ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

COMMITTEE ON COMMERCE

Report of Regular Meeting
Tuesday, March 15, 2022
House Hearing Room 3 -- 2:00 P.M.

Convened 2:39 P.M.
Recessed
Reconvened
Adjourned 4:00 P.M.

MINUTES RECEIVED
CHIEF CLERK'S OFFICE
3-17-22

Members Present	Members Absent
Mr. Carter	
Mr. Chávez	
Mr. Cook	
Mr. Espinoza	
Mr. Kaiser	
Mrs. Liguori	
Mr. Meza	
Mr. Wilmeth	
Mr. Chaplik, Vice-Chairman	
Mr. Weninger, Chairman	

Agenda
Original Agenda – Attachment 1

Request to Speak
Report – Attachment 2

Committee Attendance
Report – Attachment 3

Presentations

Name	Organization	Attachments (Handouts)
Kristen Reif, Director External Affairs	Phillip Morris International	
Jeff Buel, Director State Government Affairs	Johnson & Johnson	4
Josh Kesselman, CEO	HBI International	
Michelle Ahlmer, Executive Director	AZ Retailers Association	5

Committee Action

Bill	Action	Vote	Attachments
SB1494	DP	7-2-0-1	6, 7
SB1166	DPA	10-0-0-0	8, 9, 10

SB1580	DP	9-0-0-1	11, 12
SB1459	DPA	8-1-0-1	13, 14, 15
SB1248	DP	8-0-0-2	16, 17
SB1403	DP	8-0-0-2	18, 19

Jacqueline Denlinger

Jacqueline Denlinger, Committee Secretary
March 17, 2022

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

convened: 2:39pm
adjourned: 4:00pm

 REVISED - 3/14/22 REVISED - 3/14/22

ARIZONA HOUSE OF REPRESENTATIVES
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REGULAR MEETING AGENDA

COMMITTEE ON COMMERCE

DATE Tuesday, March 15, 2022 ROOM HHR 3 TIME 2:00 P.M.

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2022031066

Members:

Mr. Carter	Mr. Kaiser	Mr. Wilmeth
Mr. Chávez	Mrs. Liguori	Mr. Chaplik, Vice-Chairman
Mr. Cook	Mr. Meza	Mr. Weninger, Chairman
Mr. Espinoza		

- Presentation:
  Counterfeiting and Organized Retail Crime
  Kristen Reif, Director of External Affairs, Phillip Morris International
  Jeff Buel, Director of State Government Affairs, Johnson & Johnson
  ~~Matt Colvard, Chief Operating Officer, HBI International~~
  Josh Kesselman, Chief Executive Officer, HBI International
  Michelle Ahlmer, Executive Director, AZ Retailers Association
  ~~Jerianne Gerloff, Government Relations Director, Pfizer~~

Bills		Short Title	Strike Everything Title
SB1166 (2)	DPA 10-0-0-0	public employers; union contracts (Leach: Livingston) COM, RULES	
SB1248 (5)	DP 8-0-0-2	beer shipments; coercion; prohibition (Gowan) COM, RULES	
*~~SB1278~~		~~wage rates; technical correction(now: labor organizations; fiduciary guidelines; definitions)~~ ~~(Mesnard)~~ ~~COM held 0-0-0-0-0, RULES~~	

Attachment 1

Bills		Short Title	Strike Everything Title
SB1403 (6)	DP 8-0-0-2	industrial commission; workers' compensation; claim(now: workers' compensation; industrial commission; claim) (Gowan) COM, RULES	
SB1459 (4)	DPA 8-1-0-1	event wagering; fantasy sports; fees (Borrelli: Chaplik) COM, RULES	
*SB1494 (1)	DP 7-2-0-1	COVID-19 vaccine; unemployment insurance (Mesnard) COM held 0-0-0-0-0, RULES	
SB1580 (3)	DP 9-0-0-1	money transmission; money transmitter licensure (Livingston) COM, RULES	

* On previous agenda

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

DF
~~03/09/2022~~
03/14/2022

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.

Information Registered on the Request to Speak System

House Commerce (3/15/2022)

SB1166, public employers; union contracts

Testified in support:
Jon Riches, representing self

Support:
Dwight Kadar, representing self; Jenna Bentley, BARRY GOLDWATER INSTITUTE FOR PUBLIC POLICY RESEARCH; Steve Hetsler, representing self; Dianna Gates, representing self; Bridget Nelke, representing self; Vicki Smith, representing self; Vickie Parks, representing self; Catherine Tunget, representing self; Charmon Puhlmann, representing self; Selina Bliss, representing self; Earl Carlow, representing self; JL Simpson, representing self; Dale Brewer, representing self; Michael Marcus, representing self; Donna Hale, representing self; Kathryn Farkas, representing self; andrea dickey, representing self; Jane Breakiron, representing self; Richard Freeze, representing self; Judy Smith, representing self; Mary Jamsa, representing self; Laura Belcourt, representing self; Jerri Dingledine, representing self; Stuart Scurti, representing self

