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ARIZONA STATE SENATE

56TH LEGISLATURE
FIRST REGULAR SESSION

MINUTES OF COMMITTEE ON COMMERCE

DATE: February 15, 2023 **TIME:** 8:30 A.M. **ROOM:** SHR 1

CHAIRMAN: Senator Steve Kaiser **VICE-CHAIRMAN:** Senator Frank Carroll

ANALYST: Jason Theodorou

ATTENDANCE

Committee Members	Pr	Ab	Ex
Senator Hatathlie	X		
Senator Hernandez	X		
Senator Kern	X		
Senator Mesnard	X		
Senator Miranda 2/15/2023	X		
Senator Terán 2/16/2023	X		
Senator Carroll, Vice-Chairman	X		
Senator Kaiser, Chairman	X		

BILLS

Bill Number	Disposition
SB 1018	DPA/SE
SB 1131	DPA/SE
SB 1136	DPA/SE
SB 1164	DPA
SB 1167	DP
SB 1210	DPA
SB 1308	HELD
SB 1322	DP
SB 1501	DP
SB 1506	DISCUSSION ONLY
SB 1541	DP
SB 1562	DP
SB 1569	DP
SB 1602	DP
SB 1606	FAILED
SB 1658	DP
SB 1715	DPA
SB 1717	DPA

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2023021083

Chairman Kaiser called the meeting to order at 9:00 a.m. and the attendance was taken.

APPROVAL OF MINUTES

Senator Kaiser stated that without objection, the minutes of February 8, 2023 were approved as distributed.

CONSIDERATION OF BILLS

SB 1308 – fireworks; aerial devices; retailers; licensure – HELD

Chairman Kaiser announced that SB 1308 would be HELD.

SB 1541 – housing trust fund; unclaimed property. – DO PASS

Pauline Mayundo, Commerce Committee Intern, explained SB 1541.

Senator Alston, bill sponsor, further explained SB 1541.

Lisa Glow, Chief Executive Officer, Central Arizona Shelter Services, testified in support of SB 1541.

Senator Kern moved that SB 1541 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 1).

SB 1602 – dental anesthesia; requirements – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained SB 1602.

Senator Shamp, bill sponsor, further explained SB 1602 and answered questions posed by the Committee.

Kelsey Lundy, Compass Strategies, Arizona Association of Nurse Anesthetists, testified in support of SB 1602 and answered questions posed by the Committee.

Ali Baghai, representing self, testified in support of SB 1602 and answered questions posed by the Committee.

Dr. Randy Blazic, representing self, testified in opposition to SB 1602 and answered questions posed by the Committee.

Dr. Matthew Arnall, representing self, testified in opposition to SB 1602.

Stuart Goodman, Arizona Society of Oral and Maxillofacial Surgeons, testified in opposition to SB 1602.

Kevin Earle, Arizona Dental Association, testified in opposition to SB 1602 and answered questions posed by the Committee.

Senator Shamp offered closing comments and answered questions posed by the Committee.

Senator Carroll moved that SB 1602 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 2).

Senators Hatathlie, Hernandez, Miranda, Carroll and Mesnard explained their votes.

SB 1167 – unemployment insurance; benefit amounts; definition – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained SB 1167.

Senator Kaiser, bill sponsor, further explained SB 1167.

Brian Sikma, Opportunity Solutions, testified in support of SB 1167 and answered questions posed by the Committee.

Kathy Ber, Arizona Department of Economic Security, testified as neutral on SB 1167 and answered questions posed by the Committee.

Senator Carroll moved that SB 1167 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 3).

Senators Hatathlie and Hernandez explained their votes.

SB 1136 – trade or commerce; technical correction – DO PASS AMENDED/STRIKE EVERYTHING

Pauline Mayundo, Commerce Committee Intern, explained the 3-page Kaiser strike everything amendment to SB 1136 dated 02/10/2023 at 2:10 p.m. (Attachment A).

Senator Borrelli, bill sponsor, further explained the strike everything amendment to SB 1136.

Senator Carroll moved that SB 1136 be returned with a DO PASS recommendation.

Senator Carroll moved the 3-page Kaiser strike everything amendment to SB 1136 dated 02/10/2023 at 2:10 p.m. (Attachment A) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1136 AS AMENDED, be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 4).

