ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature – First Regular Session

# COMMITTEE ON REGULATORY OVERSIGHT

Report of Regular Meeting
Tuesday, March 18, 2025
House Hearing Room 4 – 2:00 P.M. or upon recess or adjournment

**Convened:** 3:19 P.M.
**Recessed**
**Reconvened**
**Adjourned** 3:38 P.M.

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MAR 19 2025

**Members Present**
Representative Contreras L
Representative Hernandez C
Representative Keshel
Representative Kolodin, Vice-Chairman
Representative Chaplik, Chairman

**Members Absent**

**Agenda**
Original Agenda – Attachment 1

**Request to Speak**
Report – Attachment 2

**Committee Attendance**
Report – Attachment 3

**Presentations**
N/A

**Committee Action**

| Bill | Action | Vote | Attachments |
|---|---|---|---|
| SB1037 | DP | 5-0-0-0 | 4, 5, 6 |
| SB1051 | DP | 5-0-0-0 | 7, 8 |
| SB1096 | DP | 3-2-0-0 | 9, 10 |
| SB1237 | DP | 3-2-0-0 | 11, 12 |

Stephanie Smith, Committee Secretary
March 18, 2025

(Original attachments on file in the Office of the Chief Clerk; video archives available at http://www.azleg.gov)

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

Convened: 3:19pm
Adjourned: 3:38pm

REGULAR MEETING AGENDA

# COMMITTEE ON REGULATORY OVERSIGHT

DATE Tuesday, March 18, 2025 ROOM HHR 4 TIME 2:00 P.M. or upon recess or adjournment of Floor

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2025031074

Members:

Representative Contreras L Representative Keshel Representative Chaplik, Chairman
Representative Hernandez C Representative Kolodin, Vice-Chairman

| Bills | | Short Title | Strike Everything Title |
|---|---|---|---|
| *SB1037 1 | DP 5-0-0-0 | health boards; fund balances; fees (Kavanagh) RO, RULES | |
| *SB1051 2 | DP 5-0-0-0 | engineers; alterations; commercial space (Rogers) RO, RULES | |
| SB1096 3 | DP 3-2-0-0 | bullion depository; establishment (Hoffman: Keshel) RO, RULES | |
| SB1237 4 | DP 3-2-0-0 | agency accounts; technical correction(now: state employees; remote work; prohibition) (Petersen) RO, RULES | |

* On previous agenda

**ORDER OF BILLS TO BE SET BY THE CHAIRMAN**

RA
03/12/2025

**People with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. If you require accommodations, please contact the Chief Clerk's Office at (602) 926-3032 or through Arizona Relay Service 7-1-1.**



Attachment 1

# Information Registered on the Request to Speak System

## *House Regulatory Oversight (3/18/2025)*

## SB1037, health boards; fund balances; fees

### Testified in support:
Ryan Sullivan, Arizona Dental Association

### Support:
Joseph Abate, ARIZONA FOOT AND ANKLE MEDICAL ASSOCIATION; Regina Cobb, representing self

### Oppose:
Judith Robbins, representing self; Dianne Post, AZ NATIONAL ORGANIZATION FOR WOMEN (NOW), Self; Martha O'Connor, representing self; Kathleen Dubbs, representing self; Nadine Smith, representing self; Roger Blain, representing self; Sharon Ehrlich, representing self; George Ehrlich, representing self

### All Comments:
Regina Cobb, Self: Arizona Dental Associaton; Martha O'Connor, Self: Micromanagement of health board to reduce powers of board to protect consumers.Legislature does not have the scientific ability or expertise to be making these decisions.; Roger Blain, Self: Micromanagement of health board to reduce powers of board to protect consumers.