Neutral:
Briona May, AFSCME INTERNATIONAL

Oppose:
kathleen mayer, representing self; Dave Long, representing self; Janie Hydrick, representing self; Rivko Knox, representing self; Judith Simons, representing self; Janet Larkin, representing self; Rebecca Smith Gross, representing self; marilyn duerbeck, representing self; Henne Queisser, representing self; Maria Salvucci, representing self; Kevin Brown, representing self; Eve Shapiro, representing self; Kenneth Bierman, representing self; Mary Ann Graffagnino, representing self; Beatriz Urrea, representing self; DOUG ARNOLD, representing self; Claudia Bloom, representing self; Dianne Post, representing self; margaret gallagher, representing self; Elizabeth Putnam-Hidalgo, representing self; Cynthia Couture, representing self; Sherrilynn James, representing self; Donita Ramos, representing self; Vanessa Goldberg, representing self; Ruthanna Battilana, representing self; Bryna Koch, representing self; Dawn Schumann, TEAMSTERS LOCAL UNION 104; Francisco "Hugo" Polanco, LIVING UNITED FOR CHANGE IN ARIZONA; Barbara Larson, representing self; Andrew Flach, representing self; Amy Etzkorn, representing self; Robert Fisher, representing self; Linda Edwards, representing self; Kathy Fraser, representing self; Barbara Fraboni, representing self; Suzanne Berger, representing self; Kirstin Woodburne, representing self; Penny Boone, representing self; Teresa Akrish, representing self; Lawrence Peters, representing self; Helen Kim, representing self; Linda Guarino, representing self; Lindsey Duran, representing self; leadawn anderton, representing self; Christine Whitley, representing self; Susan Morris, representing self; Janice Counts, representing self; Tess Calvert, representing self; Margaret Lacey, representing self; Diane Leischow, representing self; Gail Prestera, representing self; Margaret Owen, representing self; Darrell Boomgaarden, representing self; Rebecca Haynes, representing self; CAROL R BLACKMAN, representing self; Irene Hunting, representing self; Linda Ekstrum, representing self; Margaret Adams , representing self; Carol Garnett, representing self; Jessica Kitterman, representing self; Ruth Lambert, representing self; Marilyn Coyle, representing self; Stephen Coyle, representing self; Mary Fortney, representing self; Jeffrey Fortney, representing self; Cynthia Soffrin, representing self; Ryan

Attachment 2

Anderson, representing self; William Yohey, representing self; Charlie Silver, representing self; Mariette Francis, representing self; Sharon Lee, representing self; Susan Phelps, representing self; Kathleen Dubbs, representing self; Kathleen O'Neill, representing self; Margrit McIntosh, representing self; Abby Brill, representing self; Roxanna Kearns, representing self; Janet Senf, representing self; Gayle Meredith, representing self; Ralph Meredith, representing self; Janet Johnson, representing self; Patricia Edelen, representing self; Susan McMillan, representing self; Jo Ann Caruthers, representing self; Truly Bone, representing self; Nancy Scharff, representing self; Julie Golding, representing self; Saher Afzal, representing self; Anne Leota Hart, representing self; Kathleen Collins, representing self; Caroline Anderson, representing self; Howard Neiberg, representing self; Diane Lings, representing self; Teresa Neiberg, representing self; Roy Verdery, representing self; Robin LaVoie, representing self; Candice Fremouw, representing self; Nancy Santori, representing self; James Stein, representing self; Lisa Koenig, representing self; Mary Grove, representing self; Becky Sayler, representing self; Susan Breen, representing self; Christine Keitges, representing self; Jeri Dow, representing self; Barbara Hutchinson, representing self; Margaret Bruns, representing self; Nancy Branham, representing self; Steve Gorman-Hackstadt, representing self; Mary-Jeanne Fincher, representing self; SUSAN ARNOLD, representing self; John Babicz, representing self; Louise Good, representing self; Angila Gallenstein, representing self; Michael Pyska, representing self; Heather Borman, representing self; John Neville, representing self; Jessie Spalding, representing self; Dee Maitland, representing self; Donna Rice , representing self; Margaret Cordalis, representing self; Elizabeth Brauer, representing self; Jocelyn Dustan, representing self; Elizabeth Schauer, representing self; Charlotte Lis, representing self; Brenda Nelson, representing self; Sue Thorne, representing self; Virginia Dotson, representing self; Christine McLachlan-Comer, representing self; Nelson Morgan, representing self; Laura Libman, representing self; Ellen Bodow, representing self; Linda Cooke, representing self; Robert Larson, representing self; Kathleen Woessner, representing self; Nancy Hancock, representing self; Annarose Lilly, representing self; Caitlin Absher, representing self; Nicole Fordey, representing self; Nataly Reed, representing self; Francine Saccio, representing self; Nancy Roberts, representing self; Jacqueline deSa, representing self; Erica Hansen, representing self; Frederick James, representing self; Nancy Atherton, representing self; Roger Blain, representing self; Claire Bickel, representing self; Amanda Coltman, representing self; Katherine Stone, representing self; Barbara Hollway, representing self; Kim Buckley, representing self; Elizabeth George, representing self; J Nicholas Prestera, representing self; Loretta O'Connor, representing self; Douglas Cain, representing self; Jerrold Borchardt, representing self; Brandy Reese, representing self; Eric Kadel, representing self; George Ehrlich, representing self; Kathleen Sauer, representing self; Sharon Ehrlich, representing self; Donna Johnson, representing self; Jan Carlile, representing self; John Gleason, representing self; Carol Campbell, representing self; Claudia Oreck-Teplitsky, representing self; Kenneth Bryan, representing self; Kathleen Schanus-Gohl, representing self; Devon Sloan, representing self; Sandra Adler, representing self; Marcia Tingley, representing self; Virginia Kovatch, representing self; Victor Garcia, representing self; Cynthia Wagner, representing self; Ruth Porter-Tilman, representing self; Sheila Green, representing self; Amy Gaiennie, representing self; Shelley Stephenson, representing self; Cynthia Paster, representing self; Julian Donahue, representing self; Theresa Ryan, representing self; Karolyn Switzer, representing self; Janie Smieszek, representing self; Diane Klock, representing self; Peggy Church, representing self; John Propster, representing self; Sandy Coffey, representing self; DEBRA GORDON, representing self; Charles Turner, representing self; Barbara Jones, representing self; Jill Anderson, representing self; Jane Atkins, representing self; Erin McCamish, representing self; LINDA GANTVERG, representing self; Nadine Smith, representing self; JOHN FIENE, representing self; David Myers, representing self; Jeannine Reno, representing self; Aaron Essif, representing self; William Bowlus-Root, representing self; jeff green, representing self; Susan Ordway, representing self; Tina Kilcullen, representing self; Sally Caruso, representing self; Carol Redenbaugh, representing self; Lisa Maczura, representing self; Richard Della Porta, representing self; Karen Robbins, representing self; David Williams, representing self; Nancy Lecrone Nonini, representing self; RITA DEPUYDT, representing self; Mary Lisa, representing self; Kay Davis, representing self; Mitzi Cowell, representing self; Gary Townsend, representing self; Bailey Spears, representing self; Jennifer Hanley, representing self; Joseph Alexander, representing self; Bruce Flocken, representing self; Susan Collopy, representing self; Teresa Gerschutz, representing self; Marylynne Shroyer, representing self; Diane McQueen, representing self; Birgit Loewenstein, representing self; Ann Sawyer, representing self; Robert Maier, representing self; Jacqueline Bauer, representing self; Sarah Montgomery, representing self; Dan Schwartzstein, representing self