SB 1322 liquor licenses; prohibition; county island – DO PASS

Jason Theodorou, Commerce Committee Analyst, explained SB 1322.

Senator Hatathlie, bill sponsor, further explained SB 1322, distributed and explained a handout entitled "Reservations that appear to have county islands include:" (Attachment B) and answered questions posed by the Committee.

Jasmine Blackwater-Nygren, First Lady of the Navajo Nation, testified in support of SB 1322 and answered questions posed by the Committee.

Senator Hatathlie answered additional questions posed by the Committee.

Deydrek Scott, President, Planning and Zoning, Tuba City, testified in support of SB 1322.

Senator Carroll moved that SB 1322 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 5).

Senators Mesnard, Carroll, Hatathlie and Kaiser explained their votes.

SB 1131 – technical correction; prepaid legal insurance – DO PASS AMENDED/ STRIKE EVERYTHING

Jason Theodorou, Commerce Committee Analyst, explained the 8-page Kaiser strike everything amendment to SB 1131 dated 02/02/2023 at 02:12 p.m. (Attachment C).

Senator Petersen, bill sponsor, further explained the strike everything amendment to SB 1131.

Jake Hinman, Arizona Multihousing Association, testified in support of the strike everything amendment to SB 1131 and answered questions posed by the Committee.

Tom Savage, League of Arizona Cities and Towns, testified in opposition to the strike everything amendment to SB 1131.

Spencer Kamps, Home Builders Association of Central Arizona, testified in support of the strike everything amendment to SB 1131.

Senator Carroll moved that SB 1131 be returned with a DO PASS recommendation.

Senator Carroll moved the 8-page Kaiser strike everything amendment to SB 1131 dated 02/02/2023 at 02:12 p.m. (Attachment C) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1131 AS AMENDED, be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 6).

Senator Miranda explained her vote.

SB 1562 – research; development; tax credits – DO PASS

Molly Graver, Finance Committee Analyst, explained SB 1562.

Senator Kaiser, bill sponsor, further explained SB 1562.

Courtney Coolidge, Vice President, Government Affairs, Arizona Chamber of Commerce, testified in support of SB 1562.

Dianne McCallister, Arizona Technology Council, testified in support of SB 1562.

Kelsey Lundy, Compass Strategies, Honeywell International Inc., testified in support of SB 1562.

Senator Kaiser offered closing comments and answered questions posed by the Committee.

Senator Carroll moved that SB 1562 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 7).

Senators Hatathlie, Hernandez, Mesnard and Miranda explained their votes.

SB 1715 – contractor licensure; handyman exemption – DO PASS AMENDED

Pauline Mayundo, Commerce Committee Intern, explained SB 1715 and the 4-page Kaiser amendment to SB 1715 dated 02/14/2023 at 01:13 p.m. (Attachment D).

Senator Gowan, bill sponsor, further explained SB 1715 and answered questions posed by the Committee.

Barry Aarons, Associated Specialty Contractors of Arizona, testified in opposition to SB 1715 and answered questions posed by the Committee.

Eli Dalton-Webb, representing self, testified in support of SB 1715.

Senator Carroll moved that SB 1715 be returned with a DO PASS recommendation.

Senator Carroll moved the 4-page Kaiser amendment to SB 1715 dated 02/14/2023 at 01:13 p.m. (Attachment D) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1715 AS AMENDED, be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-1-0 (Attachment 8).

Senators Hernandez, Kern and Mesnard explained their votes.

SB 1210 – funeral services regulation; DHS – FAILED*
***(See reconsideration of SB 1210 on page 7)**

Jason Theodorou, Commerce Committee Analyst, explained SB 1210 and the 4-page Kaiser amendment to SB 1210 dated 02/10/2023 at 5:15 p.m. (Attachment E).

Senator Kaiser, bill sponsor, further explained SB 1210 and the 4-page Kaiser amendment to SB 1210 dated 02/10/2023 at 5:15 p.m. (Attachment E).

Jake Hinman, Arizona Funeral, Cemetery and Cremation Association, testified in support of SB 1210 and answered questions posed by the Committee.

Mr. Theodorou answered questions posed by the Committee.

The Committee offered comments.

