ARIZONA STATE SENATE

56TH LEGISLATURE
SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON FINANCE AND COMMERCE

DATE: February 12, 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 1006	DP
SB 1034	DPA/SE
SB 1070	DP
SB 1164	DPA
SB 1165	DPA
SB 1272	DP
SB 1281	DP
SB 1340	DP
SB 1365	DP
SB 1367	DP
SB 1402	DPA
SB 1410	DP
SB 1413	DP
SB 1415	DP
SB 1431	DPA
SB 1432	DPA
SB 1439	DP
SB 1498	HELD
SB 1506	DP
SB 1556	DP
SB 1633	DP
SB 1636	DPA
SB 1637	DPA
SB 1661	HELD
SB 1665	DP
SB 1667	DP
SB 1677	DP
SB 1689	DPA/SE
SCR 1016	DP

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2024021046

Chairman Mesnard called the meeting to order at 2:12 p.m. and attendance was noted.

Senator Mesnard offered opening remarks.

CONSIDERATION OF BILLS

SB 1498 – insurance; lienholder; third-party liability - HELD
SB 1661 – luxury tax; record inspection; penalty - HELD

Senator Mesnard announced that SB 1498 and SB 1661 would be HELD.

SB 1402 – health care; costs; reimbursement - DO PASS AMENDED

Alanna Bendel, Finance and Commerce Committee Research Assistant Analyst, explained SB 1402 and the 2-page Shamp amendment dated 02/09/2024 at 2:00 p.m. (Attachment A).

Senator Shamp, bill sponsor, further explained SB 1402.

Jonathan Wolfson, Director, Cicero Action, offered comments in support of SB 1402 and answered questions posed by the Committee.

Senator Shamp offered additional comments.

Marc Osborn, America's Health Insurance Plans, offered comments as neutral on SB 1402.

Senator Bolick moved that SB 1402 receive a DO PASS recommendation.

Senator Bolick moved the 2-page Shamp amendment dated 02/09/2024 at 2:00 p.m. (Attachment A) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1408 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 1).

Senator Mesnard explained his vote.

SB 1431 – right to redeem; foreclosure; sale - DO PASS AMENDED

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1431 and the 5-page Mesnard amendment dated 02/09/2024 at 3:11 p.m. (Attachment B).

Jen Marson, Arizona Association of Counties, offered comments in support of SB 1431.

John Allen, Maricopa County Treasurer, offered comments in support of SB 1431.

Michelle Ugenti-Rita, Lockwood Capital, offered comments in support of SB 1431.

James Manly, representing self, offered comments as neutral on SB 1431.

Senator Bolick moved that SB 1431 receive a DO PASS recommendation.

Senator Bolick moved the 5-page Mesnard amendment dated 02/09/2024 at 3:11 p.m. (Attachment B) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1431 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 2).

Senator Mesnard explained his vote.

SB 1164 – pharmacy benefits; coverage; exemptions - DO PASS AMENDED

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1164 and the 8-page Shamp amendment dated 02/09/2024 at 11:34 a.m. (Attachment C).

Senator Shamp, bill sponsor, further explained SB 1164.

Julie Hoffman, representing self, offered comments in support of SB 1164.

Dianne McCallister, Arizona Pharmacy Business Council, offered comments in support of SB 1164.

Kelsey Lundy, Pharmaceutical Care Management Association, offered comments in opposition to SB 1164 and answered questions posed by the Committee.

Dr. Brad Pasternak, representing self, offered comments in support of SB 1164.

Senator Bolick moved that SB 1164 receive a DO PASS recommendation.

Senator Bolick moved the 8-page Shamp amendment dated 02/09/2024 at 11:34 a.m. (Attachment C) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1164 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 3).

Senator Shamp explained her vote.

SB 1413 – income tax; subtraction; uniformed services - DO PASS

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1413.

Senator Gowan, bill sponsor, further explained SB 1413.

Senator Rogers, offered comments in support of SB 1413.

William Fishbach, representing self, offered comments in support of SB 1413.

Captain Kimberly Langley, representing self, offered comments in support of SB 1413.

Captain Terri Rodzevik, representing self, offered comments in support of SB 1413.

Jing Li, representing self, offered comments in support of SB 1413.

Senator Gowan offered additional comments.

> **Senator Gowan moved that SB 1413 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 4).**

Senators Epstein and Fernandez explained their votes.

SB 1415 – accessory dwelling units; requirements - DO PASS

Jason Theodorou, Government Committee Research Analyst, explained SB 1415.

Senator Hernandez, bill sponsor, further explained SB 1415 and answered questions posed by the Committee.

