## **AZ BUSINESS**

Final Legislative Update May 22, 2014

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.

As a reminder, copies of the bills and amendments can be found on the Arizona Legislative Information System "ALIS" website at <a href="www.azleg.state.az.us">www.azleg.state.az.us</a>. 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.

## **Bill Summaries**

#### **H2013: COUNTIES; FLOOD CONTROL DISTRICTS; RULES**

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

First sponsor: Rep. Ugenti

H2013 Daily History	Date Action	
COUNTIES; FLOOD CONT	OL DISTRICTS; RULES 2/27 retained on House COW calendar.	
COUNTIES; FLOOD CONT	OL DISTRICTS; RULES 2/21 stricken from House consent calendar by Quezada.	
COUNTIES; FLOOD CONT	OL DISTRICTS; RULES 2/19 from House <u>rules</u> okay.	
COUNTIES; FLOOD CONT	OL DISTRICTS; RULES 2/18 to House consent calendar.	
COUNTIES; FLOOD CONT	OL DISTRICTS; RULES 2/12 from House gov do pass.	
COUNTIES; FLOOD CONT	OL DISTRICTS; RULES 1/14 referred to House gov.	

## **H2024: AGGRESSIVE SOLICITATION; OFFENSE**

A person would have been prohibited from soliciting money or the sale of goods or services within 15 feet of a bank entrance or ATM, in any public transportation vehicle or within 10 feet of a bus stop, or in various situations involving making physical contact with or obstructing the passage of the person being solicited, or in a manner that is likely to cause a reasonable person to fear imminent bodily harm. Violations would have been a class 1 (highest) misdemeanor. Being present in a public place to beg would have been removed from the acts constituting loitering, a class 3 (mid-level) misdemeanor. AS VETOED BY GOVERNOR. Her veto message stated that it is unclear what statewide concern this legislation intends to address and that political subdivisions are in a better position to

address this issue as it applies to their local community.

First sponsor: Rep. Kavanagh

```
H2024 Daily History

AGGRESSIVE SOLICITATION; OFFENSE 4/17 VETOED.

AGGRESSIVE SOLICITATION; OFFENSE 4/15

AGGRESSIVE SOLICITATION; OFFENSE 4/3

AGGRESSIVE SOLICITATION; OFFENSE 4/3

AGGRESSIVE SOLICITATION; OFFENSE 4/3

AGGRESSIVE SOLICITATION; OFFENSE 4/2

AGGRESSIVE SOLICITATION; OFFENSE 4/2

AGGRESSIVE SOLICITATION; OFFENSE 3/18

AGGRESSIVE SOLICITATION; OFFENSE 3/10

AGGRESSIVE SOLICITATION; OFFENSE 3/5

AGGRESSIVE SOLICITATION; OFFENSE 3/5

AGGRESSIVE SOLICITATION; OFFENSE 3/5

AGGRESSIVE SOLICITATION; OFFENSE 3/3

AGGRESSIVE SOLICITATION; OFFENSE 2/27

From House COW approved with floor amend #4472.

AGGRESSIVE SOLICITATION; OFFENSE 2/27

From House rules okay.

AGGRESSIVE SOLICITATION; OFFENSE 2/20

AGGRESSIVE SOLICITATION; OFFENSE 2/20

From House jud do pass.

referred to House jud.
```

## **H2046**: DISASTER RECOVERY; BUSINESSES; TAX; REGULATION

Out-of-state businesses, partnerships, corporations and employees that are in Arizona on a temporary basis solely to perform disaster recovery from a "declared disaster" (defined) during the period within 60 calendar days after the declared disaster are not subject to any state or local registration, licensing or certification requirements and are not required to file, withhold or pay state or local income, use or property taxes. Employers are prohibited from withholding tax on the wages of nonresident employees who are in Arizona on a temporary basis solely to perform disaster recovery from a declared disaster during the period within 60 calendar days after the declared disaster. Such income received while a nonresident is not considered income from sources within Arizona for tax purposes. Effective January 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Lesko

```
H2046 Daily History
                                                     Date Action
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 4/16 signed by governor. Chap. 43, Laws 2014.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 4/15 passed Senate 30-0; ready for governor.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 4/3 from Senate <u>rules</u> okay. DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 4/2 to Senate consent calendar.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 3/18 from Senate gov-env do pass.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 3/13 from Senate fin do pass.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 3/3 referred to Senate fin, gov-env.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 2/27 House COW approved with floor amend #4391. Passed
                                                           House 58-0; ready for Senate.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 2/19 from House rules okay.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 2/18 to House consent calendar. Stricken from House
                                                           consent calendar by Lesko.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 1/27 from House ways-means do pass.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 1/23 House ways-means do pass; report awaited.
DISASTER RECOVERY; BUSINESSES; TAX; REGULATION 1/22 referred to House ways-means.
```

## **H2094**: WORKERS' COMP; CLAIM ASSIGNMENT (TECH CORRECTION; ARBOR DAY)

If an employee who is entitled to workers' compensation does not institute an action within one year after the cause of action accrues or fails to fully prosecute the claim and the action is dismissed, the claim against the other person is deemed assigned to the insurance carrier or self-insured employer. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Brophy McGee

H2094 Daily History	Date Action			
WORKERS' COMP; CLAIM ASSIGNMENT	4/15 signed by governor. Chap. 26, Laws 2014.			
WORKERS' COMP; CLAIM ASSIGNMENT	4/9 passed Senate <u>17-13</u> ; ready for governor.			
WORKERS' COMP; CLAIM ASSIGNMENT	3/17 Senate COW approved.			
WORKERS' COMP; CLAIM ASSIGNMENT	3/11 stricken from Senate consent calendar by Pancrazi. From Senate rules okay.			

WORKERS' COMP; CLAIM ASSIGNMENT	3/10	to Senate consent calendar.
WORKERS' COMP; CLAIM ASSIGNMENT	3/6	from Senate <u>com-energy-mil</u> do pass.
WORKERS' COMP; CLAIM ASSIGNMENT	3/5	Senate <u>com-energy-mil</u> do pass; report awaited.
WORKERS' COMP; CLAIM ASSIGNMENT	3/3	referred to Senate <u>com-energy-mil</u> .
WORKERS' COMP; CLAIM ASSIGNMENT	2/27	House COW approved with amend #4224. NOTE SHORT TITLE
		CHANGE. Passed House <u>33-22</u> ; ready for Senate.
TECH CORRECTION; ARBOR DAY	2/24	from House <u>rules</u> okay.
TECH CORRECTION; ARBOR DAY	2/19	from House ins-ret with amend #4224.
TECH CORRECTION; ARBOR DAY	2/12	referred to House <u>ins-ret</u> .