All Comments:

Jon Riches, Self: On Behalf of the Goldwater Institute; Dianna Gates, Self: I urge you to support this bill. It's only common sense.; Vickie Parks, Self: Promote right to work state; Charmon Puhlmann, Self: PC Captain and LD Recording Secretary; Dale Brewer, Self: I have read and approve of this Bill.; Michael Marcus, Self: Common sense. Public employers are often funded by tax dollars, for purposes of the mission of public employer. Using citizen taxpayer dollars for non-mission activities isn't appropriate, & politicizes workplaces contrary to many taxpayers' wishes.; andrea dickey, Self: Please vote FOR SB1166; Mary Jamsa, Self: I support this bill. Union activities should not happen during work time.; Laura Belcourt, Self: Please support this bill to prohibit public sector union activities while on the taxpayers' dime.; Jerri Dingledine, Self: Thank you for representing the vote of the people; Stuart Scurti, Self: Vote yes for this bill. Taxpayers should not be forced to pay for union lobbying or union activities.; Janie Hydrick, Self: Of course! Cheap, unskilled labor is a great long-term investment.; Rivko Knox, Self: Let cities deal with this issue. A statewide prohibition is just a way for legislators to show they are 'anti union.'; Mary Ann Graffagnino, Self: Union work and support for it is critical. Unions have always worked for the common man. Dark money needs to stop opposing unions.; Beatriz Urrea, Self: This law is about silencing unions, which work to defend workers' rights, when the interests of the wealthy are at stake. Vote this down!; Claudia Bloom, Self: Dark money hates a living wage, don't they Leach?; Elizabeth Putnam-Hidalgo, Self: An absolute NO on this. Legislation written by the Goldwater Institute should not be considered as reflecting the will of Arizona voters. Same with legislation pushed forward by a public gerrymanderer.; Cynthia Couture, Self: This would invalidate our rights to freedom of speech and lobbying.; Vanessa Goldberg, Self: Stop trying to silence voices you do not agree with – that is NOT democracy!.; Bryna Koch, Self: Vote no on this bill.; Penny Boone, Self: This is part of a rash of legislation aimed at kneecapping powerful voices that may disagree with right-wing Az lawmakers, and appears to be written by the dark-money libertarian Goldwater Institute. I oppose.; Lawrence Peters, Self: Where's bill to disclose American Legislative Exchange Council influence. Through ALEC, behind closed doors, corporations hand state AZ lawmakers bills and/or changes to the law they desire. Where's bill to ban $ from Koch Bros funded "non-profits"; Susan Morris, Self: Silencing voices is cowardly. Listen to ALL people with a stake in the outcome of your decision-making.; Diane Leischow, Self: This one comes right out of the dark money Goldwater Manuel .; Rebecca Haynes, Self: This is part of a rash of legislation aimed at kneecapping powerful voices that may disagree with right-wing state lawmakers.; Carol Garnett, Self: Candidate work and lobbying for bills are not "union" activities and none of these should be restricted.; Jessica Kitterman, Self: This is part of a rash of legislation aimed at kneecapping powerful voices that may disagree with right-wing state lawmakers and the dark-money libertarian Goldwater Institute.; Mary Fortney, Self: Zip 85331; Jeffrey Fortney, Self: Zip Code 85331; Cynthia Soffrin, Self: I understand why the legislature wants to block state government employees from working on union activities during the work day, but to define union activities to include lobbying for a specific bill is a "Catch-22" for state paid legislators.; Kathleen Dubbs, Self: Cookie cutter legislation written by organizations who are against unions; Roxanna Kearns, Self: Candidate work and lobbying for bills or ballot measures is a right for employees and must not be limited or taken away.; Anne Leota Hart, Self: I am a registered voter in LD6. This is another piece of anti-union legislation being pushed from out of our state. More libertarian propaganda.; Susan Breen, Self: Again vaccinations are a matter of public health. If they're required for the job, then get vaxxed or get another job. But using this as an excuse for getting unemployment? Give me a break!; Mary-Jeanne Fincher, Self: This is an unnecessary expansion of restrictions already in place against using state resources for political purposes. It will have a chilling effect on legitimate activities, which no doubt is the goal. No!; Heather Borman, Self: Too political! Start respecting teachers!; John Neville, Self: LD1 - an anti-free speech bill written by the right wing who want to deprive workers of their rights. NO!; Dee Maitland, Self: Vince Leach at the behest of the Kochs.; Sue Thorne, Self: Sen Lech: Why are you so afraid of opposing views to yours? Could it be that your right-wing extremist views don't match the majority of Arizona's working class views?We need unions to give workers a voice;we need candidates that voice opposing ideas; Virginia Dotson, Self: This is an attack on groups that represent ordinary people. If you ban funding of these groups, you should ban all lobbying.; Ellen Bodow, Self: This bill would silence voices that should be heard; Caitlin Absher, Self: This is part of a rash of legislation aimed at kneecapping powerful voices that may disagree with state lawmakers.; Nancy Atherton, Self: Paid vacation time should allow an employee to do whatever they want with that time, including engaging in personal political activities, otherwise infringing on 1st amendment rights. Personal time amendment should include paid vacation.; Loretta O'Connor, Self: This is overreach!; John Gleason, Self: Vote no APAAC, police unions, border patrol unions, AZ Sheriff Assn, and more are nor gonna be happy when you knee-cap them with this bill. Vote no! Preserve law enforcement and stop pandering to the lobbyists. Kill this bill - VoteNO!; John Propster, Self: Undemocratic and unconstitutional! Stifles the voice of working Arizonans. Vote NO to stop harming the people!; Jane Atkins, Self: Continued attempts to defund public ed and give money to unqualified, unregulated private businesses who call themselves private schools. Students will be the losers in this.; Erin McCamish, Self: Stop trying to silence voices you disagree with.; JOHN FIENE, Self: Strictly partisan, and does not belong in the ARS.; Aaron Essif, Self: Aimed at kneecapping unions; Lisa Maczura, Self: "Sit down and shut up" is never a good idea for government.; Bruce Flocken, Self: This is a one-sided attack bill. If there is truly a concern about influence, it should cover corporate and dark money political activity too.; Teresa Gerschutz, Self: This bill is unconstitutional. Unions have a legal right to state dollars and are necessary to maintain democratic balance of power. OPPOSE.; Birgit Loewenstein, Self: undermines collective bargaining; Ann Sawyer, Self: The definition of what constitutes union activities is too limiting.; Robert Maier, Self: Anyone concerned with union accountability ought to prefer that leadership be members of the rank and file and be paid accordingly by the employer.; Sarah Montgomery, Self: Was this bill written by the Goldwater Institute? Unions protect worker. Stop trying to block unions.