## SB1051, engineers; alterations; commercial space

## SB1096, bullion depository; establishment

### Oppose:
Craig McDermott, representing self; Jordy Clark, AZ ASSOCIATION OF COUNTIES

### All Comments:
Jordy Clark, AZ ASSOCIATION OF COUNTIES: N/A

## SB1237, agency accounts; technical correction (NOW: state employees; remote work; prohibition)

### Support:
Brian Sikma, representing self; Jamie Alford, representing self

Attachment 2

## Neutral:

Joan Thomas, representing self

## Oppose:

Katherine Warren, representing self; Carolyn Watson, representing self; kathleen mayer, representing self; Dave Long, representing self; Janie Hydrick, representing self; Laurence Wittig, representing self; Steve Ramos, representing self; Judith Simons, representing self; Mary Pradelt, representing self; Steven Linder, representing self; Rebecca Smith Gross, representing self; Judith Robbins, representing self; Dawn Tripp, representing self; Frank Machek, representing self; Maria Salvucci, representing self; Craig McDermott, representing self; Kevin Brown, representing self; Beverly Janowitz-Price, representing self; Theodora Schiro, representing self; Jeanne Casteen, representing self; Susan Doherty, representing self; Beatriz Urrea, representing self; Alisa McMahon, representing self; Lisa Olson, representing self; Michael Fiflis, representing self; DOUG ARNOLD, representing self; Christina Mollica, representing self; Dianne Post, AZ NATIONAL ORGANIZATION FOR WOMEN (NOW), Self; Cynthia Couture, representing self; Carol Maas, representing self; Sherrilynn James, representing self; Donita Ramos, representing self; Adena Bank, representing self; Barbara Fraboni, representing self; Darrell Boomgaarden, representing self; Katherine Doman Sheydayi, representing self; Nancy C. Faria, representing self; Charlie Silver, representing self; Barbara Oliver, representing self; Marylynne Shroyer, representing self; Becky Sayler, representing self; Susan Morris, representing self; Doris Freeman, representing self; Robin LaVoie, representing self; Maggie Huntington, representing self; Julie Golding, representing self; Christine Keitges, representing self; Sharon Lee, representing self; Andrea Stefanov, representing self; Deborah Gaines, representing self; Lawrence Peters, representing self; Barb Larson, representing self; Linda Reichert, representing self; Linda Edwards, representing self; Kathy Fraser, representing self; Angela Shopmeyer, representing self; Jeri Dow, representing self; Paula Redinger, representing self; Katherine Lathrop, representing self; Janet Senf, representing self; Peggy Yeargain-Williams, representing self; Kathy Pyner, representing self; Marilyn Coyle, representing self; Donna Walkuski, representing self; Joan Murphy, representing self; Penny Boone, representing self; Ralph Meredith, representing self; Gayle Meredith, representing self; Anne Leota Hart, representing self; Diane Lings, representing self; Nancy Wood, representing self; GARY LEW OLIVER, representing self; Valerie Policastro Edie, representing self; Margaret Adams , representing self; Denise Romesburg, representing self; Marilyn Childs, representing self; Mariette Francis, representing self; Ruth Shea, representing self; Martha O'Connor, representing self; Kathleen Dubbs, representing self; Rebecca Scotney, representing self; Mary-Jeanne Fincher, representing self; Matthew Nelson, representing self; Luis Oquendo, representing self; Glenn Sollers, representing self; Roxanna Kearns, representing self; William S. James, representing self; Stephen Coyle, representing self; Eileen Goldman, representing self; Michael Pyska, representing self; Steve Gorman-Hackstadt, representing self; Rebecca Haynes, representing self; Mary Nelson, representing self; Susan Phelps, representing self; Sarah Harris, representing self; Kathryn Anderson, representing self; Charlotte Lis, representing self; Jeannette Scoufos, representing self; Larry Scoufos, representing self; William Yohey, representing self; Michael Weingarten, representing self; Meredith Brown, representing self; Dieter Knecht, representing self; Jennifer Dawson, representing self; Allison Jackson, representing self; Libby Stortz, representing self; Bart Briefstein, representing self; Marin Lersch, representing self; Jillian Ryan, representing self; Barbara McGill, representing self; Patty Goldsmith, representing self; James Stein, representing self; Linda Meerow, representing self; Nancee K Wood, representing self; Devon Sloan, representing self; Pat Jayson, representing self; Aaron Torrance, representing self; Suzanne Zimmerman, representing self; Joseph Murray, representing self; Kathleen Bashor, representing self; Nelson Morgan, representing self; Daniel Mardock, representing self; Karen Dubin, representing self; Stephen Flaaen, representing self; Jacqueline deSa, representing self; Carol Garnett, representing self; Eric Kadel, representing self; Sarah Bihms LD29, representing self; Kathleen Sauer, representing self; Maria Hidalgo, representing self; Joseph Alexander, representing self; Marilyn Murov, representing self; Jeanne Hardie, representing self; Frederick James, representing self; Angela Buer, representing self; Shana Tevlin,

representing self; Barbara Larson, representing self; Melinda Bell, representing self; Christine Sujak, representing self; Cindy Bieger , representing self; Rivko Knox, representing self; Shelly Hartman, representing self; Cherie Schierl, representing self; Pamela Chittenden, representing self; lore dickey, representing self; Kent Rossman, representing self; Sharon Arnst, representing self; Sharon Ehrlich, representing self; Theresa Ryan, representing self; Willard Watts, representing self; Cheryl Stafford, representing self; Scott Moore, representing self; Aspen Sobon, representing self; George Ehrlich, representing self; Lynn Chinnis, representing self; Garyh Rulapaugh, representing self; Patricia Edelen, representing self; John Stolte, representing self; Jerrold Borchardt, representing self; Aaron Essif, representing self; Margaret Tinsley, representing self; Karolyn Switzer, representing self; Jeanmarie Haney, representing self; Janie Smieszek, representing self; Jan Allen, representing self; ALICE BUCK, representing self; Claudia Oreck-Teplitsky, representing self; Judy Zimmet, representing self; Dan Roskey, representing self; Michelle Carter, representing self; Lois Ermak, representing self; Nadine Smith, representing self; Amy Pedotto, representing self; Cynthia Wagner, representing self; Greg Olszta, representing self; Kathleen Schanus-Gohl, representing self; Lori Taniguchi, representing self; Tiffany Wisdom, representing self; Jay Henson, representing self; Cheryl Benefield, representing self; Gina Gral, representing self; Joanne Basta, representing self; Lisa Yencarelli, representing self; Donna Sullivan, representing self; Amy Licht, representing self; Diane Klock, representing self; John Cummings, representing self; Jane Johnson, representing self; Carol Campbell, representing self; Donna Rugg, representing self; Kathleen Woessner, representing self; marcia stewart, representing self; RITA DEPUYDT, representing self; Zachary Rome, representing self; Lisa Kopp, representing self; LINDA GANTVERG, representing self; James Pangborn, representing self; JoAnn McCay, representing self; Monica Bills, representing self; Sandra Adler, representing self; David Myers, representing self; Veronica Branscomb, representing self; Thomas Scotney, representing self; William Bowlus-Root, representing self; Gail Graves, representing self; Diane McQueen, representing self; Sally Evans, representing self; Salie Travis, representing self; Loretta O'Connor, representing self; Sherri Johnson, representing self; Dellanie Fragnoli, representing self; Holli Grimaudo, representing self; Barbara Rodman, representing self; Valarie Bryant, representing self; Denise Hudson, representing self; James Lewison, representing self; Lisa Koenig, representing self; Kalyn Byers, representing self; Ilene Riffle, representing self; Suzanne Lewis, representing self; Elissa Karn, representing self; Terri Farneti, representing self; Joseph Johnson, representing self; Janet Kerby, representing self; Jill Anderson, representing self; Jane Jackson, representing self; Cheryl Cox, representing self; Julia Allison, representing self; Sharon Regen, representing self; Christopher Cerrato, representing self; Chris Ahearn, representing self; Jalice Wiest, representing self; Alice Patricia Price, representing self; Leonora Midgley, representing self; Sue Diaz, representing self; Kathryn Dorn, representing self; Susan Ordway, representing self; Roger Blain, representing self; Deborah Anderson, representing self; Katherine Stitzer, representing self; Karen Brown, representing self; Marcia Tingley, representing self; Dianna DiMaggio, representing self