#### **H2100: ADDRESS CONFIDENTIALITY PROGRAM**

Participants in the Address Confidentiality Program are added to the list of persons who may request that the general public be prohibited from accessing the person's address and telephone number contained in records maintained by the county recorder, county assessor and county treasurer, including voter registration information. Program participants must attach a copy of his/her current and valid Program authorization card and a statement of certification provided by the Secretary of State's office when making the request. Increases the length of time a certification for the Program is valid to five years, from four years. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Brophy McGee

H2100 Daily History Date	Action
ADDRESS CONFIDENTIALITY PROGRAM 4/22	signed by governor. Chap. 130, Laws 2014.
ADDRESS CONFIDENTIALITY PROGRAM 4/17	passed Senate <u>27-0</u> ; ready for governor.
ADDRESS CONFIDENTIALITY PROGRAM 4/15	Senate COW approved.
ADDRESS CONFIDENTIALITY PROGRAM 4/14	from Senate <u>rules</u> okay.
ADDRESS CONFIDENTIALITY PROGRAM 3/18	from Senate <u>gov-env</u> do pass.
ADDRESS CONFIDENTIALITY PROGRAM 3/3	referred to Senate <u>gov-env</u> .
ADDRESS CONFIDENTIALITY PROGRAM 2/27	House COW approved with amend $\frac{\#4054}{}$ . Passed House $\underline{55-0}$ ; ready for Senate.
ADDRESS CONFIDENTIALITY PROGRAM 2/19	from House <u>rules</u> okay.
ADDRESS CONFIDENTIALITY PROGRAM 2/5	from House gov with amend #4054.
ADDRESS CONFIDENTIALITY PROGRAM 1/22	referred to House <u>gov</u> .

## **H2111: COMMERCIAL DRIVER LICENSES**

Instruction permit holders for commercial driver licenses may be accompanied by a person with the same or higher class of license issued by any other qualifying state, instead of only issued by Arizona. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Fann

```
H2111 Daily History Date Action

COMMERCIAL DRIVER LICENSES 4/16 signed by governor. Chap. 46, Laws 2014.

COMMERCIAL DRIVER LICENSES 4/16 passed Senate 29-0; ready for governor.

COMMERCIAL DRIVER LICENSES 3/11 from Senate rules okay.

COMMERCIAL DRIVER LICENSES 3/10 to Senate consent calendar.

COMMERCIAL DRIVER LICENSES 3/5 from Senate trans do pass.

COMMERCIAL DRIVER LICENSES 2/25 referred to Senate trans.

COMMERCIAL DRIVER LICENSES 2/24 passed House 59-0; ready for Senate.

COMMERCIAL DRIVER LICENSES 2/17 to House consent calendar. From House rules okay.

COMMERCIAL DRIVER LICENSES 2/6 from House trans do pass.

COMMERCIAL DRIVER LICENSES 1/23 House trans held.

COMMERCIAL DRIVER LICENSES 1/22 referred to House trans.
```

## **H2139**: EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY (TECH CORRECTION; PETROLEUM PRODUCT STORAGE)

For the purpose of empowerment scholarship accounts (ESA), the definition of "qualified student" is expanded to include children who are the sibling of a current or previous ESA recipient. The list of qualifications that ESA recipients must meet at least one of is expanded to include that the child has not previously attended a governmental primary or secondary school but is currently eligible to enroll in a

## program for preschool children with disabilities. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Petersen

H2139 Daily History	Date	Action
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	4/23	signed by governor. Chap. 199, Laws 2014.
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	4/17	passed Senate <u>16-12</u> ; ready for governor.
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	4/15	Senate COW approved; amend 4798 and the <u>rules</u> tech amendment were withdrawn.
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	4/3	from Senate <u>rules</u> with a technical amendment.
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	3/24	from Senate <u>educ</u> with amend <u>#4798</u> .
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	3/20	Senate <u>educ</u> amended; report awaited.
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	3/17	passed House <u>35-22</u> ; ready for Senate. Referred to <u>Senate educ</u> .
EMPOWERMENT SCHOLARSHIP ACCOUNTS; INCREASED ELIGIBILITY	<b>(</b> 3/17	House COW approved with amend #4377. NOTE SHORT TITLE CHANGE.
TECH CORRECTION; PETROLEUM PRODUCT STORAGE	3/13	from House <u>rules</u> okay.
TECH CORRECTION; PETROLEUM PRODUCT STORAGE	2/27	from House appro with amend #4377.
TECH CORRECTION; PETROLEUM PRODUCT STORAGE	2/26	referred to House <u>appro</u> .

## **H2221: WORKERS' COMP; CONTROLLED SUBSTANCES**

Modifies requirements for the use of a narcotic or opium-based controlled substance for injuries covered by workers' compensation, including requiring the medication to demonstrate "clinically meaningful improvement in function" (defined). Requires physicians to report various results and steps of prescription use and monitoring to the carrier, self-insured employer or Industrial Commission. Specifies procedures for noncompliance by a physician. A workers' compensation insurance carrier, self-insured employer or claims processing representative is not responsible for payment of any workers' compensation benefits unless the billings are received and any court action for the payment of the billings is commenced within 24 months from the date the service was rendered. Previously, a court action for the payment was not considered. A subsequent billing or corrective billing does not restart the limitations period. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Fann

```
H2221 Daily History
                                        Date Action
WORKERS' COMP; CONTROLLED SUBSTANCES 4/16 signed by governor. Chap. 52, Laws 2014.
WORKERS' COMP; CONTROLLED SUBSTANCES 4/15 House concurred in Senate amendments and passed on final
                                             reading 60-0; ready for governor.
WORKERS' COMP; CONTROLLED SUBSTANCES 4/8
                                             passed Senate 27-0; ready for House action on Senate
                                             amendments.
WORKERS' COMP; CONTROLLED SUBSTANCES 4/8 Senate COW approved with amend #4521.
WORKERS' COMP; CONTROLLED SUBSTANCES 3/17 from Senate rules okay.
WORKERS' COMP; CONTROLLED SUBSTANCES 3/6 from Senate com-energy-mil with amend #4521.
WORKERS' COMP; CONTROLLED SUBSTANCES 3/5 Senate com-energy-mil amended; report awaited.
WORKERS' COMP; CONTROLLED SUBSTANCES 2/25 referred to Senate com-energy-mil.
WORKERS' COMP; CONTROLLED SUBSTANCES 2/24 passed House 59-0; ready for Senate.
WORKERS' COMP; CONTROLLED SUBSTANCES 2/20 House COW approved with floor amend #4285, a substitute for
                                             amend 4059.
WORKERS' COMP; CONTROLLED SUBSTANCES 2/17 from House rules okay.
WORKERS' COMP; CONTROLLED SUBSTANCES 2/5 from House ins-ret with amend #4059.
WORKERS' COMP; CONTROLLED SUBSTANCES 1/22 referred to House ins-ret.
```

## **H2262**: TRANSPORTATION NETWORK SERVICES (<del>CORPORATIONS; PURPOSES;</del> <del>DIRECTORS & OFFICERS</del>)

Would have established regulations for "transportation networks" (defined), including requirements to file with the Corporation Commission or Secretary of State, annually conduct safety inspections of motor vehicles, maintain a commercial liability insurance policy with specified minimum coverage and provide proof of the coverage to the Department of Weights and Measures, and conduct criminal background checks and driver license record checks on each potential transportation network operator. Transportation networks would have been authorized to offer transportation network trips at no charge, suggest a donation or charge a fare. Transportation network operators would have been prohibited from soliciting or accepting street hails. Requirements for transportation network operators would have been established. Violations of these requirements would have been subject to a civil penalty of up to \$1,000 for each violation, not to exceed \$10,000 for any 30-day period. Transportation network vehicles and transportation networks would not have been subject to further regulation by counties and municipalities. AS VETOED BY GOVERNOR. Her veto message stated that consumer safety must not be sacrificed for the sake of innovation, and that the bill created gaps in insurance coverage that resulted in financial risks for transportation network drivers, passengers and other motorists.

