ARIZONA STATE SENATE

56TH LEGISLATURE
SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON FINANCE AND COMMERCE

DATE: February 5, 2024 **TIME:** 2:00 P.M. **ROOM:** SHR 109

CHAIRMAN: Senator J.D. Mesnard **VICE-CHAIRMAN:** Senator Shawnna Bolick

ANALYST: Molly Graver

ATTENDANCE

Committee Members	Pr	Ab	Ex
Senator Alston	X		
Senator Epstein	X		
Senator Fernandez	X		
Senator Gowan	X		
Senator Shamp	X		
Senator Bolick, Vice-Chairman	X		
Senator Mesnard, Chairman	X		

BILLS

Bill Number	Disposition
SB 1053	DP
SB 1112	DP
SB 1213	DP
SB 1218	DPA
SB 1260	DPA
SB 1270	DP
SB 1271	DP
SB 1291	DP
SB 1296	DP
SB 1358	DP
SB 1366	DP
SB 1455	DP
SB 1495	DP
SB 1496	DP
SB 1556	HELD
SB 1639	DP

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2024021009

Chairman Mesnard called the meeting to order at 2:53 p.m. and attendance was noted.

APPROVAL OF MINUTES

Senator Mesnard stated that without objection, the minutes of January 22, 2024 and January 29, 2024 were approved as distributed.

Senator Mesnard offered opening comments.

CONSIDERATION OF BILLS

SB 1556 – TPT; administration; remote sellers - HELD

Senator Mesnard announced that SB 1556 would be HELD.

SB 1213 – income tax; credit; labor costs - DO PASS

Jeff Christophersen, Finance and Commerce Research Intern, explained SB 1213.

Senator Rogers, bill sponsor, further explained SB 1213 and answered questions posed by the Committee.

Mr. Christophersen answered questions posed by the Committee.

Joe Galli, Greater Flagstaff Chamber of Commerce, offered comments in support of SB 1213 and answered questions posed by the Committee.

The Committee offered comments.

Nick Ponder, League of Arizona Cities and Towns, answered questions posed by the Committee.

Keaton Hill, Arizona Construction and Trade Council, offered comments in opposition to SB 1213 and answered questions posed by the Committee.

The Committee offered comments.

> **Senator Bolick moved that SB 1213 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 1).**

Senators Epstein, Fernandez, Gowan and Shamp explained their votes.

SB 1455 – public school tax credit; purposes - DO PASS

Molly Graver, Finance and Commerce Research Analyst, explained SB 1455.

Senator Bennett, bill sponsor, further explained SB 1455.

Dr. Janelle Danskey, Principal, Arcadia High School, offered comments in support of SB 1455 and answered questions posed by the Committee.

Alexis Susdorf, Greater Phoenix Educational Management Council, Scottsdale Unified School District, answered questions posed by the Committee.

Rebecca Beebe, Education Finance Reform Group, offered comments in support of SB 1455.

> **Senator Bolick moved that SB 1455 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 2).**

Senator Epstein explained her vote.

SB 1112 – planning; home design; restrictions; prohibition. - DO PASS

Jason Theodorou, Government Committee Analyst, explained SB 1112.

Jake Hinman, Arizona Neighborhood Project, offered comments in support of SB 1112.

Senator Borrelli, bill sponsor, further explained SB 1112 and answered questions posed by the Committee.

Mr. Hindman answered questions posed by the Committee.

Nick Ponder, League of Arizona Cities and Towns, offered comments in opposition to SB 1112 and answered questions posed by the Committee.

Spencer Kamps, Home Builders Association of Central Arizona, offered comments in support of SB 1112 and answered questions posed by the Committee.

> **Senator Bolick moved that SB 1112 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 3).**

Senators Epstein, Fernandez and Bolick explained their votes.

SB 1218 – exclusive agreements; residential property sales – DO PASS AMENDED

Alanna Bendel, Finance and Commerce Research Assistant Analyst, explained SB 1218 and the 2-line Mesnard amendment to SB 1218 dated 2/2/2024 at 1:38 p.m. (Attachment A).

Senator Kavanagh, bill sponsor, further explained SB 1218.

Jim Knupp, Arizona Department of Real Estate, offered comments on SB 1218.

Senator Bolick moved that SB 1218 receive a DO PASS recommendation.

Senator Bolick moved the 2-line Mesnard amendment to SB 1218 dated 2/2/2024 at 1:38 p.m. (Attachment A) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1218 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 4).

SB 1053 – metal theft study committee - DO PASS

Jeff Christophersen, Finance and Commerce Research Intern, explained SB 1053.

Senator Carroll, bill sponsor, further explained SB 1053.

Brittany Bingold, Arizona Scrap Recyclers Association, offered comments in support of SB 1053.

Senator Gowan moved that SB 1053 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 5).

SB 1639 – gold; silver; currency; study committee - DO PASS

Alanna Bendel, Finance and Commerce Research Assistant Analyst, explained SB 1639.