## All Comments:

Katherine Warren, Self: What will happen when the NEXT PANDEMIC HITS? Remote work offers many benefits, increased flexibility, a better work-life balance, cost savings, access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic.; Carolyn Watson, Self: Offering remote positions widens a shrinking talent pool, allowing for increased work/life balance. The pandemic showed us remote employees are as productive if not MORE productive than office employees.; kathleen mayer, Self: an egregious overreach in micromanagement of busisness. short-sighted and limits businesses from offering flexibility which makes them attractive to potential customers employees.; Janie Hydrick, Self: Remote work offers many benefits including AZ access to wider talent pool AND savings.; Judith Simons, Self: I oppose this striker.; Mary Pradelt, Self: I oppose the striker; Judith Robbins, Self: Restrictions on where and how State employees can work remotely and be productive. Flexibility in the workforce is necessary and should be allowed. Vote no.; Beatriz Urrea, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider

talent pool, while also boosting productivity and reducing absenteeism and traffic. T; Alisa McMahon, Self: One size does not fit all circumstances.; Lisa Olson, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. I OPPOSE.; Cynthia Couture, Self: If productivity is good, this saves tax dollars and creates fewer vehicles on the road.; Carol Maas, Self: This is ridiculous! We are in the modern age and some work can easily be done remotely. I worked this way for over 13 years. I got the job done, my employer was happy with it and can be done if you are not needing to be on site. DUMB!; Adena Bank, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. This bill would move us in the; Nancy C. Faria, Self: This bill is inefficient. Working remotely saves the state money and creates less traffic, road wear and tear. It also helps workers efficiency.; Doris Freeman, Self: THIS IS A STUPID BILL; REMOTE WORKING SAVES MONEY FOR THE STATE, WHY WOULD YOU TRY TO STOP THAT?; Lawrence Peters, Self: Legislative heavy-handedness and overreach. Remote has many benefits: increased flexibility, better work-life balance, cost savings, access to wider talent pool, boosts productivity, reduces absenteeism and traffic.; Linda Edwards, Self: Hamstringing special cases when work from home is helpful.; Angela Shopmeyer, Self: would ban full-time state employees from working remotely; Paula Redinger, Self: There is absolutely no good reason to do this.; Katherine Lathrop, Self: COVID showed that people can work effectively when remote. The option to work remote provides access to better talent and a better work life balance; Penny Boone, Self: NO! Remote work has many valuables features.; Anne Leota Hart, Self: Remote work saves our state money. Stop being cruel to kow tow to extremists like the current US president.; Denise Romesburg, Self: This is a terrible idea! It will cost the State money to find office space AND it will force some people to look for other jobs to accommodate them when we're already understaffed.; Martha O'Connor, Self: Overreach – the individual departments and agencies should make the determination for their employees. Flexibility in work arrangements improves morale and productivity and can help retain employees.; Mary-Jeanne Fincher, Self: Remote work can benefit both employers and employees. Prohibiting any remote work is shortsighted and overkill.; Roxanna Kearns, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic.; Rebecca Haynes, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. Banning it is a bad idea.; Mary Nelson, Self: Working remotely has multiple benefits, there is no reason to get rid of it; Sarah Harris, Self: No to overreach. Remote work offers numerous benefits--increased flexibility, better work-life balance, cost savings, access to a wider talent pool, while reducing transit traffic and increasing productivity. Let's stay grounded in the 21st century.; Michael Weingarten, Self: I have experience in private industry with remote work, as a remote worker and as a supervisor of remote workers. When managed properly, it can be extremely beneficial to both employee and employer.; Meredith Brown, Self: It has been repeatedly demonstrated that remote work = higher productivity, plus less traffic, smog, etc. If what an employer (in this case the state) is paying for is product, the location of the employee hardly matters. Dump this bill!; Jennifer Dawson, Self: Remote work offers increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. NO to Musk's chainsaw program here.; Marin Lersch, Self: As a remote worker myself, I've seen the benefits without the loss of productivity enabled by remote work. We should not make it less appealing for people to take jobs to help better the state of Arizona.; Jillian Ryan, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic.; Barbara McGill, Self: If we are looking for the most qualified people, we should not ban remote work.; Linda Meerow, Self: Remote work should remain an option.; Pat Jayson, Self: Technology works great for remote work. It also allows for a larger pool of qualified candidates for jobs. Again, a shortsighted bill.; Aaron Torrance, Self: Remote work offers

numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic.; Joseph Murray, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic.; Nelson Morgan, Self: Let supervisors determine if their employees are succeeding at remote work.; Stephen Flaaen, Self: Remote work has been shown to raise employee satisfaction and has not been shown to decrease the productivity of employees. This is an unnecessary bill based on unfounded fears, vote no.; Jacqueline deSa, Self: Bill would move us in wrong direction. A similar move on the national level is intended to slash the federal workforce through attrition.; Carol Garnett, Self: I worked remotely and got twice as much work done. Most employees should have this opportunity.; Sarah Bihms LD29, Self: Banning remote work for state employees ignores the proven benefits of flexible work arrangements. It reduces productivity, employee morale, and access to a broader talent pool.; Maria Hidalgo, Self: STOP this BILL! This bill would adversely affect working remotely, which is proven to promote better work-life balance, cost savings, & access to a wider talent pool. Working remotely boosts productivity and reduces absenteeism and traffic.; Joseph Alexander, Self: This bill appears to be unaware of twenty-first century opportunities for effective workforces.; Angela Buer, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. I OPPOSE.; Rivko Knox, Self: This bill implies that public employees cann't be trusted to 'work' remotely; where is the evidence for this??? Meanwhile private sector employers allow some degree of remote work. Allow public entities to make their own decisions.; Shelly Hartman, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. This bill would move us in the; Pamela Chittenden, Self: No evidence to support this.; lore dickey, Self: This bill would make our government less competitive and would severely impact work-life balance among government workers.; Kent Rossman, Self: remote work has been proven to help both business and workers. A great use of modern technology.; Joan Thomas, Self: This bill would move us in the wrong direction.; Theresa Ryan, Self: Remote work offers employees flexibility and a better work-life balance.; Willard Watts, Self: Causing not curing inefficiency; Cheryl Stafford, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic.; Patricia Edelen, Self: Nothing like moving back to the "good old days" of "The Office" - working remotely is now an option that broadens options for being more productive, avoiding long commutes, and attracting more talented workers - therefore more efficient.; Aaron Essif, Self: Absolutely no reason for this complete ban unless you stock in fossil fuels, I guess.; Margaret Tinsley, Self: As an Assistant Attorney General I appeared in courts far away from my office in either Mesa or Phoenix.. My client and the courts would have been most unhappy if I had failed to appear in court in person. This bill is too narrow. Vote no.; Karolyn Switzer, Self: In some circumstances, remote work makes sense. The benefits are to the employees and the departments. Just leave this to the departments where the supervisors know what's needed.; Jeanmarie Haney, Self: I worked from home for years. This evil bill takes choice away from workers and managers. Remote work offers numerous benefits-increased flexibility, better work-life balance, cost savings, boosts productivity, reduces absenteeism and traffic.; Cynthia Wagner, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic; Joanne Basta, Self: We need to attract & retain good state employees this would go against that.; Jane Johnson, Self: I oppose this because it's too rigid. Remote work not only has many benefits for the employees but also to the State. It requires less office space & utility cost. Less traffic on roads = less pollution which is healthier for Arizonans and tourists.; Carol Campbell, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. It can be monitored.; marcia stewart, Self: This is for

Federal workers, out of your paid grade. Allow the FED departments to determine the right work requirements for their workers. FOr years, remote work was efficient and saved money. What happened to that??; RITA DEPUYDT, Self: This is an unnecessary, regressive bill.; LINDA GANTVERG, Self: I think this bill is following the federal govt trend to ban remote work. We do not know the reason, but the result will be a reduction in the fed workforce.; Sandra Adler, Self: Remote work is good for the environment!; Holli Grimaudo, Self: Results -- Higher costs, less talent pool, less work/life balance, increased traffic, increased absenteeism, and lower morale. Great resources were put in place during the pandemic to promote remote work. What a waste to prohibit the option. 85029; Kalyn Byers, Self: Research has shown remote work is more productive and cost effective than in-office work. The State will lose incredible workers if this is passed. This bill is an attempt to match the Federal gov's RTO for optics only. Pollution, traffic will worsen; Ilene Riffle, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. WORKING AT HOME IS A GOOD THING; Suzanne Lewis, Self: Remote workers result in cost savings. Compulsory in-person work has proven unnecessary.; Jill Anderson, Self: Not needed; Cheryl Cox, Self: No evidence that working remotely is not as efficient or more so than in person; Julia Allison, Self: Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity and reducing absenteeism and traffic. There is no real justification.; Sharon Regen, Self: would ban full-time state employees from working remotely. Remote work offers numerous benefits, including increased flexibility, a better work-life balance, cost savings, and access to a wider talent pool, while also boosting productivity.; Chris Ahearn, Self: Please oppose. Remote work does indeed offer numerous benefits, including enticing workers who might otherwise not opt give their talents to our state. It also helps a work-life balance that surveys say is a highly desirably benefit. Thank you; Jalice Wiest, Self: We should allow requirements of the job to determine whether the flexibility of remote work can be offered. Management can determine this on a case by case/job by job basis. Some jobs will attract better candidates with possible of remote work.; Alice Patricia Price, Self: Fed workers should be able to work remotely; Kathryn Dorn, Self: Some jobs genuinely can be done just as well (or better) from a remote worksite as within an office building, and, since the state isn't paying for employees' home electricity, remote work may actually save the state money. Why abolish it?; Roger Blain, Self: Overreach – the individual departments and agencies should make the determination for their employees.; Karen Brown, Self: During the pandemic, I had the good fortune to be able to work remotely for a major bank. My team broke records for productivity and accountability during this period. Remote work is productive and shouldn't be banned.; Marcia Tingley, Self: Remote work offers numerous benefits (e.g., increased flexibility, cost savings, better work-life balance, and access to a wider pool of employees) while also boosting productivity and reducing absenteeism and traffic.