First sponsor: Rep. Forese

H2262 Daily History	Date Action
TRANSPORTATION NETWORK SERVICES	4/24 VETOED.
TRANSPORTATION NETWORK SERVICES	4/23 House concurred in Senate amendments and passed on final reading 31-22; ready for governor.
TRANSPORTATION NETWORK SERVICES	4/22 passed Senate <u>20-8</u> ; ready for House action on Senate amendments.
TRANSPORTATION NETWORK SERVICES	4/22 Senate COW approved with amend #4748 and floor amend #5095. NOTE SHORT TITLE CHANGE.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 4/21 retained on Senate COW calendar.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 4/15 retained on Senate COW calendar.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 4/8 from Senate <u>rules</u> okay.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 3/20 from Senate com-energy-mil with amend #4748.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 3/19 Senate com-energy-mil amended; report awaited.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 3/3 referred to Senate com-energy-mil.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 2/25 passed House 57-1; ready for Senate.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 2/24 House COW approved with floor amend #4320.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICER:	S 2/18 to House consent calendar. Stricken from House consent calendar by Forese.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 2/17 from House <u>rules</u> okay.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 2/5 from House <u>com</u> do pass.
CORPORATIONS; PURPOSES; DIRECTORS & OFFICERS	S 1/28 referred to House com.

## **H2272**: TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT

The termination date of the tax credit for investment in qualified small businesses is extended five years, from December 31, 2019 to December 31, 2024, and the date after which the Arizona Commerce Authority cannot authorize additional tax credits is also extended five years, to June 30, 2021. The maximum total of all qualified investments in any calendar year by a qualified investor for the purpose of the credit is increased to \$500,000, from \$250,000. Retroactive to January 1, 2014, for the purpose of new employment tax credits, if a full-time employee in the qualified employment position leaves during the taxable year, the employee may be replaced with another new full-time employee in the same employment position and the new employee will be treated as being in their second or third full year of continuous employment for the purpose of the credit if the new employee meets all of the same requirements and the total time the position was vacant totals 90 days or less. Beginning in tax year 2015, taxpayers are required to obtain certification from the Arizona Commerce Authority before applying to the

Department of Revenue for certification of additional income tax credits for increased research activities involving basic research payments to a university. The process and requirements for obtaining certification from the Authority are specified. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Forese

```
H2272 Daily History
                                               Date Action
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 4/23 signed by governor. Chap. 168, Laws 2014.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 4/22 House concurred in Senate amendments and passed on
                                                    final reading 38-21; ready for govenor.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 4/22 passed Senate 24-4; ready for House action on Senate
                                                    amendments.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 4/16 Senate COW approved with floor amend #5010.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 4/14 from Senate rules okay.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/26 from Senate appro do pass.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/20 from Senate com-energy-mil do pass.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/19 Senate com-energy-mil do pass; report awaited.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/17 passed House 42-14; ready for Senate. Referred to
                                                     Senate com-energy-mil, appro.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/17 House COW approved with floor amend #4703, a
                                                    substitute for amend 4184.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/5
                                                    retained on House COW calendar.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 3/3
                                                    retained on House COW calendar.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 2/27 from House rules okay.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 2/18 from House ways-means with amend #4184.
TAX CREDITS; CAPITAL INVESTMENTS; EMPLOYMENT 1/22 referred to House ways-means.
```

#### **H2283: PROPERTY TAXES; POSTMARK; FILING BY MAIL**

Any report, claim, tax return, payment or other material dealing with taxation, other than petitions or notices of appeal, that is required to be filed with the state or any agency or political subdivision and that is deposited with prepaid postage in an official depository of the U.S. mail but does not contain a postmark or other official mark of the U.S. mail must be considered timely if performed by the taxpayer within five business days after the due date of the filing. Effective January 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Lesko

```
H2283 Daily History

PROPERTY TAXES; POSTMARK; FILING BY MAIL 4/22 signed by governor. Chap. 139, Laws 2014.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 4/17 passed Senate 28-0; ready for governor.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 4/3 from Senate rules okay.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 4/2 to Senate consent calendar.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 3/20 from Senate fin do pass.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 3/19 Senate fin do pass; report awaited.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 3/10 referred to Senate fin.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 3/3 passed House 58-0; ready for Senate.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 3/3 from House cow approved with amend #4185.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 2/18 from House ways-means with amend #4185.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 2/10 House ways-means held.

PROPERTY TAXES; POSTMARK; FILING BY MAIL 1/22 referred to House ways-means.
```

#### **H2288: SALES TAX; REDUCED REPORTING REQUIREMENTS**

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

First sponsor: Rep. Lesko

```
H2288 Daily History
                                            Date Action
SALES TAX; REDUCED REPORTING REQUIREMENTS 4/22 signed by governor. Chap. 141, Laws 2014.
SALES TAX; REDUCED REPORTING REQUIREMENTS 4/16 House concurred in Senate amendments and passed on
                                                  final reading 57-0; ready for governor.
SALES TAX; REDUCED REPORTING REQUIREMENTS 4/15 passed Senate 29-0; ready for House action on Senate
                                                  amendments.
SALES TAX; REDUCED REPORTING REQUIREMENTS 4/10 Senate COW approved with the rules tech amendment.
SALES TAX; REDUCED REPORTING REQUIREMENTS 4/3
                                                  from Senate rules with a technical amendment.
SALES TAX; REDUCED REPORTING REQUIREMENTS 3/20 from Senate fin do pass.
SALES TAX; REDUCED REPORTING REQUIREMENTS 3/19 Senate fin do pass; report awaited.
SALES TAX; REDUCED REPORTING REQUIREMENTS 2/26 referred to Senate fin.
SALES TAX; REDUCED REPORTING REQUIREMENTS 2/25 passed House 58-0; ready for Senate.
SALES TAX; REDUCED REPORTING REQUIREMENTS 2/24 House COW approved.
SALES TAX; REDUCED REPORTING REQUIREMENTS 2/19 stricken from House consent calendar by Lesko.
SALES TAX; REDUCED REPORTING REQUIREMENTS 2/17 to House consent calendar. From House rules okay.
SALES TAX; REDUCED REPORTING REQUIREMENTS 1/28 from House ways-means do pass.
SALES TAX; REDUCED REPORTING REQUIREMENTS 1/27 House ways-means do pass; report awaited.
SALES TAX; REDUCED REPORTING REQUIREMENTS 1/22 referred to House ways-means.
```

## **H2306: FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS**

The Department of Public Safety is required, instead of permitted, to conduct periodic state criminal history records checks, and is permitted to conduct periodic federal criminal history records checks when authorized by federal law, for the purpose of updating fingerprint clearance cards. The list of offenses that preclude a person from receiving a fingerprint clearance card is expanded to include trafficking of persons for forced labor or services. AS SIGNED BY GOVERNOR.