SB1248, beer shipments; coercion; prohibition

Testified in support:

Steve Barclay, BEER & WINE DISTRIBUTORS OF ARIZONA

Support:

Earl Carlow, representing self; Michael Marcus, representing self

SB1278, wage rates; technical correction (NOW: labor organizations; fiduciary guidelines; definitions)

Support:

Earl Carlow, representing self; Michael Marcus, representing self

Oppose:

Judith Simons, representing self; Dawn Schumann, TEAMSTERS LOCAL UNION 104

All Comments:
Dawn Schumann, TEAMSTERS LOCAL UNION 104: This bill tries to break the solidarity of a Union and weaken the negotiation during health and welfare for our members. I challenge you to research benefits that Union members have. In a RTW to state, you are a member by CHOICE.

SB1403, industrial commission; workers' compensation; claim (NOW: workers' compensation; industrial commission; claim)

Testified in support:
Barry M. Aarons, AZ ASSN OF LAWYERS FOR INJURED WORKERS

Support:
Michael Colletto, PROFESSIONAL FIRE FIGHTERS OF AZ; Brian Clymer, representing self; Emily Rice, AZ SELF-INSURERS ASSOC; Earl Carlow, representing self

All Comments:
Brian Clymer, Self: This bill will help insure that injured workers' claims are properly filed with the ICA and fixes a mistake in last year's legislation regarding the effective date of a Petition to Reopen.

SB1459, event wagering; fantasy sports; fees

Testified in support:
Mike Williams, Arizona Coyotes Hockey Club

Support:
Earl Carlow, representing self

SB1494, COVID-19 vaccine; unemployment insurance

Support:
David Esch, representing self; Allen Skillicorn, representing self; Earl Carlow, representing self; Michael Marcus, representing self; David Seligson, representing self; Lisa Gentry, representing self; Anna Rafals, representing self

Oppose:
kathleen mayer, representing self; Dave Long, representing self; Janie Hydrick, representing self; Rivko Knox, representing self; Judith Simons, representing self; Janet Larkin, representing self; Steven Linder, representing self; Rebecca Smith Gross, representing self; marilyn duerbeck, representing self; Henne Queisser, representing self; Maria Salvucci, representing self; Kevin Brown, representing self; Eve Shapiro, representing self; Kenneth Bierman, representing self; Mary Ann Graffagnino, representing self; Beatriz Urrea, representing self; DOUG ARNOLD, representing self; Claudia Bloom, representing self; Dianne Post, representing self; Elizabeth Putnam-Hidalgo, representing self; Cynthia Couture, representing self; Sherrilynn James, representing self; Donita Ramos, representing self; Vanessa Goldberg, representing self; Ruthanna Battilana, representing self; Bryna Koch, representing self; Mary Grove, representing self; Helen Kim, representing self; Darrell Boomgaarden, representing