Natasha Culbertson, Executive Director, Arizona State Board of Funeral Directors and Embalmers, testified as neutral on SB 1210 and answered questions posed by the Committee.

Senator Carroll moved that SB 1210 be returned with a DO PASS recommendation.

Senator Carroll moved the 4-page Kaiser amendment to SB 1210 dated 02/10/2023 at 5:15 p.m. (Attachment E) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1210 AS AMENDED, be returned with a DO PASS recommendation. The motion FAILED with a roll call vote of 3-4-0 (Attachment 9).

Senators Hatathlie, Hernandez and Miranda explained their votes.

SB 1164 – workers' compensation; fraud investigations; adjudications – DO PASS AMENDED

Jason Theodorou, Commerce Committee Analyst, explained SB 1164 and the 19-line Kaiser amendment to SB 1164 dated 02/14/2023 at 12:21 p.m. (Attachment F).

Senator Kaiser, bill sponsor, further explained SB 1164 and answered questions posed by the Committee.

Wendy Briggs, American Property Casualty Insurance Association, testified in support of SB 1164.

Michael Colletto, Community Horizons, testified in opposition to SB 1164 and answered questions posed by the Committee.

Emily Rice, Arizona Self-Insurers Association, testified in support of SB 1164 and answered questions posed by the Committee.

Barry Aarons, Arizona Association of Lawyers for Injured Workers, Arizona Trial Lawyers Association, testified in opposition to SB 1164 and answered questions posed by the Committee.

Mark Kendall, CopperPoint Insurance Company, testified in support of SB 1164 and answered questions posed by the Committee.

Senator Carroll moved that SB 1164 be returned with a DO PASS recommendation.

Senator Carroll moved the 19-line Kaiser amendment to SB 1164 dated 02/14/2023 at 12:21 p.m. (Attachment F) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1164 AS AMENDED, be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 10).

Senators Hatathlie, Hernandez and Miranda explained their votes.

SB 1717 – dual enrollment; revisions; appropriations – DO PASS AMENDED

Mason Holler, Education Committee Assistant Analyst, explained SB 1717 and the 3-page Kaiser amendment to SB 1717 dated 02/14/2023 at 02:02 p.m. (Attachments G).

Senator Kaiser, bill sponsor, further explained SB 1717 and the 3-page Kaiser amendment to SB 1717 dated 02/14/2023 at 02:02 p.m. (Attachments G).

Jaime Molera, Chairman, Elevate Ed, testified in support of SB 1717.

Jim Mayer, representing self, testified in support of SB 1717.

Dr. Steven Gonzales, Chancellor, Maricopa County Community College District, testified in support of SB 1717.

Senator Carroll moved that SB 1717 be returned with a DO PASS recommendation.

Senator Carroll moved the 3-page Kaiser amendment to SB 1717 dated 02/14/2023 at 02:02 p.m. (Attachment G) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1717 AS AMENDED, be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-1-0 (Attachment 11).

Senator Hatathlie explained her vote.

SB 1210 – funeral services regulation; DHS – DO PASS AMENDED

Senator Kern moved the Committee RECONSIDER the action whereby it failed to pass SB 1210. The motion carried by voice vote.

Senator Carroll moved SB 1210 as AMENDED, receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 12).

Senators Hatathlie and Miranda explained their votes

Chairman Kaiser announced that the Commerce Committee would take a recess until February 16, 2023 upon adjournment of the Senate floor session.

RECESS

At 1:00 p.m. the Chairman recessed the meeting to the sound of the gavel.

RECONVENE

On February 16, 2023 at 4:20 p.m. the Chairman reconvened the meeting.

Chairman Kaiser requested that the attendance be noted.

SB 1658 – critical infrastructure; prohibited agreements – DO PASS

Fausto Burruel, Commerce Committee Assistant Analyst, explained SB 1658.

Senator Rogers, bill sponsor, further explained SB 1658.

Senator Carroll moved that SB 1658 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 13).

SB 1606 – AHCCCS; acupuncture services – FAILED

Jason Theodorou, Commerce Committee Analyst, explained SB 1606.

Shannon Whiteaker, Asian Medicine and Acupuncturist of Arizona, testified in support of SB 1606 and answered questions posed by the Committee.

Senator Wadsack, bill sponsor, further explained SB 1606.

