

Legislative Committee
Chair: Holly Eslinger
Status of Bills Reviewed by the Legislative Committee
2016 Master Bill Digest

HB2005: TAX ABATEMENT; NO PARCEL NUMBER

The list of circumstances for abating a tax a removing a lien is expanded to include failure by the county assessor to assign a valid property tax parcel identification number.

First sponsor: Rep. Finchem

AAR Position:

Monitor

Last Action: 1/25 House Ways and Means Committee Health Committee.

HB2006: MARIJUANA; REGULATION; TAXATION

A person who is at least 21 years of age may possess, consume, use, display, purchase or transport one ounce or less of marijuana, may grow up to five marijuana plants and may possess, process or transport the marijuana produced by the plants on the premises where the plants were grown. Some restrictions. It is unlawful to smoke marijuana in a public place. Establishes regulations for marijuana accessories and retail marijuana stores. Establishes an excise tax on the sale or transfer of marijuana at the rate of \$50 per ounce. Revenues generated by the tax must be used to enforce these regulations, and any remaining monies are distributed as follows: 30 percent to the Department of Education, 20 percent to the Department of Health Services for specified drug programs, and 50 percent to the general fund. The Department of Health Services is required to adopt rules necessary for implementation. Due to a potential increase in state revenue, this bill requires the affirmative vote of at least 2/3 of each house of the Legislature for passage.

First sponsor: Rep. Cardenas

AAR Position:

Monitor

Last Action: 1/21 referred to House Judiciary Committee, Ways and Means Committee.

HB2007: MARIJUANA; SENTENCE; CIVIL PENALTY; FINES

Reduces the criminal classification for possession or use of marijuana with a specified weight as follows: less than one ounce is subject to a civil penalty of up to \$100, from a class 6 (lowest) felony; at least one ounce but less than two pounds is reduced to a petty offense, from a class 6 felony; two pounds or more to a class 3 (mid-level) misdemeanor, from either a class 4 or 5 felony. Reduces the criminal classification for importing, transporting for sale or selling marijuana with a specified weight as follows: less than two pounds to a class 3 misdemeanor, from a class 5 (second-lowest) felony; at least two pounds but less than four pounds to a class 6 felony, from a class 4 felony; more than four pounds to a class 5 felony, from a class 3 felony. The court must order a juvenile who is adjudicated delinquent for a first violation of these marijuana related violations to complete at least 10 hours of community restitution in lieu of

other penalties. If the community restitution is not complete within one year, the juvenile is subject to all other penalties prescribed by law.

First sponsor: Rep. Cardenas

AAR Position:

Monitor

Last Action: 2/1 referred to House Judiciary Committee, Health Committee.

HB2014: ELECTRONIC DOCUMENTS; STATE AGENCIES

If a statute or rule requires a person to submit an application or any other documentation to any agency, the person is permitted to submit the documentation electronically. Agencies are required to provide a method of electronic submission of non-sensitive data on the agency's website, and are permitted to provide a method of electronic submission of sensitive data.

Effective July 1, 2019. AS PASSED HOUSE.

First sponsor: Rep. Stevens

AAR Position:

Support

Last Action: 2/16 referred to Senate Government Committee.

HB2018: OPTIONAL INDIVIDUAL FLAT INCOME TAX

For tax years 2017 through 2021, in lieu of regular state income tax, an Arizona resident taxpayer who files as a single person and whose Arizona gross income for the tax year does not exceed \$25,000 may elect to compute and pay income tax at a rate of one percent of income. A taxpayer who elects to do so is prohibited from making any addition or claiming any subtraction, exemption, deduction or credit under regular income tax statutes, including the standard deduction and personal exemption. Effective January 1, 2017. AS PASSED HOUSE.

First sponsor: Rep. Stevens

AAR Position:

Monitor

Last Action: 3/1 referred to Senate Finance Committee.

HB2026: MUNICIPAL TAX EXEMPTION; RESIDENTIAL LEASE

Municipalities with a population of more than 100,000 persons located entirely within a county with a population of more than 500,000 persons (Maricopa and Pima) 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. 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, 2016 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, 2017 and each July 1 thereafter. Beginning July 1, 2020, 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, 2016.

First sponsor: Rep. Mitchell

AAR Position:

Support

Last Action: 2/18 House COW FAILED to approve after adopting amend #4135 and a Mitchel floor amendment. Roll call: 22-36.

HB2028: TAXES; PAYMENT; CONDEMNED PROPERTY

If a municipality, county, school district, community college district, special taxing district, the state or any agency or instrumentality of the state acquires real or personal property by condemnation, that entity is not required to pay unpaid taxes, penalties and interest in an amount that exceeds the fair market value of the property interest acquired.

First sponsor: Rep. Mitchell

AAR Position:

Monitor

Last Action: 1/25 House Ways and Means Committee Health Committee.

HB2037: COUNTY LIENS; ABATEMENTS

At the option of the county board of supervisors, the sale of a real property tax lien or the foreclosure of the right to redeem does not extinguish a county lien for nuisance abatement, dangerous building abatement, and trash or weed removal or abatement, or removal or abatement of dilapidated buildings.

First sponsor: Rep. Borrelli

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2051: CATASTROPHIC PUBLIC NUISANCE; DETERMINATION; ABATEMENT

The mayor of a municipality may determine that a "catastrophic public nuisance" (defined) exists on state or federal land located within the municipal borders, and the chairman of the county board of supervisors or the county sheriff may determine that a catastrophic public nuisance exists on state or federal land located within the county borders. Factors that may be considered in evaluating whether a catastrophic public nuisance exists are listed. On determining that a catastrophic public nuisance exists, the official must notify the federal or state agency that manages the land, and the notice must include specified information, including a demand that the agency either abate or make a plan to abate the catastrophic public nuisance by a specified date at least 30 days after the date the notice is received. If the agency does not respond by that date or otherwise does not take action, and if the nuisance constitutes a threat to public health, safety and welfare, the official must pursue all remedies allowed by law.

First sponsor: Rep. Ugenti-Rita

AAR Position:

Monitor

Last Action: 2/15 House County and Municipality Committee, Health Committee.

HB2054: DEBT LIMITATIONS; NET ASSESSED VALUE

The net assessed value of the full cash value is the basis for calculating the local debt limits and unified school district debt limits in the state Constitution, and for calculating the limitations on bonded indebtedness for Joint Technical Education Districts and school districts, instead of the aggregate net assessed value of property within the jurisdiction used for the levy of secondary property taxes. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mitchell

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 177, Laws 2016.

HB2055: CLASS SIX PROPERTY; ELDERLY HOMEOWNERS

The list of property classified as class six for property tax purposes is expanded to include real and personal property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified. Does not apply to real property and improvements with a full cash value of \$600,000 or more unless the property qualified for valuation protection under the state Constitution as of December 31, 2016. AS PASSED HOUSE.

First sponsor: Rep. Cardenas

AAR Position:

Monitor

Last Action: 3/1 referred to Senate Finance Committee.

HB2068: 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.

First sponsor: Rep. Shope

AAR Position:

Monitor

Last Action: 2/2 referred to House Commerce Committee

HB2075: DESALINIZATION; STUDY COMMITTEE (~~TECH CORRECTION; STATE TRUST LAND~~)

Establishes a 9-member Joint Desalinization Study Committee to collect information on desalination in Arizona, review data collected during the Yuma desalting plant demonstration run, and study opportunities for other desalinization projects in Arizona. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 31, 2016, and self-repeals October 1, 2017. AS PASSED HOUSE.

First sponsor: Rep. Leach

AAR Position:

Monitor

Last Action: 3/1 referred to Senate Water and Energy Committee.

HB2076: ANNEXATION; SINGLE PROPERTY OWNER; EXCEPTION

For the purposes of municipal annexation, a territory is considered contiguous if the territory adjoins the exterior boundary of the annexing municipality for at least 300 feet, if all of the real property in the territory is owned by one person, and the municipality and the property owner agree to the annexation. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Weninger

AAR Position:

Monitor

Last Action: 4/5 signed by governor. Chap. 93, Laws 2016.

HB2106: HOAS; ENFORCEMENT GRACE PERIOD

A homeowners' association or condominium association member has 21 calendar days, increased from 10 business days, after the date of a written notice of violation to provide a written response to the HOA. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Lovas

AAR Position:

Monitor to Support

Last Action: 5/12 signed by governor. Chap. 230, Laws 2016.

HB2107: STRUCTURED SOBER LIVING HOMES (~~SUBSTANCE ABUSE RECOVERY HOMES~~)

Municipalities and counties are authorized to adopt by ordinance standards for "structured sober living homes" (defined) that comply with state and federal fair housing laws and the Americans with Disabilities Act. If adopted, the standards may include a list of specified provisions, including supervision requirements and the establishment and maintenance of an operation plan. Municipalities and counties that adopt standards for structured sober living homes are authorized to exclude from regulation any structured sober living home that is subject to adequate oversight by another governmental entity or contractor. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Campbell

AAR Position:

Monitor

Last Action: 5/17 signed by governor. Chap. 287, Laws 2016.

HB2111: ZERO-BASED BUDGETING

By January 15 of each year, the Joint Legislative Budget Committee is required to select budget units that are required to prepare and submit a "zero-based budget" (defined as a budget estimate that is prepared without regard to any previous level of funding, services or personnel) for the fiscal year beginning July 1 of the following calendar year. The JLBC must require each budget

unit to prepare and submit a zero-based budget at least once in each 10-year period. Effective January 1, 2017.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 3/15 from Senate rules okay.

HB2114: INDEPENDENT BUSINESS STATUS; DECLARATION

Any employing unit contracting with an independent contractor may prove the existence of an independent contractor relationship for the purposes of Title 23 (Labor) by the independent contractor executing a declaration of independent business status. Establishes a form for the declaration of independent business status, and requires the declaration to be signed by the independent contractor and dated. A declaration in compliance with these requirements creates a rebuttable presumption of an independent contractor relationship. The execution of a declaration of independent business status in compliance with these requirements is not mandatory in order to establish the existence of an independent contractor relationship. Except for the enforcement of occupational safety and health regulations, any supervision or control exercised by an employing unit to comply with any statute, rule or code adopted by the federal government, the state or a political subdivision or any requirement of licensing, professional or ethical standards cannot be considered for the purposes of determining the independent contractor or employment status of any relationship. Severability clause. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

AAR Position:

Monitor to Support

Last Action: 5/12 signed by governor. Chap. 231, Laws 2016.

HB2119: TECH CORRECTION; STATE TRUST LANDS

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

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2125: DISTRICT BOUNDARY MODIFICATION; PARCEL LINES

For any special taxing district whose boundaries split parcels as determined by the county assessor on or before November 1, 2007, a property owner in the district is authorized to request in writing that the county assessor modify the boundary so that the entire parcel is contained in the district that governs the majority of the parcel. If two or more districts of the same type govern an identical percentage of the area of the parcel, the property owner may designate the district that will govern the entire parcel. Does not apply to a list of special taxing district types. On discovery that a parcel is split by a district boundary, the county assessor is authorized to initiate the consolidation of the entire parcel into a single district, and must provide the property owner with at least 30 days' notice before the consolidation becomes final. If the property owner

rejects the proposed consolidation, the parcel cannot be consolidated. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Shope

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 179, Laws 2016.

HB2127: LIVE DOG RACING; PROHIBITION (~~SMALL PROPERTY TAX BALANCE DELINQUENCY~~)

Live dog racing is prohibited from being conducted in Arizona after December 31, 2016. Does not apply to nonprofit organizations that host lure coursing or similar events that test a dog's ability, stamina and breeding or training for such events. A commercial dog racing permittee that is authorized to conduct live dog racing on the effective date of this legislation is permitted to continue to conduct live dog racing through December 31, 2016. Does not prevent a commercial dog racing permittee that lawfully conducted live dog racing in Arizona in 2016 from using hardship tax credits that were lawfully earned before January 1, 2017 to reduce pari-mutuel taxes after the effective date of this legislation. Beginning January 1, 2017, any agreement concerning simulcasting that is executed between a racing permittee that conducted live dog racing in 2016 and a racing facility that is located in a county with a population of more than 3 million persons (Maricopa County) is required to provide that 20 percent of the commission fee paid to the racing permittee under that agreement be distributed to the recognized horsemen's association that represents horsemen participating in race meets in Arizona. Directs legislative council staff to prepare conforming legislation. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mesnard

AAR Position:

Monitor

Last Action: 5/13 signed by governor. Chap. 246, Laws 2016.