self; SUSAN ARNOLD, representing self; Margrit McIntosh, representing self; Elizabeth Schauer, representing self; Elizabeth Goff, representing self; Charlie Silver, representing self; Ruth Lambert, representing self; Barbara Hutchinson, representing self; Christine Whitley, representing self; Marylynne Shroyer, representing self; Becky Sayler, representing self; Susan Morris, representing self; Robin LaVoie, representing self; Julie Golding, representing self; Kathy Mitton, representing self; Brenda Nelson, representing self; Diane Lings, representing self; Amy Etzkorn, representing self; Nelson Morgan, representing self; Barbara Larson, representing self; Andrew Flach, representing self; Nancy Hancock, representing self; Annarose Lilly, representing self; Wendy Anderson, representing self; Robert Fisher, representing self; Linda Edwards, representing self; Kathy Fraser, representing self; Claire Bickel, representing self; Suzanne Berger, representing self; Kirstin Woodburne, representing self; Penny Boone, representing self; Teresa Akrish, representing self; Lawrence Peters, representing self; Barbara Hollway, representing self; Linda Guarino, representing self; Lindsey Duran, representing self; leadawn anderton, representing self; Loretta O'Connor, representing self; Janice Counts, representing self; Margaret Lacey, representing self; Diane Leischow, representing self; Gail Prestera, representing self; Margaret Owen, representing self; CAROL R BLACKMAN, representing self; Rebecca Haynes, representing self; Irene Hunting, representing self; Linda Ekstrum, representing self; Margaret Adams , representing self; Carol Garnett, representing self; Marilyn Coyle, representing self; Stephen Coyle, representing self; Jeffrey Fortney, representing self; Mary Fortney, representing self; Cynthia Soffrin, representing self; Ryan Anderson, representing self; Claudia Oreck-Teplitsky, representing self; Mariette Francis, representing self; Susan Phelps, representing self; Kathleen Schanus-Gohl, representing self; Kathleen Dubbs, representing self; Sandra Adler, representing self; Kathleen O'Neill, representing self; Abby Brill, representing self; Cynthia Wagner, representing self; Ruth Porter-Tilman, representing self; Amy Gaiennie, representing self; Janet Senf, representing self; Roxanna Kearns, representing self; Gayle Meredith, representing self; Ralph Meredith, representing self; Janet Johnson, representing self; Patricia Edelen, representing self; Diane Klock, representing self; Susan McMillan, representing self; Jo Ann Caruthers, representing self; Truly Bone, representing self; Nancy Scharff, representing self; Saher Afzal, representing self; Anne Leota Hart, representing self; Kathleen Collins, representing self; Caroline Anderson, representing self; Howard Neiberg, representing self; Erin McCamish, representing self; Teresa Neiberg, representing self; Roy Verdery, representing self; Kathy Pyner, representing self; Candice Fremouw, representing self; Nancy Santori, representing self; James Stein, representing self; Lisa Koenig, representing self; Christine Keltges, representing self; Murdock Holloway, representing self; Jeri Dow, representing self; Angela J. Miller, representing self; Margaret Bruns, representing self; Nancy Branham, representing self; Karen Robbins, representing self; Steve Gorman-Hackstadt, representing self; David Williams, representing self; Mary-Jeanne Fincher, representing self; John Babicz, representing self; Mary Lisa, representing self; Louise Good, representing self; Angila Gallenstein, representing self; Michael Pyska, representing self; Jessie Spalding, representing self; Dee Maitland, representing self; Donna Rice , representing self; Jennifer Hanley, representing self; Margaret Cordalis, representing self; Elizabeth Brauer, representing self; Bruce Flocken, representing self; Jocelyn Dustan, representing self; Charlotte Lis, representing self; Diane McQueen, representing self; Sue Thorne, representing self; Virginia Dotson, representing self; Jacqueline Bauer, representing self; Christine McLachlan-Comer, representing self; Laura Libman, representing self; Ellen Bodow, representing self; Robert Larson, representing self; Ann Strine, representing self; Kathleen Woessner, representing self; Caitlin Absher, representing self; Nicole Fordey, representing self; Nataly Reed, representing self; Nancy Roberts, representing self; Jacqueline deSa, representing self; Steve Singkofer, representing self; Nancy Atherton, representing self; Frederick James, representing self; Roger Blain, representing self; Amanda Coltman, representing self; Katherine Stone, representing self; Kim Buckley, representing self; Elizabeth George, representing self; J Nicholas Prestera, representing self; Tess Calvert, representing self; Douglas Cain, representing self; Jerrold Borchardt, representing self; Brandy Reese, representing self; Eric Kadel, representing self; George Ehrlich, representing self; Kathleen Sauer, representing self; Sharon Ehrlich, representing self; Donna Johnson, representing self; Jan Carlile, representing self; Carol Campbell, representing self; John

Gleason, representing self; Kenneth Bryan, representing self; Devon Sloan, representing self; Marcia Tingley, representing self; Virginia Kovatch, representing self; Victor Garcia, representing self; Sheila Green, representing self; Cynthia Paster, representing self; Shelley Stephenson, representing self; Julian Donahue, representing self; Theresa Ryan, representing self; Karolyn Switzer, representing self; Janie Smieszek, representing self; Marilyn Bernhardt, representing self; Peggy Church, representing self; John Propster, representing self; Sandy Coffey, representing self; DEBRA GORDON, representing self; Charles Turner, representing self; Barbara Jones, representing self; Jill Anderson, representing self; Jane Atkins, representing self; LINDA GANTVERG, representing self; David Myers, representing self; JOHN FIENE, representing self; Jeannine Reno, representing self; Aaron Essif, representing self; William Bowlus-Root, representing self; Angela Dzikoski, representing self; jeff green, representing self; Tina Kilcullen, representing self; Sally Caruso, representing self; Richard Della Porta, representing self; Lisa Maczura, representing self; Nancy Lecrone Nonini, representing self; RITA DEPUYDT, representing self; Kay Davis, representing self; Mitzi Cowell, representing self; Gary Townsend, representing self; Joseph Alexander, representing self; Francine Saccio, representing self; Susan Collopy, representing self; Robert Maier, representing self; Ann Sawyer, representing self; Birgit Loewenstein, representing self; Sarah Montgomery, representing self; Dan Schwartzstein, representing self