First sponsor: Rep. J. Pierce

```
H2306 Daily History
                                                Date Action
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 4/16 signed by governor. Chap. 56, Laws 2014.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 4/15 House concurred in Senate amendments and passed on
                                                     final reading 60-0; ready for governor.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 4/8
                                                     passed Senate 27-0; ready for House action on Senate
                                                     amendments.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 4/2
                                                     Senate COW approved with floor amend #4879.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 3/11 stricken from Senate consent calendar by Crandell,
                                                     Shooter. From Senate <u>rules</u> okay.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 3/10 to Senate consent calendar.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/27 from Senate pub safety do pass.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/19 referred to Senate pub safety.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/18 passed House 60-0; ready for Senate.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/13 House COW approved with floor amend #4151.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/6 stricken from House consent calendar by J Pierce.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/4
                                                     from House rules okay.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 2/3 to House consent calendar.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 1/29 from House pub-mil-reg do pass.
FINGERPRINT CLEARANCE CARDS; PERIODIC CHECKS 1/22 referred to House pub-mil-reg.
```

#### **H2321: PROCUREMENT CODE OMNIBUS**

Various changes to the Arizona Procurement Code, including exempting the Department of Gaming for problem gambling treatment services contracts with licensed behavioral health professionals, and exempting contracts for credit reporting services. State employees who have a "significant procurement role" (defined) are prohibited from accepting a position with or having employment discussions with the successful offeror and their lobbyists during a period beginning on signature of the first nondisclosure agreement for a solicitation or at the time of request for a procurement and ending one year after the purchased materials are delivered or the purchase of services or construction begins. The Director of the Department of Administration is authorized to waive any or all of the waiting period in excess of 24 months. Beginning October 1, 2014, if an

agency uses a qualified vendor list of persons or entities that are eligible to be selected to design, develop, implement or construct any form of project associated with the list, any procurement officer who evaluated or approved the vendor list or any employee having a significant procurement role in developing the vendor list is prohibited from accepting an offer of employment from or having employment discussions with a vendor on the list within one year after the initial publication of the list or with a newly added vendor within one year after the vendor is added to the original list. These prohibitions do not apply to procurement officers or employees who in good faith rely on a determination issued by the Director that s/he has not had a significant procurement role. AS SIGNED BY GOVERNOR.

First sponsor: Rep. J. Pierce

```
H2321 Daily History
                           Date Action
PROCUREMENT CODE OMNIBUS 4/22 signed by governor. Chap. 145, Laws 2014.
PROCUREMENT CODE OMNIBUS 4/17 House concurred in Senate amendments and passed on final reading 57-0;
                                 ready for governor.
PROCUREMENT CODE OMNIBUS 4/16 passed Senate 28-0; ready for House action on Senate amendments.
PROCUREMENT CODE OMNIBUS 4/15 Senate COW approved with floor amend #4937.
PROCUREMENT CODE OMNIBUS 4/3 from Senate rules okay.
PROCUREMENT CODE OMNIBUS 4/2 stricken from Senate consent calendar by Driggs.
PROCUREMENT CODE OMNIBUS 4/2 to Senate consent calendar.
PROCUREMENT CODE OMNIBUS 3/24 from Senate gov-env do pass.
PROCUREMENT CODE OMNIBUS 3/21 Senate gov-env do pass; report awaited.
PROCUREMENT CODE OMNIBUS 3/11 referred to Senate gov-env.
PROCUREMENT CODE OMNIBUS 3/10 passed House 57-0; ready for Senate.
PROCUREMENT CODE OMNIBUS 3/5 House COW approved with amend #4056.
PROCUREMENT CODE OMNIBUS 2/17 from House rules okay.
PROCUREMENT CODE OMNIBUS 2/5 from House gov with amend #4056.
PROCUREMENT CODE OMNIBUS 2/4 House gov amended; report awaited.
PROCUREMENT CODE OMNIBUS 1/28 referred to House gov.
```

## **H2328**: STOS; GRANTS; CORPORATE TAX CREDIT

Removes the requirements for qualified students for whom a school tuition organization must use contributions to provide educational scholarships or tuition grants to attend specified schools or be the dependent of a member of the U.S. armed forces stationed in Arizona. Requirements for qualified students who have been placed in foster care at any time before high school graduation or have a disability remain in place. Retroactive to July 1, 2014. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Livingston

```
H2328 Daily History
                                     Date Action
STOS; GRANTS; CORPORATE TAX CREDIT 5/5 signed by governor. Chap. 278, Laws 2014.
STOS; GRANTS; CORPORATE TAX CREDIT 4/23 House concurred in Senate amendments and passed on final reading
                                          35-19; ready for governor.
STOS; GRANTS; CORPORATE TAX CREDIT 4/22 passed Senate 16-12; ready for House action on Senate amendments.
STOS; GRANTS; CORPORATE TAX CREDIT 4/17 Senate COW approved with amend #4807 and floor amend #5048.
STOS; GRANTS; CORPORATE TAX CREDIT 4/16 retained on Senate COW calendar.
STOS; GRANTS; CORPORATE TAX CREDIT 4/3 from Senate rules okay.
STOS; GRANTS; CORPORATE TAX CREDIT 3/24 from Senate educ with amend #4807.
STOS; GRANTS; CORPORATE TAX CREDIT 3/20 Senate educ amended; report awaited.
STOS; GRANTS; CORPORATE TAX CREDIT 3/10 referred to Senate educ.
STOS; GRANTS; CORPORATE TAX CREDIT 3/6 House COW approved with amend #4010. Passed House 35-23; ready
                                         for Senate.
STOS; GRANTS; CORPORATE TAX CREDIT 3/4 from House rules okay.
STOS; GRANTS; CORPORATE TAX CREDIT 1/27 from House ways-means with amend #4010.
STOS; GRANTS; CORPORATE TAX CREDIT 1/23 House ways-means amended; report awaited.
STOS; GRANTS; CORPORATE TAX CREDIT 1/22 referred to House ways-means.
```

#### **<u>H2377</u>**: INCOME TAX BRACKETS; INFLATION INDEX

For tax year 2015, the Department of Revenue is required to adjust the income dollar amounts for each individual income tax rate bracket by the average annual

change in the metropolitan Phoenix consumer price index. The revised dollar amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior tax year. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Olson

```
H2377 Daily History

INCOME TAX BRACKETS; INFLATION INDEX 4/11 signed by governor. Chap. 10, Laws 2014.

INCOME TAX BRACKETS; INFLATION INDEX 4/1
INCOME TAX BRACKETS; INFLATION INDEX 3/24
INCOME TAX BRACKETS; INFLATION INDEX 3/20
INCOME TAX BRACKETS; INFLATION INDEX 3/20
INCOME TAX BRACKETS; INFLATION INDEX 3/19
INCOME TAX BRACKETS; INFLATION INDEX 3/5
INCOME TAX BRACKETS; INFLATION INDEX 3/4
INCOME TAX BRACKETS; INFLATION INDEX 3/4
INCOME TAX BRACKETS; INFLATION INDEX 2/27
INCOME TAX BRACKETS; INFLATION INDEX 2/27
INCOME TAX BRACKETS; INFLATION INDEX 2/24
INCOME TAX BRACKETS; INFLATION INDEX 2/24
INCOME TAX BRACKETS; INFLATION INDEX 1/27
INCOME TAX BRACKETS; INFLATION INDEX 1/27
INCOME TAX BRACKETS; INFLATION INDEX 1/23
INCOME TAX BRACKETS; INFLATION INDEX 1/23
INCOME TAX BRACKETS; INFLATION INDEX 1/22
INCOME TAX BR
```