HB2130: MUNICIPALITIES; COUNTIES; ENERGY USE; REPORTING

Counties and municipalities are no longer 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 as reusable bags, boxes, and other recyclable containers). Counties and municipalities are no longer 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. Statute prohibiting counties and municipalities from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption does not prohibit a county or municipality that operates an electric or gas utility from metering or otherwise measuring and reading energy deliveries, usage and consumption in the course of providing utility service to businesses, commercial buildings and multifamily housing properties. [Capitol Reports Note: This legislation and Laws 2016, Chapter 28, repeal two sets of prohibitions and each bill reinserts one set. The effect of the two bills together is that there is no substantive change to statute.] AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

AAR Position:

Support

Last Action: 3/14 signed by governor. Chap. 27, Laws 2016.

HB2131: MUNICIPALITIES; COUNTIES; AUXILIARY CONTAINERS; PROHIBITIONS

Counties and municipalities are no longer 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, including energy consumption benchmarking and building facility energy efficiency audits. [Capitol Reports Note: This legislation and Laws 2016, Chapter 27, repeal two sets of prohibitions and each bill reinserts one set. The effect of the two bills together is that there is no substantive change to statute.] AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

AAR Position:

Support

Last Action: 3/14 signed by governor. Chap. 28, Laws 2016.

HB2134: TECH CORRECTION; REAL ESTATE DEPARTMENT

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

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2146: MUNICIPALITIES; PROPERTY SALE THRESHOLD; ELECTION

The value of real property being sold by a municipality that triggers a special election for voter approval of the sale is increased to \$1.5 million, from \$500,000. Additionally, the article of statute governing disincorporation of a municipality and providing for board of trustees government after disincorporation are repealed on January 1, 2017. A legislative intent section states that a 2014 Attorney General opinion found the certain voting provisions of the disincorporation statutes violated the equal protection clause of the U.S. Constitution and election laws of this state. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Leach

AAR Position:

Monitor

Last Action: 3/24 signed by governor. Chap. 62, Laws 2016.

HB2172: PLANNED COMMUNITIES; ARCHITECTURAL DESIGNS; APPROVAL

Planned communities are prohibited from unreasonably withholding approval of a construction project's architectural designs, plans and amendments. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 3/30 signed by governor. Chap. 83, Laws 2016.

HB2185: PROPERTY TAX; HOTELS & MOTELS

Real and personal property and improvements that are used primarily for operating a hotel, motel, campground or similar lodging facility for transient occupancy of guests who rent lodging space on a temporary basis for fewer than 30 consecutive days is classified as class 6 property for property tax purposes.

First sponsor: Rep. Mitchell

AAR Position:

Monitor

Last Action: 1/19 referred to House Ways and Means Committee.

HB2191: EMPLOYEE SCHEDULING; STATE PREEMPTION (~~REAL ESTATE; FUND; PROSECUTOR~~)

Counties and municipalities are prohibited from adopting an ordinance, resolution or other regulation that requires an employer to alter or adjust any employee scheduling unless the alteration or adjustment is required by state or federal law. The regulation of employee scheduling is a matter of statewide concern and is not subject to further regulation by a county or municipality. Does not prohibit county or municipal scheduling requirements that apply to county or municipal employees. Does not prohibit a municipality from prescribing security personnel scheduling in specific accordance with a public safety plan ordinance that was adopted by a municipality on or before January 1, 2016. Retroactive to January 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Finchem

AAR Position:

Oppose with Lobbying

Last Action: 5/12 signed by governor. Chap. 233, Laws 2016.

HB2254: TECH CORRECTION; REAL ESTATE LICENSING

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

First sponsor: Rep. Mesnard

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2256: TAX SUBTRACTION; UNIFORMED SERVICES PAY

Effective January 1, 2017, the subtraction from Arizona gross income for income tax purposes for certain military compensation applies to compensation received for active service as a member of the "uniformed services" of the U.S. instead of the "armed services" of the U.S.

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 4/20 Senate COW approved.

HB2257: MOBILE HOMES; ABANDONMENT PROCEDURES

Establishes circumstances under which a mobile home is considered abandoned, and prohibits a landlord from beginning landlord lien sale procedures on a mobile home unless it is abandoned according to these circumstances. After determining that a mobile home has been abandoned, the landlord is permitted to serve a notice on the legal owner that states the termination of any right to keep the home on the space and demanding payment of monies due to the landlord for rent and utilities. If all monies owed are not paid in full within 72 days after the notice is sent, the landlord may sell the mobile home. Establishes circumstances under which the legal owner has the right to recover possession of the mobile home or the tenant has the right to reoccupy the mobile home. If a sale is Health Committee, the landlord is required to distribute the proceeds of the sale to specified persons in a specified order.

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 1/21 referred to House Commerce Committee.

HB2258: MOBILE HOME LANDLORD TENANT; AMENDMENTS

Various changes to the Mobile Home Parks Residential Landlord and Tenant Act. For utilities that are billed through one or more master meters, a municipality, county or other political subdivision cannot assess or collect a tax on the landlord's utility charges to the tenant if the landlord pays all applicable taxes at the time the landlord purchases the utility through the master meter. A tenant who has a person with a disability as an approved member of the tenant's household is permitted to request that the landlord provide a reasonable accommodation to pet or other restrictions to allow an "assistive animal" (defined), and a landlord is required to grant a tenant's reasonable accommodation request unless it would cause the landlord an undue burden. If a tenant who was sole owner of the mobile home dies during the term of the rental agreement, the tenant's heirs or other legal representative has the right to become a tenant if qualified and approved, and has the right to sell the mobile home in compliance with the rental agreement. After a writ of restitution or writ of execution is executed, the landlord is required to allow the tenant to have access to the tenant's mobile home to recover personal possessions during reasonable business hours for 21 days after the writ is executed.

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 2/18 House Government and Higher Education Committee, Health Committee.

HB2259: MOBILE HOME REMOVAL; LICENSURE; NONCOMPLIANCE

Various changes relating to mobile home regulations. A person is prohibited from entering a mobile home park and beginning work on the removal of a mobile home from the park without

first satisfying the requirements for a clearance for removal from the landlord. A person who has not satisfied the requirements for clearance for removal who refuses to leave the remove their removal equipment from the park upon request from the landlord commits criminal trespass in the third degree, a class 3 (lowest) misdemeanor. Does not apply if the landlord refuses to provide the clearance for removal if the requirements in statute are satisfied. The doing of any wrongful or fraudulent act by a Department of Fire, Building and Life Safety licensee in conjunction with the sale, transfer or relocation of a mobile home in Arizona is grounds for disciplinary action. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 236, Laws 2016.

HB2263: SUPERVISORY APPRAISERS; DUTIES

Supervisory appraisers are no longer required to personally inspect each appraised property with the registered trainee appraiser they directly supervise.

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 3/7 referred to Senate Government Committee.

HB2299: CLASS SIX PROPERTY; ELDERLY HOMEOWNERS

The list of property classified as class six for property tax purposes is expanded to include real and personal property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified.

First sponsor: Rep. Cardenas

AAR Position:

Oppose

Last Action: 5/5 referred to House rules only.

HB2304: MOBILE HOME PARKS; TREE MAINTENANCE

For new tenants moving into a mobile home park, any rental agreements executed or adopted after December 31, 2016 are required to specifically disclose in writing any requirement that the tenant maintain one or more existing trees located on the mobile home space. Any change regarding the tenant's obligation to maintain any one or more trees located on the mobile home space constitutes a substantial modification of the rental agreement. Beginning May 31, 2016 and retroactive to that date, a new rule adopted after the execution of a mobile home park tenant's initial rental agreement that imposes a reoccurring financial obligation on a tenant is not enforceable against the tenant. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Coleman

AAR Position:

Monitor

Last Action: 5/17 signed by governor. Chap. 253, Laws 2016.

HB2332: PROPERTY TAX LEVY; COMMUNITY COLLEGES

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

First sponsor: Rep. Barton

AAR Position:

Monitor

Last Action: 1/21 referred to House Ways and Means Committee, Government and Higher Education Committee.

HB2353: REGULATORY BOARDS; SUNRISE; DRAFT LEGISLATION

All proposed legislation requests from applicant groups to regulate a profession or occupation for the first time or to increase the scope of practice of a health profession must include draft legislation language. The report that applicant groups are required to submit to the Legislature by September 1 is valid only for legislation to be introduced in a legislative session that is Health Committee on or before December 31 of the following calendar year. AS PASSED HOUSE.

First sponsor: Rep. Carter

AAR Position:

Monitor

Last Action: 3/16 Senate Government Committee Health Committee.

HB2361: CHILD CARE; DIABETES MANAGEMENT; STUDY COMMITTEE (~~TECH CORRECTION; STATE LAND; SALE~~)

Establishes a 12-member Child Care Facilities Diabetes Management Study Committee to conduct a thorough study of all matters relating to the management of diabetes for children on the premises of child care facilities. The Committee is required to report its findings and recommendations to the Governor and the Legislature by September 22, 2016 and self-repeals January 1, 2017. AS PASSED HOUSE.

First sponsor: Rep. Carter

AAR Position:

Monitor

Last Action: 5/7 referred to Senate rules.

HB2367: CLASS SIX PROPERTY; HIGHER EDUCATION

The list of property classified as class six for property tax purposes is expanded to include real and personal property and improvements that are used as an institution of higher education that offers baccalaureate and/or post baccalaureate degree programs and that is accredited by a regional or national accreditation agency approved by the U.S. Department of Education.

First sponsor: Rep. Thorpe

AAR Position:

Oppose

Last Action: 1/25 referred to House Ways and Means Committee.

HB2382: PROPERTY; DECLARATION AMENDMENT; PROCEDURE

Except during the period of declarant control, or if during the period of declarant control with the written consent of the declarant in each instance, the declaration may be amended by a homeowner's association or a property owner by an affirmative vote or written consent of the number of eligible voters as prescribed in the declaration. An amendment to a declaration may apply to fewer than all of the lots or less than all of the property that is bound by the declaration, and the amendment is deemed to conform to the general design and plan of the community if specified conditions are met. An amendment to the declaration is effective immediately on recordation of the instrument in the county in which the property is located. Does not apply to a condominium or a timeshare plan or association. AS SIGNED BY GOVERNOR.

First sponsor: Rep. E. Farnsworth

AAR Position:

Monitor

Last Action: 5/17 signed by governor. Chap. 254, Laws 2016.

HB2385: INCORPORATION; URBANIZED AREAS

The county board of supervisors is required to proceed with incorporation of an area as a municipality without a resolution approving the incorporation from the nearby municipalities if the area has a population of 15,000 or more persons and that population is more than the population of any adjacent municipality that opposes the proposed incorporation.

First sponsor: Rep. E. Farnsworth

AAR Position:

Monitor

Last Action: 3/1 from House rules okay.

HB2386: PATENT TROLL PREVENTION ACT

A person is prohibited from making an assertion of patent infringement in bad faith. Factors a court may consider as evidence of an assertion made in bad faith, and factors a court may consider as evidence of an assertion made in good faith are specified. Violations are an unlawful practice and subject to enforcement through private action and prosecution by the Attorney General. A demand or assertion of patent infringement that arises under specified federal law is not subject to these requirements. Severability clause. AS SIGNED BY GOVERNOR.

First sponsor: Rep. E. Farnsworth

AAR Position:

Monitor

Last Action: 3/24 signed by governor. Chap. 69, Laws 2016.

HB2391: MUNICIPALITIES; WATER RATES; REQUIREMENTS

Municipalities are prohibited from assessing or collecting a fee on new water or wastewater service connections at the time of the establishment of service to those connections for the purpose of recovering the municipality's costs of acquiring the utility plan, facilities, system or other property of a public service corporation or another municipality engaged in the business of providing water or wastewater service. Does not apply to water or wastewater fees adopted before January 1, 2016 or included in a notice of intent to adopt or increase rates and fees adopted before January 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Bowers

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 195, Laws 2016.

