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ARIZONA FUNERAL, CEMETERY & CREMATION ASSOCIATION

Legislative Report

February 17, 2013

NOTE: The following 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. To insure you obtain a correct interpretation of the legislation, it is important to read the bill in its entirety.

Posted Calendars and Committee Hearings

H2338:REGIONAL WATER AUGMENTATION AUTHORITIES

*Hearing:*House Agriculture & Water (Tuesday 02/19/13 at 2:00 PM, House Rm. 5)

H2657:TRANSACTION PRIVILEGE TAX CHANGES

*Hearing:*House Ways & Means (Monday 02/18/13 at 2:00 PM, House Rm. 1)

S1146:TECH CORRECTION; APPRENTICE EMBALMERS

*Hearing:*Senate Appropriations (Tuesday 02/19/13 at 2:00 PM, Senate Rm. 109)

Bill Summaries

H2175: WATER IMPROVEMENT, SANITARY DISTRICTS; LIENS

Domestic water improvement districts are authorized to charge an availability fee of up to 50 percent of the user fee on all property in the district that is not connected to the existing water system. Water improvement districts and sanitary districts are authorized to file a lien on property for the nonpayment of availability fees.

First sponsor: Rep. Fann

H2175 Daily History

Date Action

WATER IMPROVEMENT, SANITARY DISTRICTS; LIENS 2/12 from House agri-water do pass.

WATER IMPROVEMENT, SANITARY DISTRICTS; LIENS 1/22 referred to House agri-water.

H2222: DEATH CERTIFICATES; FEE WAIVER

The Department of Health Services is required to waive the fee for up to five certified copies of a death certificate on a showing of economic hardship as prescribed by the Dept by rule.

First sponsor: Rep. Alston

H2222 Daily History

Date Action

DEATH CERTIFICATES; FEE WAIVER 1/22 referred to House ref-hu ser.

H2271: FUNERAL ESTABLISHMENT INTERN TRAINEES

Funeral establishments are authorized to employ an "intern trainee" (defined) for

up to six months. Intern trainees who have completed at least eight hours of training approved by Board of Funeral Directors and Embalmers may perform specified functions. The Board may establish and collect a fee for intern trainees, and funeral establishments are required to submit to the Board a completed fingerprint card and background check fee for intern trainees.

First sponsor: Rep. Forese

H2271 Daily History	Date Action
FUNERAL ESTABLISHMENT INTERN TRAINEES 2/6	from House com with amend #4064.
FUNERAL ESTABLISHMENT INTERN TRAINEES 1/22	referred to House com.

H2272: BURIAL DUTIES; DESIGNATED PERSON

The duty of burying the body of or providing disposition arrangements for a dead person devolves secondly on the person with power of attorney only if that power of attorney specifically gives that person that authority. A person that provides for the burial or other disposition arrangements is immune from civil liability for carrying out the written directions of a decedent or directions from a person claiming to be entitled to control the disposition of the remains.

First sponsor: Rep. Forese

H2272 Daily History	Date Action
BURIAL DUTIES; DESIGNATED PERSON 2/6	from House com with amend #4065.
BURIAL DUTIES; DESIGNATED PERSON 1/23	referred to House com.

H2273: OPENING CREMATION CONTAINERS; CREMATORY EMPLOYEES

Employees of crematories are authorized to open a container containing human remains.

First sponsor: Rep. Forese

H2273 Daily History	Date Action
OPENING CREMATION CONTAINERS; CREMATORY EMPLOYEES 2/6	from House com with amend #4066.
OPENING CREMATION CONTAINERS; CREMATORY EMPLOYEES 1/22	referred to House com.

H2338: REGIONAL WATER AUGMENTATION AUTHORITIES

Adds a new chapter to article 45 (Waters) regulating regional water augmentation authorities. Two or more specified entities, one of which must be a public agency, may form a regional water augmentation authority. Establishes the processes for formation and dissolution of the authority. Powers and duties of a board of directors are specified, including to lawfully acquire or sell property, easements and rights-of-way for water supplies and projects, acquire or assign water rights, acquire and sell water, treat water, charge fees for services and water sales, issue revenue bonds, and exercise the power of eminent domain in specified circumstances. Authority boards are also authorized to apply for and receive financial assistance from the water supply development revolving trust fund. Establishes regulations for revenue bonds issued by an authority, including bond authorization, obligation for the bonds, issuance and sale of the bonds, authorized investments of bond proceeds, and payment of bonds. Appropriates \$30 million from the general fund in FY2013-14 to the water supply development revolving trust fund for the purposes of this legislation.

First sponsor: Rep. Tobin

H2338 Daily History	Date Action
REGIONAL WATER AUGMENTATION AUTHORITIES 2/12	House agri-water held.
REGIONAL WATER AUGMENTATION AUTHORITIES	1/22 referred to House agri-water, appro.

