

Arizona Legislative Update

February 11, 2022

I. Legislative Update

Session Overview. The legislative session is barreling ahead, with committee hearings starting early and ending late into the evening. The week began with Monday's deadline for new bill introductions and headlines about some of the bills revealed just prior to that deadline – including a bipartisan effort to [expand anti-discrimination laws](#), enhanced scrutiny of [police shootings](#), and a bill to [divide Maricopa County into four counties](#). By Thursday, lawmakers considered more than 200 bills in committee and voted to send another 50 proposals to the second chamber of the legislature for consideration.

There were unusual moments of bipartisan opposition to Republican proposals. In the House, legislators failed to pass bills that required smartphone filters to [block minors from accessing some content](#), prohibited [big tech companies](#) from requiring app developers to use specific payment systems, changed the way cities [post official notices](#), and asked voters to [get rid of cash bail](#). In the Senate, a committee voted against a proposal that banned [gender transition procedures](#) for minors.

Other bills passed on party lines, with enough Republican support to advance despite Democratic opposition. House committees banned [COVID-19 vaccination requirements](#) and [mask mandates](#) for school attendance, allowed [guns on college campuses](#), required high schools to teach about [political ideologies](#), and partially reversed an [Arizona Supreme Court decision](#) that banned [jury challenges](#).

In Senate committees, Republican majorities approved bills to [reduce access to early voting](#), expand the state's [Empowerment Scholarship Account program](#), direct how the state can consider religion in [adoption decisions](#), and require private employers to provide a religious exemption from any [COVID-19 vaccine mandate](#).

Several bills received bipartisan support (some of them surprisingly). House committees voted to increase the monthly [stipend for foster homes](#) that care for someone in their family, deposit \$1 million in the [Water Protection Fund](#), and ask Maricopa County voters to extend the sales tax for [transportation priorities](#). They banned [cat declawing](#), allowed more time to raise money for a [Frances Willard Munds Arizona Women Suffrage](#) memorial, and agreed to ask Arizona voters to [change the process for ballot initiatives](#).

Senate committees voted to give local governments limited authority over [short-term rental properties](#), study the use of [hydrogen](#) in Arizona and the installation of [cable median barriers](#) on roadways, create an [adult workforce diploma program](#), and ask federal officials to rename parts of the [Grand Canyon](#).

During floor sessions, legislators were divided on proposals to expand access to the [voter registration database](#) and penalize schools that do not [display the U.S. flag](#), but a bipartisan majority agreed to create a license plate for [beekeepers](#) and use \$60 million to [widen I-10](#).

House and Senate members gathered to honor former Arizona Attorney General [Grant Woods](#) and celebrate [African American Legislative Day](#).

Next Week. There were 1,672 bills, memorials, and resolutions introduced this year. More than 300 bills are scheduled for hearings next week, and Friday is the last day for proposals to make it through their first

committee assignments. Hundreds of bills will reach the end of the line because they did not get a committee hearing in time.

Proposition 208 Fight Continues in the Courts and at the Capitol. For more than a month, many at the Capitol have been awaiting a Superior Court ruling that will determine the fate of the income tax surcharge enacted in [Proposition 208](#). The judge heard arguments on the case early in January, and the ruling has major implications for the education funding mechanism. This week, state officials got impatient and asked the judge to hurry up with his verdict. He [declined](#) to prioritize this case over others that are waiting for his ruling.

Legislative leaders are not happy with that answer, and late this week they asked the Arizona Supreme Court to [take back the case](#). “Prompt resolution is needed so the legislative and executive branches will know where they stand and can take such action as they determine necessary relative to budgetary matters,” a state attorney wrote.

So why is everyone in such a hurry to get a Superior Court ruling? Because the decision about Prop. 208 is the culmination of a long political fight and a hurdle that is blocking legislative action on a spending cap that could force schools to cut their budgets.

Democrats supported Prop. 208, and they hope the Superior Court case [will allow](#) the education funding mechanism to advance despite an [Arizona Supreme Court ruling](#) last year. Legislative Republicans, who opposed Prop. 208, hope the ruling will completely close the door on the income tax surcharge. Because the case centers on a question about how the funding mechanism relates to the [state’s constitutional spending cap for school districts](#), legislative leaders say it is unwise to lift that cap on school spending.

With the clock ticking toward a March 1st deadline to raise that spending cap, [political pressure](#) is rising. House Speaker Rusty Bowers (R-Mesa) said there is [no need to worry](#), but schools around the state are frustrated by the uncertainty.