HB2399: HOUSING TRUST FUND; UNCLAIMED PROPERTY

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

First sponsor: Rep. Alston

AAR Position:

Monitor

Last Action: 1/26 referred to House Ways and Means Committee.

HB2403: 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: Rep. Leach

AAR Position:

Monitor

Last Action: 4/28 FAILED to pass Senate 11-18.

HB2415: HOUSING DISCRIMINATION; PROHIBITION

The list of attributes for which a person cannot be discriminated against in various housing related statutes is expanded to include gender, gender identity or expression and sexual orientation.

First sponsor: Rep. Mach

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2424: AFFORDABLE HOUSING PROJECTS; TAX ASSESSMENT

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

First sponsor: Rep. Mendez

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2439: PROPERTY TAX VALUATION

For property tax purposes, the definition of "assessed valuation" is modified to mean the value derived by applying the applicable percentage to the limited property value of the property, instead of to the full cash value or limited property value, as applicable.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 2/16 from House Ways and Means Committee with amend #4286.

HB2440: MUNICIPAL IMPROVEMENT DISTRICTS; FORMATION ELECTION

If a municipal council or governing body determines that a municipal improvement district should be formed, and after the final resolution of any protests made, the municipal council is required to submit within 120 days to the municipal clerk a petition to form the district that is signed by the owners of more than 1/2 of the taxable property units within the area of the proposed district and that is signed by persons owning collectively more than 1/2 of the assessed valuation of the property within the area of the proposed district. On verification of the petition signatures, the municipal council may form the district and order the improvement as otherwise provided by law. Applies retroactively to any districts for which the municipal council has not adopted a boundary map by January 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Changed to Support 2/16/2016

Last Action: 3/11 signed by governor. Chap. 9, Laws 2016.

HB2450: EXPEDITED RULEMAKING; OUTDATED RULES

The list of circumstances under which an agency is permitted to conduct expedited rulemaking is expanded to include if the rulemaking amends or repeals rules that are outdated, redundant or otherwise no longer necessary for the operation of state government. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mitchell

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 198, Laws 2016.

HB2474: COUNTY FLOODPLAIN REGULATIONS; MOBILE HOMES

A municipality with a population of less than 1,500 persons that is located in a county with a population of less than 70,000 persons and that has assumed the powers of floodplain management regulation is authorized to adopt a regulation that allows a mobile home to be replaced with a mobile home that is either elevated so that the bottom of the structural frame or the lowest point of any attached appliances, whichever is lower, is at or above the base flood elevation or has a chassis supported by reinforced piers or other foundation elements of equivalent strength that are at least 36 inches in height above grade and that are securely anchored to an adequately anchored foundation system to resist flotation, collapse and lateral movement, if the mobile home was located in a mobile home park or a subdivision on August 3, 1984 or before the effective date of the municipality's initial floodplain management regulations, whichever is earlier, and where no mobile home located in that mobile home park or subdivision was damaged by a flood to more than 50 percent of its value before the flood. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Ackerley

AAR Position:

Monitor

Last Action: 5/17 signed by governor. Chap. 257, Laws 2016.

HB2478: COUNTY SCHOOL SUPERINTENDENT; QUALIFICATIONS (~~LICENSING; WAIVER OF RIGHTS; PROHIBITION~~)

State agencies, counties, municipalities and special taxing districts are prohibited from requiring a waiver of a right granted by the state Constitution or state law as a condition of approving a license.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 4/4 Senate voted to reconsider 3/31 failure to pass bill. Date of second vote to be set by president.

HB2481: SCHOOLS; PRIMARY PROPERTY TAX RATES

The school district primary property tax levy is required to be a rate equal to the qualifying tax rate prescribed by statute, or a rate that equals the school district support level subtracted by any amount received for Title 8 funding for children with disabilities per \$100 of assessed valuation used for primary property taxes, whichever is less. At the time of levying school district taxes, the county school superintendent is required to annually validate any additional primary school district tax levy amount requests from each school district and levy an amount determined by a specified calculation. A school district is eligible for supplemental state aid if a county treasurer certifies to the school district that, in the treasurer's reasonable belief, more than 10 percent, decreased from 20 percent, of the primary property tax revenues that the district is entitled by law to receive will not be remitted due to specified circumstances. Cash balances remaining in

school district maintenance and operation, unrestricted capital outlay and adjacent ways funds after encumbrances on June 30 of the current year that will be budgeted in the unrestricted capital outlay fund in the following fiscal year are no longer required to be used for reduction of school district taxes for the budget year. School district maintenance and operation budget balance carryforwards in any one fiscal year are no longer limited to four percent of the district's revenue control limit. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Olson

AAR Position:

Monitor

Last Action: 5/19 signed by governor. Chap. 364, Laws 2016.

HB2490: CONTESTED DWELLING ACTIONS; RECOVERABLE COSTS

In any contested dwelling action, the court is authorized to award the successful party reasonable attorney fees, expert witness fees and taxable costs.

First sponsor: Rep. Bowers

AAR Position:

Monitor

Last Action: 1/25 referred to House Commerce Committee, Judiciary Committee.

HB2507: OUTDOOR ADVERTISING

Modifies the specified latitude and longitude borders within which electronic outdoor advertising is authorized.

First sponsor: Rep. Borrelli

AAR Position:

Monitor

Last Action: 3/14 FAILED Senate Commerce and Workforce Development Committee, 3-6.

HB2513: CONDOMINIUMS; EXTERIOR CHANGES; APPROVAL

A condominium unit owner cannot change the appearance of the exterior of a unit without the approval of a majority vote of the members of the condominium association, instead of being prohibited from changing the exterior appearance of a unit.

First sponsor: Rep. Rivero

AAR Position:

Monitor

Last Action: 2/17 House Commerce Committee, Health Committee.

HB2514: RESTRICTED VEHICLE USE; DUI; REPEAL

A person who is licensed by the Real Estate Department and who is awaiting trial on or who has been convicted of driving under the influence (DUI), extreme DUI or aggravated DUI within five years from the date of applying for a fingerprint clearance card is exempt from the prohibition on driving any vehicle to transport employees or clients of the employing agency as

part of the person's employment, unless the person is employed by specified state agencies. AS
SIGNED BY GOVERNOR.

First sponsor: Rep. Borrelli

AAR Position:

Support with Lobbying

Last Action: 3/24 signed by governor. Chap. 73, Laws 2016.

HB2517: BUSINESS PROFESSIONALS; REGULATION RESTRICTIONS

State agencies, counties and municipalities are required to limit all "entry regulations" and "public service restrictions" (both defined) applicable to businesses and professions to those that are demonstrably necessary and carefully tailored to fulfill legitimate public health, safety or welfare objectives. Within one year after the effective date of this legislation, each agency, county and municipality is required to conduct a comprehensive review of all entry regulations, and if any regulation conflicts with this requirement the agency, county or municipality must either repeal or modify it, or recommend legislative actions to repeal or amend it. Any person is authorized to petition an agency, county or municipality to repeal or modify any entry regulation or public service restriction within their jurisdiction. Establishes procedures for enforcement. AS PASSED HOUSE.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 4/28 Senate COW approved with floor amend #5224.

HB2519: SEPARATING SERVICE MEMBERS; PROFESSIONAL LICENSES

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

First sponsor: Rep. Rivero

AAR Position:

Support

Last Action: 1/25 referred to House Military and Public Affairs Committee.

HB2520: PROFESSIONAL LICENSURE; RECIPROCITY; MILITARY SPOUSES

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

First sponsor: Rep. Rivero

AAR Position:

Support

Last Action: 1/25 referred to House Military and Public Affairs Committee.

HB2531: FIRE DISTRICTS; DISTRICT ASSISTANCE TAX

The levy limit for the county fire district assistance tax is the amount of the levy in the preceding tax year multiplied by 1.08, and the maximum levy amount of \$3.25 per \$100 of assessed valuation is deleted.

First sponsor: Rep. Bowers

AAR Position:

Monitor

Last Action: 1/25 referred to House Ways and Means Committee.

HB2538: MUNICIPAL BONDS; TAX LEVY

The annual tax levy for payment of county, municipal or municipal corporation bonds is prohibited from exceeding the net amount necessary to meet annual payments of principal and interest, projected payments of principal and interest on new debt planned for the ensuing year, and a reasonable delinquency factor. Previously, the levy was prohibited from exceeding the net amount necessary to make the annual principal and interest payment, including a reasonable tax delinquency factor. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mesnard

AAR Position:

Monitor

Last Action: 5/18 signed by governor. Chap. 334, Laws 2016.

HB2555: JUDGMENT LIENS; RECORDED INFO STATEMENT

A judgment does not become a lien unless a certified copy of the judgment is filed and recorded in the office of the county recorder. For any judgment that requires the payment of money, the judgment does not become a lien until a separate information statement containing specified information is attached to the judgment being recorded. A civil judgment in favor of the state is exempt from these requirements. Applies retroactively to all judgments in favor of the state without regard to when the judgment was recorded. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Weninger

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 202, Laws 2016.

HB2560: CONFORMING CHANGES; REAL ESTATE APPRAISAL

Makes various changes to conform statutes to the repeal of the State Board of Appraisal and transfer of responsibility for regulating real estate appraisals to the Department of Financial Institutions, which was contained in the FY2015-16 budget. AS PASSED HOUSE.

First sponsor: Rep. Brophy McGee

AAR Position:

Monitor

Last Action: 3/31 Senate COW approved.

HB2561: SANITARY DISTRICT REFUNDING BONDS

The board of directors of a sanitary district is authorized to issue bonds for the purpose of refunding any bonds if the total amount of principal and interest on the refunding bonds does not exceed the total amount of remaining principal and interest on the bonds to be refunded. Refunding bonds must be secured by and are payable from the special assessments levied to pay the bonds being refunded. Establishes requirements for the use of net proceeds of refunding bonds, authorized investments, and collection of special assessments. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Campbell

AAR Position:

Monitor

Last Action: 5/17 signed by governor. Chap. 264, Laws 2016.

HB2563: TECH CORRECTION; MUNICIPAL EXCISE TAX

Minor change in Title 42 (Taxation) related to municipal excise taxes. Apparent striker bus.

First sponsor: Rep. Norgaard

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2565: SANITARY DISTRICTS; REJECTION OF BIDS

The time within which a sanitary district board may reject bids and have the sanitary district itself perform the work is increased to within 30 days after the time fixed for opening bids, from within 10 days.

First sponsor: Rep. Gowan

AAR Position:

Monitor

Last Action: 3/1 referred to Senate Finance Committee.

