Arizona Legislative Update

January 28, 2022

I. Session Update

<u>Session Overview</u>. The third week of the Arizona legislative session was a busy one, filled with lengthy committee hearings and passionate policy debates. Some issues were controversial and grabbed headlines around the state, like a bill that requires public entities to provide enough room for <u>in-person participation</u>, an effort to decide what constitutes "<u>explicit material</u>" that must be kept out of schools, and a new standard for what school employees should be required to tell parents about their children.

The Senate Government Committee voted along party lines to advance several changes to <u>election laws</u> – the first of <u>many to come</u> in the legislature this year – and limits to a Governor's authority to <u>declare a state of emergency</u>. The hearing lasted several hours and severely lacked decorum as the Chair was slow to gavel down applause, taunting and otherwise inappropriate behavior.

The House Judiciary Committee approved a bill to hold-employers liable in some situations for employees who claim significant injury from a mandated COVID-19 vaccine. Republicans on the panel believe the bill offers necessary protection, disagreeing with business organizations that said the bill is a sharp reversal from the legislature's actions last year to prevent liability for business owners trying to navigate a pandemic. This is one of many measures at the Capitol that would block or penalize COVID-19 vaccine and mask requirements.

The Senate Education Committee failed a bill that requires school district candidates to <u>run as a member of a political party</u>. In the House, committees failed to pass new requirements for <u>parents' visits to schools</u> and stronger penalties for <u>biting another person</u>.

Despite the high-profile debates, legislators did find agreement on many bills this week. The Senate Finance Committee gave bipartisan support to a proposal that creates a <u>state earned income tax credit</u> for some low-income Arizonans — a policy change that is also included in Governor Ducey's budget. Democrats and some Republicans in another Senate committee agreed on bills to enhance the use of <u>electric vehicles</u> and infrastructure for <u>zero-emission transportation</u>. In the House, committees agreed to allow homeowners to access <u>emergency wildfire funding</u>, authorized a <u>Mormon Migration Monument</u> at the state Capitol, and banned registered sex offenders from working as taxi drivers.

The looming deadline for the legislature to raise a cap on schools' spending continues to simmer in the background. Democrats offer daily floor speeches about the consequences if the cap is not adjusted. Republicans use their floor speeches to highlight recent investments in school funding. Bills that would address the issue have not moved forward as the issue has become tied to the outcome of the Proposition 208 litigation. Specifically, Republican leaders want to wait for a court ruling on whether Proposition 208 – Arizona's voter-approved income surcharge for education programs – violates that school spending cap. In short, it is a high-pressure, highly politicized issue that is fueling frustration on both sides of the aisle in the House and Senate.

<u>Next Week</u>. There have been more than 1,400 bills introduced thus far, and the number keeps climbing. With just three more weeks for bills to go through their first committee assignments, there is an increasing urgency driving legislators' decisions and priorities.

<u>Election Updates</u>. The Arizona Independent Redistricting Commission finalized the state's <u>new political maps</u>. Some Arizona legislators are <u>raising a lot of money</u> for their re-election campaigns. Governor Ducey <u>still isn't running</u> for the U.S. Senate. The federal government wants to know about Arizonans' signatures on a fake Electoral College certificate in 2020.

<u>Court Updates</u>. Governor Ducey <u>sued the federal government</u> over its threats to take funds from state programs for schools that do not implement COVID-19 mitigation recommendations. A judge reprimanded former <u>Representative David Stringer</u> for actions during his 2020 campaign for Yavapai

County Attorney. The U.S. Supreme Court chose not to weigh in on <u>Don Shooter's</u> claims that he was inappropriately expelled from the Arizona House. The Arizona Senate appealed <u>a court's decision</u> that the 2020 ballot recount documents are public records. The Cyber Ninjas CEO says <u>he isn't ready</u> to release the records, some of which may be in a <u>data center</u>.

<u>News Updates</u>. Arizonans are spending a lot on <u>sports betting</u> and <u>marijuana</u>. The Arizona Corporation Commission voted down a <u>renewable energy requirement</u>. Representative John Kavanagh (R-Scottsdale) objects to <u>Afghan refugees</u> settling in Arizona. Some advocates want to change Arizona policies overseeing <u>care for people with disabilities</u>. The State Board of Education removed some limits on <u>substitute teachers</u>. This group wants to make it easier for <u>mothers of young children</u> to serve in state legislatures. The statue on top of the Arizona Capitol building has <u>an interesting history</u>.

II. Legislative Session Timeline

JANUARY

31 5:00 PM: Last day for Senate bills to be introduced without special permission.

FEBRUARY

- 4 5:00 PM: Last day for House members to submit bill requests to Legislative Council.
- 7 5:00 PM: Last day for House bills to be introduced without special permission.
- 18 Last day for House consideration of House bills and Senate consideration of Senate bills.