Jake Hinman, Arizona Neighborhood Project, offered comments in support of SB 1415 and answered questions posed by the Committee.

Nick Ponder, League of Arizona Cities and Towns, offered comments in opposition to SB 1415 and answered questions posed by the Committee.

Senator Hernandez offered additional comments.

> **Senator Bolick moved that SB 1415 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-1-0 (Attachment 5).**

Senators Alston and Epstein explained their votes.

SB 1165 – pharmacy audit; procedures; prohibition – DO PASS AMENDED

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1165 and the 2-page Shamp amendment dated 02/09/2024 at 4:24 p.pm (Attachment D).

Senator Shamp, bill sponsor, further explained SB 1165.

Diane McAllister, Arizona Pharmacy Business Council, offered comments in support of SB 1165 and answered questions posed by the Committee.

Kelsey Lundy, Pharmaceutical Care Management Association, offered comments as neutral on SB 1165.

Senator Bolick moved that SB 1165 receive a DO PASS recommendation.

Senator Bolick moved the 2-page Shamp amendment dated 02/09/2024 at 4:24 p.m. (Attachment D) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1165 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-0-2 (Attachment 6).

SB 1272 – insurance coverage requirements; transportation companies - DO PASS

Molly Graver, Finance and Commerce Committee Research Analyst , explained SB 1272.

Brad Nail, Uber, offered comments in support of SB 1272 and answered questions posed by the Committee.

Wendy Briggs, Uber, offered comments in support of SB 1272 and answered questions posed by the Committee.

Barry Aarons, Arizona Trial Lawyers Association, offered comments in opposition to SB 1272.

Harry Hartfield, Uber, offered comments in support of SB 1272.

Senator Gowan moved that SB 1272 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-1-2 (Attachment 7).

Senators Alston and Epstein explained their votes.

SB 1340 – public funds; foreign adversaries; divestment - DO PASS

Alanna Bendel, Finance and Commerce Committee Research Assistant Analyst, explained SB 1340.

Senator Carroll, bill sponsor, further explained SB 1340.

Stephen Briggs, State Armor Action, offered comments in support of SB 1340.

Senator Gowan moved that SB 1340 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 8).

SB 1636 – excise tax; jet fuel; definition - DO PASS AMENDED

Jeff Christophersen, Finance and Commerce Committee Research Intern, explained SB 1636 and the 5-line Mesnard amendment dated 02/09/2024 at 9:28 a.m. (Attachment E).

Senator Carroll, bill sponsor, further explained SB 1636.

John MacDonald, American Airlines, offered comments in support of SB 1636.

Senator Bolick moved that SB 1636 receive a DO PASS recommendation.

Senator Bolick moved the 5-line Mesnard amendment dated 02/09/2024 at 9:28 a.m. (Attachment E) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1636 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 9).

SB 1637 – electric vehicle charging stations - DO PASS AMENDED

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1637 and the 7-line Mesnard amendment dated 02/09/2024 at 2:19 p.m. (Attachment F).

Senator Carroll, bill sponsor, further explained SB 1637.

Cesar Chavez, Americans for Affordable Clean Energy, offered comments in support of SB 1637.

Michael Vargas, Arizona Public Service (APS), offered comments in opposition to SB 1637.

Amanda Gray, Arizona Petroleum Marketers Association, offered comments in support of SB 1637.

Caryn Potter, Southwest Energy Efficiency Project, offered comments in opposition to SB 1637.

Russel Smolden, Arizona Municipal Power Users Association, Grand Canyon State Electric Coop Association, Irrigation and Electrical Districts Association of Arizona, offered comments in opposition to SB 1637 and answered questions posed by the Committee.

Kelsey Lundy, Americans for Affordable Clean Energy, offered comments in support of SB 1637.

Senator Mesnard answered questions posed by the Committee.

Ms. Lundy answered questions posed by the Committee.

Senator Bolick moved that SB 1637 receive a DO PASS recommendation.

Senator Bolick moved the 7-line Mesnard amendment dated 02/09/2024 at 2:19 p.m. (Attachment F) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1637 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 10).

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

SB 1365 – state agencies; cash payment; acceptance - DO PASS

Jeff Christophersen, Finance and Commerce Committee Research Intern, explained SB 1365.

Senator Bolick, bill sponsor, further explained SB 1365.

Senator Bolick moved that SB 1365 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 11).

SB 1367 – occupational license; criminal record - DO PASS

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1367 and answered questions posed by the Committee.

Senator Bolick, bill sponsor, further explained SB 1367.

John Bauters, Action for Safety and Justice, offered comments in support of SB 1367.