HB2568: COMMUNITY FACILITIES DISTRICTS; FORMATION; GOVERNANCE

Beginning with community facilities districts formed after the effective date of this legislation, if the land proposed to be included in the district was more than 600 acres, on presentation of a petition signed by the owners of all the land area proposed to be included in the district, the governing body would have been required to adopt a resolution declaring its intention to form a district to include contiguous or noncontiguous property that was wholly within the corporate boundaries of the municipality or county, and to adopt the resolution within 90 days after the submittal of the petition. Noncontiguous property would have been permitted to be included in a community facilities district only if it was under common ownership or control and would be served by common infrastructure. Beginning with districts formed after the effective date of this legislation, if the land proposed to be included in the district was more than 600 acres, the governing body would have been required to adopt a resolution ordering the formation of the

district within 90 days after the adoption of the resolution declaring intention to form the district. Before adopting a resolution to form a community facilities district, the owners of the land to be included in the district would have been required to provide to the governing body an agreement to indemnify, defend and hold harmless the governing body and its agents, consultants, officers and employees for, from and against all liabilities, claims, costs and expenses that were incurred in any challenge or proceeding related to the offer, sale and repayment of district bonds and the levying by the district of any tax, assessment or charge. The indemnification agreement would have been required to establish a general obligation of the owners of the land but would not have been secured by the land and would have been required to be accepted without reference to the owners' financial ability to make repayment. The property to be included in a district formed by a county would have been required to meet a list of specified requirements, including that the property was the subject of a specific plan, a planned area development or a development agreement approved by the county. Unless otherwise provided for in a development agreement entered into before the effective date of this legislation, if the property within a district formed by a county met these requirements, the owner would have been required to provide to the county an agreement limited in scope to the provision of surface maintenance of public roadways to be financed by the district, which would have been required to include specified provisions. Unless otherwise provided for in a development agreement entered into before the effective date of this legislation, if the property within a district formed by a county met these requirements and either the property boundary was not located within 10 miles of a county sheriff substation or county law enforcement was provided to the property at a service level of less than one officer per 1,000 population, the owner would have been required to provide to the county an agreement limited in scope to the provision of law enforcement services to the property within the district, which would have been required to include specified provisions. Unless otherwise provided for in a development agreement entered into before the effective date of this legislation, the governing body would have been required to complete a review and approve an engineer's certification that a discrete segment of public infrastructure had been constructed according to plans within 30 days after submittal of the certification, and would have been required to adopt and accept the discrete segment of public infrastructure for ownership, operation and maintenance within 30 days after approval of the certification. Beginning with districts formed after the effective date of this legislation, the bond question would have been required to include authorization for an ad valorem tax levy to pay debt service on the bonds and a limit on that tax levy. In pledging the proceeds of an ad valorem property tax, the district board would have been authorized to limit the rate of taxation or the amount of ad valorem tax that it was obligated to levy or collect as prescribed by the terms of the bond election. Beginning with community facilities districts formed after the effective date of this legislation, the appointed district board would have been required to consist of five members. Three members would have been selected by the governing body, two of whom would have been selected directly and one who would have been selected by the governing body from a list of at least four persons submitted by the persons who each own more than 25 acres in the district. Two additional members would have been selected by designation of the persons who each own more than 25 acres in the district. The appointed board members would have been required to have expertise in one or more specified fields, and could not include persons who own more than 25 acres in the district. For districts formed after the effective date of this legislation, if a petition for district formation was signed by owners of all the land in the district and approved by the municipality or county, the municipality or county would have been required, instead of allowed, to waive any or all requirements of

posting, publication, notice, hearing and landowner election. By February 1 of each year, the community facilities district would have been required to provide a report containing specified information to the Department of Revenue, and the Dept. would have been required to provide copies of the reports to the Joint Legislative Budget Committee. AS VETOED BY GOVERNOR. In his veto message, the Governor expressed concern that this bill does not provide needed protections for the taxpayer and that these districts are not sufficiently accountable.

First sponsor: Rep. Gowan

AAR Position:

Monitor

Last Action: 5/10 VETOED.

HB2570: LOCAL GOVERNMENT BONDS; BALLOT STATEMENT

At an election for school district, municipal, county or special taxing district bonds, the ballot must include a statement that the issuance of the bonds will result in a property tax increase to pay debt service on the bonds, and that the increased tax will cost a specified amount annually for a home valued at the median full cash value of residential property in the appropriate jurisdiction. AS PASSED HOUSE.

First sponsor: Rep. J. Allen

AAR Position:

Monitor

Last Action: 3/15 from Senate rules okay.

HB2571: 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. Due to voter protection, this legislation requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage.

First sponsor: Rep. Townsend

AAR Position:

Monitor

Last Action: 2/17 House fed-state Health Committee.

HB2573: RECOVERABLE COSTS; CONTESTED DWELLING ACTIONS

In any contested dwelling action, the court is authorized to award the successful party reasonable attorney fees, expert witness fees and taxable costs.

First sponsor: Rep. Bowers

AAR Position:

Support

Last Action: 2/3 referred to House Judiciary Committee.

HB2584: DATA CENTER TAX RELIEF; QUALIFICATION

For the purpose of computer data center tax relief, the effective date of the certification as a computer data center by the Arizona Commerce Authority is the date on which the application was submitted to the Authority. The list of costs constituting the minimum investments a computer data center must make is expanded to include improvements to land, and the costs may be spent on items owned or leased or paid for under a right to use agreement. The process and justifications for revocation of a certification are modified. A certified computer data center qualifies as a "sustainable redevelopment project" if it is a newly constructed data center with at least a \$200 million investment and that is newly certified under the energy star or green globes standard, the leadership in energy and environmental design green building rating standard developed by the U.S. green building council or an equivalent green building standard. Retroactive to September 13, 2013, the owner, operator or qualified colocation tenant is no longer required to present its certificate issued by the Authority to the retailer at the time of purchase in order to qualify for the deduction from the retail classification of transaction privilege and use taxes. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Stevens

AAR Position:

Monitor

Last Action: 5/19 signed by governor. Chap. 369, Laws 2016.

HB2592: NONPROFIT CORPORATIONS; ELECTRONIC VOTING

After providing notice to members that a vote will be conducted by electronic means, a nonprofit corporation is permitted to deliver a written ballot through an online voting system that meets a list of required specifications. The notice is required to include a reasonable procedure by which a member may obtain and cast a ballot through some other form of delivery. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Ackerley

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 204, Laws 2016.

HB2597: DELINQUENT PROPERTY TAX; INTEREST; REDUCTION

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

First sponsor: Rep. Olson

AAR Position:

Monitor

Last Action: 3/1 referred to Senate Finance Committee.

HB2598: TPT; MUNICIPALITIES; CUSTOMER REFUND CLAIMS

A customer who paid to a "vendor" (defined) an amount equal to a transaction privilege tax that was passed on by the vendor to the customer or who paid a use tax to a vendor is permitted to file a claim for a refund of the tax if the vendor assigns to the customer its right to claim an amount equal to any tax and interest that the vendor could otherwise claim. The process for

customers to file claims under these provisions is specified. If a vendor fails or refuses to assign its right to a claim within 60 days of the customer's written request or if the vendor is no longer in business, the customer may provide the Department of Revenue or municipal tax collector with a statement explaining the efforts made to obtain an assignment from the vendor, which must contain specified information. The Dept. or tax collector must attempt to notify the vendor of the claim and continue processing the claim. On paying or crediting monies to the customer pursuant to the claim, the Dept. or tax collector must amend the vendor's returns or account to reflect the amount paid or credited. The Dept. or tax collector may disallow a claim filed by a customer if the Dept. already paid or credited a refund arising from the same transaction. The Dept. or tax collector is required to notify the customer and the vendor of any disallowed claim.
First sponsor: Rep. Olson

AAR Position:

Monitor

Last Action: 2/15 House Ways and Means Committee Health Committee.

HB2604: WHITE COLLAR CRIME OFFENDER REGISTRY

The Attorney General is required to establish and maintain a white collar crime offender registry website. The registry is required to include specified information for each convicted offender who is required to register. A person who has been convicted of any of a list of offenses, including several types of fraud, financial exploitation and money laundering, is required to register with the Attorney General. Some exceptions. An offender is permitted to petition the court for an order to remove the offender from the registry if specified conditions exist, including that five years have passed and the offender has not been convicted of any other crime. Appropriates \$100,000 from the general fund in FY2016-17 to the Attorney General to establish the registry.

First sponsor: Rep. McCune Davis

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2612: RENTAL PROPERTIES; PROHIBITED PENALTIES

Landlords are prohibited from retaliating by increasing rent or decreasing services or by imposing a fee, assessment or other penalty on a tenant after the tenant or other person in the household has summoned law enforcement or other emergency services to the premises. Condo associations and HOAs are prohibited from imposing on a unit owner or member a fee, assessment or other penalty for accessing law enforcement or other emergency services. AS PASSED HOUSE.

First sponsor: Rep. Plumlee

AAR Position:

Monitor

Last Action: 5/7 referred to Senate rules.

HB2613: REGULATORY BOARDS; LICENSING; REVISIONS

Eliminates state licensing for assayers and citrus fruit packers. Requires the Board of Technical Registration to grant assayer emeritus status to an assayer who is registered by the Board on the effective date of this legislation if the assayer has not received any complaints during active registration and the assayer analyzes metals, ores, minerals or alloys to ascertain the quantity of any substance in those items. Effective January 1, 2017, eliminates state licensing for professional driver training school instructors. The Department of Transportation is required to adopt rules to establish requirements and minimum standards for commercial motor vehicle instructors by December 31, 2016. Permits a "trained geologist" (defined) to engage in a geological practice without being registered by the Board, except under specified conditions, and allows the State Geologist to be a trained geologist. A responsible cremationist is required to be licensed by the Board. Any other cremationist is permitted, instead of required, to be licensed, and, if not licensed, is authorized to engage only in cremation activity that is allowed without a license. Retroactive to July 1, 2016, the list of exemptions from licensure as a private vocational program is expanded to include a yoga teacher training course or program or a yoga instructional course or program. The Department of Administration is required to conduct a study relating to the transfer of all non-health regulatory boards in Title 32 (Professions and Occupations) to a new licensing and regulatory division in the Dept., and to report its findings and recommendations to the Governor and the Legislature by September 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

AAR Position:

Monitor

Last Action: 5/19 signed by governor. Chap. 371, Laws 2016.

HB2619: INCOME TAX CREDIT; HISTORIC PRESERVATION

For tax years 2017 through 2036, establishes an individual and corporate income tax credit for 20 percent of "qualified rehabilitation expenses" for the "substantial rehabilitation" of a "certified historic structure" (all defined) in the year that the structure or portion of the structure is placed in service. To qualify for the credit, the taxpayer is required to obtain both an initial certification and a final certification from the Arizona State Parks Board. If the allowable credit exceeds taxes due, the amount of the claim not used to offset taxes may be carried forward for up to 10 consecutive tax years. An applicant who does not claim the credit allowed, in whole or in part, may assign, transfer or sell the credits to any person, and the proceeds of the sale or transfer are exempt from income taxes.

First sponsor: Rep. Otondo

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2622: WATER; IMPROVEMENT DISTRICTS; TAX LIMIT

The list of special taxing districts where a majority of the real property owners in the district may petition the district board to apportion the tax among the lots in the district according to the area in square feet of each lot is expanded to include domestic wastewater improvement districts. In a domestic water improvement district or domestic wastewater improvement district that assesses

and levies its taxes based on the square footage of the property, the governing body of the district in its discretion is authorized to establish by resolution a limit on the amount of tax that may be assessed and collected by the district from any single parcel of real property in the district. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Barton

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 244, Laws 2016.

HB2631: PUBLIC SCHOOL TAX CREDIT; EXPANSION

Expands the purpose for which schools may use monies from the income tax credit for cash contributions to public schools to include school meal programs or “consumable student health care supplies” (defined).

First sponsor: Rep. Alston

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

HB2635: MUNICIPALITIES; TAXES & FEES; NOTIFICATION

A municipality that proposes to levy or assess a tax or fee is required to prepare a schedule of the proposed new or increased tax or fee that includes the amount of the tax or fee and a written report or data that supports the new or increased tax or fee, post the schedule and the report or data on the home page of the municipality's website, and file a copy of the report or data in the office of the clerk of the municipality. Some exceptions. A municipality that proposes to levy or assess a tax, assessment or fee is required to prepare a notice of intent to establish or increase taxes, assessments or fees that includes specified information, and post the notice of intent on the municipality's website at least 15 days before approval or disapproval by the governing body. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Weninger

AAR Position:

Monitor

Last Action: 5/18 signed by governor. Chap. 335, Laws 2016.

HB2644: TRANSFER OF PUBLIC LANDS; COMPACT

Enacts an interstate compact on the transfer of public lands to develop political and legal mechanisms for securing the transfer to the respective member states of certain specially identified federally controlled public lands within the respective member state boundaries. Provides for Compact membership and withdrawal, establishes a Compact Commission, and specifies Commission powers and duties, including to appoint a Compact Administrator. The Commission is required to pay the reasonable expenses of its establishment, organization and ongoing activities and is authorized to levy on and collect an annual assessment from each member state or impose fees on other parties to cover those costs.

First sponsor: Rep. Barton

AAR Position:

Monitor

Last Action: 2/8 referred to House Agriculture, Water and Land Committee.

HB2648: RURAL BUSINESS DEVELOPMENT ADVISORY COUNCIL (~~PEST CONTROL ADVISOR; TASK FORCE~~)

The Rural Business Development Advisory Council is required to recommend ways to enhance the interstate competitiveness of rural businesses in Arizona without incurring taxpayer expense. AS PASSED HOUSE.

First sponsor: Rep. Montenegro

AAR Position:

Monitor

Last Action: 3/14 Senate Commerce and Workforce Development Committee, Health Committee.