MARCH

25 Last day for House consideration of Senate bills and Senate consideration of House bills.

APRIL

- 15 Last day for conference committees.
- 19 100th day of session.
- 23 Saturday of the week of the 100th day of session. This is the date required by rule for sine die adjournment unless leaders extend the deadline. Leadership can extend it no more than 7 days; thereafter any extension requires a majority vote in each house.
- 30 Session cannot extend beyond this date without majority vote in both houses

III. Hearings for Bills of Relevance to MWCUA

Monday

HB 2107 (emergency powers; business closure; repeal). House Military Affairs & Public Safety (Monday January 31st at 2:00 pm, House RM 1).

SB 1048 (emergency powers; business closure; repeal). Senate Government (Monday January 31st at 2:00 pm, Senate RM 1).

<u>SB 1253 (vehicle accidents; financial responsibility).</u> Senate Transportation & Technology (Monday January 31st at 2:00 pm, Senate RM 109).

Wednesday

<u>HB 2480 (vehicle serial numbers; removal; restoration).</u> House Transportation (Wednesday February 2nd at 2:00 pm, House RM 3).

SB 1222 (exempt property; tax credit; proceeds). Senate Finance (Wednesday February 2nd at 9:00 am, Senate RM 109).

SB 1265 (property tax liens; foreclosure; notice). Senate Finance (Wednesday February 2nd at 9:00 am, Senate RM 109).

SB 1394 (DIFI; business name; trade name). Senate Finance (Wednesday February 2nd at 9:00 am, Senate RM 109).

SB 1462 (income tax; subtraction; FDIC premiums). Senate Finance (Wednesday February 2nd at 9:00 am, Senate RM 109).3

Thursday

SB 1048 (emergency powers; business closure; repeal). Senate Government (Thursday February 3rd at 2:00 pm, Senate RM 1).

SB 1383 (dissolution of marriage; annulment). Senate Judiciary (Thursday February 3rd at 9:00 am, Senate RM 1).

IV. <u>Bills of Potential Relevance to MWCUA</u>

HB 2599 (administrative hearings; GRRC).

Sponsor: Rep. Grantham

HB 2601 (kratom products; definitions).

Sponsor: Rep. Kavanagh

SB 1254 (medical product; procedure; mandates; liability).

Sponsor: Sen. Rogers

SB 1262 (government lending programs; auditor general).

Sponsor: Sen. Livingston

SB 1265 (property tax liens; foreclosure; notice).

Sponsor: Sen. Livingston

SB 1341 (legal tender; specie; bitcoin).

Sponsor: Sen. Rogers

SB 1375 (retirement savings program, state treasurer).

Sponsor: Sen. Gray

SB 1383 (dissolution of marriage; annulment).

Sponsor: Sen. Petersen

SB 1394 (DIFI; business name; trade name).

Sponsor: Sen. Livingston

SB 1414 (vaccine requirements; employers; prohibition).

Sponsor: Sen. Rogers

SB 1422 (employment practices; consumer reports; limitation).

Sponsor: Sen. Mendez

SB 1461(income tax; subtraction; FDIC premiums).

Sponsor: Sen. Livingston

SB 1493 (public employees; salaries; virtual currency).

Sponsor: Sen. Rogers

V. Recent Action

v. <u>1</u>	Accent Action			
<u>H2043</u> :	EMPLOYER LIABILITY; COVID-19 VACCINE REQUIREMENT	1/2 6	from House <u>jud</u> do pass.	
<u>H2047</u> :	STUDENT LOAN SERVICES; LICENSURE	1/1 2	referred House <u>com</u> , <u>wa</u> <u>-means</u> , <u>educ</u> .	to <u>ys</u>
<u>H2048</u> :	STUDENT LOAN SERVICERS; LICENSURE	1/1 2	referred House <u>mil-pub</u> <u>safety</u> , <u>jud</u> , <u>nat</u> <u>res-energy-wat</u>	
<u>H2104</u> :	COMMUNITY PROPERTY AWARD; CONVICTED SPOUSE	1/2 6	from House <u>jud</u> do pass.	
<u>H2107</u> :	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL.	1/1 9	referred House <u>mil-pub</u> <u>safety</u> .	to
<u>H2216</u> :	AUTO TITLE LOANS; TITLE; INTEREST	1/1 9	referred House <u>com</u> , <u>gov</u> <u>elect</u> .	to <u>/-</u>
<u>H2356</u> :	EMPLOYERS; BUSINESSES; COVID-19 VACCINE RECORD	1/2 0	referred House <u>com</u> .	to
<u>H2389</u> :	RULEMAKING REVIEW; TIME FRAME	1/2 4	referred House gov-elec	to <u>t</u> .
<u>H2475</u> :	EMPLOYERS; COVID-19 VACCINE MANDATE; PROHIBITION	1/2 4	referred House <u>jud</u> .	to
<u>H2479</u> :	MOTOR VEHICLES; REGISTRATIONS; TITLES; DEALERS	1/2 4	referred House <u>trans</u> .	to