Senator Bolick moved that SB 1367 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 12).

SB 1410 – housing trust fund; rural areas - DO PASS

Jeff Christophersen, Finance and Commerce Committee Research Intern, explained SB 1410.

Senator Gowan, bill sponsor, further explained SB 1410.

Britany Bingold, Native American Connections, offered comments in support of SB 1410.

Senator Gowan moved that SB 1410 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 13).

Senators Epstein and Shamp explained their votes.

SB 1432 – unlawful restrictive covenants; uniform act.. - DO PASS AMENDED

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1432 and the 2-page Mesnard amendment dated 02/09/2024 at 12:48 p.m. (Attachment G).

Diane Post, National Association for the Advancement of Colored People (NAACP), offered comments in support of SB 1432.

Dennis Legere, Arizona Homeowners Coalition, offered comments in opposition to SB 1432 and answered questions posed by the Committee. Mr. Legere distributed and explained a document entitled "Excerpt from the Restatement of Law Third; Property Servitudes, issued by the American Law Institute in the year 2000." (Attachment H).

Ms. Post offered additional comments.

Mr. Legere offered additional comments.

Senator Mesnard offered comments.

Senator Bolick moved that SB 1432 receive a DO PASS recommendation.

Senator Bolick moved moved the 2-page Mesnard amendment dated 02/09/2024 at 12:48 p.m. (Attachment G) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1432 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-1 (Attachment 14).

SB 1506 – municipalities; housing; commercial redevelopment; zoning - DO PASS

Jason Theodorou, Government Committee Research Analyst, explained SB 1506.

Senator Shamp, bill sponsor, further explained SB 1506.

Jake Hinman, Arizona Neighborhood Project, offered comments in support of SB 1506.

Nick Ponder, League of Arizona Cities and Towns, offered comments in opposition to SB 1506.

Spencer Kamps, Home Builders Association of Central Arizona, offered comments in support of SB 1506.

Senator Bolick moved that SB 1506 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 15).

Senator Shamp explained her vote.

SB 1439 – rental property; dog breeds - DO PASS

Jeff Christophersen, Finance and Commerce Committee Research Intern, explained SB 1439.

Senator Fernandez, bill sponsor, further explained SB 1439.

Gabriel Wigtil, Humane Society of the United States, offered comments in support of SB 1439.

Leanna Taylor, CEO, Arizona Pet Project, offered comments in support of SB 1439 and answered questions posed by the Committee.

Michelle Simpson, William E. Morris Institute for Justice, One Love Rescue, offered comments in support of SB 1439.

Senator Bolick moved that SB 1439 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 16).

Senator Mesnard explained his vote.

SB 1006 – divestment; K-12; abortion; explicit material – DO PASS

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1006.

Senator Hoffman, bill sponsor, further explained SB 1006.

SB 1281 – central bank digital currency; ban. - DO PASS

Molly Graver, Finance and Commerce Research Committee Analyst, explained SB 1281.

Senator Hoffman, bill sponsor, further explained SB 1281.

> **Senator Gowan moved that SB 1281 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 17).**

Senators Epstein and Mesnard explained their votes.

SB 1006 – divestment; K-12; abortion; explicit material – DO PASS (continued)

> **Senator Bolick moved that SB 1006 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 18).**

SB 1633 – bullion depository; establishment - DO PASS

Alanna Bendel, Finance and Commerce Committee Research Assistant Analyst, explained SB 1633.

Senator Hoffman, bill sponsor, further explained SB 1633 and answered questions posed by the Committee.

> **Senator Bolick moved that SB 1633 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 19).**

SCR 1016 – state retirement systems; digital assets - DO PASS

Jeff Christophersen, Finance and Commerce Research Intern, explained SCR 1016.

Senator Hoffman, resolution sponsor, further explained SCR 1016.

Brian Tassinari, Satoshi Action Fund, offered comments in support of SCR 1016.

> **Senator Bolick moved that SCR 1016 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-3-0 (Attachment 20).**

Senator Epstein explained her vote.

SB 1677 – firefighters; peace officers; PTSD; therapy - DO PASS

Alanna Bendel, Finance and Commerce Committee Research Assistant Analyst, explained SB 1677.

Senator Gowan, bill sponsor, further explained SB 1677 and answered questions posed by the Committee.

Mike Williams, Multidisciplinary Association for Psychedelic Studies Public Benefit Corporation, offered comments in support of SB 1677 and answered questions posed by the Committee.

Marc Osborn, 7710 Insurance Company, offered comments in opposition to SB 1677 and answered questions posed by the Committee.

Mr. Williams answered additional questions posed by the Committee.