HB2651: FLOODPLAIN REGULATION; AGGREGATE EXTRACTION

County flood control districts are prohibited from adopting or enforcing a regulation that restricts or limits the extraction of aggregate for the sole reason that the extraction may cause erosion to or aggravate existing flood-related erosion on property that is adjacent to or near the property on which the extraction is occurring.

First sponsor: Rep. Ugenti-Rita

AAR Position:

Monitor

Last Action: 2/24 House Appropriations Committee, Health Committee.

HB2652: INDEPENDENT CONTRACTORS; CRITERIA

A "qualified marketplace contractor" (defined) is required to be treated as an independent contractor for all purposes under state and local laws, regulations and ordinances, including employment security laws and workers' compensation laws, if all or substantially all of the payment for the services performed by the contractor is related to the performance of services or other output, the services performed are governed by a written contract executed between the contractor and a "qualified marketplace platform" (defined), and the contract provides for a list of specified provisions. Compliance with these requirements is not mandatory in order to establish the existence of an independent contractor relationship. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Norgaard

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 210, Laws 2016.

HB2656: HOAS; CUMULATIVE VOTING; PROHIBITION

Condominium associations and HOAs are prohibited from using cumulative voting.

First sponsor: Rep. Clark

AAR Position:

Monitor

Last Action: 3/1 House COW approved with floor amend #4691 and #4692.

HB2675: WATER & WASTEWATER SYSTEMS; CONSOLIDATION

A water system and a wastewater system are prohibited from consolidating unless the systems are contiguous to each other.

First sponsor: Rep. Rivero

AAR Position:

Monitor

Last Action: 2/10 referred to House Agriculture, Water and Land Committee.

HB2693: TPT CLASSES; INCOME TAX REDUCTION

Levies a five percent transaction privilege tax (TPT) on personal services and financial services, which were previously exempt from state TPT. Personal services include beauty and nail salons, funeral and other death care, laundry and garment services, carpet cleaning, pet grooming, parking, home and auto maintenance and repair, personal accounting, photographic services, weight and fitness facilities, job training, child care, and other personal services. Financial services includes banks and credit unions, mortgage brokers, holding companies, investment companies, credit intermediation, trust and fiduciary activities, and all other financial investment activities. Beginning with tax year 2018, establishes new reduced income tax rates for all tax brackets. Also increases the subtraction from Arizona gross income for income tax purposes for net long-term capital gains to 37.5 percent, from 25 percent. Effective January 1, 2018.

First sponsor: Rep. Mitchell

AAR Position:

Oppose

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

HCR2047: INITIATIVES; REFERENDUMS; SIGNATURE REQS; COUNTIES

The 2016 general election ballot is to carry the question of whether to amend the state Constitution to require at least 25 percent of the minimum number of qualified electors proposing an initiative or referendum measure or amendment to be residents of counties with a population of less than 500,000 persons.

First sponsor: Rep. Thorpe

AAR Position:

Monitor

Last Action: 2/18 from House Government and Higher Education Committee, do pass.

SB1006: INSTITUTIONAL INVESTOR; DEFINITION

For the purpose of commercial mortgage banker regulations, the definition of "institutional investor" is modified to include a person who in the regular course of business makes

commercial mortgage loans of any amount, instead of only of more than \$250,000, and to include a person who in the regular course of business makes "commercial business purpose loans" (defined). AS PASSED SENATE.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 2/18 referred to House Banking and Finance Committee.

SB1009: CONFIDENTIAL DATA; CRIMINAL RECORDS CHECK

Applicants for a "confidential data" (defined) position as an employee of any state agency, board or commission, instead of only for an information technology position in the Department of Administration, are required to submit a full set of fingerprints to the Dept. for the purpose of obtaining a criminal records check.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 2/18 from Senate Government Committee with amend #4359.

SB1016: WATER & ENERGY IMPROVEMENT DISTRICTS

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

First sponsor: Sen. Sherwood

AAR Position:

Monitor

Last Action: 1/11 referred to Senate Water and Energy Committee, Finance Committee.

SB1041: TAXATION; DESTINATION MANAGEMENT COMPANIES' VENDOR

Transaction privilege and use taxes do not apply to the gross proceeds or gross income derived from sales, or to the storage, use or consumption of goods or services supplied or provided by a vendor to a qualified destination management company during tax period beginning January 1, 2002 through September 13, 2013 if the vendor did not collect from the destination management company amounts necessary to pay the vendor's tax liability. Any amount assessed to a vendor as a tax, interest or penalty before the effective date of this legislation is remitted and forgiven, and any lien filed against the vendor's property to collect such amount is abated.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 1/11 referred to Senate Finance Committee.

SB1058: LANDLORD-TENANT RELATIONSHIP; UNLAWFUL OCCUPANTS

For any person who is an "unlawful occupant" (defined) of a residence, a landlord may deliver in hand or conspicuously post on the premises written notice that the occupant's presence is unlawful and that the landlord is seeking the unlawful occupant's immediate removal by court order. On delivery of written notice, the landlord may institute a special detainer action that seeks the immediate removal of the unlawful occupant, the payment of costs and the payment of quantifiable damage to the premises caused by the unlawful occupant.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 1/11 referred to Senate Commerce and Workforce Development Committee,

SB1088: SECURED RESIDENTIAL COMMUNITIES; PROCESS SERVERS

Homeowners associations and condominium associations or their agents and owners or managing agents of a gated or secured apartment community are required to allow a process server to access the gated or secured areas of the community in order to serve process. A security guard or other employee or agent of the community or association is prohibited from notifying the person who lives in the community that a process server is attempting to serve that person with service of process. The Attorney General or the county attorney is authorized to enforce these requirements and to assess a civil penalty of up to \$250 per violation.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 2/16 FAILED to pass Senate 9-18.

SB1145: TECH CORRECTION; WATER RESOURCES

Minor change in Title 45 (Waters) related to the Department of Water Resources. Apparent striker bus.

First sponsor: Sen. Pierce

AAR Position:

Monitor

Last Action: 1/19 referred to Senate rules only.

SB1146: TECH CORRECTION; ACTIVE MANAGEMENT AREAS

Minor change in Title 45 (Waters) related to Active Management Areas. Apparent striker bus.

First sponsor: Sen. Pierce

AAR Position:

Monitor

Last Action: 1/19 referred to Senate rules only.

SB1157: SMALL PROPERTY TAX BALANCE DELIQUENCY

If the total amount of property taxes is \$100 or less, the entire amount that is unpaid become delinquent after December 31 at 5:00 PM, instead of after November 1 at 5:00 PM. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Burges

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 144, Laws 2016.

SB1158: PROPERTY TAX EXEMPTIONS; CONFORMING CHANGES

Makes various changes to property tax statutes in order to conform to proposed changes to property tax exemptions contained in the state Constitution. Conditionally enacted on the state Constitution being amended by a vote of the people at the next general election to consolidate and reorganize provisions relating to exemptions from property taxation.

First sponsor: Sen. Burges

AAR Position:

Monitor

Last Action: 1/20 referred to Senate Finance Committee.

**SB1161: PUBLIC ASSISTANCE LIMITS; COUNTY ELDERLY ASSISTANCE
(CORPORATION COMMISSION; SEARCHABLE DATABASE; APPROPRIATION)**

Appropriates \$2 million from the Public Access Fund in FY2016-17 to the Corporation Commission to replace its Arizona public access system. AS PASSED SENATE.

First sponsor: Sen. Kavanagh

AAR Position:

Support

Last Action: 5/5 House sat as in COW to further amend the bill and adopted floor amend #5284.

SB1178: TAX EXEMPTIONS AND DEDUCTIONS; SUNSET

Beginning January 1, 2027, most tangible and personal property previously exempt or deducted from transaction privilege and use taxes is no longer exempt or deductible from the tax base. Due to a potential increase in state revenue, this bill requires the affirmative vote of at least 2/3 of each house of the Legislature for passage.

First sponsor: Sen. Farley

AAR Position:

Oppose

Last Action: 1/20 referred to Senate Finance Committee.

SB1180: TECH CORRECTION; TRANSACTION PRIVILEGE TAX

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

First sponsor: Sen. Lesko

AAR Position:

Monitor

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

SB1190: CONSERVATION DISTRICTS; EDUCATION CENTERS

Education centers established by natural resource conservation districts are to increase the knowledge of natural resources in Arizona through a list of specified methods. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/17 signed by governor. Chap. 33, Laws 2016.

SB1191: WATER PROTECTION FUND; CONSERVATION; SUPPLY

The list of projects that the Arizona Water Protection Fund Commission is required to give priority in funding to is expanded to include projects that increase the supply of water. Removes the cap of five percent of the monies spent in any fiscal year being spent in water conservation programs outside of active management areas. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 217, Laws 2016.

SB1192: ARIZONA WATER PROTECTION FUND; APPROPRIATION

Appropriates \$1 million from the general fund in FY2016-17 to the Arizona Water Protection Fund.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/3 from House Agriculture, Water and Land Committee do pass.

SB1193: REAL ESTATE LICENSES; BROKER POSSESSION

A designated broker is authorized to comply with the possession requirements for a salesperson's or associate broker's license certificate by accessing the licensee's record in the Real Estate Department's online database and printing a copy of the record that shows current and active licensure or by having the record available electronically. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Support

Last Action: 5/18 signed by governor. Chap. 336, Laws 2016.

SB1194: BUILDING CODE MORATORIUM; REPEAL

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

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/21 withdrawn from House County and Municipality Committee, and additionally referred to Appropriations.

SB1199: EMPLOYMENT; HOUSING; PUBLIC ACCOMMODATIONS; ANTIDISCRIMINATION

The list of attributes for which a person cannot be discriminated against in employment practices, various housing related statutes, and in places of public accommodation is expanded to include "sexual orientation," "gender identity," and "veteran status" (all defined).

First sponsor: Sen. Sherwood

AAR Position:

Monitor

Last Action: 5/7 referred to Senate rules.

SB1209: FIRE DISTRICTS; VEHICLES; SALES TAX

The list of exemptions from the retail classification of transaction privilege and use taxes is expanded to include the sale of emergency motor vehicles and emergency equipment to a fire district.

First sponsor: Sen. S. Allen

AAR Position:

Monitor

Last Action: 1/21 referred to Senate Finance Committee.

SB1235: CONSIDERATION OF PROPERTY RIGHTS; ZONING

The legislative body of a municipality and the county board of supervisors are required to consider the individual property rights and personal liberties of the residents of the municipality or county before adopting any zoning ordinance. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 5/6 signed by governor. Chap. 111, Laws 2016.

SB1244: FIRE DISTRICTS; WILDLAND FIRES; BUDGETS

Claims for reimbursement for wildland fire suppression services that the State Forester is required to process and pay include claims for personnel hours, used supplies and reasonable and negotiated costs of damage to equipment that exceeds normal wear and tear. For any valid claim for federal reimbursement, the State Forester is required to certify the claim to the State Treasurer, and the State Treasurer is required to pay the claim. Monies in the Budget Stabilization Fund are continuously appropriated to the State Treasurer in an amount sufficient to

pay wildland fire suppression claims certified by the State Forester. No more than \$10 million in unreimbursed claims may be outstanding from the Fund at any time from these monies. The State Forester is required to reimburse the State Treasurer within 45 days after payment of the claim by a federal agency. Also, beginning with FY2016-17, the maximum amount of fire district assistance tax (FDAT) monies that a consolidated fire district may receive is the sum of the average of the amount of FDAT monies received by each of the consolidating or merging districts in the immediately preceding five fiscal years, instead of \$400,000. The State Treasurer is required to pay a consolidated district the amount of FDAT monies that would have been paid to the districts at the time of the consolidation if the district is formed in FY2014-15 or later, is receiving reduced FDAT monies due to a statutory formula, and if the total amount of FDAT monies that would be paid to all fire districts in a county is less than the amount of monies that would be raised by the levy of 10 cents per \$100 assessed valuation. FDAT provisions are retroactive to July 1, 2016. Session law allows the electors of a fire district voting at a regularly scheduled general election Health Committee on the first Tuesday following the first Monday in November in 2016 or 2017 to authorize a temporary budget override for five consecutive tax years that allows annual levies that are exempt from the statutory tax rate limit of not more than \$3.25 but that are subject to a tax rate limit of not more than \$3.50 per \$100 of assessed valuation. Emergency clause. AS SIGNED BY GOVERNOR.
First sponsor: Sen. S. Allen

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 219, Laws 2016.