## **H2378**: MUNICIPAL TAXES & FEES; PROHIBITION

Except for a municipality that has, before December 31, 2013, adopted an ordinance requiring property owners to obtain fire prevention and control services and except as specifically provided in statute, municipalities are prohibited from levying or assessing a municipality-wide tax or fee against property owners based on the size or value of the owner's real property or improvements for any public service provided by the municipality. Retroactive to January 1, 2014. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Olson

```
H2378 Daily History

MUNICIPAL TAXES & FEES; PROHIBITION 4/23 signed by governor. Chap. 169, Laws 2014.

MUNICIPAL TAXES & FEES; PROHIBITION 4/22 passed Senate 25-3; ready for governor.

MUNICIPAL TAXES & FEES; PROHIBITION 4/16 Senate COW approved.

MUNICIPAL TAXES & FEES; PROHIBITION 4/7 stricken from Senate consent calendar by McComish.

MUNICIPAL TAXES & FEES; PROHIBITION 3/20 from Senate fin do pass.

MUNICIPAL TAXES & FEES; PROHIBITION 3/19 Senate fin do pass; report awaited.

MUNICIPAL TAXES & FEES; PROHIBITION 3/19 Senate fin.

MUNICIPAL TAXES & FEES; PROHIBITION 3/4 passed House 55-0; ready for Senate.

MUNICIPAL TAXES & FEES; PROHIBITION 2/27 House COW approved with amend #4017.

MUNICIPAL TAXES & FEES; PROHIBITION 2/19 from House rules okay.

MUNICIPAL TAXES & FEES; PROHIBITION 1/29 from House gov with amend #4017.

MUNICIPAL TAXES & FEES; PROHIBITION 1/28 House gov amended; report awaited.

MUNICIPAL TAXES & FEES; PROHIBITION 1/22 referred to House gov.
```

## **<u>H2389</u>**: TRANSACTION PRIVILEGE TAX CHANGES (<del>TECH CORRECTION; TPT</del>)

A person desiring to engage or continue in business within a municipality that imposes a municipal privilege tax is required to apply to the Department of Revenue for an annual municipal privilege tax license, accompanied by a fee of up to \$50. The Dept is required to hold the fees in trust for the municipality and is prohibited from using the monies for any other purpose. The person may not engage or continue in business until obtaining the license, which is valid only for the calendar year in which it is issued. The renewal fee is due and payable on January 1 and is considered delinquent if not received by the last business day of January. Beginning January 1, 2015, if a taxpayer continues in business without timely renewing a municipal privilege tax license, a civil penalty of up to \$25 must be added to the renewal fee for each jurisdiction. A person engaged in business in two or more locations or under two or more business names is required to procure a municipal privilege tax license for each location or business name regardless of whether all locations or business names are reported on a consolidated return. A person who files a consolidated return is required to pay

only a single municipal privilege tax renewal fee for each local jurisdiction. Session law requires the Dept to mail a single license renewal notice for state and municipal tax licenses to existing license holders beginning October 1, 2014. The Dept is authorized to enter into an agreement with municipalities that did not have an intergovernmental contract or agreement in effect as of January 1, 2013 with the Dept to provide for a unified or coordinated licensing, collection and auditing program for those municipalities to contribute to the payment of the electronic system for transaction privilege and affiliated excise taxes through money or resources. Repeals the Municipal Tax Hearing Office, effective upon issuance of the final decision promulgated by the Office. Also, the list of deductions from the tax base for the restaurant classification of transaction privilege taxes, the list of items exempt from use taxes and the list of items that municipalities are prohibited from levying a transaction privilege or other similar tax on are expanded to include sales of food and drink at low or reduced prices to eligible elderly, disabled or homeless persons by a restaurant that contracts with the Department of Economic Security and that is approved by the U.S. Department of Agriculture if the purchases are made with the benefits issued under the supplemental nutrition assistance program. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Lesko

H2389 Daily History	Dato	Action
· · ·		
TRANSACTION PRIVILEGE TAX CHANGES		Signed by governor. Chap. 263, Laws 2014.
TRANSACTION PRIVILEGE TAX CHANGES	4/23	House adopted conference report #5108 and passed on final reading 53-0. Passed Senate on final reading 26-0; ready for governor.
TRANSACTION PRIVILEGE TAX CHANGES	4/23	Senate adopted conference report $\#5108$ . Awaits House adoption and final vote in both houses.
TRANSACTION PRIVILEGE TAX CHANGES	4/22	House refused to concur in Senate amendments and named Lesko, Escamilla and Mesnard to a FREE Conference Committee. Senate named Yarbrough, Worsley and Meza.
TRANSACTION PRIVILEGE TAX CHANGES	4/16	passed Senate <u>29-0</u> ; ready for House action on Senate amendments.
TRANSACTION PRIVILEGE TAX CHANGES	4/15	Senate COW approved with amend $\frac{\#4781}{4939}$ and floor amend $\frac{\#4939}{4939}$ .
TRANSACTION PRIVILEGE TAX CHANGES	4/3	from Senate <u>rules</u> okay.
TRANSACTION PRIVILEGE TAX CHANGES	3/20	from Senate fin with amend #4781.
TRANSACTION PRIVILEGE TAX CHANGES	3/19	Senate <u>fin</u> amended; report awaited.
TRANSACTION PRIVILEGE TAX CHANGES	3/11	referred to Senate fin.
TRANSACTION PRIVILEGE TAX CHANGES	<b>5</b> 3/10	House COW approved with amend #4188 and floor amend #4632. NOTE SHORT TITLE CHAGNE. Passed House <u>56-1</u> ; ready for Senate.
TECH CORRECTION; TPT	3/6	retained on House COW calendar.
TECH CORRECTION; TPT	3/4	from House <u>rules</u> okay.
TECH CORRECTION; TPT	2/18	from House <u>ways-means</u> with amend <u>#4188</u> .
TECH CORRECTION; TPT	2/11	referred to House <u>ways-means</u> .

# **<u>H2394</u>**: SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION (WORKERS' COMP; DEVIATION RATE)

For the purpose of calculating any workers' compensation tax or assessment to be paid by an authorized self-insured employer, including a workers' compensation pool, the deviation rate is set at 10 percent through 2020, instead of through 2015. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Lesko

H2394 Daily History	Date Action
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	4/15 signed by governor. Chap. 35, Laws 2014.
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	4/9 passed Senate 30-0; ready for governor.
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	3/11 from Senate <u>rules</u> okay.
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	3/10 to Senate consent calendar.
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	3/6 from Senate fin do pass.
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	2/25 referred to Senate fin.
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION	2/24 passed House <u>59-0</u> ; ready for Senate.

```
SELF-INSURED EMPLOYEES; DEVIATION; CONTINUATION 2/20 House COW approved with amend #4122.

NOTE SHORT TITLE CHANGE.

WORKERS' COMP; DEVIATION RATE 2/17 from House rules okay.

WORKERS' COMP; DEVIATION RATE 2/12 from House ins-ret with amend #4122.

WORKERS' COMP; DEVIATION RATE 2/11 House ins-ret do pass; report awaited.

WORKERS' COMP; DEVIATION RATE 1/22 referred to House ins-ret.
```

