

“Business” Bills

January 19, 2015

NOTE: The following bills are of a “general business” nature, rather than industry specific and may or may not be of interest to you. These bill summaries were not prepared by our office and do not constitute an official record of the Arizona Legislature. They are provided for the purpose of advising you as to the general content of the legislation and should not be relied upon as an accurate interpretation of the meaning or purpose of the bill or its applicability to you or your interests. Since these bills are apparent “vehicles” for possible strike-everything amendments, we will monitor them carefully throughout the session. To insure you obtain a correct interpretation of the legislation, it is important to read each bill and any amendment that may be adopted in their entirety.

As a reminder, copies of the bills and amendments can be found on the Arizona Legislative Information System “ALIS” website at www.azleg.state.az.us. If you need help navigating the website or want us to send hard copies of anything to you, we will be happy to do so. Please let us know if you have any questions, comments or concerns.

Posted Calendars and Committee Hearings

H2032: OFFICE OF ADMINISTRATIVE HEARINGS; CONTINUATION

Hearing: [House Government & Higher Education](#) (Thursday 01/22/15 at 9:00 AM, House Rm. 1)

S1048: VEXATIOUS LITIGANTS; FEES; COSTS; DESIGNATION

Hearing: [Senate Judiciary](#) (Thursday 01/22/15 at 9:00 AM, Senate Rm. 109)

Bill Summaries

H2001: INCOME TAX BRACKETS; INFLATION INDEX

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

First sponsor: [Rep. Olson](#)

H2001 Daily History	Date	Action
INCOME TAX BRACKETS; INFLATION INDEX 1/14 referred to House ways-means .		

H2004: TECH CORRECTION; CONSUMER FRAUD

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

First sponsor: [Rep. Petersen](#)

H2004 Daily History	Date	Action
No actions posted for this bill to date.		

H2007: 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](#)

H2007 Daily History	Date	Action
No actions posted for this bill to date.		

[H2008: TECH CORRECTION; UNORDERED MERCHANDISE](#)

Minor change in Title 44 (Commerce) related to unordered merchandise. Apparent striker bus.

First sponsor: [Rep. Shope](#)

H2008 Daily History	Date	Action
No actions posted for this bill to date.		

[H2012: TECH CORRECTION; CONSUMER FRAUD](#)

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

First sponsor: [Rep. Shope](#)

H2012 Daily History	Date	Action
No actions posted for this bill to date.		

[H2025: TECH CORRECTION; ATTORNEY GENERAL OPINIONS](#)

Minor change in Title 41 (State Government) related to the Attorney General. Apparent striker bus.

First sponsor: [Rep. Brophy McGee](#)

H2025 Daily History	Date	Action
No actions posted for this bill to date.		

[H2032: OFFICE OF ADMINISTRATIVE HEARINGS; CONTINUATION](#)

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

First sponsor: [Rep. Ugenti](#)

H2032 Daily History	Date	Action
OFFICE OF ADMINISTRATIVE HEARINGS; CONTINUATION 1/14 referred to House gov-higher ed.		

[H2033: UNIVERSITY RESEARCH INFRASTRUCTURE PROJECTS; APPROPS](#)

Appropriates the following amounts to the Arizona Board of Regents in FY2017-18 through FY2047-48 from the general fund for the following universities for lease-purchase capital financing for "research infrastructure" (defined) projects: in FY2017-18, \$27.2 million for Arizona State University, \$10.2 million for Northern Arizona University, and \$30.5 million for the University of Arizona; in FY2018-19 and in each FY after through FY2047-48, \$29 million for ASU, \$10.9 million for NAU, and \$32.7 million for UofA. Lease-purchase financing agreements must be entered into before July 1, 2017 and are subject to specified requirements. State construction sales tax monies accruing to the state for these projects are continuously appropriated to each university. For each FY in which projects are financed and under construction, ABOR is required to submit a report to the Governor and the Legislature containing specified information about the projects.

First sponsor: [Rep. Robson](#)

H2033 Daily History	Date	Action
No actions posted for this bill to date.		

H2037: TECH CORRECTION; INSURANCE; UNIFORM PLANS

Minor change in Title 20 (Insurance) related to uniform insurance plans. Apparent striker bus.