<u>H2480</u> :	VEHICLE SERIAL NUMBERS; REMOVAL; RESTORATION	1/2 4	referred House <u>trans</u> .	to
H2601:	KRATOM PRODUCTS; DEFINITIONS	1/2 7	referred House gov-elec	to ct.
<u>\$1048</u> :	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL	1/1 0	referred Senate gov.	to
<u>\$1052</u> :	MEDICAL PROCEDURES; PROHIBITIONS	1/1 0	referred Senate <u>hel-hu</u> s	to ser.
<u>\$1053</u> :	RELIGIOUS EXEMPTION; VACCINE; VIOLATION; CLASSIFICATION	1/1 0	referred Senate <u>com</u> .	to
<u>\$1072</u> :	TECH CORRECTION; BANK DEPOSITS	1/1 0	referred Senate <u>rules</u> or	to nly.
<u>\$1092</u> :	PRODUCT LIABILITY; CIVIL ACTION; LIMITATION	1/2 5	from Senate <u>rules</u> of	kay
<u>S1156</u> :	BLOCKCHAIN TECHNOLOGY; TAX; FEE; PROHIBITION	1/1 2	referred Senate <u>fin</u> .	to
<u>\$1182</u> :	TECH CORRECTION; SAVINGS AND LOAN	1/1 3	referred Senate <u>rules</u> or	to nly.
<u>\$1204</u> :	MORTGAGE BROKERS; BANKERS; QUALIFICATIONS	1/1 8	referred Senate <u>fin</u> .	to
<u>\$1207</u> :	QUALIFIED SPENDTHRIFT TRUSTS	1/1 8	referred Senate <u>jud</u> .	to
<u>\$1222</u> :	EXEMPT PROPERTY; TAX CREDIT; PROCEEDS	1/1 9	referred Senate <u>fin</u> .	to
<u>\$1236</u> :	CONSUMER LOAN FINANCE CHARGES	1/2 6	from Senate <u>fin</u> do pass.	
<u>\$1253</u> :	VEHICLE ACCIDENTS; FINANCIAL RESPONSIBILITY	1/2 0	referred Senate <u>trans-</u> <u>tech</u> .	to
<u>\$1254</u> :	MEDICAL PRODUCT; PROCEDURE; MANDATES; LIABILITY	1/2 0	referred Senate <u>jud</u> , <u>cor</u>	to <u>n</u> .
<u>\$1262</u> :	GOVERNMENT LENDING PROGRAMS; AUDITOR GENERAL	1/2 4	referred Senate <u>fin</u> .	to
<u>S1265</u> :	PROPERTY TAX LIENS; FORECLOSURE; NOTICE	1/2 4	referred Senate <u>fin</u> .	to
<u>\$1341</u> :	LEGAL TENDER; SPECIE; BITCOIN	1/2 5	referred Senate <u>fin</u> .	to
<u>\$1375</u> :	RETIREMENT SAVINGS PROGRAM; STATE TREASURER	1/2 5	referred Senate <u>fin</u> .	to
<u>S1383</u> :	DISSOLUTION OF MARRIAGE; ANNULMENT	1/2	referred	to

					6	Senate <u>jud</u> .	
<u>\$1394</u> :	DIFI; BUSINESS N	IAME; TRADE NAME			1/2 6	referred Senate <u>fin</u> .	to
<u>\$1422</u> :	EMPLOYMENT P	RACTICES; CONSUM	ER REPORTS; LIMITA	TION	1/2 6	referred Senate <u>com</u> .	to
<u>\$1461</u> :	INCOME TAX; SU	IBTRACTION; FDIC PF	REMIUMS		1/2 7	referred Senate <u>fin</u> .	to
<u>\$1493</u> :	PUBLIC EMPLOY	EES; SALARIES; VIRTU	JAL CURRENCY		1/2 7	referred Senate <u>fin</u> .	to
<u>SCM1001</u> :	DONALD J. TRUM	ЛР HIGHWAY			1/1 1	referred Senate <u>trans-</u> <u>tech</u> .	to
SCR1013:	MEDIUM OF EXC	CHANGE; CURRENCY;	USE		1/1 1	referred Senate <u>fin</u> .	to
SCR1014:	PROPERTY TAX E	EXEMPTION; VIRTUAL	L CURRENCY		1/1 1	referred Senate <u>fin</u> .	to
<u>SM1001</u> :	FINANCIAL REQUIREMENTS	INSTITUTIONS;	BURDENSOME	REPORTING	1/2 6	from Senate <u>fin</u> do pass.	