ARIZONA STATE SENATE

55TH LEGISLATURE
SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON COMMERCE

DATE: March 9, 2022 **TIME:** 2:00 P.M. **ROOM:** SHR 1

CHAIRMAN: Senator J.D. Mesnard **VICE-CHAIRMAN:** Senator Michelle Ugenti-Rita

ANALYST: Jason Theodorou

ATTENDANCE

Committee Members	Pr	Ab	Ex
Senator Borrelli	X		
Senator Bowie	X		
Senator Gabaldon	X		
Senator Hatathlie	X		
Senator Livingston	X		
Senator Pace	X		
Senator Terán	X		
Senator Ugenti-Rita, Vice-Chairman	X		
Senator Mesnard, Chairman	X		

BILLS

Bill Number	Disposition
HB 2103	DP
HB 2120	HELD
HB 2121	HELD
HB 2202	DP
HB 2275	DP
HB 2381	DP
HB 2612	DP
HB 2660	DPA
HB 2694	DP
HB 2714	DP
HB 2731	DP
HB 2822	DP
HCR 2031	DISCUSS/HELD

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2022031041

Chairman Mesnard called the meeting to order at 4:28 p.m. and attendance was noted.

APPROVAL OF MINUTES

Senator Mesnard stated that without objection, the minutes of March 2, 2022 were approved.

CONSIDERATION OF BILLS

HB 2120 - injury reports; medical treatment – HELD

Senator Mesnard stated that HB 2120 would be HELD.

HB 2121 - workers' compensation; medical-only loss – HELD

Senator Mesnard stated that HB 2121 would be HELD.

HCR 2031 - employee benefits; compensation; state preemption – DISCUSS/HELD

Caila Young, Commerce Committee Intern, explained HCR 2031.

Representative Cobb, resolution sponsor, further explained HCR 2031 and answered questions posed by the Committee.

Senator Mesnard stated that HCR 2031 would be HELD but testimony would be taken.

Eleazar Martinez, representing himself, testified in opposition to HCR 2031.

Odalys Madrid, representing herself, testified in opposition to HCR 2031.

Hugo Polanco, Creosote Partners, Arizona Center for Empowerment, testified in opposition to HCR 2031.

Corina Ruiz, representing herself, testified in opposition to HCR 2031.

Senator Terán offered comments.

HB 2275 - condominium termination; unit owners; percentage – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained HB 2275.

Representative Weninger, bill sponsor, further explained HB 2275, distributed and discussed a letter dated August 20, 2020, an email dated January 13, 2021, a letter dated May 3 ,2021 (Attachment A) and a memo entitled "Arizona Legislative Council" (Attachment B). Mr. Weninger answered a question posed by the Committee.

Jill Evans, representing herself, testified in support of HB 2275.

Suzanna Sebnekar, representing herself, testified in support of HB 2275.

Dennis Legere, representing himself, testified in support of HB 2275.

Ellen Martinson, representing herself, testified in support of HB 2275

John Nash, representing himself, testified in support of HB 2275.

Mark Day, representing himself, testified in support of HB 2275.

Cheryl Desimone, representing herself, testified in support of HB 2275.

Ernie Ursitti, representing himself, testified in support of HB 2275.

Ken Marginson, representing himself, testified in support of HB 2275.

Jerry Bishop, representing himself, testified in support of HB 2275.

Brad Grondahl, representing himself, testified in support of HB 2275.

Anthea Harrison, representing herself, testified in support of HB 2275.

Jim Smart, representing himself, testified in support of HB 2275.

Jill Smart, representing herself, testified in support of HB 2275.

Nancy Vermeer, representing herself, testified in support of HB 2275.

Jim Jackson, representing himself, testified in support of HB 2275.

Christine Jackson, representing herself, testified in support of HB 2275.

Matt Nam, representing himself, testified in support of HB 2275.

Christine Accurso, representing herself, testified in support of HB 2275 and distributed a handout entitled "Santana Ridge Luxury Condominiums Chandler, AZ" (Attachment C).

Greg Patterson, Rockwell Properties, testified in opposition to HB 2275 and answered questions posed by the Committee.

Charlie Markle, Fennemore Craig, testified in opposition to HB 2275 and answered questions posed by the Committee.

Mr. Patterson answered additional questions posed by the Committee.

Senator Mesnard referenced the distributed memo "Arizona Legislative Council" (Attachment B).

The Committee discussed HB 2275.

Senator Ugenti-Rita moved HB 2275 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-4-0 (Attachment 1).