Senator Carroll moved that SB 1606 be returned with a DO PASS recommendation. The motion FAILED with a roll call vote of 3-4-0 (Attachment 14).

SB 1506 – rental housing; income source discrimination. – DISCUSSION ONLY

Fausto Burruel, Commerce Committee Assistant Analyst, explained SB 1506.

Senator Hernandez, bill sponsor, further explained SB 1506 and answered questions posed by the Committee.

Joselyn Wilkinson, Director, Statewide Capacity Building Initiative, Arizona Housing Coalition, testified in support of SB 1506 and answered questions posed by the Committee.

Melissa Westbrook, representing self, testified in support of SB 1506.

Courtney LeVinus, Arizona Multihousing Association, distributed and explained a handout entitled "Leasing Process Comparison" (Attachment H), testified in opposition to SB 1506 and answered questions posed by the Committee.

Drew Schaffer, William E. Morris Institute for Justice, testified in support of SB 1506 and answered questions posed by the Committee.

The Committee offered comments.

SB 1501 – electric vehicle charging stations – DO PASS

Fausto Burruel, Commerce Committee Assistant Analyst, explained SB 1501.

Senator Carroll, bill sponsor, further explained SB 1501.

Amanda Gray, Executive Director, Petroleum Marketers Association, testified in support of SB 1501 and answered questions posed by the Committee.

Caryn Potter, Southwest Energy Efficiency Project, testified in opposition to SB 1501 and answered questions posed by the Committee.

Michael Vargas, Arizona Public Service Company, testified in opposition to SB 1501 and answered questions posed by the Committee.

Russell Smoldon, Executive Director, Arizona Municipal Power Users' Association, representing Grand Canyon State Electric Cooperative Association, Irrigation and Electrical Districts Association of Arizona, Inc., Mohave Electric Cooperative Inc., Electrical District No. 3, testified in opposition to SB 1501 and answered questions posed by the Committee.

Mike Williams, Circle K, testified in support of SB 1501 and answered questions posed by the Committee.

Kelsey Lundy, Americans for Affordable Clean Energy, testified in support of SB 1501 and answered questions posed by the committee.

Senator Carroll moved that SB 1501 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 15).

Senators Hernandez, Kern, Mesnard and Terán explained their votes.

SB 1018 – mental health coverage; collaborative care – DO PASS AMENDED/STRIKE EVERYTHING

Fausto Burruel, Commerce Committee Assistant Analyst, explained the 4-page Kaiser strike everything amendment to SB 1018 dated 02/13/2023 at 9:22 a.m. (Attachment I) and answered questions posed by the Committee.

Senator Kaiser, strike everything amendment sponsor, further explained the 4-page Kaiser strike everything amendment to SB 1018 dated 02/13/2023 at 9:22 a.m. (Attachment I).

Alexis Glascock, Arizona Psychiatric Society, testified in support of the strike everything amendment to SB 1018.

Amanda Rusing, Arizona Medical Association, testified in support of the strike everything amendment to SB 1018 and answered questions posed by the Committee.

Senator Carroll moved that SB 1018 be returned with a DO PASS recommendation.

Senator Carroll moved the 4-page Kaiser strike everything amendment to SB 1018 dated 02/13/2023 at 9:22 a.m. (Attachment I) be ADOPTED. The motion CARRIED by voice vote.

Senator Carroll moved SB 1018 AS AMENDED, be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-1-1 (Attachment 16).

Senator Hatathlie explained her vote.

SB 1569 – study committee; eviction prevention – DO PASS

Pauline Mayundo, Commerce Committee Intern, explained SB 1569.

Senator Terán, bill sponsor, further explained SB 1569 and answered questions posed by the Committee.

Drew Schaffer, William E. Morris Institute for Justice, testified in support of SB 1569.

Courtney LeVinus, Arizona Multihousing Association, distributed and explained a handout entitled "Justice Court Eviction Rate (Filings per 100k of Population)" (Attachment J), testified in opposition to SB 1569 and answered questions posed by the Committee.

Senator Terán offered closing comments.

Senator Carroll moved that SB 1569 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 17).

Senators Hatathlie, Kern and Kaiser explained their votes.

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

Attached are forms noting the individuals who submitted a Speaker slip on the legislation (Attachment L).

There being no further business, the meeting was adjourned at 6:39 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)