First sponsor: [Rep. Carter](#)

H2037 Daily History	Date	Action
No actions posted for this bill to date.		

H2038: TECH CORRECTION; ACCOUNTABLE HEALTH PLANS

Minor change in Title 20 (Insurance) related to accountable health plans. Apparent striker bus.

First sponsor: [Rep. Carter](#)

H2038 Daily History	Date	Action
No actions posted for this bill to date.		

H2039: TECH CORRECTION; WAGE RATES

Minor change in Title 23 (Labor) related to investigation of wage rates. Apparent striker bus.

First sponsor: [Rep. Carter](#)

H2039 Daily History	Date	Action
No actions posted for this bill to date.		

H2041: TECH CORRECTION; WORKERS' COMP; INVESTIGATION

Minor change in Title 23 (Labor) related to workers' compensation enforcement. Apparent striker bus.

First sponsor: [Rep. Carter](#)

H2041 Daily History	Date	Action
No actions posted for this bill to date.		

H2054: TECH CORRECTION; TAX NOTES; DEFINITIONS

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

First sponsor: [Rep. Thorpe](#)

H2054 Daily History	Date	Action
No actions posted for this bill to date.		

H2057: TECH CORRECTION; PAYMENT METHOD

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

First sponsor: [Rep. Thorpe](#)

H2057 Daily History	Date	Action
No actions posted for this bill.		

H2069: TECH CORRECTION; TAX REFUND ACCOUNT

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

First sponsor: [Rep. Mesnard](#)

H2069 Daily History	Date	Action
No actions posted for this bill.		

H2072: BALLOT MEASURES; PROP 105 DISCLOSURE

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

First sponsor: [Rep. Ugenti](#)

H2072 Daily History	Date	Action
BALLOT MEASURES; PROP 105 DISCLOSURE 1/14 referred to House elect.		

H2079: LOCAL BONDING; PROPERTY TAX MEASURE

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

First sponsor: [Rep. Petersen](#)

H2079 Daily History	Date	Action
LOCAL BONDING; PROPERTY TAX MEASURE 1/14 referred to House ways-means.		

H2083: INCOME TAX REVISIONS

Various changes relating to income taxes. For tax years beginning with 2016, the Department of Revenue is required to adjust the income dollar amounts for each individual income tax rate bracket by the average annual change in the metropolitan Phoenix consumer price index. The revised dollar amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior tax year. A taxpayer is permitted to take an expense deduction for property placed in service in tax years beginning with 2014, in the amount of the difference between the expense amount allowed under the internal revenue code and the amount that would be allowed under the Internal Revenue Code if the maximum deduction allowed were \$500,000 and the limitation were reduced by the amount that the cost of the property placed in service in the tax year exceeds \$2 million. A taxpayer is also permitted to take an expense deduction for "qualified property" (defined) that is placed in service in tax years beginning with 2014, in the amount of an allowance equal to 50 percent of the adjusted basis of the qualified property remaining after the adjustment for the previous expense deduction and any other depreciation allowance under the Internal Revenue Code. Establishes additions to Arizona gross income to avoid a double deduction if a taxpayer uses these expensing provisions. The lists of additions to and subtractions from Arizona gross income are modified to delete obsolete calculations. More. Some provisions are retroactive to tax years beginning January 1, 2015.

First sponsor: [Rep. Mesnard](#)

H2083 Daily History	Date	Action
INCOME TAX REVISIONS 1/15 referred to House ways-means, appro.		

H2122: COUNTIES; SPECIAL TAXING DISTRICTS; REPORT

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

First sponsor: [Rep. Coleman](#)

H2122 Daily History	Date	Action
No actions posted for this bill to date.		

H2129: MUNICIPAL TAX CODE COMMISSION; CONTINUATION

The statutory life of the Municipal Tax Code Commission is extended 10 years to July 1, 2025. Retroactive to July 1, 2015.

First sponsor: [Rep. Mitchell](#)

H2129 Daily History	Date	Action
MUNICIPAL TAX CODE COMMISSION; CONTINUATION 1/15 referred to House ways-means .		

H2131: TAX ADJUDICATIONS; ATTORNEY FEES

The court is required, instead of permitted, to award fees and other expenses to any party other than the state or a county or municipality that prevails by an adjudication on the merits in an action brought by that party against the state or a county or municipality challenging the assessment or collection of taxes, or the denial of a tax refund. The definition of "fees and other expenses" is expanded to include contingent fees.

