I. Legislative Update

<u>Session Overview</u>. Though the House and Senate advanced dozens of bills this week, policy debates were overshadowed by a dramatic – and unprecedented – vote to <u>censure Senator Wendy Rogers</u> (R-Flagstaff) for her recent comments on social media and at a <u>controversial political action conference</u> last weekend. Though an early draft of the censure criticized Rogers' comments related to race and authoritarian governments, the final version only referenced her threats to her colleagues and those who disagree with her. Senator Rogers spoke during the vote to say she did not apologize for her comments and that the censure was a violation of her free speech. Only she and two other Republicans voted against the censure. The censure was simply a reprimand of Senator Rogers' remarks and does not carry any penalty or limit her participation in legislative proceedings. However, her reaction to the censure may cause her to <u>lose</u> her spot on policy committees.

The censure is yet another sign of the divisions within the <u>Republican party</u>, and more evidence that Republican legislative leaders will have difficulty passing a state budget that requires support from every member of their caucus.

<u>Legislative Highlights</u>. Senate Republicans were united on several other controversial issues this week, and overcame Democratic opposition to pass bills that broaden <u>gun rights</u>, ban consideration of religion in <u>adoption decisions</u>, expand parental review of <u>school library books</u>, and outline safety requirements for <u>on-demand autonomous vehicle networks</u>.

House Republicans voted to require voters to read a full <u>citizen's initiative</u> before signing it, limited a Governor's authority over <u>emergency declarations</u>, required the State Treasurer to divest funds from organizations that support <u>abortions</u> for <u>minors</u>, and agreed to ask voters to increase <u>voter ID</u> requirements.

A few bills failed to pass due to bipartisan opposition – including authority for legislators to ask the Arizona Attorney General to <u>investigate a school district</u>, limits on minors' access to <u>vaping and tobacco products</u>, and restoration of some <u>peremptory challenges</u> in Arizona juries.

Many other proposals garnered bipartisan support. Lawmakers reached across the aisle to advance bills to raise the minimum age for <u>tobacco purchases</u>, allow students to earn <u>course equivalents</u> for extracurricular activities, specify how law enforcement officers must treat <u>juveniles in temporary custody</u>, establish a Community College <u>Adult Education Workforce Development Program</u>, direct \$10 million to the Department of Child Safety's <u>Healthy Families Program</u>, and create an <u>Election Integrity Fund</u> for election security improvements.

The House and Senate waived rules to introduce and unanimously support a bill to clarify how candidates should <u>collect signatures</u> to run in the 2022 election cycle. Governor Ducey signed it as soon as it reached his desk.

<u>Next Week – Special Session Rumors</u>. There are rumors of two potential special legislative sessions at the Capitol, but so far there is not sufficient preparation or support to start either of them. Governor Ducey wants a special session to enact his plan for a <u>new water agency</u>. Drafts of the new legislation are circulating amongst legislators, but the Governor and House Speaker Rusty Bowers (R-Mesa) are still lining up the votes they need to make a special session on the issue successful.

Supporters of the income tax cuts enacted last year hope to have a special session to repeal that law and reenact the tax cut – thereby overriding an effort that could <u>take the issue to the voters</u> in November. While there may be support for the idea within the Republican caucuses, there is not agreement on the timing – several Republicans will not support a special session on tax cuts unless they also get a special

session to focus on changes to the state's election laws.

These special sessions would run concurrently with the regular legislative session; thus, lawmakers will continue their work on other bills while they fast-track the special session proposals.

Most standing policy committees have three more weeks to consider bills in the regular legislative session. The House and Senate Appropriations Committees have one additional week.

<u>Focus on Housing and Homelessness</u>. Legislators from both political parties continue to negotiate details on how best to address Arizona's <u>growing</u> housing challenges. A bipartisan effort to address affordable housing by overriding local building standards quickly ran into opposition from city governments and affordable housing advocates, and the bill's sponsors conceded that "<u>more input is necessary</u>" on the issue. They turned their bill into a new <u>study committee</u> to evaluate Arizona's housing supply and needs. It failed on the first vote, but was able to get the necessary 31 votes with some additional floor amendments added.

Lawmakers are advancing several other approaches to address the state's homelessness and affordable housing shortage:

- Using \$100 million in federal COVID-19 aid funds for housing assistance programs.
- Allocating \$50 million in federal COVID-19 aid funds for <u>camping sites and outreach</u> to individuals experiencing homelessness.
- Extending a property tax break to more affordable rental housing units.
- Establishing a \$1 million housing fund for <u>homeless veterans</u>.
- Dedicating federal housing assistance for building transitional housing for <u>former military</u> personnel.
- Directing at least half of a current housing assistance fund toward emergency and transitional homeless shelter services.