## **H2442: AIR QUALITY; BEGIN ACTUAL CONSTRUCTION**

For the purpose of air quality regulations, the definition of "begin actual construction" is modified. Deletes the conditional enactment of 2010 amendments to certain air quality regulations, retroactive to October 1, 2013. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Gowan

```
H2442 Daily History

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 4/30 signed by governor. Chap. 267, Laws 2014.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 4/22 passed Senate 22-6; ready for governor.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 4/16 Senate COW approved.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 4/10 from Senate rules okay.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 3/24 from Senate gov-env do pass.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 3/21 Senate gov-env do pass; report awaited.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 3/10 passed House 45-10; ready for Senate.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 2/27 House COW approved with amend #4041.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 2/19 from House rules okay.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 2/3 from House energy-env with amend #4041.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 2/3 House energy-env amended; report awaited.

AIR QUALITY; BEGIN ACTUAL CONSTRUCTION 2/3 referred to House energy-env.
```

## **H2465**: ONLINE TPT; INCOME TAX REDUCTION

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

First sponsor: Rep. Mesnard

```
H2465 Daily History Date Action
ONLINE TPT; INCOME TAX REDUCTION 3/11 FAILED to pass House on reconsideration 29-29.
ONLINE TPT; INCOME TAX REDUCTION 3/6 House voted to reconsider 3/5 failure to pass bill. Second vote scheduled for 3/11.
ONLINE TPT; INCOME TAX REDUCTION 3/5 FAILED to pass House 27-31.
ONLINE TPT; INCOME TAX REDUCTION 3/3 House COW approved with floor amend #4473.
ONLINE TPT; INCOME TAX REDUCTION 2/27 from House rules okay.
ONLINE TPT; INCOME TAX REDUCTION 2/4 from House ways-means do pass.
ONLINE TPT; INCOME TAX REDUCTION 1/29 referred to House ways-means.
```

## **H2508: INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE**

Adds a new article to Title 20 (Insurance) regulating insurance "navigators" and "certified application counselors" (both defined). Applies to a person who acts or claims to be a navigator or certified application counselor beginning October 1, 2014. Some exceptions. Establishes requirements for licensure and authorizes the Department of Insurance to examine and investigate the business affairs and records of any navigator or certified application counselor for enforcement purposes. Various existing insurance regulations apply to navigators and certified

application counselors. Conditionally repealed on federal law relating to health benefit exchanges being declared unconstitutional by the U.S. Supreme Court or being repealed by the U.S. Congress by January 1, 2024. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Lovas

```
H2508 Daily History
                                                          Date Action
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 4/22 signed by governor. Chap. 153, Laws
                                                                2014.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 4/16 House concurred in Senate amendments and
                                                                passed on final reading 36-21. House voted
                                                                to reconsider and passed on final reading
                                                                36-21; ready for governor.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 4/16 passed Senate 19-10; ready for House
                                                                action on Senate amendments.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 4/15 Senate COW approved with floor amend
                                                                #4949.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 4/7
                                                                stricken from Senate consent calendar by
                                                                McComish.
INSURANCE: NAVIGATOR: APPLICATION COUNSELOR: LICENSURE 4/3
                                                               from Senate rules okay. To Senate consent
                                                                calendar.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 3/20 from Senate hel-hu ser do pass.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 3/19 Senate hel-hu ser do pass; report awaited.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 3/10 referred to Senate hel-hu ser.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 3/6 House COW approved with floor amend
                                                                #4581. Passed House 35-23; ready for
                                                                Senate.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 3/4 from House rules okay.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 2/5 from House ins-ret do pass.
INSURANCE; NAVIGATOR; APPLICATION COUNSELOR; LICENSURE 1/30 referred to House ins-ret.
```

## **H2523: PROJECTS; WATER SUPPLY DEVELOPMENT**

For the purposes of funding from the Water Supply Development Revolving Fund, the definition of "water provider" is expanded to include a county that enters into an intergovernmental agreement with a municipality or other water provider regarding a water supply development project. Monies in the Fund may be used for a water provider located outside an active management area if the Department of Water Resources has designated the water provider as having an adequate water supply or if the water provider will use the financial assistance for a water supply development project and the Dept has determined that there is an adequate water supply for all subdivided land that will be served by the project. The maximum length of repayment for loans from the Fund is increased to 40 years, from 30 years. Statute prohibiting a facility owned by the state or a political subdivision from accepting for treatment, storage or disposal special waste generated outside Arizona is repealed. Establishes a 6-member Rural Water Supply Development and Contamination Prevention Study Committee to consider the effects of waste treatment, storage and disposal facilities on the development of long-term water supplies for rural areas that are under consideration for funding from the Fund. The Committee is required to report to the Governor and the Legislature by November 1, 2014, and self-repeals January 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Barton

```
H2523 Daily History

PROJECTS; WATER SUPPLY DEVELOPMENT 4/23 signed by governor. Chap. 212, Laws 2014.

PROJECTS; WATER SUPPLY DEVELOPMENT 4/21 House concurred in Senate amendments and passed on final reading 36-18; ready for governor.

PROJECTS; WATER SUPPLY DEVELOPMENT 4/21 passed Senate 22-1; ready for House action on Senate amendments.

PROJECTS; WATER SUPPLY DEVELOPMENT 4/17 Senate COW approved with amend #4718 and floor amend #5050.

PROJECTS; WATER SUPPLY DEVELOPMENT 4/14 from Senate rules okay.

PROJECTS; WATER SUPPLY DEVELOPMENT 3/26 from Senate appro do pass.
```

```
PROJECTS; WATER SUPPLY DEVELOPMENT 3/18 Senate appro held.
PROJECTS; WATER SUPPLY DEVELOPMENT 3/18 from Senate gov-env with amend #4718.
PROJECTS; WATER SUPPLY DEVELOPMENT 3/10 referred to Senate gov-env, appro.
PROJECTS; WATER SUPPLY DEVELOPMENT 3/6 House COW approved with amend #4119 and floor amend #4579.
PROJECTS; WATER SUPPLY DEVELOPMENT 3/5 from House rules okay.
PROJECTS; WATER SUPPLY DEVELOPMENT 3/3 withdrawn from House appro.
PROJECTS; WATER SUPPLY DEVELOPMENT 2/12 from House agri-water with amend #4119.
PROJECTS; WATER SUPPLY DEVELOPMENT 1/30 referred to House agri-water, appro.
```

#### **S1048**: TAX CREDITS; STOS; PREAPPROVAL; ENTITIES

Would have established an individual income tax credit for the pro rata amount of contributions made by a business to school tuition organizations (STO). Coowners of a business would have been permitted to each claim the pro rata share of the corporate income tax credit allowed based on the taxpayer's ownership interest. The total of the credits allowed by all the owners would have been prohibited from exceeding the amount that would have been allowed a sole owner of a business. If the credit exceeded taxes due, the taxpayer would have been permitted to carry the amount of the claim not used to offset taxes for up to five consecutive tax years. The tax credit would not have been allowed if the business designated the contribution to an STO for the direct benefit of any dependent of the taxpayer or designated a student beneficiary as a condition of the contribution to an STO. Would have been retroactive to tax years beginning January 1, 2014. AS VETOED BY GOVERNOR. Her veto message stated that the automatic inflator on the cap for this tax credit would lead to rapid growth, which should occur after careful consideration by the Legislature and in relation to other tax and expenditure decisions, and that she is concerned that this legislation would be burdensome for the Department of Revenue to administer.