# ARIZONA STATE LEGISLATURE

Fifty-seventh Legislature - First Regular Session

## COMMITTEE ATTENDANCE RECORD

COMMITTEE ON **REGULATORY OVERSIGHT**

CHAIRMAN: Joseph Chaplik VICE-CHAIRMAN: Alexander Kolodin

| | DATE | 03/18/25 | /25 | /25 | /25 | /25 |
|---|---|---|---|---|---|---|
| | CONVENED | 3:19pm | m | m | m | m |
| | RECESSED | | | | | |
| | RECONVENED | | | | | |
| | ADJOURNED | 3:38pm | | | | |
| MEMBERS | | | | | | |
| Contreras L | | ✓ | | | | |
| Hernandez C | | ✓ | | | | |
| Keshel | | ✓ | | | | |
| Kolodin, Vice-Chairman | | ✓ | | | | |
| Chaplik, Chairman | | ✓ | | | | |

√ Present --- Absent exc Excused

Attachment 3

# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
**Senate:** RAGE DPA 7-0-0-0 | 3rd Read 26-0-4-0

## SB 1037: health boards; fund balances; fees
## Sponsor: Senator Kavanagh, LD 3
## Committee on Regulatory Oversight

**Overview**
Establishes fee and fund balance report and review requirements for health profession regulatory boards and licensing authorities.

**History**
On the request of any person, a health profession regulatory board must provide: 1) a copy of the minutes of any specified board meeting; 2) a copy of a board action concerning a person under regulation of the board; 3) a copy of the final adjudication of a complaint against a person regulated by the board; and 4) the name and primary practice address of a person regulated by the board (A.R.S. § 32-3209).

Each licensing authority is required to, in addition to complying with public meeting statute as it pertains to public employees: 1) provide a digital recording of each licensing authority meeting, except for executive sessions; 2) post on its website the digital recording of the meeting not later than five days after the meeting and retain that recording for at least three years; and 3) post on its website final decisions, orders and actions the licensing authority takes not later than five days after the meeting and retain the information for at least three years but not more than five years (A.R.S. § 32-4801).

**Provisions**
1. Requires a health profession regulatory board or licensing authority to review in a public meeting the amount of each fee authorized by its statutes at least once each fiscal year prior to establishing fee amounts for the subsequent fiscal year. (Sec. 1,2)
2. Directs each health profession regulatory board or licensing authority to calculate and disclose its fund balance at the public meeting. (Sec. 1,2)
3. Specifies that the fund balance of a health profession regulatory board or licensing authority may not exceed two years of its annual operating expenses plus five percent. (Sec. 1,2)
4. Requires that if a health profession regulatory board's or licensing authority's fund balance exceeds the allowable amount, the board or authority must reduce or eliminate fees until its fund balance is below the allowable amount. (Sec. 1,2)
5. Defines *licensing authority*. (Sec. 2)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☑ Fiscal Note



Attachment 4

# Fiscal Note

**BILL #** SB 1037

**TITLE:** health boards; fund balances; fees

**SPONSOR:** Kavanagh

**STATUS:** As Amended by Senate RAGE

**PREPARED BY:** Destin Moss

**Description**

The bill would require a health profession regulatory board (health board) or nonhealth profession licensing authority to temporarily reduce or eliminate licensing or application fees if its fund balance exceeds two years of the agency's operating expenses plus 5.0%.

**Estimated Impact**

We estimate the bill will require 2 agencies to adjust fee collections beginning in FY 2026. The Board of Barbering and Cosmetology would be required to reduce their fees by $379,000 and the Naturopathic Physicians Medical Board would be required to reduce their fees by $352,000. Within the next 5 years, we estimate 1 additional agency, the Board of Osteopathic Examiners in Medicine and Surgery, will be impacted by the bill's provisions.

Some regulatory boards and licensing authorities deposit a portion of licensing revenues into the General Fund. To the extent that agencies are required to reduce fee collections, General Fund revenues would decrease. In FY 2026, these fee reductions would result in a General Fund revenue reduction of $(129,000).

**Analysis**

There are at least 26 agencies that would be subject to the bill's provisions. *Table 1* lists each of these agencies' estimated FY 2026 operating expenditures compared to the estimated FY 2026 ending fund balance. Based on these estimates, 2 of the 26 agencies, the Board of Barbering and Cosmetology Board and the Naturopathic Physicians Medical Board, would be required to reduce or eliminate fees under the bill's provisions in FY 2026. Both agencies are currently required to deposit 15% of all licensing revenue to the General Fund and retain 85% for fund operating expenses. To the extent that the agencies reduce fees to comply with the bill's provisions, General Fund revenues would decrease.

In addition to these 2 agencies, we evaluated whether all other agencies would reach the maximum balance cap in the next 5 years. This analysis shows that 1 additional board, the Arizona Board of Osteopathic Examiners in Medicine and Surgery, would be affected beginning in FY 2031.

The bill defines "licensing authority" as any agency, department, board, or commission that issues a license, permit, certificate or registration pursuant to Title 32 to an individual who provides a service to any person. Whether additional agencies would be subject the bill's provisions depends on the interpretation of the bill language. Title 32 includes statutes for licensing appraisers and collections agents (Department of Insurance Financial Institutions), funeral directors and radiologic technologists (Department of Health Services), security guards and private investigators (Department of Public Safety), and driving school agents (Arizona Department of Transportation). We are currently discussing this issue with Legislative Council.