Arizona has already implemented <u>some approaches</u> to affordable housing, but everyone agrees there is <u>much more to be done</u>. However, it remains to be seen whether universal agreement that the state needs to do <u>something</u> about housing will translate into bipartisan support for specific steps toward that goal. <u>Election Updates</u>. <u>Independent voters</u> now outnumber both registered Republicans and Democrats in Maricopa County (after recently taking over Republicans in number). Governor Ducey <u>still isn't running</u> for the U.S. Senate. <u>Citizen initiatives</u> relate to legislative politics.

<u>Court Updates</u>. The Arizona Republican Party wants the Arizona Supreme Court to say that the state's longstanding <u>vote-by-mail system</u> is unconstitutional. The Arizona Supreme Court said legislative leaders can wait for a Superior Court judge to rule on <u>Proposition 208</u>. A Superior Court judge will decide whether a current and former legislator <u>can sue a former colleague</u> for defamation. Another court told the Cyber Ninjas they have to pay fees for their failure to <u>release public documents</u>.

<u>News Updates</u>. Governor Ducey outlined details about his <u>OnTrack Summer Camp</u> for students who need to catch up on learning they missed during the pandemic. A proposal to penalize employers for some <u>COVID-19 vaccine mandates</u> ran into bipartisan opposition. State and local governments distributed <u>federal housing aid</u>. The Arizona Auditor General said not all Arizona teachers got a <u>20% raise by 2020</u>. State and local governments will get funding for <u>opioid treatment and prevention</u>. <u>Arizona's state flag</u> has a long history.

II. Legislative Session Timeline

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.
- 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

<u>HB 2480 (vehicle serial numbers; removal; restoration).</u> Senate Transportation & Technology (Monday March 7th at 2:00 pm, Senate RM 109).

Tuesday

SB 1394 (DIFI; business name; trade name). House Commerce (Tuesday March 8th at 2:00 pm, House RM 3).

Wednesday

SB 1092 (product liability; civil action; limitation). House Judiciary (Wednesday March 9th at 8:00 am, House RM 4).

SB 1262 (government lending programs; reports). House Government & Elections (Wednesday March 9th at 9:00 am, House RM 1).

IV. Recent Action

<u>H2043</u> :	EMPLOYER LIABILITY; COVID-19 VACCINE REQUIREMENT	2/2 4	retained House C calendar.	on OW
<u>H2047</u> :	STUDENT LOAN SERVICES; LICENSURE	1/1 2	referred House <u>com</u> , <u>w</u> -means, <u>educ</u> .	
<u>H2048</u> :	STUDENT LOAN SERVICERS; LICENSURE	1/1 2	referred House mil-pub safety, jud, na res-energy-wa	<u>t</u>
<u>H2104</u> :	COMMUNITY PROPERTY AWARD; CONVICTED SPOUSE	2/1 7	referred Senate <u>jud</u> .	to
<u>H2107</u> :	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL.	3/3	from Senate <u>com</u> do pass.	o
<u>H2216</u> :	AUTO TITLE LOANS; TITLE; INTEREST	1/1 9	referred House <u>com</u> , go elect.	to ov-

<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	2/2 1	referred Senate gov.	to
<u>H2472</u> :	BUSINESSES; FIREARMS; UNLAWFUL ACTS	1/2 4	referred House <u>jud</u> .	to
<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	2/2 1	referred Senate <u>trans-</u> <u>tech</u> .	to
<u>H2599</u> :	ADMINISTRATIVE HEARINGS; GRRC	2/2 4	referred Senate <u>com</u> .	to
<u>H2601</u> :	KRATOM PRODUCTS; DEFINITIONS	2/2 1	referred Senate <u>hel-hu</u>	to <u>ser</u> .
<u>H2656</u> :	CERTAIN AFFILIATIONS; BANKS; PROHIBITION	2/2 4	FAILED House 31.	<u>28-</u>
<u>H2813</u> :	VEHICLE FINANCE TRANSACTION; CLEAR TITLE	2/9	referred House <u>trans</u> .	to
<u>H2825</u> :	MOBILE HOMES INSPECTIONS; TITLE TRANSFERS	2/1 7	from House <u>trans</u> do pass.	0
<u>\$1048</u> :	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL	2/2 8	House mil-pub safety held.	<u>)</u>
<u>\$1052</u> :	MEDICAL PROCEDURES; PROHIBITIONS	1/1 0	referred Senate <u>hel-hu</u>	to <u>ser</u> .
<u>\$1053</u> :	RELIGIOUS EXEMPTION; VACCINE; VIOLATION; CLASSIFICATION	2/2 3	passed Senate <u>12;</u> ready House.	
<u>\$1072</u> :	TECH CORRECTION; BANK DEPOSITS	1/1 0	referred Senate <u>rules</u> o	to nly.
<u>\$1092</u> :	PRODUCT LIABILITY; CIVIL ACTION; LIMITATION	2/2 3	referred House <u>jud</u> .	to
<u>S1156</u> :	BLOCKCHAIN TECHNOLOGY; TAX; FEE; PROHIBITION	1/1 2	referred Senate <u>fin</u> .	to
<u>S1182</u> :	COMMERCE AUTHORITY; REPORTS; CAREER LANDSCAPE	2/2 4	passed Senate O; ready House.	<u>28-</u> for
<u>\$1204</u> :	MORTGAGE BROKERS; BANKERS; QUALIFICATIONS	2/2 8	passed Senate o ; ready	<u>26-</u> for

