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ARIZONA STATE SENATE

54TH LEGISLATURE
SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON COMMERCE

DATE: February 20, 2020 **TIME:** 8:30 a.m. **ROOM:** SHR 1

CHAIRMAN: Senator Michelle Ugenti-Rita **VICE-CHAIRMAN:** Senator Tyler Pace

ANALYST: Laura Benitez

ATTENDANCE

Committee Members	Pr	Ab	Ex
Senator Bowie	X		
Senator Farnsworth D.	X		
Senator Gonzales	X		
Senator Livingston	X		
Senator Mesnard	X		
Senator Navarrete	X		
Senator Pace, Vice-Chairman	X		
Senator Ugenti-Rita, Chairman	X		

BILLS

Bill Number	Disposition
SB 1136	DP
SB 1196	DPA/SE
SB 1226	DPA
SB 1298	DPA/SE
SB 1400	FAILED
SB 1498	DPA
SB 1521	DPA
SB 1553	FAILED
SB 1554	DPA
SB 1630	DP
SCM 1006	DP
SCR 1032	DPA

Chairman Ugenti-Rita called the meeting to order at 8:48 a.m. and attendance was noted.

APPROVAL OF MINUTES

Senator Ugenti-Rita stated that without objection, the minutes of February 13, 2020, are approved as distributed.

CONSIDERATION OF BILLS

SB 1553 – neighborhood variance index; hearing – FAILED

Laura Benitez, Commerce Committee Analyst, explained SB 1553.

Senator Brophy McGee, bill sponsor, further explained SB 1553.

Kate Bauer, member, Take Action Phoenix (TAP), representing herself, distributed residential maps (Attachment A). Ms. Bauer testified in support of SB 1553.

Larisa Balderrama, member, Take Action Phoenix, representing herself, testified in support of SB 1553.

Susan Edwards, representing herself, testified in support of SB 1553.

William Hunter, representing himself, testified in support of SB 1553.

Senator Pace moved that SB 1553 receive a DO PASS recommendation. The motion FAILED with a roll call vote of 3-4-1 (Attachment 1).

SB 1554 – short-term rental enforcement; penalties – DO PASS AMENDED

Laura Benitez, Commerce Committee Analyst, explained SB 1554 and the 3-page amendment in Senator Ugenti-Rita's name dated 02/19/2020 at 04:38 p.m. (Attachment B).

Senator Brophy McGee, bill sponsor, further explained SB 1554 and answered questions posed by the Committee.

Nick Ponder, Legislative Director, League of Arizona Cities and Towns, distributed a handout entitled **"**Support the Sharing Economy and Protect Neighborhoods" (Attachment C) and testified in support of SB 1554. Mr. Ponder offered comments and answered questions posed by the Committee.

Christina Sandefur, Executive Vice-President, Goldwater Institute, representing herself, testified in opposition to SB 1554 and answered questions posed by the Committee.

Chris Thompson, representing himself, testified in support of SB 1554.

Sandra Scanlan, representing herself, testified in support of SB 1554.

Guy Phillips, Councilman, Scottsdale, Arizona, **representing himself,** testified in support of SB 1554.

Jessica Williamson, City Councilman, Sedona, Arizona, representing herself, testified in support of SB 1554.

Larisa Balderrama, member, Take Action Phoenix, representing herself, testified in support of SB 1554.

William Chisholm, City Councilman, Sedona, Arizona, representing himself, testified in support of SB 1554.

Susan Edwards, representing herself, testified in support of SB 1554.

Sandy Moriarty, Mayor, Sedona, Arizona, representing herself, testified in support of SB 1554.

Robert Pickels, Sedona City Attorney, Sedona, Arizona, answered questions posed by the Committee and testified in support of SB 1554.

William Hunter, representing himself, testified in support of SB 1554.

Ernie Strauch, former Vice-Mayor of Sedona, representing himself, testified in support of SB 1554.

Jerry Bien Willner, Mayor, Paradise Valley, testified in support of SB 1554.

Jake Hinman, representing Arizona Multihousing Association, testified in support of SB 1554.

Mandy Worth, representing Jerome Town Council, testified in support of SB 1554.

Karl Isenburg, representing himself, testified in support of SB 1554.

Norm Hagstrom, representing himself, testified in support of SB 1554.

Representative Aaron Lieberman, LD 28, testified in support of SB 1554.

