

## **I. Legislative Update**

**Session Overview.** There were discussions about tax cuts, water policies, and budget priorities at the Capitol this week, but none of them happened in public. Meetings between legislative leaders happened behind closed doors and did not lead to action on top priorities.

The House and Senate spent little time in floor sessions. When they did convene, legislators' absences prevented votes on controversial bills. Both chambers adjourned early for the holiday weekend – the House on Tuesday and the Senate on Wednesday.

Legislators advanced a few bills despite the unambitious schedules. House members gave preliminary approval to a bill that would add new paths to [teacher certification](#) and voted to study the use of [hydrogen](#), alter safety inspection requirements for [rideshare vehicles](#), and delay the implementation of a new law on [voter citizenship requirements](#). In the Senate, lawmakers agreed to create a [Mormon migration monument](#), expand access to a National Guard [tuition reimbursement](#) program, and allow universities to engage in [water rights adjudications](#).

Legislators failed to pass bills that would have created a new committee to study [data on DUIs](#), and alter regulations on [money transmitters](#) and [out-of-state banks](#) doing business in Arizona.

**Governor Ducey Highlights.** Governor Ducey signed 30 bills this week – including a new requirement for schools to give students a daily [moment of silence](#), permission for some patients to exceed [opioid prescription limits](#), and broader authority for the [State Forester](#). The Governor has signed a total of [148 bills](#) into law and has not issued any vetoes.

**Next Week.** Legislators have a variety of ideas about how the rest of the legislative session should unfold. Some Republicans hope to enact only a “skinny budget” – a basic continuation of state spending without additional tax cuts or investments – and adjourn so they can go back to their districts and focus on their re-election campaigns. Others in the Republican caucus want to stay until they have successfully completed a full budget plan and [re-enacted income tax cuts](#). Democrats have ideas about how the [growing state budget surplus](#) should be spent, and they remain hopeful that they will be [invited into budget negotiations](#). A small bipartisan coalition continues to hope they will find support to enact their not-yet-published proposal to increase education funding and expand the state's Empowerment Scholarship Account program.

One thing is clear: Legislators are not getting along. House and Senate Republican leaders do not appear to be on the same page about how to continue budget negotiations, and disagreements between individual legislators have fractured relationships within and between each political party.

Tuesday marks the 100<sup>th</sup> day of the session, and House and Senate rules direct the legislature to end the work of the session by the end of next week. That seems highly unlikely. Apart from the budget, the House and Senate have almost 400 bills still eligible to move toward the Governor's desk.

**Budget Update – Proposals Likely to be Included.** Though budget negotiations remain secret, the House and Senate Appropriations Committee processes have highlighted some priorities that legislators hope to see included in the new state spending plan. The proposals below have made their way through the legislative process and are expected to be included in budget talks.

- **Study and construct roads and highways.**

A variety of proposals would direct hundreds of millions of dollars toward specific road construction projects around the state – including [widening of I-10](#) between Casa Grande and Chandler.

- **Stabilize public safety retirement funds.**

Several bills seek to deposit hundreds of millions of dollars to address projected shortfalls in the state's pension systems for public safety personnel and corrections officers.

- **Repair, improve, and pay off debt on state buildings.**

One proposal would appropriate \$155 million to [capital improvement plans](#) for state buildings; another would provide \$366 million to [pay off debt](#) for some state buildings – including university research facilities.

- **Build a border fence.**

Republicans have supported a bill that would dedicate \$150 million for construction and maintenance of a fence along the [Arizona/Mexico border](#). Another proposal would direct \$30 million to [local immigration enforcement](#).

- **Provide tax credits to filmmakers.**

A longstanding debate continues about whether Arizona should offer [tax incentives to filmmakers](#) who make movies and TV shows in the state. Some lawmakers hope to set aside up to \$150 million a year for these tax credits.

- **Train more medical professionals.**

There is bipartisan support for a bill that would direct \$142.5 million over three years to fund grant programs intended to broaden Arizona's [medical workforce](#).