H2429: WATER PROTECTION FUND; ANNUAL FUNDING

At the beginning of each fiscal year, an amount equal to \$5 million minus the sum

of the amounts deposited in the Arizona Water Protection Fund from certain fees for the purchase or lease of Central Arizona Project water is appropriated from the general fund to the Fund. If the amounts deposited from the fees exceed \$5 million, the amount in excess is credited against the general fund appropriation in subsequent fiscal years. The appropriation cannot exceed \$5 million in any fiscal year.

First sponsor: Rep. Brophy McGee

H2429 Daily History	Date	Action
WATER PROTECTION FUND; ANNUAL FUNDING 2/12 from House agri-water do pass.		
WATER PROTECTION FUND; ANNUAL FUNDING	1/23	referred to House agri-water, appro.

H2657: TRANSACTION PRIVILEGE TAX CHANGES

Numerous changes related to transaction privilege taxes (TPT) and affiliated excise taxes. Requirements for the sourcing of transactions are established, effective January 1, 2014. Retail sales of tangible personal property must be sourced to the seller’s business location if the seller receives the order at a business location in Arizona or to the purchaser’s location in Arizona if the seller receives the order at a business location outside of Arizona. For the purposes of municipal excise taxes, the jurisdiction with the right to tax a sale of tangible personal property is the municipality where the order is received (defined), or where the stock is located from which the property is taken, or where the transfer of title or possession of the property occurred. The gross receipts from leasing or renting tangible personal property must be sourced to the lessor’s business location in Arizona or to the lessee’s address if the lessor does not have a business location in Arizona. The list of exemptions from the retail TPT classification is modified to remove sales to nonresidents for use outside the state if the vendor ships or delivers the property out of the state, and sales of property that is shipped or delivered directly to a destination outside the U.S. for use in a foreign country. Effective January 1, 2015, the prime contracting and owner builder sales transaction privilege tax classifications are eliminated and replaced with a manufactured building dealer classification. The sale of tangible personal property to a “contractor” (defined), regardless of whether it will be incorporated into a building or structure, is considered to be a retail sale and is subject to retail TPT unless otherwise exempt. Prime contracting TPT distributions to political subdivisions are deleted. Tangible personal property sold to a manufactured building dealer is only exempt from the retail TPT classification only if the property is to be incorporated or fabricated into a manufactured building. Numerous items are removed from the list of deductions from the tax base for the manufactured building dealer classification (formerly prime contracting). Once the distribution of revenues for municipal or county infrastructure improvements related to manufacturing facilities has reached the maximum amount, 40 percent of the remaining TPT revenues from the retail classification are designated as the distribution base for state shared revenues, increased from 20 percent. The Department of Revenue is required, rather than permitted, to collect and administer TPT and use taxes imposed by municipalities and to enter into intergovernmental agreements with municipalities to provide a uniform method of administration, collection, audit and licensing of TPT and affiliated excise taxes. Municipalities are prohibited from employing auditors and entering into contracts with a party other than the state for the collection, administration and processing of TPT or affiliated taxes. Municipalities are prohibited from levying a TPT or use tax on construction contracting, owner builder sales or speculative building. Municipalities are no longer prohibited from levying a TPT or use tax on sales of motor vehicles to nonresidents for use outside the state or on any amount attributable to development fees incurred in relation to construction. Effective January 1, 2014, if a county or special taxing district levies one or more excise taxes on the effective date of this legislation, and if approved by the voters at a county-wide or district-wide election, a county or district is authorized to levy an

excise tax on the storage, use or consumption in the county of tangible personal property purchased from a retailer, as a percentage of the sales price. The tax must be at a rate equal to the sum of the rates of all the excise taxes levied on the effective date. The Department of Revenue is required to collect the tax. Session law provides that this legislation does not apply to or affect the tax liability of contracts entered into before January 1, 2015 by a person engaged in business under the prime contracting classification or the construction contracting, owner builder or speculative builder classification of the model city tax code, or to the sale of tangible personal property to a contractor for incorporation into a project that was subject to a tax deduction.

First sponsor: Rep. Lesko

H2657 Daily History	Date	Action
TRANSACTION PRIVILEGE TAX CHANGES 2/12 referred to House ways-means, appro.		

S1058: WATER BANKING AUTHORITY; REPORT

The deadline for the annual report that the Arizona Water Banking Authority Commission submits to the Governor and the Legislature is moved to April 1, from July 1.

First sponsor: Sen. Shooter

S1058 Daily History	Date	Action
WATER BANKING AUTHORITY; REPORT 1/16 referred to Senate rules only.		

S1143: GOLF COURSE PESTICIDE LICENSE; FEE

For the purpose of structural pest management regulations, the definitions of "pest management" and "business of structural pest control" are modified. The maximum fee for a license or certificate for pesticide use on golf courses is set by the Department of Agriculture by rule.