JLBC

Attachment 5

Table 1

**FY 2026 Estimated Agency Spending and Fund Balances**
**($ in millions)**

| Agency | FY 2026 Estimated Spending | FY 2026 Maximum Fund Balance | FY 2026 Projected Year-End Balance |
|---|---|---|---|
| Accountancy, Board of | 2.3 | 4.8 | 0.9 |
| Acupuncture Examiners, Board of | 0.2 | 0.5 | 0.0 |
| Athletic Training, Board of | 0.2 | 0.4 | 0.1 |
| Barbering and Cosmetology, Board of 1/ | 2.8 | 6.0 | 6.3 |
| Behavioral Health Examiners, Board of | 3.0 | 6.3 | 2.0 |
| Chiropractic Examiners, Board of | 0.7 | 1.4 | 0.2 |
| Contractors, Registrar of | 14.5 | 30.5 | 0.0 |
| Dental Examiners, Board of | 2.2 | 4.6 | 0.2 |
| Homeopathic and Integrated Medicine Examiners, Board of | 0.1 | 0.1 | 0.0 |
| Massage Therapy, Board of | 0.6 | 1.3 | 0.5 |
| Medical Board | 8.5 | 17.9 | 6.2 |
| Naturopathic Physicians Medical Board 1/ | 0.2 | 0.5 | 0.8 |
| Nursing, Board of | 7.2 | 15.1 | 3.8 |
| Nursing Care Institution Administrators and Assisted Living Facility Managers, Board of Examiners of | 0.6 | 1.3 | 0.0 |
| Occupational Therapy Examiners, Board of | 0.3 | 0.6 | 0.3 |
| Opticians, Board of Dispensing | 0.2 | 0.4 | 0.3 |
| Optometry, Board of | 0.3 | 0.6 | 0.3 |
| Osteopathic Examiners, Board of | 1.5 | 3.2 | 1.9 |
| Pharmacy, Board of | 3.8 | 8.1 | 1.6 |
| Physical Therapy, Board of | 0.6 | 1.3 | 1.1 |
| Podiatry Examiners, Board of | 0.2 | 0.4 | 0.3 |
| Private Postsecondary Education, Board for | 0.6 | 1.2 | 0.5 |
| Psychologist Examiners, Board of | 0.5 | 1.0 | 0.4 |
| Respiratory Care Examiners, Board of | 0.4 | 0.9 | 0.1 |
| Technical Registration, Board of | 2.8 | 5.8 | 2.5 |
| Veterinary Medical Examining Board | 0.9 | 2.0 | 0.8 |

1/ The agency's projected ending fund balance exceeds the maximum fund balance allowed under the bill.

2/5/25

# ARIZONA HOUSE OF REPRESENTATIVES
## Fifty-seventh Legislature - First Regular Session

## ROLL CALL VOTE

COMMITTEE ON Regulatory Oversight BILL NO. SB 1037

DATE March 18, 2025 MOTION: DP

| | PASS | AYE | NAY | PRESENT | ABSENT |
|---|---|---|---|---|---|
| Contreras L | | ✓ | | | |
| Hernandez C | | ✓ | | | |
| Keshel | | ✓ | | | |
| Kolodin, Vice-Chairman | | ✓ | | | |
| Chaplik, Chairman | | ✓ | | | |
| | | 5 | 0 | 0 | 0 |

COMMITTEE SECRETARY

APPROVED:

JOSEPH CHAPLIK, Chairman
ALEXANDER KOLODIN, Vice-Chairman

ATTACHMENT 6

# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
**Senate:** RAGE DP 6-1-0-0 | 3rd Read 26-0-4-0

## SB 1051: engineers; alterations; commercial space
## Sponsor: Senator Rogers, LD 7
## Committee on Regulatory Oversight

**Overview**
Creates an exemption to Board of Technical Registration (BTR) compliance requirements for nonregistrants to make an interior nonstructural alteration of an individual unit of a commercial space.

**History**
The BTR is required to adopt and enforce standards of qualification for engineers, architects, assayers, geologists, land surveyors, landscape architects, home inspectors and alarm agents. BTR determines whether applicants are qualified for registration or certification and conduct exams and investigations (A.R.S. § 32-106).

Currently, a non-registrant who designs an addition or alteration to certain one- or two-story buildings or structures in which the floor area does not exceed 3,000 square feet is exempt from BTR compliance requirements. A non-registrant is allowed to exceed the 3,000 square foot limitation and still be exempt from BTR compliance requirements for a one-time single addition, itself not exceeding 1,500 square feet (A.R.S. § 32-144).

**Provisions**
1. Allows a non-registrant who designs additions or alterations to certain one- or two-story buildings or structures in which the floor area does not exceed 3,000 square feet to exceed the square foot limit for an interior nonstructural alteration of an individual unit of a commercial space if that individual unit does not exceed 3,000 square feet. (Sec. 1)
2. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note



Attachment 7

# ARIZONA HOUSE OF REPRESENTATIVES
## Fifty-seventh Legislature - First Regular Session

## ROLL CALL VOTE

COMMITTEE ON Regulatory Oversight BILL NO. SB 1051

DATE March 18, 2025 MOTION: DP

| | PASS | AYE | NAY | PRESENT | ABSENT |
|---|---|---|---|---|---|
| Contreras L | | ✓ | | | |
| Hernandez C | | ✓ | | | |
| Keshel | | ✓ | | | |
| Kolodin, Vice-Chairman | | ✓ | | | |
| Chaplik, Chairman | | ✓ | | | |
| | | 5 | 0 | 0 | 0 |

COMMITTEE SECRETARY

APPROVED:

JOSEPH CHAPLIK, Chairman
ALEXANDER KOLODIN, Vice-Chairman

ATTACHMENT 8

# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
**Senate:** FIN DP 4-3-0-0 | 3rd Read 17-12-1-0

## SB 1096: bullion depository; establishment
## Sponsor: Senator Hoffman, LD 15
## Committee on Regulatory Oversight

**Overview**
Establishes the Arizona Bullion Depository under the Department of Insurance and Financial Institutions (DIFI) and outlines procedures for the exchange of bullion, specie and transactional currency.

**History**
DIFI was established to safeguard the public welfare by protecting the financial assets of the citizens of Arizona and is charged with licensing, supervising and regulating state-chartered financial institutions and enterprises. DIFI ensures that financial institutions in this state are in compliance with federal, state and local laws related to insurance, banking and other enterprises under DIFI's jurisdiction (A.R.S. 20-141 et seq.).