First sponsor: Sen. Yarbrough

```
S1048 Daily History
                                             Date Action
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 4/23 VETOED.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 4/16 Senate concurred in House amendments and passed on final
                                                   reading 17-12; ready for governor.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 4/15 passed House 35-25; ready for Senate action on House
                                                   amendments.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 4/3 House COW approved w TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 4/2 from House rules okay.
                                                  House COW approved with amend #4325.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 2/24 from House ways-means with amend #4325.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 2/20 referred to House ways-means.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 2/6 passed Senate 17-13; ready for House.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 1/30 Senate COW approved.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 1/28 from Senate rules okay.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 1/16 from Senate fin do pass.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 1/15 Senate fin do pass; report awaited.
TAX CREDITS; STOS; PREAPPROVAL; ENTITIES 1/13 referred to Senate fin.
```

## **S1181**: GUARANTY FUND; WORKERS' COMPENSATION

For the purpose of the Insurance Guaranty Fund, insurers who write only workers' compensation insurance are no longer excluded from the definition of "member insurer," and the Guaranty Fund is obligated to pay benefits on workers' compensation claims if an insurer becomes insolvent. Beginning on the effective date of this legislation, the Guaranty Fund is required to assume all contractual rights and obligation of the Industrial Commission regarding the administration of workers' compensation claims if the Commission has contracted with a third-party processor to administer claims. The Workers' Compensation Insurance Account is added to the Guaranty Fund and one of the nine insurer members of the Guaranty Fund Board must represent a workers' compensation insurer. Certain Guaranty Fund regulations do not apply to workers' compensation insurers. The Commission is authorized to direct the payment into the state treasury of up to 1

percent of all premiums received by private insurance carriers during the immediately preceding calendar year, reduced from 1.5 percent. By 30 days prior to the effective date of this legislation, the Commission is required to transfer \$222.8 million from the Special Fund to the Guaranty Fund for deposit in the Workers' Compensation Insurance Account. Effective July 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Yarbrough

```
S1181 Daily History
                                        Date Action
GUARANTY FUND; WORKERS' COMPENSATION 4/23 signed by governor. Chap. 186, Laws 2014.
GUARANTY FUND; WORKERS' COMPENSATION 4/17 passed House 46-11; ready for governor.
GUARANTY FUND; WORKERS' COMPENSATION 4/2
                                             House COW approved.
GUARANTY FUND; WORKERS' COMPENSATION 4/1
                                            from House rules okay.
GUARANTY FUND; WORKERS' COMPENSATION 3/19 from House ins-ret do pass.
GUARANTY FUND; WORKERS' COMPENSATION 3/10 referred to House ins-ret.
GUARANTY FUND; WORKERS' COMPENSATION 3/4 passed Senate 30-0; ready for House.
GUARANTY FUND; WORKERS' COMPENSATION 3/3 Senate COW approved with amend #4256 and the rules tech
                                             amendment.
GUARANTY FUND; WORKERS' COMPENSATION 2/25 from Senate rules with a technical amendment.
GUARANTY FUND; WORKERS' COMPENSATION 2/20 from Senate fin with amend #4256.
GUARANTY FUND; WORKERS' COMPENSATION 1/29 Senate fin held.
GUARANTY FUND; WORKERS' COMPENSATION 1/27 referred to Senate fin.
```

#### S1300: 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, 2014. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Yarbrough

```
S1300 Daily History Date Action

INTERNAL REVENUE CODE CONFORMITY 4/24 signed by governor. Chap. 223, Laws 2014.

INTERNAL REVENUE CODE CONFORMITY 4/22 passed House 58-0; ready for governor.

INTERNAL REVENUE CODE CONFORMITY 3/13 from House rules okay. To House consent calendar.

INTERNAL REVENUE CODE CONFORMITY 2/24 from House ways-means do pass.

INTERNAL REVENUE CODE CONFORMITY 2/20 referred to House ways-means.

INTERNAL REVENUE CODE CONFORMITY 2/13 passed Senate 30-0; ready for House.

INTERNAL REVENUE CODE CONFORMITY 2/11 from Senate rules okay.

INTERNAL REVENUE CODE CONFORMITY 2/10 to Senate consent calendar.

INTERNAL REVENUE CODE CONFORMITY 2/6 from Senate fin do pass.

INTERNAL REVENUE CODE CONFORMITY 2/3 referred to Senate fin.
```

## S1301: 2014 TAX CORRECTIONS

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. An annual exercise. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Yarbrough

```
S1301 Daily History Date Action

2014 TAX CORRECTIONS 4/30 signed by governor. Chap. 245, Laws 2014.

2014 TAX CORRECTIONS 4/24 House sat as in COW to further amend the bill technically. Passed House 55-0. Senate concurred in House amendments and passed on final reading 28-0; ready for governor.

2014 TAX CORRECTIONS 4/10 House COW approved.

2014 TAX CORRECTIONS 4/2 retained on House COW calendar.

2014 TAX CORRECTIONS 4/1 from House rules okay.

2014 TAX CORRECTIONS 3/11 from House ways-means do pass.

2014 TAX CORRECTIONS 2/25 referred to House ways-means.

2014 TAX CORRECTIONS 2/20 passed Senate 27-2; ready for House.

2014 TAX CORRECTIONS 2/17 Senate COW approved with amend #4067.

2014 TAX CORRECTIONS 2/3 from Senate rules okay.

2014 TAX CORRECTIONS 2/3 referred to Senate 6/10.
```

#### **S1352: PROPERTY TAX ROLL; CORRECTIONS**

Property owners must be notified of a property tax roll correction, and the property owner may appeal any valuation or legal classification issue that arises from the proposed correction. The correction of property tax errors is limited to real property that has not been issued a certificate of purchase. On the consent of the taxpayer to the roll correction or on the decision of the Board of Equalization, the county treasurer must mail a corrected billing to the taxpayer, and taxes are delinquent if they are not paid within 90 days after the corrected billing is mailed. If taxes have been overpaid, they must be refunded with interest within 90 days after the roll is corrected. Within 60 days after the mailing of the notice of valuation, if the county assessor discovers that property characteristic data applicable to a grouping of properties delineated by neighborhood or classification resulted in an incorrect opinion of value, the assessor is authorized to amend the notice of valuation and notify the property owner of the amended value. The assessor is required to transmit proposed amendments for this reason to the Department of Revenue and obtain Dept approval for the amended values prior to mailing the amended notices of valuation. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Worsley

```
S1352 Daily History
                                Date Action
PROPERTY TAX ROLL; CORRECTIONS 4/30 signed by governor. Chap. 249, Laws 2014.
PROPERTY TAX ROLL; CORRECTIONS 4/23 passed House on final reading 53-0; ready for governor.
PROPERTY TAX ROLL; CORRECTIONS 4/22 Senate adopted conference report #5077 and passed on final reading 28-
                                      Awaits House final vote.
PROPERTY TAX ROLL; CORRECTIONS 4/21 House adopted conference report #5077. Awaits Senate adoption and final
                                      vote in both houses.
PROPERTY TAX ROLL; CORRECTIONS 4/16 Senate refused to concur in House amendments and named Worsley,
                                      Yarbrough and Farley to a FREE Conference Committee. House named
                                      Lesko, Olson and Wheeler.
PROPERTY TAX ROLL; CORRECTIONS 4/15 passed House 60-0; ready for Senate action on House amendments.
PROPERTY TAX ROLL; CORRECTIONS 4/1 House COW approved with amend #4710.
PROPERTY TAX ROLL; CORRECTIONS 3/24 from House rules okay.
PROPERTY TAX ROLL; CORRECTIONS 3/18 from House ways-means with amend #4710.
PROPERTY TAX ROLL; CORRECTIONS 3/13 referred to House ways-means.
PROPERTY TAX ROLL; CORRECTIONS 3/12 passed Senate 28-0; ready for House.
PROPERTY TAX ROLL; CORRECTIONS 3/11 Senate COW approved with amend #4134 and floor amend #4667 and
                                      #4668.
PROPERTY TAX ROLL; CORRECTIONS 3/5 retained on Senate COW calendar.
PROPERTY TAX ROLL; CORRECTIONS 3/4 from Senate rules okay.
PROPERTY TAX ROLL; CORRECTIONS 2/13 from Senate fin with amend #4134.
PROPERTY TAX ROLL; CORRECTIONS 2/4 referred to Senate fin.
```