All Comments:

Janie Hydrick, Self: Let's reward antivaxxers who want to put those vaccinated at risk 31 times over to die from Covid. Pro-plaguers are such a selfish group who care nothing for everyone else.; Mary Ann Graffagnino, Self: This is not right. These people have made their choice not to be vaccinated and must live with it, i.e. no unemployment benefits.; Beatriz Urrea, Self: Requiring vaccinations is about the welfare of ALL of us, and those who are mandated to get vaccinated should not be financially compensated for not adhering to the mandate that is enacted to protect US.; Dianne Post, Self: Tax payers should not have to pay for the folly of conspiracy theorists anti-science and anti-medicine behavior. you are responsible for your own behavior. I'm not paying.; Vanessa Goldberg, Self: Stop messing with healthcare important for all of us!; Bryna Koch, Self: Vote no on this bill.; Susan Morris, Self: So, in the name of "freedom," someone can refuse to protect public safety, leave a job and get paid unemployment? Their decision should have consequences.; Kathy Mitton, Self: Businesses deserve the right to determine what is necessary for their employee and customer health. If it is that they be vaccinated, so be it. Stop encouraging people by paying them not to work!; Brenda Nelson, Self: Actions and choices have consequences. OPPOSE; Nelson Morgan, Self: I oppose rewarding behavior that is damaging to public health. If a restaurant worker refuses to wash their hands, we would not object to their being fired and not receiving benefits. Vaccination is a similar public health measure.; Penny Boone, Self: Banning Az from refusing to pay unemployment if the person was fired or quit due to their refusal to get vaccinated against COVID-19 is cruel & immoral. I oppose.; Lawrence Peters, Self: 28,000 Arizonans have died to date from COVID. Without vaccines & masks deaths in AZ would be vastly higher. How does this square with party that is pro-life? VACCINES & MASKS SAVES LIVES! Harmful to public health.; Linda Guarino, Self: Don't reward people who put their own prejudices above the safety of coworkers and public.; leadawn anderton, Self: if you get fired for cause, refusing to get vaccinated, you should not be immediately eligible for unemployment; Diane Leischow, Self: targeting a very small group and leaving yourself open to further lawsuits; Gail Prestera, Self: If an employee does not follow the company rules, especially when it comes to public health, he should quit or be fired. Rewarding that person for their inconsideration of others is not right.; Rebecca Haynes, Self: People should not be rewarded for putting public health at risk. Let them get a job that doesn't endanger others.; Carol Garnett, Self: If someone quits because they disregard the health of those they serve, they should NOT receive unemployment.; Jeffrey Fortney, Self: Zip Code 85331; Mary Fortney, Self: Zip 85331; Cynthia Soffrin, Self: An employee who chooses to leave a job because the employer requires them to be vaccinated does not deserve to receive unemployment payments. Employers have the right to set the requirements for employment and employees are free to go elsewhere.; Kathleen Dubbs, Self: Getting fired for something they could easily remedy should not qualify a person for unemployment; Amy Gaiennie, Self: There has to be a balance between individual rights and public health rights in pandemics. Supporting individual rights alone has lead to the high rate of death from COVID in America. Disgraceful!; Anne Leota Hart, Self: I am a registered voter in LD6. Under current AZ law, people must lose their job through no fault of their own or a compelling personal reason in order to be eligible for unemployment, not if they refuse to follow what their employer mandates.; Erin McCamish, Self: Vaccines save lives. If you don't want to get vaccinated, what you are allowed to do should be limited to protect others. Vaccine refusal is not a protected status.; Roy Verdery, Self: As a physician I know that Covid-19 vaccination protects people, their friends and coworkers from illness, disability and death. Anyone who refuses employer mandated vaccination should quit or be fired and not get unemployment insurance.; Nancy Branham, Self: Science is real. Vaccination is proven to save lives - MANY/MILLIONS of lives.; Mary-Jeanne Fincher, Self: This bill would financially penalize PRIVATE businesses from making the decision that it's in their company's best interest to require employee vaccination. Stay out of this decision-making by PRIVATE companies.; Louise Good, Self: Anti-vaxers have to take responsibility for their actions. We shouldn't be subsidizing them.; Dee Maitland, Self: No to using my tax dollars to fund people who don't care if they infect me and I die; Elizabeth Brauer, Self: We are fortunate to have a safe, effective vaccine for COVID. We should be encouraging people to get vaccinated, not rewarding them for refusing it.; Bruce Flocken, Self: Vaccination requirements have been a part of my 60+ years of life, with only benefits, like staying healthy/not infecting others. People choosing to lose their job because of vaccination requirements should not be rewarded with unemployment pay.; Sue Thorne, Self: Unemployment is conditioned on losing a job through no personal fault or a compelling reason not to follow company rules. Refusal to be vaccinated to protect the safety of the workforce w/o good reason doesn't qualify. Don't open this Pandora's box!; Virginia Dotson, Self: No, don't reward people for disregarding public health measures that keep all of us safe.; Laura Libman, Self: everyone must follow the rules of employment. If they do not like the rules, they can seek other employment. I thought Republicans were the party of small government and less interference in the marketplace?; Caitlin Absher, Self: COVID19 vaccines protect individuals and the community. If an individual quits their job to avoid vaccination that is their individual choice and they should not be supported by unemployment.; Nicole Fordey, Self: if you choose not to get vaccinated and not to get an exemption and you are fired, the people should not pay your unemployment - that is your fault and it is your personal responsibility to get new employment that doesn't require vaccine; Steve Singkofer, Self: Personal choices have personal consequences. Choosing not to get vaccinated during a world-wide pandemic has consequences for the unvaccinated person and every other person with whom the unvaccinated person comes in contact. Oppose this bill.; Nancy Atherton, Self: Government should not have to pay unemployment to an employee who refuses to comply with the conditions of his/her employment. If businesses require Covid-19 vaccinations to protect all employees, that is their right. Should not be punished for that; Tess Calvert, Self: Waste of my tax dollars with the economy coming back people can find another job I don't need to pay for unemployment.; Kathleen Sauer, Self: This bill is anti-business, tying their hands if they want to have their staff vaccinated. It places the "freedom" of the science denying individual over that of the businesses that provide these jobs.; John Gleason, Self: Vote NO on this socialism!!! Stop with more rules and regulations on private businesses!! Business know best not government. Vote no on socialism bordering on fascism. Kill this socialistic bill. Vote NO, NO, NO!; Marilyn Bernhardt, Self: Can't we assume good faith on the part of business owners, rather than legislate such a huge financial burden on them. This pandemic has caused them enough problems!; John Propster, Self: Overreach by legislative branch to regulate the executive branch. Undemocratic and unconstitutional! Vote NO!; Jane Atkins, Self: How much will this hurt small businesses who have already had such a hard time over the last two years. I thought Mesnard was pro-small business.; JOHN FIENE, Self: Diminishes the rights of employers to keep their employees safe and working.; Aaron Essif, Self: People need to be protected; Lisa Maczura, Self: I don't think AZ should be rewarding people for medical ignorance. Sick people can't work, and that's bad for AZ business.; Nancy Lecrone Nonini, Self: Public safety requires people to help protect others by getting vaccinated. Government should not go against public safety.; Kay Davis, Self: This negatively impacts businesses who make decisions more often than not on the best interests of their employees and business.; Mitzi Cowell, Self: This is further politicizing of a public health issue.; Gary Townsend, Self: This bill is unnessary and unfair to all other potential UI recipients.; Robert Maier, Self: Employer belief in vaccination has more weight than the contrary beliefs of an employee because we rely on employers to help protect public health.; Birgit Loewenstein, Self: Please oppose.; Sarah Montgomery, Self: Vaccines save lives.