The Committee explained their votes.

HB 2612 - occupational regulation – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained HB 2612.

Representative Burges, bill sponsor, further explained HB 2612.

> **Senator Ugenti-Rita moved HB 2612 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 2).**

HB 2714 - office of tourism; continuation – DO PASS

Caila Young, Commerce Committee Intern, explained HB 2714.

Representative Kaiser, bill sponsor, further explained HB 2714.

> **Senator Ugenti-Rita moved HB 2714 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 3).**

HB 2381 - technical correction; sports facilities account (now: office of tourism; powers; fund) – DO PASS

Caila Young, Commerce Committee Intern, explained HB 2381.

Representative Kaiser, bill sponsor, further explained HB 2381 and answered a question posed by the Committee.

Debbie Johnson, Director, Arizona Office of Tourism, testified in support of HB 2381.

> **Senator Ugenti-Rita moved HB 2381 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 4).**

HB 2731 - regulatory sandbox; expansion – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained HB 2731.

Representative Kaiser, bill sponsor, further explained HB 2731.

David Morris, Director, Americans for Prosperity, testified in support of HB 2731.

> **Senator Ugenti-Rita moved HB 2731 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-3-0 (Attachment 5).**

HB 2202 - industrial commission; fee schedule; notice – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained HB 2202.

Representative Weninger, bill sponsor, further explained HB 2202.

Barry Aarons, Arizona Association of Lawyers for Injured Workers, Injured Workers Pharmacy, testified in support of HB 2202.

Mike Colletto, Professional Fire Fighters of Arizona, testified in support of HB 2202.

Senator Ugenti-Rita moved HB 2202 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-0-1 (Attachment 6).

HB 2660 - liquor; licensing; processes; procedures – DO PASS AMENDED

Jason Theodorou, Commerce Committee Analyst, explained HB 2660 and the 2-line Mesnard amendment to HB 2660 dated 03/08/2022 at 08:32 a.m. (Attachment D).

Representative Weninger, bill sponsor, further explained HB 2660 and answered a question posed by the Committee.

Steve Barclay, Beer and Wine Distributors of Arizona, testified in support of HB 2660.

Don Isaacson, Arizona Licensed Beverage Association, testified in support of HB 2660 and answered a question posed by the Committee.

Senator Ugenti-Rita moved HB 2660 receive a DO PASS recommendation.

Senator Ugenti-Rita moved the 2-line Mesnard amendment to HB 2660 dated 03/08/2022 at 08:32 a.m. (Attachment D) be ADOPTED. The motion CARRIED by voice vote.

Senator Ugenti-Rita moved HB 2660 AS AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 8-1-0 (Attachment 7).

Senator Gabaldon explained her vote.

HB 2103 - trademarks; service marks; trade names – DO PASS

Caila Young, Commerce Committee Intern, explained HB 2103 and answered a question posed by the Committee.

Representative Griffin, bill sponsor, further explained HB 2103 and answered a question posed by the Committee.

Senator Ugenti-Rita moved HB 2103 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 8).

Senator Pace explained his vote.

HB 2694 - department of real estate; fees – DO PASS

Caila Young, Commerce Committee Intern, explained HB 2694.

> **Senator Ugenti-Rita moved HB 2694 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-0 (Attachment 9).**

HB 2822 - personal property; additional depreciation – DO PASS

Molly Graver, Finance Committee Analyst, explained HB 2822.

Representative Weninger, bill sponsor, further explained HB 2822.

Chad Heinrich, National Federation of Independent Business, testified in support of HB 2822, discussed and distributed a memorandum regarding "Economic and Fiscal Impacts of HB 2822: Personal Property; Additional Depreciation" (Attachment E) and answered questions posed by the Committee.

Patrick Bray, Arizona Farm and Ranch Group, testified in support of HB 2822.

Tim Lawless, President, Commercial Real-estate Executives for Economic Development, testified in support of HB 2822.

Mark Barnes, County Supervisors Association of Arizona, testified in opposition to HB 2822.

Ryan Boyd, Arizona Association of Counties, testified in opposition to HB 2822.

Kevin McCarthy, President, Arizona Tax Research Association, testified in support of HB 2822 and answered questions posed by the Committee.

Mr. Barnes answered additional questions posed by the Committee.

> **Senator Ugenti-Rita moved HB 2822 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-3-0 (Attachment 10).**

Senator Mesnard explained his vote.

Attached is a list noting the individuals who registered their positions on the legislation (Attachment F).

There being no further business, the meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Tracey Gardner
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)