Senator Carroll, bill sponsor, further explained SB 1639 and answered questions posed by Committee.

Senator Gowan moved that SB 1639 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 6).

Senators Epstein and Gowan explained their votes.

SB 1260 – dog racing; simulcast wagering; prohibition - DO PASS AMENDED

Molly Graver, Finance and Commerce Research Analyst, explained SB 1260 and the 2-page Mesnard amendment to SB 1260 dated 2/1/2024 at 5:48 p.m. (Attachment B).

Stuart Goodman, Grey2K USA Worldwide, offered comments in support of SB 1260 and answered questions posed by the Committee.

Rory Goree, former Commissioner, Arizona Racing Commission, offered comments in support of SB 1260 and answered questions posed by the Committee.

Senator Fernandez offered comments.

Senator Bolick moved that SB 1260 receive a DO PASS recommendation.

Senator Bolick moved the 2-page Mesnard amendment to SB 1260 dated 2/1/2024 at 5:48 p.m. (Attachment B) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1260 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 7).

Senators Gowan, Shamp and Bolick explained their votes.

SB 1496 – property tax exemptions; inflation adjustment - DO PASS

Molly Graver, Finance and Commerce Research Analyst, explained SB 1496.

Megan Kintner, Arizona Association of Counties, offered comments in support of SB 1496.

Armando Ruiz, Coconino County Assessor, offered comments in support of SB 1496.

Eddie Cook, Maricopa County Assessor, offered comments in support of SB 1496.

Senator Bolick moved that SB 1496 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 8).

SB 1495 – personal property exemption; increase - DO PASS

Molly Graver, Finance and Commerce Research Analyst, explained SB 1495 and answered questions posed by the Committee.

Jennifer Stielow, Arizona Tax Research Association, answered questions posed by the Committee and offered comments in support of SB 1495.

Chad Heinrich, National Federation of Independent Business, offered comments in support of SB 1495 and answered questions posed by the Committee.

The Committee offered comments.

Mr. Heinrich offered additional comments.

Ben Scheel, Opportunity Arizona, offered comments in opposition to SB 1495.

Ruthee Goldkorn, representing self, offered comments in opposition to SB 1495 and answered questions posed by the Committee.

Kerry Jackson, representing self, offered comments in opposition to SB 1495 and answered questions posed by the Committee.

Senator Bolick moved that SB 1495 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 9).

Senators Epstein, Gowan, Shamp and Mesnard explained their votes.

SB 1296 – credit unions; formation; loans; membership - DO PASS

Alanna Bendel, Finance and Commerce Research Assistant Analyst, explained SB 1296.

Austin De Bey, GoWest Credit Union Association, offered comments in support of SB 1296.

Senator Bolick moved that SB 1296 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 10).

SB 1358 – income tax withholding; retirement distributions - DO PASS

Molly Graver, Finance and Commerce Research Analyst, explained SB 1358.

Matthew Benson, Financial Planning Association of Arizona, offered comments in support of SB 1358 and answered questions posed by the Committee.

Molly Murphy, Department of Revenue, offered comments in support of SB 1358.

Senator Bolick moved that SB 1358 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 11).

SB 1270 – reciprocal deposits; escrow agents; definitions - DO PASS

Jeff Christophersen, Finance and Commerce Research Intern, explained SB 1270.

Jay Kaprosy, Arizona Bankers Association, offered comments in support of SB 1270.

Senator Bolick moved that SB 1270 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 12).

SB 1271 – rental-purchase property; electronic disclosures - DO PASS

Jeff Christophersen, Finance and Commerce Research Intern, explained SB 1271.

Jason Barraza, Veridus, Progressive Leasing, offered comments in support of SB 1271.

Senator Bolick moved that SB 1271 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 13).

SB 1291 – residential contractor assessments; recovery fund - DO PASS

Jeff Christophersen, Finance and Commerce Research Assistant Intern, explained SB 1291.

Senator Hoffman, bill sponsor, further explained SB 1291.

Tom Cole, Executive Deputy Director, Arizona Registrar of Contractors, offered comments on SB 1291 and answered questions posed by the Committee.

> **Senator Bolick moved that SB 1291 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 14).**

SB 1366 – regulatory sandbox; blockchain - DO PASS

Alanna Bendel, Finance and Commerce Research Assistant Analyst, explained SB 1366.

Senator Bolick, bill sponsor, further explained SB 1366.

David Morris, Americans for Prosperity Arizona, offered comments in support of SB 1366.

Senator Bolick answered questions posed by the Committee.

Senator Epstein offered comments.

> **Senator Bolick moved that SB 1366 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-1-1 (Attachment 15).**

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

Attached is a form noting the individual who submitted a speaker slip on the legislation (Attachment D).

There being no further business, the meeting was adjourned at 5:59 p.m.

Respectfully submitted,

Brigid Fitzgerald
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)