recipient of Temporary Assistance for Needy Families cash assistance who DES has reasonable cause to believe engages in the illegal use of controlled substances, and any recipient who tests positive for the use of a controlled substance that was not prescribed by a licensed health professional is ineligible to receive benefits for one year. The Auditor General is required to provide various reports concerning the Department of Child Safety to the Governor and the Legislature, and deadlines for the reports are specified. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 18, Laws 2015.

SB 1480: BUDGET; BRB; AGENCY CONSOLIDATION; FY2015-16

Makes various changes to state agencies that affect the budget. The Department of Racing (DOR) is eliminated and responsibility for regulating racing is transferred to the newly established Division of Racing within the Department of Gaming (DOG). DOG succeeds to the authority, powers, duties and responsibilities of DOR. The Arizona Racing Commission has no authority over the duties and responsibilities of the DOG. The State Board of Appraisal is repealed and responsibility for regulating real estate appraisals is transferred to the Department of Financial Institutions (DFI). DFI succeeds to the authority, powers, duties and responsibilities of the Board. These changes are effective on the later of July 1, 2015 or the effective date of this legislation. Beginning July 1, 2016, the provision of behavioral health services under the Department of Health Services (DHS) is transferred to and must be administered by the AHCCCS Administration. Beginning July 1, 2016, the AHCCCS Administration succeeds to the authority, powers, duties and responsibilities of the DHS Division of Behavioral Health Services. This transfer does not include the Arizona State Hospital. AS SIGNED BY GOVERNOR.

First sponsor: Senator Biggs

AAR Position:

Monitor

Last Action: 3/12 signed by governor. Chap. 19, Laws 2015.

SCM1011: MORTGAGE STANDARDS; URGING FEDERAL GOVERNMENT

The members of the Legislature urge the U.S. President, the U.S. Congress and the Consumer Financial Protection Bureau to broaden the qualified mortgage underwriting rules to include specified lending practices, to allow lenders to go over the 43 percent debt-to-income ratio ceiling if the borrower meets other criteria that demonstrate an ability to pay, and to create a fee schedule that allows lenders to price loans according to risk. 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 the Director of the Bureau.

First sponsor: Senator Farley

AAR Position:

Monitor

Last Action: 3/16 referred to House Banking and Financial Services.

SCR1011: PROPERTY TAX; WIDOWER EXEMPTION

The 2016 general election ballot is to carry the question of whether to amend the state Constitution to remove the requirement for a widow or widower and her/his last spouse to have resided in Arizona at the time of the spouse's death in order to qualify for the widow or widower property tax exemption.

First sponsor: Senator Bradley

AAR Position:

Monitor

Last Action: 1/29 referred to Senate Finance.