**SB1250: INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY;
TAXATION**

Various changes relating to intergovernmental public transportation authorities. An authority is a tax-levying public improvement and taxing subdivision of the state. A county board of supervisors may organize an authority with boundaries coterminous with the county boundaries. The board of directors of an authority with boundaries coterminous with the county boundaries is authorized to request that the issue of levying a county transportation excise tax be submitted to the qualified electors at a countywide special election or placed on the ballot at a countywide general election. Establishes requirements for the election, including publicity pamphlet mailings, submittal of arguments for or opposing the ballot measure, and information that must be printed on the ballot.

First sponsor: Sen. Shooter

AAR Position:

Monitor

Last Action: 2/3 from Senate Transportation Committee do pass.

SB1256: DRUG LAB REMEDIATION; ASSAYERS; REPEAL

Eliminates regulations specific to drug laboratory site remediation firms and repeals certification of remediation specialists by the Board of Technical Registration. Repeals the \$15 assessment on drug offenses. Repeals statute requiring notice and regulating cleanup for clandestine drug laboratories. Repeals the Environmental Remediation Rules and Standards Committee.

Eliminates regulations of assayers and assaying practice by the Board of Technical Registration, and requires the Board to grant assayer emeritus status to an assayer who is registered on the effective date under specified conditions. Repeals Board certification of on-site supervisors and on-site workers. All unexpended and unencumbered monies remaining in the Technical Registration Fund that were deposited from the \$15 assessment on drug offenses repealed by this legislation are transferred to the Hazardous Waste Management Fund on the effective date of this legislation. The list of purposes for monies in the Hazardous Waste Management Fund is expanded to include remediating properties reported to the Board before the effective date of this legislation if there is evidence that the property owner did not comply with state law for removal of gross contamination on the property. Directs Legislative Council staff to prepare conforming legislation. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 5/19 signed by governor. Chap. 352, Laws 2016.

SB1259: GROUNDWATER; EXTINGUISHMENT CREDITS; PINAL AMA

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

First sponsor: Sen. McGuire

AAR Position:

Monitor

Last Action: 1/26 referred to Senate Water and Energy Committee.

SB1264: SMALL BUSINESS INCOME; TAX SUBTRACTION

The list of subtractions from Arizona gross income for income tax purposes is expanded to include 50 percent of the taxpayer's small business investor income in the tax year. The amount of the subtraction cannot exceed \$125,000 of "business income" (defined) received by each taxpayer during the tax year from the "qualifying small business" (defined). Business income is eligible for subtraction only if received during the first 60 months following its organization as a qualifying small business. Retroactive to tax years beginning with 2016. Provides for retroactive application to business income received from a qualifying small business that was organized before December 31, 2015.

First sponsor: Sen. McGuire

AAR Position:

Monitor

Last Action: 1/26 referred to Senate Finance Committee.

SB1268: ADEQUATE WATER SUPPLY REQUIREMENTS; MUNICIPALITIES

The Department of Water Resources would no longer have been required to give written notice of county adequate water supply ordinances to the mayors of all municipalities in the county, and

municipalities that received the notice would no longer have been required to comply with specified county adequate water supply requirements. A municipality that received a notice from the Dept. before the effective date of this act would have been required to comply with county adequate water supply requirements unless the legislative body of the municipality adopted an ordinance after the effective date of this act that provided that the municipality would not be subject to the requirements. The legislative body of a municipality with a population of more than 25,000 persons would have been authorized to adopt a municipal adequate water supply ordinance only if a list of specified conditions applied, including that the municipality was participating in a program to augment the aquifer underlying the municipality, the municipality had adopted a plan for the reuse of reclaimed water, and the municipality had adopted a residential and nonresidential water conservation program. AS VETOED BY GOVERNOR. In his veto message, the Governor expressed concern that this legislation would encourage a patchwork of water ordinances throughout our cities and leave our water supply securities in peril.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/9 VETOED.

SB1270: PEST MANAGEMENT DIVISION

Responsibility for regulating pest management and pest management services is transferred to the newly established Pest Management Division in the Department of Agriculture, and the Office of Pest Management is repealed. Pest management statutes are transferred and renumbered. The Pest Management Fund is renamed the Pest Management Trust Fund, and the Fund is no longer required to deposit 10 percent of revenues in the general fund. The Pest Management Advisory Committee is renamed the Pest Management Division Council, and additional requirements for the Council are specified. A person who engages in the business of pest management without a license with reckless disregard for the health and safety of other persons or property is guilty of a class 6 (lowest) felony. Retroactive to July 1, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 221, Laws 2016.

SB1278: FORFEITURES; ALLOCATION OF MONIES

Ten percent of monies received by any state agency or department or any political subdivision are required to be deposited in the general fund.

First sponsor: Sen. Quezada

AAR Position:

Monitor

Last Action: 1/26 referred to Senate Judiciary Committee, Appropriations Committee.

SB1282: PUBLIC RECORDS; UNDULY BURDENSOME REQUESTS

It is a defense to any action under public records law that the request for access to public records is unduly burdensome or harassing.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 3/24 FAILED to pass House 19-40.

SB1288: INTERNAL REVENUE CODE CONFORMITY

Makes changes to the state's income tax laws so that they conform to the IRS Code in effect as of January 1, 2016. An annual exercise. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Lesko

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 155, Laws 2016.

SB1289: 2016 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. 56 pages. An annual exercise. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Lesko

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 156, Laws 2016.

SB1294: CURRENCY; SCANNING DEVICES (~~CLAIMS; LICENSED PROFESSIONALS; EXPERT WITNESS~~)

For the purpose of criminal trespass and burglary, the definition of "structure" is expanded to include any device that accepts electronic or physical currency and that is used to conduct commercial transactions. The criminal classification for unlawful possession or use of a scanning device or re-encoder is increased to a class 4 (mid-level) felony, from a class 6 (lowest) felony.

AS SIGNED BY GOVERNOR.

First sponsor: Sen. Driggs

AAR Position:

Monitor (Position may be changed)

Oppose with Lobbying 2/16/2016

Last Action: 5/11 signed by governor. Chap. 157, Laws 2016.

SB1301: STATE-OWNED BANK TASK FORCE

Establishes a 10-member State-owned Bank Task Force within the Arizona Commerce Authority to evaluate the feasibility of establishing a state-owned bank and submit a report to the Governor and the Legislature by December 1, 2016. Self-repeals October 1, 2017.

First sponsor: Sen. Dalessandro

AAR Position:

Monitor

Last Action: 2/18 from Senate Finance Institutions Committee do pass.

SB1306: COUNTY DEVELOPMENT FEES

Numerous changes relating to county development fees. A county is required to calculate the development fee based on an adopted infrastructure improvements plan, and requirements for the plan are specified, including procedures for plan adoption. County development fees cannot exceed a proportionate share of the cost of "necessary public services" (defined) and must be based on the same level of service provided to existing development in the "service area" (defined) at the time the infrastructure improvements plan is adopted. Establishes a list of prohibited uses for development fees. Counties are authorized to continue to assess development fees adopted before January 1, 2017 for any facility that was financed before June 1, 2016 of the development fees were pledged to repay debt service obligations related to the construction of the facility. Any action to collect development fees must be commenced within two years after the obligation to pay the development fees accrues. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/18 signed by governor. Chap. 326, Laws 2016.

SB1331: AUXILIARY CONTAINERS; REGULATIONS PROHIBITION; REPEAL

Repeals statutes prohibiting counties and municipalities from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption, 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 as reusable bags, disposable bags, boxes, beverage cans, bottles, cups and containers that are made from specified materials and that are used for transporting merchandise), and 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.

First sponsor: Sen. Quezada

AAR Position:

Oppose

Last Action: 1/27 referred to Senate Government Committee.

SB1346: HOME-BASED BUSINESSES; DETACHED BUILDINGS; STORAGE

The list of actions that a county ordinance cannot restrict or otherwise regulate the owner of a "home-based business" that holds a valid "license" (both defined) from taking is expanded to include maintaining operating hours from 8AM to 6PM, constructing and using a detached building or providing up to 5,000 square feet of outside storage on the private lot or parcel of land that is at least 1/2 acre if other specified conditions apply, and operating a wedding venue or

wedding chapel within a residential zoning district if a list of specified conditions applies. If a county requires a special use permit for the operation of a home-based business, for special use permits issued from and after the effective date of this legislation, the county is required to approve the special use permit in a residential zoning district if the home-based business is located on a private lot or parcel that is at least 3 acres and meets other specified requirements, and is required to allow the assembly of a large group of people under the permit, issue the permit for a period of at least 20 years, renew the permit automatically on request, and process and finalize all special permits within 90 days after application.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 1/27 referred to Senate Government Committee.

SB1347: COUNTY DUST CONTROL; RESIDENTIAL PROPERTY

For any dust control permit for occupied residential property, the control officer is prohibited from charging more than \$50 per acre per year.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 3/3 House Agriculture, Water and Land Committee Health Committee.

SB1349: SENTENCING; AGGRAVATING FACTOR; TEXTING

The list of aggravating circumstances for the purpose of determining the sentence for felony offenses is expanded to include that during the commission of the offense, the defendant was operating a motor vehicle while using a "wireless communication device" (defined) to manually type, send, read or enter a written or visual communication, including a text message, instant message, e-mail or a communication on social media.

First sponsor: Sen. Farley

AAR Position:

Opposition

Last Action: 1/28 referred to Senate Transportation Committee, Government Committee and Judiciary Committee.

SB1350: ONLINE LODGING MARKETPLACES; TAXATION (~~TECH CORRECTION;~~ TAXATION)

Establishes the "online lodging marketplace" (defined) transaction privilege tax classification, and establishes the tax base for the online lodging marketplace classification as the gross proceeds of sales or gross income derived from the business measured by the total amount charged for an "online transient lodging transaction" by the "online lodging operator" (both defined). Establishes a transaction privilege tax rate of 5.5 percent of the tax base for the business of every person engaging or continuing in the online lodging marketplace classification and who has entered into an agreement with the Department of Revenue (DOR) to register for or has otherwise obtained a license to collect tax from DOR. For the purposes of transaction

privilege and affiliated excise taxes and local excise taxes, an online lodging marketplace is authorized to register with the DOR for the payment of taxes levied by the state and by one or more counties, municipalities and special taxing districts, at the election of the marketplace, for taxes due from an online lodging operator on any online lodging transaction facilitated by the marketplace. An online lodging marketplace that is registered with DOR is required to report the applicable taxes monthly and remit the aggregate total amounts for all of the respective taxing jurisdictions, and is not required to list or otherwise identify any individual online lodging operator on any return or any attachment to a return. A person who is licensed by the Real Estate Department and registered with DOR as an online lodging marketplace is required to file a consolidated return monthly with respect to all managed properties for which the licensee files an electronic consolidated tax return, and remit to DOR the aggregate total amount of the applicable taxes payable for all of the respective taxing jurisdictions with respect to the managed properties. An online lodging operator is entitled to an exclusion from any applicable taxes for any online lodging transaction facilitated by an online lodging marketplace for which the operator has obtained written notice that the marketplace is registered with DOR to collect applicable taxes for all online lodging transactions facilitated by the marketplace. DOR is prohibited from disclosing information provided by an online lodging marketplace without the written consent of the marketplace. The list of exclusions from the transient lodging classifications of transaction privilege taxes are expanded to include the activities of any online lodging marketplace, and the gross proceeds of sales or gross income received by an online lodging marketplace from any online lodging transaction for which the online lodging operator has received written notice or documentation from a registered online lodging marketplace that it has or will remit the applicable tax to DOR must be deducted from the tax base for the transient lodging classification. Real and personal property that is owned and occupied as the primary residence of the owner who also uses the property for lease or rent to lodgers is classified as class 3 property for property tax purposes. Counties and municipalities are prohibited from prohibiting “vacation rentals” or “short-term rentals” (both defined) and from restricting the use of or regulating vacation rentals or short-term rentals based on their classification, use or occupancy. Counties and municipalities are authorized to regulate vacation rentals if the regulation is for specified purposes. Municipalities or other taxing jurisdictions are prohibited from levying a transaction privilege or other similar tax or fee on the business of operating an online lodging marketplace or on any online lodging transaction facilitated by an online lodging marketplace or on any online lodging operator with respect to any online lodging transaction for which the jurisdiction has received written notice that the marketplace has or will remit the applicable tax to DOR. Municipalities or other taxing jurisdictions are authorized to levy a transaction privilege or other similar tax or fee as provided by the model city tax code on online lodging operators subject to a list of conditions. For tax periods beginning with January 1, 2018, a municipality that levies a transaction privilege tax on online lodging marketplaces is required to allow persons who are licensed with DOR to file electronic consolidated tax returns, subject to a list of specified conditions. Establishes a 16-member Joint Legislative Study Committee on Transient Lodging to consider state and local government laws and regulations on the various types of accommodations used for transient lodging and report its findings and recommendations to the Governor and the Legislature by December 15, 2017 and each year after. The Committee terminates on January 1, 2021. Also establishes a Hospitality Studies Scholarship Fund to be administered by the Arizona Board of Regents (ABOR). ABOR is authorized to partner with any statewide lodging and tourism association that provides matching monies to administer the Fund.