SB1580, money transmission; money transmitter licensure

Testified in support:

Stephen Briggs, AZ DEPT OF INSURANCE AND FINANCIAL INSTITUTIONS

Support:

Jaime Molera, WESTERN UNION; Earl Carlow, representing self

All Comments:

Stephen Briggs, AZ DEPT OF INSURANCE AND FINANCIAL INSTITUTIONS: This is a agency bill that we are supportive of.

PLEASE COMPLETE THIS FORM FOR THE PUBLIC RECORD

HOUSE OF REPRESENTATIVES

Please PRINT Clearly

Committee on Commerce Bill Number 1403

Date 3-15 ☒ Support ☐ Oppose ☐ Neutral

Name Melissa Bahnetti Need to Speak? ☒ Yes ☐ No

Representing AZ Association of Lawyers ~~for~~ Injured Workers Are you a registered lobbyist? ______

Complete Address ______

Email Address mbahnettiaz@gmail.com Phone Number 602-489-0063

Comments: ______

*** Speaking limit determined by Chair ***

ARIZONA STATE LEGISLATURE

Fifty-fifth Legislature - Second Regular Session

COMMITTEE ATTENDANCE RECORD

COMMITTEE ON **COMMERCE**

CHAIRMAN: Jeff Weninger VICE-CHAIRMAN: Joseph Chaplik

DATE	03/15/22	/22	/22	/22	/22
CONVENED	2:39pm	m	m	m	m
RECESSED					
RECONVENED					
ADJOURNED	4:00pm				
MEMBERS					
Carter	√				
Chávez	√				
Cook	√				
Espinoza	√				
Kaiser	√				
Liguori	√				
Meza	√				
Wilmeth	√				
Chaplik, Vice-Chairman	√				
Weninger, Chairman	√				

√ Present --- Absent exc Excused

Attachment 3

Counterfeiting & Illicit Trade

GRI J&J20-4. SASB: HC-BP-260a.1; HC-MS-430a.2

Counterfeit, illegally diverted and tampered-with healthcare products place people at risk of serious health problems—potentially even death—and undermine confidence in product quality, safety and reliability, which, at Johnson & Johnson, is central to everything we do. Additionally, counterfeit healthcare products negatively impact the economy of healthcare by diverting income and tax revenues from those who work to improve healthcare. Illicit trade adds a cost burden of monitoring and control for healthcare systems, and can negatively impact health outcomes.

We believe the illicit trade of healthcare products must be stemmed for the benefit of all, and we strongly support stricter regulation in this area. For example, we supported the passage of the H.R. 5663 Safeguarding Therapeutics Act, giving the FDA the authority to destroy counterfeit medical devices and combination products at ports of entry. The bill was enacted after being signed by the President on January 5, 2021.