*A similar bill was introduced in the 56th Legislature, 2nd Regular Session and was held in the House (SB 1633 bullion depository; establishment).*

**Provisions**

***Establishing the Arizona Bullion Depository***

1. Establishes the Arizona Bullion Depository (Depository) under the administration of DIFI. (Sec. 1)
2. Designates the Depository as the custodian, guardian and administrator of certain bullion and specie that may be transferred to or acquired by the state or an agency, political subdivision or another instrumentality of the state. (Sec. 1)
3. Allows DIFI to contract with a third party to administer the daily operations of the Depository. (Sec. 1)
4. Permits the State Treasurer to deposit a portion of state monies in the Depository in the form of bullion and specifies that the deposit is considered part of this state's financial reserves. (Sec. 1)

***Depository Administrator***

5. Directs the DIFI Director (Director) to hire a Depository administrator (Administrator) who serves at the discretion of the Director. (Sec. 1)
6. Authorizes the Administrator to:
   a) manage, supervise and direct the operations and affairs of the Depository and its agents;
   b) liaise with DIFI to ensure that each transaction with the Depository is planned, administered and executed in a manner compliant with the Depository's statutes; and

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note

c) ensure the Depository has current and efficient safety protocols to prevent theft of or unauthorized access to bullion. (Sec. 1)

7. Allows the Administrator to appoint or employ, subject to the Director's approval, a deputy administrator or subordinate officers or employees as necessary to effectuate the administration and security of the Depository. (Sec. 1)

***Deposits and Depository Accounts, Standards, Audits, Conflicts of Interest***

8. Permits the Depository to receive a deposit of bullion or specie, or both, in accordance with rules adopted by the Director as appropriate to ensure compliance with the law and to protect the interests of the Depository, its account holders, the public, this state and the state's agencies, political subdivisions and instrumentalities. (Sec. 1)

9. Requires the Depository to:
   a) record the amount of precious metals a person deposits in units of pure troy ounces, regardless of the form in which the deposit was made, and specify the type and quantity of each precious metal deposited; and
   b) adjust each Depository account balance to reflect deposits, or withdrawals or deliveries from, the Depository account. (Sec. 1)

10. Directs DIFI to contract with an independent third party to conduct audits at least biannually to:
   a) verify the amount and value of the bullion or specie, or both, stored in the Depository; and
   b) inspect the security measures and safety protocols in place. (Sec. 1)

11. Specifies that the third party with which DIFI contracts must be an established provider with a proven record of providing auditing services to depository institutions. (Sec. 1)

12. Allows the public to request, at a minimum, a summary of totals of previous precious metal amounts and any discrepancies found during an audit of the Depository. (Sec. 1)

13. Exempts from public disclosure items that would jeopardize confidential Depository information or the Depository's security protocols. (Sec. 1)

14. Asserts that the Administrator and any employee, official or third party associated with the oversight or operation of the Depository:
   a) may not have any financial interests in companies or entities that produce, manage or sell bullion; and
   b) must disclose any potential conflict of interest to DIFI immediately on discovery. (Sec. 1)

15. Specifies that any violation of the requirements relating to financial interests or conflicts of interest may result in termination, fines or other legal penalties as determined by DIFI. (Sec. 1)

16. Requires the Administrator to provide quarterly reports to DIFI detailing the operations, transactions and financial status of the Depository. (Sec. 1)

17. Directs DIFI to submit an annual report to specified state officials. (Sec. 1)

***Administration of Transactional Currency***

18. Requires the Director to issue specie and establish a transactional currency as determined to be practicable. (Sec. 1)

19. Allows the Director to contract with a private vendor to establish the transactional currency or perform other duties related to the administration of transactional currency. (Sec. 1)

20. Requires the Director to establish, for transactional currency, a means to ensure:
    a) a person or this state that holds the transactional currency may use that currency as legal tender to pay a debt or assign it to another person or this state; and
    b) the electronic means of the transfer of transactional currency to another person or this state is expedient. (Sec. 1)

21. Requires the Director, with regard to specie, to:
    a) authorize the Depository as this state's exclusive issuer;
    b) ensure the holder of the specie may use the specie as legal tender to pay a debt; and
    c) ensure the expedient transfer of transactional currency to another person or this state and that specie is readily transferable. (Sec. 1)

***Bullion Depository Account***

22. Enables the Director, who serves as trustee, or the Director's designee, to:
    a) hold in trust on behalf of the transactional currency holders all specie and bullion owned or purchased for transactional purposes;
    b) maintain enough specie or bullion to provide for the redemption of all units of the transactional currency issued but not redeemed; and
    c) establish a pooled depository account as outlined in the bill. (Sec. 1)

***Fees for Purchase and Issuance of Transactional Currency***

23. Authorizes the Administrator to issue the transactional currency to a person or this state on payment:
    a) to the Depository to purchase specie or bullion, or both, and on payment of an applicable fee; and
    b) to designate specie or bullion, or both, held on account and on payment of an applicable fee. (Sec. 1)

24. Instructs the Director, on receipt of payment, to:
    a) buy specie or bullion, or both, using the money received, in the number of troy ounces of precious metal equal to the number of units in the transactional currency and issue that transactional currency to the purchaser;
    b) deposit such specie or bullion into the pooled Depository account for the purchaser; and
    c) issue to the purchaser a Depository account with, or add to an existing account, the number of units of the transactional currency equal to the amount of specie or bullion that the purchase monies would buy at the market price on that date as published by the Depository. (Sec. 1)

25. Directs DIFI to establish the fee charged for the purchase of bullion or specie. (Sec. 1)

***Transactional Currency for U.S. Dollars***

26. Allows a person to present to the Administrator any number of units of transactional currency to redeem for U.S. Dollars. (Sec. 1)