Becca Valcik, representing herself, testified in opposition to SB 1554.

Mark Beauvais, representing himself, testified in opposition to SB 1554.

Chante Fox, representing herself, testified in opposition to SB 1554.

John Hamilton, representing himself, testified in opposition to SB 1554.

Candice Eisenfeld, representing herself, testified in opposition SB 1554.

Ms. Benitez answered questions posed by the Committee.

Zoltan Racz, representing himself, testified in opposition to SB 1554.

Steve Schwab, Owner, Casago, representing himself, testified in opposition to SB 1554.

Cindy Steinman, representing herself, testified in opposition to SB 1554.

Chuck Knoles, representing himself, testified in opposition to SB 1554.

Meghan Alfonso, representing herself, testified in opposition to SB 1554.

S. Magic Johnson, representing himself, testified in opposition SB 1554.

Stephen Sorenson, representing himself, testified in opposition to SB 1554.

Colten Bacs, representing himself, testified in opposition to SB 1554.

Robert Apter, representing himself, testified in opposition to SB 1554.

Carrick Sears, representing himself, testified in opposition to SB 1554.

Sondra Hickman, representing herself, testified in opposition to SB 1554.

Sara Alper, representing herself, testified in opposition to SB 1554.

Erik Knight, representing himself, testified in opposition to SB 1554.

Senator Brophy McGee gave closing remarks.

Janet Gould, representing herself, testified in opposition to SB 1554.

Gail Knight, representing herself, testified in opposition to SB 1554.

Sarah Carlblom, representing herself, testified in opposition to SB 1554.

Senator Pace moved that SB 1554 receive a DO PASS recommendation.

Senator Pace moved the 3-page amendment dated 02/19/2020 at 04:38 p.m. in Senator Ugenti-Rita's name (Attachment B) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SB 1554 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-3-0 (Attachment 2).

Senators Bowie, Gonzales, Mesnard, Navarrete, Pace and Ugenti-Rita explained their vote.

SB 1226 – revised uniform law; notarial act – DO PASS AMENDED/STRIKE EVERYTHING

Laura Benitez, Commerce Committee Analyst, explained the strike everything amendment to SB 1226 in Senator Ugenti-Rita's name dated 02/17/2020 at 9:46 a.m. (Attachment D).

Senator Brophy McGee, bill sponsor, further explained SB 1226.

Timothy Berg, Chair, Arizona Commission on Uniform State Laws, further explained the strike everything amendment to SB 1226.

Jessica Fotinos, General Counsel Maricopa County Clerk of the Superior Court, testified that her testimony might change from being against the strike everything amendment to SB 1226 to neutral due to information that was received.

Senator Pace moved that SB 1226 receive a DO PASS recommendation.

Senator Pace moved that the strike everything amendment dated 02/17/2020 at 9:46 a.m. in Senator Ugenti-Rita's name (Attachment D) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SB 1226 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 3).

Senator Gonzales explained her vote.

SB 1521 – event tickets; transferability – DO PASS AMENDED

Laura Benitez, Commerce Committee Analyst, explained SB 1521 and the 3-line amendment in Senator Ugenti-Rita's name dated 02/19/2020 at 10:23 a.m. (Attachment E).

Senator Ugenti-Rita, bill sponsor, further explained SB 1521.

John Kelly, Triadvocates, representing Principal StubHub, further explained SB 1521 and testified in support of SB 1521. Mr. Kelly answered questions posed by the Committee.

Tony Keryakos, representing StubHub, gave a background on StubHub and testified in support of SB 1521.

Amilyn Pierce, Vice-President, Government Affairs, Arizona Diamondbacks, testified in opposition to SB 1521 and answered questions posed by the Committee.

Daniel Sharaby, Owner, Tickets Unlimited, testified in support of SB 1521.

Dustin Brighton, representing Ticketmaster, testified in opposition to SB 1521.

Carl Szabo, Vice-President, NetChoice, testified in support of SB 1521.

Chris VanDeHoef, President, Fan Freedom Project, testified in support of SB 1521.

Senator Pace moved that SB 1521 receive a DO PASS recommendation.

Senator Pace moved the 3-line amendment dated 02/19/2020 at 10:23 a.m. in Senator Ugenti-Rita's name (Attachment E) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SB 1521 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-1-1 (Attachment 4).