Fund monies must be used to provide financial assistance to students entering into or enrolled in a “hospitality studies program” (defined) at a university under the jurisdiction of ABOR. This legislation does not affect the rights and obligations under any existing agreement to pay taxes to a taxing jurisdiction in effective before the effective date of this legislation, and does not entitle an online lodging marketplace to a refund of any taxes or fees collected and paid to a taxing jurisdiction before the effective date of this legislation. Effective January 1, 2017. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Lesko

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 208, Laws 2016.

SB1355: HOUSING TRUST FUND; FUNDING SOURCES

In the case of any conveyance of an Arizona real property interest, the title insurance company, title insurance agent or any financial institution or attorney that provides closing and settlement services is required to withhold an amount equal to two percent of the sales price of the Arizona real property interest conveyed or the net proceeds resulting from the conveyance, whichever is less, if the transferor is a foreign corporation that does not qualify by law to transact business in Arizona or another specified entity. The monies are deposited in the Housing Trust Fund. The Department of Revenue is required to deposit 55 percent of monies received pursuant to the Revised Arizona Unclaimed Property Act, including monies from the sale of abandoned property, in the Fund before other statutorily required distributions, instead of depositing \$2.5 million of those monies in the Fund.

First sponsor: Sen. Farley

AAR Position:

Industry Issues

Last Action: 1/28 referred to Senate Finance Committee.

SB1362: MOBILE HOME, RV PARKS; PROHIBITION

The list of prohibited provisions for mobile home park or recreational vehicle rental agreements and park rules or regulations is expanded to include that the tenant agrees to place any person's name on the title to the mobile home as a condition of tenancy or residency for that additional person or pay a fee or other form of penalty for failing to place an additional person's name on the title to the mobile home. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/17 signed by governor. Chap. 315, Laws 2016.

SB1388: RULEMAKING EXEMPTION; ONE-YEAR REVIEW

For an agency that the Legislature has granted a one-time rulemaking exemption, within one year after a rule has been adopted under an exemption from the Administrative Procedures Act, each agency is required to review the rule to determine whether it should be amended or

repealed, summarize its findings in a written report to the Governor's Regulatory Review Council (GRRC) and obtain GRRC approval of the report. Information that must be included in the report is specified. GRRC is authorized to require the agency to propose an amendment or repeal of the rule if the report demonstrates that the rule is materially flawed, including for specified reasons. Agencies may file an extension for providing the report. If an agency fails to submit the report or file an extension, the rule expires and GRRC is required to publish notice in the next register and notify the agency. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Burges

AAR Position:

Monitor

Last Action: 5/19 signed by governor. Chap. 355, Laws 2016.

SB1398: FUEL TAXES; STREETS & HIGHWAYS

A county receiving Highway User Revenue Fund monies is required to publish an annual financial report containing budgeted and actual expenditures of funds received from motor vehicle fuel and use fuel taxes. The report must cover the preceding fiscal year and must be distributed by December 31. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 163, Laws 2016.

SB1400: ADEQUATE WATER SUPPLY REQ; RENEWAL (~~WATER BANKING AUTHORITY; REPORT~~)

County boards of supervisors would have been required to review adequate water supply provisions within one year after the fifth anniversary of the effective date of this legislation and within one year after every fifth anniversary thereafter. The county board of supervisors would have been authorized to rescind the provision by unanimous vote. If the county board of supervisors rescinded the provision, the county board of supervisors would have been required to give written notice of the rescission to the "Director of Water Resources," the "Director of Environmental Quality" and the State Real Estate Commissioner. Session law would have provided that for a county that enacted an adequate water supply requirement provision before the effective date of this legislation, the provision would have been required to be reviewed within one year after the fifth anniversary of the effective date. AS VETOED BY GOVERNOR. In his veto message, the Governor expressed concern that this legislation would encourage a patchwork of water ordinances throughout our cities and leave our water supply securities in peril.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/9 VETOED.

SB1402: CLASS SIX PROPERTY; HIGHER EDUCATION

The list of property classified as class six for property tax purposes is expanded to include real and personal property and improvements that are used as an institution of higher education that offers baccalaureate and/or post baccalaureate degree programs and that is accredited by a regional or national accreditation agency approved by the U.S. Department of Education.
First sponsor: Sen. Yarbrough

AAR Position:

Oppose with Lobbying

Last Action: 5/5 FAILED to pass House 17-39.

SB1417: DISTRIBUTED ENERGY GENERATION SYSTEMS

Various changes to statutes regulating solar energy devices. The definition of “solar energy device” is expanded to include a “distributed energy generation system” (defined). Any person who seeks to install, “energize” (defined) or interconnect a distributed energy generation system is required to first submit an application for interconnection to the power grid to the utility that owns or operates the power grid at the point of interconnection, and the person is prohibited from installing, energizing or interconnecting the distributed energy generation system until the utility approves the application. If the utility does not approve or deny the application within 60 days of the filing date, the distributed energy generation system may be installed. Information that must be included in the application is specified. Recurring payments under a distributed energy generation system lease cannot begin until the system is energized and interconnected. If the warranty period for any major component of a distributed energy generation system is less than the duration of the financing or lease agreement, the length of the warranty must be disclosed to and separately acknowledged by the buyer or lessee. If a document or sales presentation relating to a distributed energy generation system states or suggests that the system will result in financial savings for a buyer or lessee, the document or presentation is required to substantiate the methodology used to calculate those savings and, if the document or presentation is intended for a specific potential buyer or lessee, must reasonably quantify the cumulative savings expected for the duration of the agreement. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Lesko

AAR Position:

Monitor

Last Action: 3/21 signed by governor. Chap. 56, Laws 2016.

SB1421: BOARDS; COMMISSIONS; COMPENSATION; EXPENSES

The Auditor General is required to annually review per diem compensation and reimbursement of expenses for employees of the state and members of a state board, commission, council or advisory committee by judgmentally selecting samples and evaluation the propriety of per diem compensation and expense reimbursements. Each board, commission, council or advisory committee is required to report to the Department of Administration by October 1, 2016 the amount of compensation and reimbursement of expenses that was paid in FY2015-16 to any member of the board, commission, council or advisory committee. The Dept. is required to compile the data and report the information to the Governor and the Legislature by December 15, 2016. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Yee

AAR Position:

Support

Last Action: 5/18 signed by governor. Chap. 328, Laws 2016.

SB1422: BOARD OF TECHNICAL REGISTRATION; OMNIBUS

Various changes the statutes relating to the Board of Technical Registration. One of the three professional engineers that serves on the Board is required to be a civil engineer. Eliminates registration for in-training architects, in-training landscape architects, and a home inspector-in-training. Establishes requirements for an in-training designation as an engineer, geologist or land surveyor. Modifies requirements for renewal of a registration that has been invalid for at least one renewal period. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Yee

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 167, Laws 2016.

SB1424: HOME-BASED BUSINESSES; LICENSING MORATORIUM; UNEMPLOYMENT

If the statewide seasonally adjusted unemployment rate reaches at least 10 percent, an agency, department, board or commission of the state or a political subdivision is prohibited from requiring a "home-based business" to have a valid "license" (both defined). Once the statewide unemployment rate reaches less than 6 percent, an agency may resume requiring a home-based business to have a valid license as prescribed by law.

First sponsor: Sen. D. Farnsworth

AAR Position:

Oppose

Last Action: 2/23 from Senate rules okay.

SB1427: ADJUSTABLE CONSUMER LOANS; LICENSURE

Adds a new chapter to Title 6 (Financial Institutions) regulating "adjustable loans," defined as a loan made under a written agreement establishing an open-end credit plan under which the licensee makes credit available to the consumer up to an established loan limit for personal, family or household purposes that is unsecured, may be without fixed maturities or limitations as to the length of term, and is subject to prepayment in whole or in part at any time without penalty. A person is prohibited from engaging in the business of an adjustable loan without first being licensed as an adjustable loan lender by the Department of Financial Institutions. License requirements are established, including license and examination fees and provisions for denial of renewal, suspension or revocation of a license. Requires licensees to maintain books, accounts and records that enable the Dept. to determine compliance and requires licensees to file an annual report with the Dept., including reporting the licensee's standard annual percentage rate or range of annual percentage rates in effect at that time on specified types of loans. Establishes prohibited acts for licensees. Sets limits for adjustable loan amounts and maximum rates for finance charges, and specifies other allowable fees. More.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 5/7 referred to Senate rules.

SB1431: PROPERTY TAX; DISABLED VETERANS' RESIDENCES

Real and personal property and improvements to the property that are used as the primary residence of a qualifying veteran with a disability that is owned by the veteran and/or the veteran's spouse is classified as class nine property for property tax purposes. Requirements for the property to be classified as class nine under this qualification are specified.

First sponsor: Sen. Griffin

AAR Position:

Support

Last Action: 2/1 referred to Senate Finance Committee.

SB1432: CONSERVATION EASEMENTS; TAXATION; REGISTRY (~~TEMPORARY CONSERVATION EASEMENT TAXATION~~)

Establishes class 2 (C), a subclass of class 2 property for property tax purposes, which consists of real property, and improvements to real property, that is burdened by a conservation easement that has been created and is currently in effect under state law. The assessment ratio for class 2 (C) property is 15 percent. The county assessor in each county is required to establish and maintain a public digital registry of each parcel of property that is classified as class 2 (C) because it is burdened by a conservation easement, and information that must be included in the registry is specified. The county assessor is required to periodically review and revise as necessary the information contained in the registry for the purpose of verifying that the listed properties should remain classified as class 2 (C). Effective January 1, 2017. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 168, Laws 2016.

SB1433: PRIVATE LANDS; USE; ENJOYMENT

The reclassification of trust lands as suitable for conservation purposes is prohibited from limiting "use or enjoyment of" private lands. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 169, Laws 2016.

SB1434: INFORMATION TECHNOLOGY; CONSOLIDATED PURCHASING

The Department of Administration would have been required to identify opportunities for information technology consolidation and shared services, including consolidating servers and data centers. The Dept. would have been required to adopt a policy establishing a hardware refresh evaluation cycle, a platform evaluation cycle, and a software evaluation cycle for budget units that contained specified provisions. By January 1, 2017, each budget unit would have been required to report to the Dept. regarding the budget unit's plan for migrating the unit's information technology infrastructure from an on-premises to an off-site data center hosted and managed by a third party. Beginning January 1, 2017, each budget unit would have been required to report to the Dept., the Chief Information Officer and the chairperson of the Joint Legislative Budget Committee (JLBC) by January 1 and July 1 of each year on the budget unit's progress in transferring data under these requirements. A budget unit would have been required to submit each information technology infrastructure plan to the JLBC for approval before awarding any contract for information technology infrastructure. AS VETOED BY GOVERNOR. In his veto message, the Governor stated that major advances in technology are needed in state government and this bill will stall those advancements.

First sponsor: Sen. Shooter

AAR Position:

Monitor

Last Action: 5/18 VETOED.