Election Updates. There are a lot of [proposed election changes](#) at the Capitol this year. Representative Mark Finchem (R-Oro Valley) thinks the state can [overturn the certification](#) of the 2020 election results; House Speaker Rusty Bowers (R-Mesa) [disagrees](#). The Secretary of State and the Attorney General took their disagreement over the state’s [online signature gathering system](#) to court. [Two longtime lawmakers](#) are not running for re-election to their legislative seats.

Court Updates. A federal court ruled against Arizona’s effort to stop [federal immigration policies at the border](#). Another federal judge does not agree with the state that environmental laws should force the federal government to restart [building a border wall](#). A U.S. Court of Appeals will allow family planning clinics to continue [abortion referrals](#) while it considers a challenge from Arizona and 11 other states.

News Updates. These Arizona Senate Republicans oppose a federal change to [prescription drugs](#). It is not clear how key legislators feel about Governor Ducey’s [proposed tax credit](#) for low-income Arizonans. This group wants the NFL to object to Arizona’s proposed changes to voting laws by taking away [the Super Bowl](#) next year. The Arizona Attorney General says the state can [engage in war](#) at the border. [Spring Training matters](#) to Arizona’s economy. The Arizona Department of Housing wants to help Arizonans access [federal housing aid](#). Legislators from both parties are mourning the loss of former Arizona Senator [Olivia Cajero Bedford](#) (D-Tucson).

II. Legislative Session Timeline

FEBRUARY

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

Tuesday

HB 2599 (administrative hearings; GRRC). House Commerce (Tuesday February 15th at 2:00 pm, House RM 3).

HB 2656 (certain affiliations; banks; prohibition). House Commerce (Tuesday February 15th at 2:00 pm, House RM 3).

Wednesday

HB 2472 (businesses; firearms; unlawful acts). House Judiciary (Wednesday February 16th at 8:00 am, House RM 4).

HB 2825 (mobile homes inspections; title transfers). House Transportation (Wednesday February 16th at 1:30 pm, House RM 3).

SB 1053 (religious exemption; vaccine; violation; classification). Senate Commerce (Wednesday February 16th at 2:00 pm, Senate RM 1).

SB 1204 (mortgage brokers; bankers; qualifications). Senate Finance (Wednesday February 16th at 9:00 am, Senate RM 109).

SB 1262 (government lending programs; auditor general). Senate Finance (Wednesday February 16th at 9:00 am, Senate RM 109).

IV. Bills of Potential Relevance to MWCUA

HB 2813 (vehicle finance transaction; clear title).

Sponsor: Rep. Liguori

HB 2825 (mobile homes inspections; title transfers).

Sponsor: Rep. Chavez

HB 2826 (technical correction; safe deposit; tenancy).

Sponsor: Rep. Bowers

V. Recent Action

H2043:	EMPLOYER LIABILITY; COVID-19 VACCINE REQUIREMENT	2/8	from House rules okay.
H2047:	STUDENT LOAN SERVICES; LICENSURE	1/1 2	referred to House com , ways -means , educ .
H2048:	STUDENT LOAN SERVICERS; LICENSURE	1/1 2	referred to House mil-pub safety , jud , nat res-energy-water .
H2104:	COMMUNITY PROPERTY AWARD; CONVICTED SPOUSE	2/3	passed House 59-0 ; ready for Senate.
H2107:	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL.	2/8	from House rules okay.
H2216:	AUTO TITLE LOANS; TITLE; INTEREST	1/1 9	referred to House com , gov-elect .
H2356:	EMPLOYERS; BUSINESSES; COVID-19 VACCINE RECORD	1/2 0	referred to House com .
H2389:	RULEMAKING REVIEW; TIME FRAME	2/1 0	from House gov-elect do pass.
H2472:	BUSINESSES; FIREARMS; UNLAWFUL ACTS	1/2 4	referred to House jud .