## **S1353**: RESTRUCTURING; AZ ENTITIES

Statutes regulating mergers, conversions, share exchanges, transfer of domicile and consolidations for various types of corporations and partnerships are repealed and replaced with a newly established chapter in Title 29 (Partnerships) regulating entity restructuring. Establishes numerous specific regulations for plans, approval, amendment or abandonment, effective dates, and effects for mergers, interest exchanges, conversions, domestications, and divisions. Establishes filing fees and governs various filings and recordings of statements. Effective January 1, 2015. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Worsley

```
S1353 Daily History Date Action

RESTRUCTURING; AZ ENTITIES 4/23 signed by governor. Chap. 193, Laws 2014.

RESTRUCTURING; AZ ENTITIES 4/17 passed House 58-0; ready for governor.

RESTRUCTURING; AZ ENTITIES 4/1 House COW approved.

RESTRUCTURING; AZ ENTITIES 3/24 from House rules okay.

RESTRUCTURING; AZ ENTITIES 3/18 from House fin-inst do pass.

RESTRUCTURING; AZ ENTITIES 3/11 referred to House fin-inst.

RESTRUCTURING; AZ ENTITIES 3/10 passed Senate 25-0; ready for House.
```

```
RESTRUCTURING; AZ ENTITIES 3/6
RESTRUCTURING; AZ ENTITIES 3/4
RESTRUCTURING; AZ ENTITIES 3/3
RESTRUCTURING; AZ ENTITIES 3/3
RESTRUCTURING; AZ ENTITIES 2/13
RESTRUCTURING; AZ ENTITIES 2/4
```

#### **S1404**: DIRECT CARE PLANS; INSURANCE; EXEMPTION

A "direct primary care provider plan" (defined as a primary care provider, entity or practice that collects prepaid fees to conduct primary health care for enrollees) does not constitute the transaction of insurance business or a health care services organization for the purposes of insurance regulations, providing the plan does not assume financial risk or agree to indemnify for services provided by a third party. A direct primary care provider plan is permitted to arrange for primary health care for enrollees in Arizona. Requirements for direct primary care provider plans are specified, including that plans must be in writing and provide a specified written disclaimer. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Ward

```
S1404 Daily History
                                          Date Action
DIRECT CARE PLANS; INSURANCE; EXEMPTION 4/23 signed by governor. Chap. 161, Laws 2014.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 4/22 Senate concurred in House amendments and passed on final
                                               reading 17-11; ready for governor.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 4/22 passed House 36-22; ready for Senate action on House
                                               amendments.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 4/16 House COW approved with amend #4753 and floor amend
                                               #5006.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 4/2
                                               retained on House COW calendar.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 4/1
                                               retained on House COW calendar.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 3/24 from House rules okay.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 3/19 from House hel with amend #4753.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 3/19 House hel amended; report awaited.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 3/10 referred to House hel.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 3/4 Passed Senate 17-12; ready for House.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 3/3 Senate COW approved with floor amend #4463.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 2/27 from Senate rules okay.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 2/26 to Senate consent calendar. Stricken from Senate consent
                                               calendar by Ward.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 2/20 from Senate hel-hu ser do pass.
DIRECT CARE PLANS; INSURANCE; EXEMPTION 2/5 referred to Senate hel-hu ser.
```

## **S1413:** TAXES; MANUFACTURERS' ELECTRICITY SALES; EXEMPTION

The list of deductions from the tax base for the utilities classification is expanded to include gross proceeds of sales or gross income derived from sales of electricity or natural gas to a business that is "principally engaged" in "manufacturing" or "smelting" (all defined) operations that uses at least 51 percent of the electricity or natural gas in the manufacturing or smelting operations. Use taxes do not apply to the purchase price of electricity or natural gas by a business that is principally engaged in manufacturing or smelting operations that uses at least 51 percent of the electricity or natural gas in the manufacturing or smelting operations. Municipalities that levy a transaction privilege or other similar tax or fee on the business of producing, providing or furnishing electricity, power or natural gas are required to either tax or exempt in whole the gross proceeds of sales or gross income derived from sales to businesses that use at least 51 percent of the electricity, power or natural gas in a manufacturing or smelting operation located in that municipality. These provisions do not apply to "gas transportation services" (defined). Effective from and after the last day of the month of the general effective date of the 51st Legislature, second regular session. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Yarbrough

64.443.6			D.1.	A .1'
S1413 Daily History				Action
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION <b>4/11</b>	signed by governor. Chap. 7, Laws 2014.
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION 4/8	Senate concurred in House amendments and passed on final reading <u>27-0</u> ; ready for governor.
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION 4/8	passed House $51-3$ ; ready for Senate action on House amendments.
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION 4/3	House COW approved with floor amend $\underline{#4882}$ , a substitute for amend 4711.
TAXES; MANUFACTURERS'	<b>ELECTRICITY SA</b>	LES; E	XEMPTION 4/2	from House <u>rules</u> okay.
TAXES; MANUFACTURERS'	<b>ELECTRICITY SA</b>	LES; E	XEMPTION 3/18	from House <u>ways-means</u> with amend <u>#4711</u> .
TAXES; MANUFACTURERS'	<b>ELECTRICITY SA</b>	LES; E	XEMPTION 3/11	referred to House <u>ways-means</u> .
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION 3/6	Senate COW approved with floor amend #4577. Passed Senate 25-0; ready for House.
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION 3/5	Stricken from Senate consent calendar by Yarbrough, Gallardo.
TAXES; MANUFACTURERS'	<b>ELECTRICITY SA</b>	LES; E	XEMPTION 3/4	from Senate <u>rules</u> okay.
TAXES; MANUFACTURERS'	<b>ELECTRICITY SA</b>	LES; E	XEMPTION 3/3	to Senate consent calendar.
TAXES; MANUFACTURERS'	<b>ELECTRICITY SA</b>	LES; E	XEMPTION 2/13	from Senate fin do pass.
TAXES; MANUFACTURERS'	ELECTRICITY SA	LES; E	XEMPTION 2/10	referred to Senate fin.