- **Eliminate the budget “rollover” for small school districts.**

Some lawmakers want to use \$34 million of the budget surplus to decrease the K-12 “[rollover](#),” an accounting tactic that transfers funding from one fiscal year to the next. Last year, legislators eliminated the rollover for schools with up to 2,000 students; this year, they want to address the issue for schools with up to 3,000 students.

- **Increase kinship care payments.**

Legislators from both sides of the aisle support proposals that would provide \$24 million to increase monthly payments to families that provide [kinship care](#). (This is included in Governor Ducey's budget proposal.)

- **Fund STEM programs.**

Legislators have supported bills to [restore](#) and [expand](#) funding for science, technology, engineering, and math (STEM) programs.

- **Offer prosecution diversion programs.**

There is broad support for a \$10 million investment in [alternative prosecution and diversion](#) programs. Other high-profile budget priorities did not go through the legislative process but will still be considered in negotiations – including Governor Ducey's proposed \$1 billion for water programs and \$74 million for a new [earned income tax credit](#).

Of course, not all budget priorities require such large investments. Many bills seek smaller amounts for specific goals – including expanded medical services for AHCCCS patients, tax breaks for purchases of [guns and ammunition](#), and northern Arizona [firefighter training programs](#).

**Election Updates.** The Arizona Democratic Party asked the Attorney General [to look into](#) the Arizona Independent Redistricting Committee's process. High-profile and controversial issues [activate voters](#) on both sides of the policies. Representative Mark Finchem (R-Oro Valley) asked the federal government to [audit voting machines](#). You can submit your questions to candidates for the upcoming [Arizona Clean Elections debates](#).

**Court Updates.** The state and schools disagree about [education funding](#). A federal appeals court will allow Democrats to challenge the way Arizona orders [candidate names](#) on ballots. Representative Mark Finchem (R-Oro Valley) and two Arizona Congressmen asked a court to throw out [a lawsuit](#) that claims they cannot hold public office because they participated in the January 6 events at the U.S. Capitol.

## II. **Legislative Session Timeline**

### **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

There are no hearings scheduled for bills of relevance to MWCUA.

### IV. Recent Action

<a href="#">H2043:</a>	EMPLOYER LIABILITY; COVID-19 VACCINE REQUIREMENT	2/2 4	retained on House COW calendar.
<a href="#">H2047:</a>	STUDENT LOAN SERVICES; LICENSURE	1/1 2	referred to House <a href="#">com</a> , <a href="#">ways-</a> <a href="#">means</a> , <a href="#">educ</a> .
<a href="#">H2048:</a>	STUDENT LOAN SERVICERS; LICENSURE	1/1 2	referred to House <a href="#">mil-pub</a> <a href="#">safety</a> , <a href="#">jud</a> , <a href="#">nat res-</a> <a href="#">energy-water</a> .
<a href="#">H2104:</a>	COMMUNITY PROPERTY AWARD; CONVICTED SPOUSE	3/2 4	signed by governor. Chap. 53, Laws 2022. <a href="#">message</a>
<a href="#">H2107:</a>	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL.	3/3 0	signed by governor. Chap. 86, Laws 2022. <a href="#">message</a>
<a href="#">H2216:</a>	AUTO TITLE LOANS; TITLE; INTEREST	1/1 9	referred to House <a href="#">com</a> , <a href="#">gov-</a> <a href="#">elect</a> .
<a href="#">H2248:</a>	FAILURE TO RETURN VEHICLE; REPEAL	2/1 7	referred to Senate <a href="#">trans-tech</a> .
<a href="#">H2351:</a>	HOMESTEAD EXEMPTION; INCREASE	4/1 3	Senate COW approved with amend <a href="#">#4851</a> . NOTE SHORT TITLE CHANGE.
<a href="#">H2356:</a>	EMPLOYERS; BUSINESSES; COVID-19 VACCINE RECORD	1/2 0	referred to House <a href="#">com</a> .
<a href="#">H2389:</a>	RULEMAKING REVIEW; TIME FRAME	4/4	from Senate <a href="#">rules</a> okay.
<a href="#">H2472:</a>	BUSINESSES; FIREARMS; UNLAWFUL ACTS	1/2 4	referred to House <a href="#">jud</a> .