			House.	
<u>\$1207</u> :	QUALIFIED SPENDTHRIFT TRUSTS	1/1 8	referred Senate <u>jud</u> .	to
<u>\$1222</u> :	EXEMPT PROPERTY; TAX CREDIT; PROCEEDS	2/2 3	passed Senate 7; ready House.	<u>21-</u> for
<u>S1236</u> :	CONSUMER LOAN FINANCE CHARGES	2/1	from Senate <u>rules</u> o	kay
<u>\$1253</u> :	VEHICLE ACCIDENTS; FINANCIAL RESPONSIBILITY	2/1 0	passed Senate 0; ready House.	for
<u>S1254</u> :	MEDICAL PRODUCT; PROCEDURE; MANDATES; LIABILITY	2/1 4	withdrawn f Senate <u>com</u> .	rom
<u>S1262</u> :	GOVERNMENT LENDING PROGRAMS; REPORTS	3/1	referred House gov-ele	to ect.
<u>S1265</u> :	PROPERTY TAX LIENS; FORECLOSURE; NOTICE	3/2	from House <u>w</u> <u>means</u> do pass	
<u>S1341</u> :	LEGAL TENDER; SPECIE; BITCOIN	1/2 5	referred Senate <u>fin</u> .	to
<u>\$1375</u> :	RETIREMENT SAVINGS PROGRAM; STATE TREASURER	3/1	passed Senate 4; ready House.	for
<u>\$1383</u> :	DISSOLUTION OF MARRIAGE; ANNULMENT	3/2	from House <u>jud</u> do pass.	
<u>\$1394</u> :	DIFI; BUSINESS NAME; TRADE NAME	2/2 3	referred House <u>com</u> .	to
<u>\$1414</u> :	VACCINE REQUIREMENTS; EMPLOYERS; PROHIBITION	2/7	referred Senate <u>com</u> .	to
<u>\$1422</u> :	EMPLOYMENT PRACTICES; CONSUMER REPORTS; LIMITATION	1/2 6	referred Senate <u>com</u> .	to
<u>\$1461</u> :	INCOME TAX; SUBTRACTION; FDIC PREMIUMS	3/2	referred House <u>ways-</u> <u>means</u> .	to
<u>\$1493</u> :	PUBLIC EMPLOYEES; SALARIES; VIRTUAL CURRENCY	1/2 7	referred Senate <u>fin</u> .	to
<u>\$1580</u> :	MONEY TRANSMISSION; MONEY TRANSMITTER LICENSURE	2/2 8	passed Senate $\underline{1}$; ready House.	for
<u>\$1582</u> :	HOMESTEAD EXEMPTIONS; AMOUNT	3/2	referred House <u>ways-</u> <u>means</u> .	to

<u>S1614</u> :	FINANCIAL INST	ITUTION; DEPOSITOF	RIES		2/1	referred Senate <u>fin</u> .	to
<u>\$1685</u> :	MICROBUSINESS	S LOANS; COMMERC	E AUTHORITY		2/2	referred Senate <u>com</u> .	to
<u>SCM1001</u> :	DONALD J. TRUI	MP HIGHWAY			1/1 1	referred Senate <u>trans-</u> <u>tech</u> .	to
<u>SCR1013</u> :	MEDIUM OF EXC	CHANGE; CURRENCY	; USE		1/1 1	referred Senate <u>fin</u> .	to
<u>SCR1014</u> :	PROPERTY TAX E	EXEMPTION; VIRTUA	L CURRENCY		1/1 1	referred Senate <u>fin</u> .	to
<u>SM1001</u> :	FINANCIAL REQUIREMENTS	INSTITUTIONS;	BURDENSOME	REPORTING	2/9	passed Senate 13; ready Secretary State.	<u>16-</u> for of