27. Requires the Administrator, on receipt of a person's request for redemption, to:
    a) sell from the specie or bullion held in the pooled Depository account the number of troy ounces of specie or bullion equal to the number of U.S. Dollars of the transactional currency that is being redeemed; and

b) provide to the person the amount of U.S. Dollars equal to the amount received from the sale of specie or bullion, minus a fee charged. (Sec. 1)

28. Directs DIFI to establish a fee for the redemption of transactional currency for U.S. Dollars. (Sec. 1)

***Transactional Currency for Specie or Bullion***

29. Allows a Depository account holder to present to the Administrator any number of units of the transactional currency to redeem for an equal number of troy ounces of specie or bullion from the pooled Depository account. (Sec. 1)

30. Requires the Administrator, on receipt of a person's request for redemption, to:
    a) withdraw the equivalent number of troy ounces of specie or bullion from the pooled depository account; and
    b) deliver the specie or bullion as requested on receipt of the fee. (Sec. 1)

31. Directs DIFI to establish a fee for the redemption of transactional currency for specie or bullion. (Sec. 1)

***Value of Transactional Currency***

32. Requires the Director, at the time of each transaction that issues or redeems transactional currency, to determine the value of a unit of the transactional currency as published by the Depository. (Sec. 1)

33. Requires the value of a unit of transactional currency, at the time of each transaction, to be equal to the value of the appropriate fraction of a troy ounce of precious metal as published by the Depository. (Sec. 1)

***Monies and Deposits in the Pooled Depository Account***

34. Clarifies that specie or bullion purchased and deposited in the pooled Depository account and monies received from the sale of specie or bullion in the pooled Depository account, in response to a request for redemption, are both:
    a) held by the Director as trustee on behalf of the persons who hold the transactional currency; and
    b) not available for legislative appropriation. (Sec. 1)

***Miscellaneous***

35. Prohibits foreign nations and enemies of the U.S. from using any service provided by the Depository. (Sec. 1)

36. Allows the Director to adopt rules as necessary. (Sec. 1)

37. Allows DIFI to charge a standard industry merchant fee. (Sec. 1)

38. Authorizes no more than 10% of the fees established by DIFI to be used to administer the Depository. (Sec. 1)

39. Directs the Director to deposit the net fee proceeds, after administrative costs, into the state General Fund. (Sec. 1)

40. Defines pertinent terms. (Sec. 1)

# ARIZONA HOUSE OF REPRESENTATIVES
## Fifty-seventh Legislature - First Regular Session

## ROLL CALL VOTE

COMMITTEE ON Regulatory Oversight BILL NO. SB 1096

DATE March 18, 2025 MOTION: DP

| | PASS | AYE | NAY | PRESENT | ABSENT |
|---|---|---|---|---|---|
| Contreras L | | | ✓ | | |
| Hernandez C | | | ✓ | | |
| Keshel | | ✓ | | | |
| Kolodin, Vice-Chairman | | ✓ | | | |
| Chaplik, Chairman | | ✓ | | | |
| | | 3 | 2 | 0 | 0 |

S Smith
COMMITTEE SECRETARY

APPROVED:

JOSEPH CHAPLIK, Chairman
ALEXANDER KOLODIN, Vice-Chairman

ATTACHMENT 10

# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session

**House:**
**Senate:** RAGE DPA/SE 4-2-1-0 | 3rd Read 17-12-1-0

## SB 1237: state employees; remote work; prohibition
## Sponsor: Senator Petersen, LD 14
## Committee on Regulatory Oversight

**Overview**

Prohibits any full-time State of Arizona employee (FTE) from working remotely. Authorizes a supervisor to allow a sick FTE to work remotely.

**History**

Arizona's *Telework Program* began initially as a pilot program in the 1990s as a means to improve Arizona's air quality through alternate travel mode and travel reduction measures (A.R.S. § 49-588). All agencies, boards and commissions were authorized to phase in a telecommuting program administered by the Arizona Department of Commerce Energy Office (Executive Order 93-4). Later the program was placed under the Arizona Department of Administration. The most recent change in 2003 mandates that every state agency, board and commission implement the Telework Program with a goal of 20% of employees in Maricopa County actively participating (Executive Order 2003-11). Prior to March 2020, fewer than 10% of State employees worked remotely. As of December 31, 2024, 15,909 employees, 41% percent of the State of Arizona workforce worked remotely, either full-time from a virtual office or on a periodic telecommuting schedule. (Arizona's Connected Workforce).

**Provisions**

1. Prevents an FTE from working remotely, except as authorized by a supervisor when the FTE employee is sick. (Sec. 1)
2. Directs each state agency to require an FTE perform all job duties at the agency's office during regular work hours. (Sec. 1)
3. States that an FTE performing site visits, inspections or other services at a location other than the state agency's office is exempt from the prohibition against working remotely if the FTE is providing the services during regularly scheduled work hours. (Sec. 1)
4. Establishes that virtual meetings and conference calls are not remote work. (Sec.1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note



Attachment 11

# ARIZONA HOUSE OF REPRESENTATIVES
## Fifty-seventh Legislature - First Regular Session

## ROLL CALL VOTE

COMMITTEE ON Regulatory Oversight BILL NO. SB 1237

DATE March 18, 2025 MOTION: DP

| | PASS | AYE | NAY | PRESENT | ABSENT |
|---|---|---|---|---|---|
| Contreras L | | | ✓ | | |
| Hernandez C | | | ✓ | | |
| Keshel | | ✓ | | | |
| Kolodin, Vice-Chairman | | ✓ | | | |
| Chaplik, Chairman | | ✓ | | | |
| | | 3 | 2 | 0 | 0 |

COMMITTEE SECRETARY

APPROVED:

JOSEPH CHAPLIK, Chairman
ALEXANDER KOLODIN, Vice-Chairman

ATTACHMENT 12