<a href="#">H2475:</a>	EMPLOYERS; COVID-19 VACCINE MANDATE; PROHIBITION	1/2 4	referred to House <a href="#">jud.</a>
<a href="#">H2479:</a>	MOTOR VEHICLES; REGISTRATIONS; TITLES; DEALERS	1/2 4	referred to House <a href="#">trans.</a>
<a href="#">H2480:</a>	VEHICLE SERIAL NUMBERS; REMOVAL; RESTORATION	3/2 4	signed by governor. Chap. 58, Laws 2022. <a href="#">message</a>
<a href="#">H2599:</a>	ADMINISTRATIVE HEARINGS; GRRC	3/2 2	from Senate <a href="#">rules</a> okay.
<a href="#">H2601:</a>	KRATOM PRODUCTS; DEFINITIONS	3/2 2	from Senate <a href="#">rules</a> okay.
<a href="#">H2656:</a>	CERTAIN AFFILIATIONS; BANKS; PROHIBITION	3/8	FAILED House on reconsideration <a href="#">29</a> <a href="#">-29</a> .
<a href="#">H2813:</a>	VEHICLE FINANCE TRANSACTION; CLEAR TITLE	2/9	referred to House <a href="#">trans.</a>
<a href="#">H2825:</a>	MOBILE HOMES INSPECTIONS; TITLE TRANSFERS	2/1 7	from House <a href="#">trans</a> do pass.
<a href="#">S1048:</a>	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL	2/2 8	House <a href="#">mil-pub</a> <a href="#">safety</a> held.
<a href="#">S1052:</a>	MEDICAL PROCEDURES; PROHIBITIONS	1/1 0	referred to Senate <a href="#">hel-hu ser.</a>
<a href="#">S1053:</a>	RELIGIOUS EXEMPTION; VACCINE; VIOLATION; CLASSIFICATION	2/2 3	passed Senate <a href="#">16-</a> <a href="#">12</a> ; ready for House.
<a href="#">S1072:</a>	TECH CORRECTION; BANK DEPOSITS	1/1 0	referred to Senate <a href="#">rules</a> only.
<a href="#">S1092:</a>	PRODUCT LIABILITY; CIVIL ACTION; LIMITATION	3/2 4	withdrawn from House <a href="#">jud</a> and further referred to House <a href="#">appro.</a>
<a href="#">S1156:</a>	BLOCKCHAIN TECHNOLOGY; TAX; FEE; PROHIBITION	1/1 2	referred to Senate <a href="#">fin.</a>
<a href="#">S1182:</a>	COMMERCE AUTHORITY; REPORTS; CAREER LANDSCAPE	3/2 9	from House <a href="#">rules</a> okay.
<a href="#">S1204:</a>	MORTGAGE BROKERS; BANKERS; QUALIFICATIONS	4/7	House COW approved with amend <a href="#">#4836</a> . Passed House <a href="#">52-</a> <a href="#">0</a> ; returned to Senate for