H2475:	EMPLOYERS; COVID-19 VACCINE MANDATE; PROHIBITION	1/2 referred to 4 House jud.
H2479:	MOTOR VEHICLES; REGISTRATIONS; TITLES; DEALERS	1/2 referred to 4 House trans.
H2480:	VEHICLE SERIAL NUMBERS; REMOVAL; RESTORATION	2/8 from House rules okay.
H2599:	ADMINISTRATIVE HEARINGS; GRRC	1/3 referred to 1 House com.
H2601:	KRATOM PRODUCTS; DEFINITIONS	2/1 from House gov- 0 elect do pass.
H2656:	CERTAIN AFFILIATIONS; BANKS; PROHIBITION	2/3 referred to House com.
H2813:	VEHICLE FINANCE TRANSACTION; CLEAR TITLE	2/9 referred to House trans.
H2825:	MOBILE HOMES INSPECTIONS; TITLE TRANSFERS	2/9 referred to House trans.
S1048:	EMERGENCY POWERS; BUSINESS CLOSURE; REPEAL	2/8 from Senate rules okay .
S1052:	MEDICAL PROCEDURES; PROHIBITIONS	1/1 referred to 0 Senate hel-hu ser.
S1053:	RELIGIOUS EXEMPTION; VACCINE; VIOLATION; CLASSIFICATION	1/1 referred to 0 Senate com.
S1072:	TECH CORRECTION; BANK DEPOSITS	1/1 referred to 0 Senate rules only.
S1092:	PRODUCT LIABILITY; CIVIL ACTION; LIMITATION	2/2 passed Senate 17-12 ; ready for House.

S1156:	BLOCKCHAIN TECHNOLOGY; TAX; FEE; PROHIBITION	1/1 referred to 2 Senate fin.
S1182:	TECH CORRECTION; SAVINGS AND LOAN	1/1 referred to 3 Senate rules only.
S1204:	MORTGAGE BROKERS; BANKERS; QUALIFICATIONS	1/1 referred to 8 Senate fin.
S1207:	QUALIFIED SPENDTHRIFT TRUSTS	1/1 referred to 8 Senate jud.
S1222:	EXEMPT PROPERTY; TAX CREDIT; PROCEEDS	2/1 Senate COW 0 approved with amend #4051 .
S1236:	CONSUMER LOAN FINANCE CHARGES	2/1 from Senate rules okay .
S1253:	VEHICLE ACCIDENTS; FINANCIAL RESPONSIBILITY	2/1 passed 0 Senate 28-0 ; ready for House.
S1254:	MEDICAL PRODUCT; PROCEDURE; MANDATES; LIABILITY	1/2 referred to 0 Senate jud, com.
S1262:	GOVERNMENT LENDING PROGRAMS; AUDITOR GENERAL	1/2 referred to 4 Senate fin.
S1265:	PROPERTY TAX LIENS; FORECLOSURE; NOTICE	2/8 from Senate rules okay .
S1341:	LEGAL TENDER; SPECIE; BITCOIN	1/2 referred to 5 Senate fin.
S1375:	RETIREMENT SAVINGS PROGRAM; STATE TREASURER	2/1 from 0 Senate fin with amend #4136 .

S1383 :	DISSOLUTION OF MARRIAGE; ANNULMENT	2/8	from Senate rules okay .
S1394 :	DIFI; BUSINESS NAME; TRADE NAME	2/8	from Senate rules okay .
S1414 :	VACCINE REQUIREMENTS; EMPLOYERS; PROHIBITION	2/7	referred to Senate com .
S1422 :	EMPLOYMENT PRACTICES; CONSUMER REPORTS; LIMITATION	1/2 6	referred to Senate com .
S1461 :	INCOME TAX; SUBTRACTION; FDIC PREMIUMS	2/8	from Senate rules okay .
S1493 :	PUBLIC EMPLOYEES; SALARIES; VIRTUAL CURRENCY	1/2 7	referred to Senate fin .
S1580 :	MONEY TRANSMISSION; MONEY TRANSMITTER LICENSURE	2/1 0	from Senate fin with amend #4139 .
S1582 :	HOMESTEAD EXEMPTIONS; AMOUNT	2/9	from Senate fin do pass.
S1614 :	FINANCIAL INSTITUTION; DEPOSITORIES	2/1	referred to Senate fin .
S1685 :	MICROBUSINESS LOANS; COMMERCE AUTHORITY	2/2	referred to Senate com .
SCM1001 :	DONALD J. TRUMP HIGHWAY	1/1 1	referred to Senate trans- tech .
SCR1013 :	MEDIUM OF EXCHANGE; CURRENCY; USE	1/1 1	referred to Senate fin .

[SCR1014](#): PROPERTY TAX EXEMPTION; VIRTUAL CURRENCY

1/1 referred to
1 Senate [fin.](#)

[SM1001](#): FINANCIAL INSTITUTIONS; BURDENSOME REPORTING
REQUIREMENTS

2/9 passed
Senate [16-13](#);
ready for
Secretary of
State.