First sponsor: Sen. S. Pierce

S1143 Daily History	Date	Action
GOLF COURSE PESTICIDE LICENSE; FEE 2/6 passed Senate 27-1; ready for House.		
GOLF COURSE PESTICIDE LICENSE; FEE 2/4 to Senate consent calendar. From Senate rules okay.		
GOLF COURSE PESTICIDE LICENSE; FEE 1/30 from Senate nat res-rural do pass.		
GOLF COURSE PESTICIDE LICENSE; FEE 1/24 referred to Senate nat res-rural.		

S1146: TECH CORRECTION; APPRENTICE EMBALMERS

Minor change in Title 32 (Professions and Occupations) related to apprentice embalmers. Apparent striker bus.

First sponsor: Sen. S. Pierce

S1146 Daily History	Date	Action
TECH CORRECTION; APPRENTICE EMBALMERS 2/13 from Senate nat res-rural with amend #4132. (See below)		
TECH CORRECTION; APPRENTICE EMBALMERS 2/6 further referred to Senate nat res-rural, appro.		
TECH CORRECTION; APPRENTICE EMBALMERS 1/24 referred to Senate rules only.		

S1288: ARIZONA WATER PROTECTION FUND; PROJECTS

A federal agency is no longer eligible for funding from the Arizona Water Protection Fund.

First sponsor: Sen. Griffin

S1288 Daily History	Date	Action
ARIZONA WATER PROTECTION FUND; PROJECTS 2/12 from Senate rules okay.		
ARIZONA WATER PROTECTION FUND; PROJECTS 2/6 from Senate gov-env with amend #4037.		

ARIZONA WATER PROTECTION FUND; PROJECTS	2/4	Senate gov-env amended; report awaited.
ARIZONA WATER PROTECTION FUND; PROJECTS	1/30	referred to Senate gov-env.

S1290: OFFICE OF PEST MANAGEMENT

Numerous changes to statutes regulating structural pest management. The regulation of pest management is of statewide concern and not subject to further regulation by political subdivisions. Structural pest management regulations do not apply to pesticide applications used directly in the commercial production of crops and animals or used, if not for hire, on golf courses. The list of persons except from structural pest management licensure and registration is modified. The Director of the Office of Pest Management is required to adopt rules for licensure and registration, including application and renewal fees, training requirements and financial security standards, and is authorized to enter into consent agreements and designate devices that are exempt from licensure or registration. Political subdivisions and their employees that use pesticides on property owned, leased or managed by the political subdivision are not required to be licensed. The Director is required to establish by rule a Pest Management Advisory Committee and appoint 5 members to the Committee. Session law provides for continuing fee authority for the Office. Much more.

First sponsor: Sen. Griffin

S1290 Daily History	Date	Action
OFFICE OF PEST MANAGEMENT 2/12 from Senate gov-env with amend #4115. (see attachment)		
OFFICE OF PEST MANAGEMENT	2/6	from Senate com-energy-mil do pass.
OFFICE OF PEST MANAGEMENT	1/30	referred to Senate gov-env, com-energy-mil.

S1342: APPRENTICE EMBALMERS; REMOVAL

Regulations, including required registration, for apprentice embalmers are deleted.

First sponsor: Sen. Driggs

S1342 Daily History	Date	Action
APPRENTICE EMBALMERS; REMOVAL 2/13 from Senate com-energy-mil do pass.		
APPRENTICE EMBALMERS; REMOVAL	2/4	referred to Senate com-energy-mil.

NOTE:

SB 1146 – Senate NRAA Committee adopted a strike-everything amendment dealing with the Arizona Racing Commission. At some point, if the full Senate adopts this amendment and passes the bill out of the Senate, we may withdraw this bill from AFCCA’s bill list.

See below for SB 1290 amendment adopted by Senate Government and Environment Committee.

**Fifty-first Legislature Government and Environment
First Regular Session S.B. 1290
COMMITTEE ON GOVERNMENT AND ENVIRONMENT
SENATE AMENDMENTS TO S.B. 1290
(Reference to printed bill)**

1 Page 10, line 43, strike "trust"

2 Line 44, strike "TRUST"

3 Page 11, line 1, after the period strike remainder of line

4 Strike lines 2 through 24, insert:

5 "B. Pursuant to sections 35-146 and 35-147, the **acting director shall
6 deposit ten per cent of all fees in the state general fund and deposit the
7 remaining ninety per cent in the pest management fund. All monies collected
8 from civil penalties shall be deposited, pursuant to sections 35-146 and
9 35-147, in the state general fund.**

**10 C. Monies deposited in the pest management fund are exempt from the
11 provisions of section 35-190 relating to lapsing of appropriations."**

12 Page 34, strike line 29, insert:

13 "(aa) The office of pest management."

14 Reletter to conform

15 Amend title to conform

02/12/13

9:38 AM

S: tb