Senators Gonzales, Navarrete and Bowie explained their vote.

SB 1498 – workers' compensation; physicians; expertise; hearings – DO PASS AMENDED

Laura Benitez, Commerce Committee Analyst, explained SB 1498 and the 12-line amendment in Senator Ugenti-Rita's name dated 02/17/2020 at 11:29 a.m. (Attachment F) and the 4-line amendment in Senator Livingston's name dated 02/19/2020 at 02:00 p.m. (Attachment G).

Senator Boyer, bill sponsor, further explained SB 1498 and answered questions posed by the Committee.

Ellen Poole, Executive Director, Southwest Region Government Relations, American Property and Casualty Insurance Association, testified in opposition to SB 1498 and answered questions posed by the Committee.

Trevor Laky, representing Industrial Commission of Arizona, answered questions posed by the Committee.

Emily Rice, representing Arizona Self-Insurers Association, testified in opposition to SB 1498.

Michael Colletto, representing Professional Fire Fighters of Arizona, testified in support of SB 1498.

Senator Boyer gave closing remarks.

Senator Pace moved that SB 1498 receive a DO PASS recommendation.

Senator Pace moved the 12-line amendment in Senator Ugenti-Rita's name dated 02/17/2020 at 11:29 a.m. (Attachment F) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved the 4-line amendment dated 02/19/2020 in Senator Livingston's name at 02:00 p.m. (Attachment G) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SB 1498 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-2-0 (Attachment 5).

Senators Livingston, Navarrete and Pace explained their vote.

SCR 1032 – medical marijuana; pesticides; inspections; information – DO PASS AMENDED

Michael Hans, Senate Research Analyst, explained SCR 1032 and the proposed Livingston amendment dated 02/19/2020 at 2:56 p.m. (Attachment H).

Senator Borrelli, bill sponsor, further explained SCR 1032 and the amendment to SCR 1032. Senator Borrelli answered questions posed by the Committee.

Senator Pace moved that SCR 1032 receive a DO PASS recommendation.

Senator Pace moved the 56-page amendment to SCR 1032 in Senator Livingston's name dated 02/19/2020 at 2:56 p.m. (Attachment H) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SCR 1032 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-1-0 (Attachment 6).

Senator Navarrete explained his vote.

SB 1400 – electronic smoking devices; retail licensing – FAILED

Laura Benitez, Commerce Committee Analyst, explained the strike everything amendment to SB 1400 dated 02/18/2020 at 03:43 p.m. (Attachment I) and the 2-page amendment to the strike everything amendment dated 02/19/2020 at 02:51 p.m. in Senator Ugenti-Rita's name (Attachment J) and the 5-line amendment to the strike everything amendment dated 02/19/2020 at 01:30 p.m. in Senator Pace's name (Attachment K).

Senator Ugenti-Rita further explained the strike every amendment to SB 1400.

Senator Pace, bill sponsor, further explained the strike everything amendment to SB 1400 and the amendment in his name to the strike everything amendment.

Amanda Gray, representing Arizona Petroleum Marketers Association, testified in support of the strike everything amendment to SB 1400. Ms. Gray stated that there are some concerns with the proposed Pace amendment to the strike everything amendment to SB 1400.

Troy Little, President, Quik Mart Stores, Tucson, Arizona, testified in support of the strike everything amendment and answered questions posed by the Committee.

Mark Miller, representing Arizona Food Market Alliance, testified in support of the strike everything amendment to SB 1400.

Nicole Olmstead, representing American Heart Association, testified in opposition to the strike everything amendment and the amendments to the strike everything amendment to SB 1400. Ms. Olmstead answered questions posed by the Committee.

Ms. Benitez answered questions posed by the Committee.

Senator Livingston offered comments.

Brian Hummell, Arizona Director, Government Relations, American Cancer Society Cancer Action Network, testified in opposition to the strike everything amendment to SB 1400.

Mark Barnes, representing Preventing Tobacco Addiction Foundation, testified in opposition to the strike everything amendment to SB 1400.

Karen Winterstein, Director, Student Services, Dysart Unified School District, Surprise Arizona, testified in opposition to the strike everything amendment to SB 1400.

JoAnna Strother, representing American Lung Association in Arizona, testified in opposition to the strike everything amendment to SB 1400 and answered questions posed by the Committee.

The Committee discussed the strike everything amendment to SB 1400.