SB1449: UNMANNED AIRCRAFT; PROHIBITED OPERATIONS

It is a class 1 (highest) misdemeanor for a person to operate a “model aircraft” or a “civil unmanned aircraft” (both defined) if the operation is prohibited by a federal law or regulation that governs aeronautics and interferes with a law enforcement or emergency services operation. It is a class 6 (lowest) felony for a person to operate or use an “unmanned aircraft” or “unmanned aircraft system” (both defined) to intentionally photograph or loiter over or near a “critical facility” (defined) in the furtherance of any criminal offense, except that a second or subsequent violation is a class 5 (second-lowest) felony. Some exceptions. Municipalities and counties are prohibited from enacting or adopting any ordinance or rule that relates to the ownership or operation of an unmanned aircraft or unmanned aircraft system, except as authorized by law. The Department of Transportation is required to provide on the Dept. website information on resources for operating a model aircraft, including safety guidelines established by a nationwide aeronautics community-based organization, and to provide on the Dept. website pictures that show examples of critical facilities to provide unmanned aircraft operators with information on what is considered a critical facility. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor (most likely change to support after amendment)

Last Action: 5/11 signed by governor. Chap. 170, Laws 2016.

SB1458: TEMPORARY OPEN SPACE; TAXATION

An owner of real property is authorized to create a temporary open space easement. Beginning January 1, 2017, an instrument creating a temporary open space easement is required to state specified information. Real property that is burdened by a temporary open space easement is

subject to assessment and taxation as class 4 property based on the current full cash value of the property subject to the easement. Establishes a process for the county assessor to verify the proper use of property burdened by a temporary open space easement. Beginning January 1, 2017, the creator of a temporary open space easement or the seller or assignor of real property burdened by a temporary open space easement is required to file a notice of the action with the county assessor of each county in which any portion of the real property burdened by the easement is located.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 2/2 referred to Senate Finance Committee.

SB1459: WATER IMPROVEMENT PROGRAM; GRANTS; COUNTY

County boards of supervisors are permitted to establish a program to allow persons to make gifts, grants or donations for the purpose of providing financial assistance to qualified owners of residential real property for making improvements to an existing drinking water well or providing for a water delivery system for the residence. The board is required to designate an entity to operate the program. Program requirements are specified. The entity that operates the program is required to submit an annual report on program operations to the board and the Legislature by July 1 of each year. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 227, Laws 2016.

SB1461: ELECTRONIC RECORDS; STORAGE

For the purpose of statute allowing an electronic record to satisfy the requirement of a law that a record be retained, "law" includes a governmental agency's policy, and governmental agencies are no longer specifically permitted to adopt additional requirements for the retention of a record subject to that agency's jurisdiction.

First sponsor: Sen. Worsley

AAR Position:

Monitor

Last Action: 2/2 referred to Senate Government Committee.

SB1463: ELDERLY ASSISTANCE FUND; RESTORE FUNDING

Requires 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. Requires the county treasurer to deposit an amount in the Fund that is equal to the difference between 16 percent and the amount of interest stated in the certificate of purchase. [Capitol Reports Note: These requirements were eliminated by Laws 2015, Chapter 324.]

First sponsor: Sen. Meza

AAR Position:

Monitor

Last Action: 2/2 referred to Senate Finance Committee.

SB1478: FILING FEES; BUSINESS ENTITIES

The \$50 fee for filing an articles of incorporation and the \$50 fee for filing the initial articles of organization with the Corporation Commission apply only to foreign corporations. The Commission is required to annually submit a report to the Governor and the Legislature that contains an analysis of the articles of incorporation fee and the initial articles of organization fee and whether each fee structure is contributing toward business formation in Arizona, and the fiscal impact of those fees. Appropriates \$3 million from the general fund in Fy2016-17 to the Commission for processing business entity filings.

First sponsor: Sen. Sherwood

AAR Position:

Monitor

Last Action: 2/2 referred to Senate Commerce and Workforce Development Committee, Appropriations Committee.

SB1487: STATE LAW; LOCAL VIOLATIONS; PENALTIES

At the request of a member of the Legislature, the Attorney General is required to investigate any official action taken by the governing body of a county or municipality that the member alleges violates state law or the state Constitution. If the Attorney General concludes that there is a violation, the Attorney General is required to notify the county or municipality of the violation by certified mail and provide 30 days to resolve the violation. If the county or municipality fails to resolve the violation within 30 days, the Attorney General is required to notify the State Treasurer, who must withhold and redistribute state shared monies from the county or municipality. The Attorney General is required to continue to monitor the response of the governing body, and when the violation is resolved, is required to notify the Governor and the Legislature and notify the State Treasurer to restore the distribution of state shared revenues to the county or municipality. If the Attorney General concludes that there may be a violation, the Attorney General is required to file a special action in Supreme Court to resolve the issue, and the Supreme Court is required to give the action precedence over all other cases. The Court must require the county or municipality to post a bond equal to the amount of state shared revenue paid to the county or municipality in the preceding six months. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Biggs

AAR Position:

Monitor

Last Action: 3/17 signed by governor. Chap. 35, Laws 2016.

SB1490: TRANSPORTATION FUNDING; TASK FORCE

Establishes a 9-member Surface Transportation Funding Task Force to review transportation needs and revenue sources in Arizona and recommend specific revenue proposals for dedicated funding sources for specified transportation-related items. The Task Force is required to

cooperate with the Department of Administration to conduct a statewide study that identify vacant or underused buildings owned by the state that could be sold to provide funding for transportation projects. The Task Force is required to issue progress reports every three months to the Governor and the Legislature and to submit a final report of its findings and recommendations to the Governor and the Legislature by December 31, 2016. Self-repeals July 1, 2017. Emergency clause. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Worsley

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 228, Laws 2016.

SB1493: STATE HIGHWAY CONSTRUCTION; TAX CREDITS

Establishes an individual and corporate income tax credit for taxpayers who participate in financing the construction, reconstruction or renovation of eligible transportation facilities. The Department of Transportation is required to administer the credit and use the sale of the credits to finance the construction, reconstruction or renovation of eligible transportation facilities in Arizona. The tax credits may be awarded through a bidding process. The annual amount of tax credits that may be awarded each year is prescribed by the Legislature as part of the annual state budget. All or part of any unclaimed amount of a credit may be sold or otherwise transferred under specified conditions. If the allowable credit exceeds taxes due, the unused amount may be carried forward for up to five consecutive tax years.

First sponsor: Sen. Worsley

AAR Position:

Monitor

Last Action: 2/17 from Senate Transportation Committee with amend #4296.

SB1496: HOMEOWNERS' ASSOCIATIONS; DIRECTOR REMOVAL

On removal of a majority of the members of a condo or HOA board of directors, the HOA is required to hold an election for the replacement of the removed directors at a separate meeting of the members, which must be held no later than 30 days after the day of the meeting at which the directors were removed. A director who is removed is ineligible to serve on the board again until after the expiration of the director's term, unless the HOA documents specifically provide for a longer period of time. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 5/18 signed by governor. Chap. 343, Laws 2016.

SB1497: HOMEOWNERS' ASSOCIATION; BOARD CONFLICTS

Expands the list of reasons a condo or HOA board member is required to declare a conflict of interest to include any contract, decision or other action for compensation taken by the board that would benefit any employer or employee of that member. For all circumstances where a condo or HOA board member declares a conflict of interest, the board member is prohibited from

playing a part directly or indirectly in the board's deliberations or vote on that issue, instead of being permitted to vote after the declaration.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 2/29 retained on Senate COW calendar.

SB1498: HOMEOWNERS' ASSOCIATION; FEES; HEARINGS; ELECTIONS

Condo and homeowners' associations (HOAs) are only authorized to impose charges for late payment of assessment after the HOA has provided notice that the assessment is overdue or is considered overdue after a certain date. The HOA is required to give the unit owner or homeowner written notice of the person's option to petition for an administrative hearing on an enforcement action in the Department of Fire, Building and Life Safety. If an HOA provides for absentee ballots or ballots provided by some other form of delivery, the completed ballot and envelope and any related materials must contain the name, address and signature of the person voting, unless the HOA documents permit secret ballots, in which case only the envelope must contain that information. The ballots, envelopes and related materials must be retained and made available for unit owner or member inspection for at least one year after completion of the election. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: Last Action: 5/11 signed by governor. Chap. 172, Laws 2016.

SB1499: HOMEOWNERS' ASSOCIATIONS; MANAGER; LICENSURE; HEARINGS

Any person engaged in the business of management of a condo association or HOA is required to obtain a license as a community manager. The Real Estate Department is required to establish by rule a licensure procedure for community managers that must include specified instruction and a licensure test. The Dept. is authorized to charge a fee for licensure and for test administration. Establishes a process for petitioning the Dept. for a hearing concerning violations of statutes or community documents, and removes a similar process from the responsibilities of the Department of Fire, Building and Life Safety.

First sponsor: Sen. D. Farnsworth

AAR Position:

Support

Last Action: 2/2 referred to Senate Government Committee, Appropriation Committee.

SB1504: DROP BOX; PRIVATE PROPERTY; CONSENT

Any person that places a "drop box" (defined) on private property is required to obtain notarized approval signed by the property owner or an authorized agent before placing the drop box on the property. All drop boxes are required to display, in a clear and conspicuous manner, the name of the person that owns the drop box and the person's contact information. The private property owner or the owner's agent may rescind permission for the placement of a drop box at any time,

and the drop box owner is required to remove the drop box within 10 business days after receipt of a notification of the decision to rescind permission. Any drop box placed on private property without notarized consent may be removed and disposed of at any time without notification. A private property owner or the owner's agent who removes a drop box is not liable for the losses associated with the removal of a drop box and its contents. Some exceptions. Contains a legislative findings section. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 3/24 signed by governor. Chap. 59, Laws 2016.

SB1523: TRUTH IN TAXATION; LEVY INCREASES

If a proposed primary property tax levy, exclusive of increased property taxes received from new construction, constitutes an increase over the preceding tax year's levy by 15 percent or more, the motion to levy the increased property taxes must be approved by a unanimous roll call vote of the school district governing board or local governing body. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Smith

AAR Position:

Monitor

Last Action: 5/11 signed by governor. Chap. 173, Laws 2016.

SB1524: REGULATORY ACTIONS; LIMITATION

Unless authorized by federal, state or local law, state agencies, counties and municipalities are prohibited from taking any action that materially increases the regulatory burdens on a business unless there is a threat to the health, safety and welfare of the public that has not been addressed by legislation or industry regulation within the proposed regulated field, and from applying a regulation to a "qualified marketplace platform" (defined) if the purpose of that regulation is to regulate a business that provides goods or services directly to the customer. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Smith

AAR Position:

Monitor

Last Action: 5/12 signed by governor. Chap. 209, Laws 2016.

SCM1001: 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 exceed 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: Sen. Farley

AAR Position:

Monitor

Last Action: 5/5 referred to House rules only.

SCM1015: EXCEEDING AUTHORITY; URGING CONGRESS

The Legislature urges the U.S. Congress to enact the Stopping EPA Overreach Act. 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 and each member of Congress from Arizona. AS SENT TO SECRETARY OF STATE.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/30 passed House 33-24; to secretary of state.

SCR1004: CONSTITUTIONAL PROPERTY TAX EXEMPTIONS

The 2016 general election ballot is to carry the question of whether to amend the state Constitution to consolidate and reorganize provisions relating to exemptions from property taxation. Sections of the state Constitution relating to property tax exemptions are repealed and replaced. Impossible to determine new provisions without a line by line comparison.

First sponsor: Sen. Burges

AAR Position:

Monitor

Last Action: 1/20 referred to Senate Finance Committee.

SCR1018: VETERANS; DISABILITY; PROPERTY TAX RELIEF

The 2016 general election ballot is to carry the question of whether to amend the state Constitution to exempt from property taxes a portion of the assessed valuation of the primary residence of a qualifying veteran with a service-connected disability of 100 percent and a portion of the assessed valuation of the primary residence of a qualifying veteran who is killed in action or who dies as a result of injury incurred while on active duty in military service if the residence is owned and occupied as the primary residence solely of the veteran's unmarried surviving spouse and children. The assessed valuation of these properties is reduced by \$25,000, and the Legislature may provide by law to increase the amount according to increases in a designated national inflation index. The exemption is subject to specified conditions, and is in lieu of any other real property tax exemption that may apply to the property.

First sponsor: Sen. Griffin

AAR Position:

Support

Last Action: 2/1 referred to Senate Finance Committee, Public Safety, Military and Technology.