First sponsor: [Rep. Mitchell](#)

H2131 Daily History	Date	Action
No actions posted for this bill to date.		

H2151: DOR AUDITS; THREE-YEAR LIMIT

The Department of Revenue is required to mail a notice for additional tax due regarding individual income tax adjustments that are not "based on federal information" (defined) within three years, decreased from four years, after the report or return is filed or required to be filed, whichever is later. For individual income tax changes or corrections based on federal information, the Dept may conduct an audit after an assessment has been issued within that same time period, and the audit must be limited to changes based on federal information. Effective beginning tax year 2015.

First sponsor: [Rep. Weninger](#)

H2151 Daily History	Date	Action
No actions posted for this bill to date.		

H2177: TECH CORRECTION; REVENUE DEPT

Minor change in Title 42 (Taxation) related to the Department of Revenue. Apparent striker bus.

First sponsor: [Rep. Thorpe](#)

H2177 Daily History	Date	Action
No actions posted for this bill to date.		

H2178: TECH CORRECTION; TAX CORRECTION

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

First sponsor: [Rep. Thorpe](#)

H2178 Daily History	Date	Action
No actions posted for this bill to date.		

H2179: TECH CORRECTION; TPT

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

First sponsor: [Rep. Thorpe](#)

H2179 Daily History	Date	Action
No actions posted for this bill to date.		

H2183: PROP 105; DISCLOSURE; BALLOT MEASURES

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

First sponsor: [Rep. Boyer](#)

H2183 Daily History	Date	Action
No actions posted for this bill to date.		

[H2188: EMPLOYMENT DISCRIMINATION; PROHIBITION](#)

The list of attributes for which a person cannot be discriminated against in employment practices is expanded to include gender, gender identity or expression or sexual orientation. A religious organization is allowed to take certain employment actions on the basis of gender, gender identity or expression or sexual orientation if the employee's position is directly related to the religious functions of the organization or directly involved in providing education to students of an educational institution substantially controlled or supported by the religious organization.

First sponsor: [Rep. Mach](#)

H2188 Daily History	Date	Action
No actions posted for this bill to date.		

[H2213: INSPECTIONS; AUDITS; NOTICE; RIGHTS](#)

An agency inspector, auditor or regulator who enters any premises of a regulated person to conduct an inspection is required to inform each person who is interviewed during the inspection or audit that participation in an interview is voluntary (unless the person is legally compelled to participate), that the person may have an attorney present during the interview and that the person is allowed at least 24 hours to review and revise any written statement on which the person's signature is requested. The written information that must be provided to the person subject to inspection or audit is expanded to include a notice that if documents provided become a public record, the person may redact trade secrets and proprietary information, and the time limit for filing a compliance action arising from the inspection or audit.

First sponsor: [Rep. Petersen](#)

H2213 Daily History	Date	Action
No actions posted for this bill to date.		

[S1013: EMPLOYMENT DISCRIMINATION; ENFORCEMENT; DAMAGES](#)

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

First sponsor: [Sen. Ableser](#)

S1013 Daily History	Date	Action
EMPLOYMENT DISCRIMINATION; ENFORCEMENT; DAMAGES 1/12 referred to Senate gov .		

[S1048: VEXATIOUS LITIGANTS; FEES; COSTS; DESIGNATION](#)

A party is permitted to make an amended request for the superior court to designate a pro se litigant a vexatious litigant if specified conditions are met. The court is prohibited from granting a waiver of court fees or costs for civil actions filed by a pro se litigant who has previously been declared a vexatious litigant.

First sponsor: [Sen. Kavanagh](#)

S1048 Daily History	Date	Action
VEXATIOUS LITIGANTS; FEES; COSTS; DESIGNATION 1/13 referred to Senate jud .		

[S1061: TECH CORRECTION; WAGE RATES](#)

Minor change in Title 23 (Labor) related to investigation of wage rates. Apparent striker bus.

First sponsor: [Sen. Griffin](#)

S1061 Daily History	Date Action
TECH CORRECTION; WAGE RATES 1/14 referred to Senate rules only	