Nick Simonetta, Securis Insurance Pool, offered comments in opposition to SB 1677.

Emily Rice, Arizona Self-Insurers Association, offered comments in opposition to SB 1677.

Senator Gowan moved that SB 1677 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 4-2-1 (Attachment 21).

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

SB 1070 – virtual credit cards; payment method - DO PASS

Jeff Christophersen, Finance and Commerce Committee Research Intern, explained SB 1070 and the 2-line Mesnard amendment dated 02/09/2024 at 9:18 a.m. (Attachment I). Mr. Christophersen answered questions posed by the Committee.

Regina Cobb, Arizona Dental Association, offered comments in support of SB 1070 and answered questions posed by the Committee.

Senator Bolick moved that SB 1070 receive a DO PASS recommendation.

Senator Bolick moved the 2-line Mesnard amendment dated 02/09/2024 at 9:18 a.m. (Attachment I) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1070 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 6-1-0 (Attachment 22).

Senators Epstein explained her vote.

SB 1034 – revenue department; technical correction - DO PASS AMENDED/STRIKE EVERYTHING

Alanna Bendel, Finance and Commerce Committee Research Assistant Analyst, explained the 2-page Gowan strike everything amendment to SB 1034 dated 02/01/2024 at 10:38 a.m. (Attachment J).

Ryan O'Daniel, Match Group, offered comments in support of the strike everything amendment to SB 1034.

Fausto Burruel, Arizona Department of Insurance and Financial Institutions, offered comments as neutral on the strike everything amendment to SB 1034 and answered questions posed by the Committee.

Senator Bolick moved that SB 1034 receive a DO PASS recommendation.

Senator Bolick moved the 2-page Gowan strike everything amendment dated 02/01/2024 at 10:38 a.m. (Attachment J) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1034 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 23).

Senator Epstein explained her vote.

SB 1556 – TPT; administration; remote sellers - DO PASS

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1556.

Senator Bennett, bill sponsor, further explained SB 1556 and answered questions posed by the Committee.

Nick Ponder, League of Arizona Cities and Towns, offered comments in opposition to SB 1556 and answered questions posed by the Committee.

Molly Murphy, Arizona Department of Revenue, offered comments as neutral on SB 1556.

Senator Bennett offered additional comments.

Senator Bolick moved that SB 1556 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 24).

Senator Alston explained her vote.

SB 1665 – municipal development; permits; review - DO PASS

Jason Theodorou, Government Committee Research Analyst, explained SB 1665.

Senator Gowan, bill sponsor, further explained SB 1665.

Jake Hinman, Arizona Neighborhood Project, offered comments in support of SB 1665.

Spencer Kamps, Home Builders Association of Central Arizona, offered comments in support of SB 1665.

Tom Savage, League of Arizona Cities and Towns, offered comments in opposition to SB 1665.

Senator Bolick moved that SB 1665 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 25).

Senator Alston explained her vote.

SB 1667 – retirement systems; post-traumatic stress disorder - DO PASS

Molly Graver, Finance and Commerce Committee Research Analyst, explained SB 1667.

Senator Gowan, bill sponsor, further explained SB 1667.

Senator Bolick moved that SB 1667 receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-0 (Attachment 26).

SB 1689 – affordable housing tax credits; extension - DO PASS AMENDED/STRIKE EVERYTHING

Molly Graver, Finance and Commerce Committee Research Analyst, explained the 6-page Gowan strike everything amendment to SB 1689 dated 02/08/2024 at 1:16 p.m. (Attachment K) and the 14-page Gowan amendment to the strike everything amendment dated 02/09/2024 at 2:26 p.m. (Attachment L).

Senator Gowan, bill sponsor, further explained the amendments to SB 1689.

Max Hartgraves, Arizona Department of Gaming, offered comments neutral on the strike everything amendment and in support of the amendment to the strike everything amendment.

Senator Mesnard answered questions posed by the Committee.

The Committee offered comments.

Senator Bolick moved that SB 1689 receive a DO PASS recommendation.

Senator Bolick moved the 6-page Gowan strike everything amendment to SB 1689 dated 02/08/2024 at 1:16 p.m. (Attachment K) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved the 14-page Gowan amendment to the strike everything amendment dated 02/09/2024 at 2:26 p.m. (Attachment L) be ADOPTED. The motion CARRIED by voice vote.

Senator Bolick moved that SB 1689 AS AMENDED receive a DO PASS recommendation. The motion CARRIED with a roll call vote of 5-2-0 (Attachment 27).

Senator Alston explained her vote.

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

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

There being no further business, the meeting was adjourned at 7:07 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