Tom Savage, representing League of Arizona Cities and Towns, testified in opposition to the strike everything amendment to SB 1400 and answered questions posed by the Committee.

Ms. Benitez answered additional questions posed by the Committee.

Mr. Savage answered additional questions posed by the Committee.

Kyle Sawyer, representing Arizona Healthcare Cost Containment System, testified as neutral to the strike everything amendment to SB 1400. Mr. Sawyer offered comments and answered questions posed by the Committee.

Gibson McKay, representing Vapor Technology Association, testified as neutral and offered comments.

Senator Pace moved that SB 1400 receive a DO PASS recommendation.

Senator Pace moved the strike everything amendment dated 02/18/2020 at 03:43 p.m. in Senator Ugenti-Rita's name (Attachment I) be ADOPTED.

Senator Pace moved the 2-page Ugenti-Rita amendment to the strike everything amendment dated 02/19/2020 at 02:51 (Attachment J) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved the 5-line amendment to the strike everything amendment dated 02/19/2020 at 01:30 p.m. in Senator Pace's name (Attachment K) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved the strike everything amendment AS AMENDED, be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved SB 1400 AS AMENDED, receive a DO PASS recommendation. The motion FAILED with a roll call vote of 4-4-0 (Attachment 7).

Senators Bowie, Livingston, Mesnard, Navarrete and Pace explained their vote.

SB 1136 – apprenticeships; funeral directors; embalmers; cremationists – DO PASS

Jordan Pittman, Commerce Committee Intern, explained SB 1136.

Senator Pace, bill sponsor, offered comments.

Senator Pace moved that SB 1136 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 8).

SB 1196 – technical correction; oil; gas, commission – DO PASS AMENDED/STRIKE EVERYTHING

Jordan Pittman, Commerce Committee Intern, explained the strike everything amendment in Senator Mesnard's name dated 02/14/2020 at 08:33 a.m. (Attachment L).

Senator Mesnard, bill sponsor, offered comments.

Senator Pace moved that SB 1196 receive a DO PASS recommendation.

Senator Pace moved the strike everything amendment dated 02/14/2020 at 08:33 a.m. in Senator Mesnard's name (Attachment L) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SB 1196 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 9).

SB 1298 – engineering practice; definition – DO PASS AMENDED/STRIKE EVERYTHING

Laura Benitez, Commerce Committee Analyst, explained the strike everything amendment to SB1298 dated 02/18/2020 at 2:32 p.m. in Senator Mesnard's name (Attachment M).

Senator Mesnard, bill sponsor, further explained SB 1298.

Senator Pace moved that SB 1298 receive a DO PASS recommendation.

Senator Pace moved the strike everything amendment dated 02/18/2020 at 2:32 p.m. in Senator Mesnard's name (Attachment M) be ADOPTED. The motion CARRIED by voice vote.

Senator Pace moved that SB 1298 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 10).

SB 1630 – microbusiness loans; commerce authority – DO PASS

Jordan Pittman, Commerce Committee Intern, explained SB 1630 and answered questions posed by the Committee.

Senator Navarrete, bill sponsor, further explained SB 1630.

Xenia Orona, representing herself, testified in support of SB 1630 and answered questions posed by the Committee.

Senator Navarrete answered questions posed by the Committee.

Ms. Orona answered additional questions posed by the Committee.

Senator Navarrete answered additional questions posed by the Committee.

Senator Pace moved SB 1630 with a DO PASS recommendation.

Senators Livingston and Navarrete offered comments.

The motion CARRIED with a roll call vote of 5-3-0 (Attachment 11).

Senator Mesnard explained his vote.

SCM 1006 – ports of entry; seven-day entry. – DO PASS

Jordan Pittman, Commerce Committee Intern, explained SCM 1006.

Senator Dalessandro, bill sponsor, further explained SCM 1006.

> **Senator Pace moved that SCM 1006 receive a DO PASS recommendation. The motion CARRIED with a roll vote of 7-1-0 (Attachment 12).**

Attached are forms noting the individuals who submitted a Speaker Slip on the bills (Attachment N).

Attached is a list noting the individuals who registered their position on the bills (Attachment O).

There being no further business, the meeting was adjourned at 1:44 p.m.

Respectfully submitted,

Toy Brown
Committee Secretary

(Audio recordings and attachments are on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at http://www.azleg.gov)