			concurrency in House amendments.
<a href="#">S1207:</a>	QUALIFIED SPENDTHRIFT TRUSTS	1/1 8	referred to Senate <a href="#">jud.</a>
<a href="#">S1222:</a>	EXEMPT PROPERTY; TAX CREDIT; PROCEEDS	3/2 4	from House <a href="#">appro</a> do pass.
<a href="#">S1236:</a>	CONSUMER LOAN FINANCE CHARGES	2/1	from Senate <a href="#">rules</a> okay.
<a href="#">S1240:</a>	DENTAL BOARD; ACCESS TO RECORDS	4/1 3	signed by governor. Chap. 135, Laws 2022. <a href="#">message</a>
<a href="#">S1253:</a>	VEHICLE ACCIDENTS; FINANCIAL RESPONSIBILITY	2/1 0	passed Senate <a href="#">28-0</a> ; ready for House.
<a href="#">S1254:</a>	MEDICAL PRODUCT; PROCEDURE; MANDATES; LIABILITY	2/1 4	withdrawn from Senate <a href="#">com.</a>
<a href="#">S1262:</a>	GOVERNMENT LENDING PROGRAMS; REPORTS	3/9	from House <a href="#">gov-elect</a> do pass.
<a href="#">S1265:</a>	PROPERTY TAX LIENS; FORECLOSURE; NOTICE	3/1 8	signed by governor. Chap. 17, Laws 2022.
<a href="#">S1341:</a>	LEGAL TENDER; SPECIE; BITCOIN	1/2 5	referred to Senate <a href="#">fin.</a>
<a href="#">S1375:</a>	RETIREMENT SAVINGS PROGRAM; STATE TREASURER	4/1 2	from House <a href="#">rules</a> okay.
<a href="#">S1383:</a>	DISSOLUTION OF MARRIAGE; ANNULMENT	3/3 0	House named Blackman, M. Hernandez, and Parker to the FREE conference committee. Conferees are: Petersen, Quezada, Rogers, Blackman, M. Hernandez, and Parker.
<a href="#">S1394:</a>	DIFI; BUSINESS NAME; TRADE NAME	3/2 3	signed by governor. Chap. 45, Laws 2022. <a href="#">message</a>
<a href="#">S1414:</a>	VACCINE REQUIREMENTS; EMPLOYERS; PROHIBITION	2/7	referred to

			Senate <a href="#">com.</a>	
<a href="#">S1422:</a>	EMPLOYMENT PRACTICES; CONSUMER REPORTS; LIMITATION	1/2 6	referred Senate <a href="#">com.</a>	to
<a href="#">S1461:</a>	INCOME TAX; SUBTRACTION; FDIC PREMIUMS	3/2	referred House <a href="#">ways-</a> <a href="#">means.</a>	to
<a href="#">S1493:</a>	PUBLIC EMPLOYEES; SALARIES; VIRTUAL CURRENCY	1/2 7	referred Senate <a href="#">fin.</a>	to
<a href="#">S1580:</a>	MONEY TRANSMISSION; MONEY TRANSMITTER LICENSURE	4/1 2	House COW approved with flr amend #4930. FAILED House <a href="#">16-</a> <a href="#">39.</a>	
<a href="#">S1582:</a>	HOMESTEAD EXEMPTIONS; AMOUNT	3/2	referred House <a href="#">ways-</a> <a href="#">means.</a>	to
<a href="#">S1614:</a>	FINANCIAL INSTITUTION; DEPOSITORIES	2/1	referred Senate <a href="#">fin.</a>	to
<a href="#">S1685:</a>	MICROBUSINESS LOANS; COMMERCE AUTHORITY	2/2	referred Senate <a href="#">com.</a>	to
<a href="#">SCM1001</a> :	DONALD J. TRUMP HIGHWAY	1/1 1	referred Senate <a href="#">trans-tech.</a>	to
<a href="#">SCR1013:</a>	MEDIUM OF EXCHANGE; CURRENCY; USE	1/1 1	referred Senate <a href="#">fin.</a>	to
<a href="#">SCR1014:</a>	PROPERTY TAX EXEMPTION; VIRTUAL CURRENCY	1/1 1	referred Senate <a href="#">fin.</a>	to
<a href="#">SM1001:</a>	FINANCIAL INSTITUTIONS; BURDENSOME REPORTING REQUIREMENTS	2/9	passed Senate <a href="#">16-</a> <a href="#">13;</a> ready for Secretary of State.	