Our mandatory biennial Code of Business Conduct training for all employees includes a module on counterfeit products and illicit trade to help employees be proactive in protecting our patients and consumers.

Anti-counterfeiting best practices training delivered in 2020:

145
Johnson & Johnson employees

3,164
customs and border patrol officials

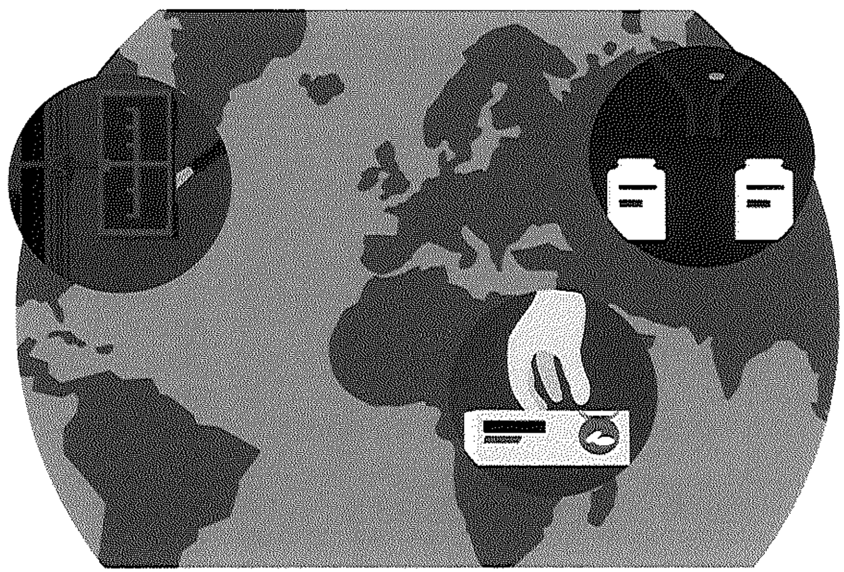
Illicit trade complaints are also incorporated as a category of complaints into the Product Quality Complaint/Adverse Event training that all employees are required to take. In addition, we provide dedicated training modules for employees in certain functions to continue their education on anti-counterfeiting and product protection best practices. Outside of the Company, we regularly train government officials to help them identify suspect versions of Johnson & Johnson products. In 2020, we launched our Global Brand Protection Customs Program for customs and border protection officials, which delivered global product protection training virtually via 37 sessions due to the COVID-19 pandemic.

In 2020, we deployed multi-faceted protection capabilities to reduce the threat of counterfeiting, theft, cyberattacks and other forms of illicit trade for our COVID-19 vaccine, as described in the section COVID-19: Advancing a Vaccine and Therapies. We also continued the ongoing fight against counterfeit healthcare products in several ways:

Customs, government and other partnerships: We record our trademarks with customs and border protection agencies to stop illicit trade at ports of entry around the world. Our customs and government partnerships resulted in an increase of suspect product notifications and related seizures from the previous year. This increases confidence that our patients and consumers will receive genuine Johnson & Johnson products. We also continue to engage with seven external trade groups, alliances, organizations and agencies—either in leadership positions or as a member of industry working groups—to help collaboratively combat trade in counterfeit healthcare products.

Introducing a tool to assess counterfeit risk: During 2020, we deployed a new prioritization tool that analyzes data from various sources to determine the brands at the greatest risk for illicit trade. Our Segmentation Tool uses market and business intelligence and multiyear internal data to improve decision-making in the best interests of patient protection.

Adding security measures: We introduced a sophisticated security feature to the existing tamper-evident seal already in use at our pharmaceutical packaging sites in Europe. The new seal was designed for use on critical pharmaceutical products in markets at high risk for illicit trade. We also started using digital authentication features across our product portfolios to enhance the ability to authenticate products when they are in the market.



Attachment 4

Arizona Retailers Association

THE ARIZONA RETAILERS ASSOCIATION

One of the most important problems facing the retail industry today is organized retail crime and theft. The Arizona Legislature has been supportive in combating these crimes and the statute of organized retail theft is considered among the best in the Nation.

The members of ARA are grateful for the support of the Arizona State Legislature and for the opportunity to share information about organized retail crime to the Arizona House of Representatives Commerce Committee.

Formed in 1963, the **Arizona Retailers Association (ARA)** exists to protect the business interests of retailers throughout the state. Retailers representing all categories and sizes recognized the value of combining their resources and ideas, and formed ARA to achieve goals that no single business could accomplish individually. This guiding principle has remained central to ARA's philosophy of serving retailers through collaboration and partnership.

Michelle Ahlmer
Executive Director
michelle@azretailers.com
480-220-6319

Attachment 5

THE IMPACT OF ORGANIZED RETAIL CRIME AND PRODUCT THEFT IN THE UNITED STATES

PREPARED FOR:

RETAIL INDUSTRY LEADERS ASSOCIATION

BUY SAFE AMERICA COALITION

BY:

JOHN DUNHAM & ASSOCIATES

JOHN DUNHAM & ASSOCIATES

BACKGROUND

The Retail Industry Leaders Association (RILA) is the US trade association for retailers that have earned leadership status by virtue of their sales volume, innovation, or aspiration. RILA works to advance the industry through public-policy advocacy and by promoting operational excellence and innovation. Through research and thought leadership, RILA works to propel developments that foster both economic growth and sustainability. The Buy Safe America Coalition (BSA) represents a diverse group of responsible retailers, consumer groups, manufacturers, intellectual property advocates and law enforcement officials who support efforts at all levels of government to protect consumers and communities from the sale of counterfeit and stolen goods.

One important issue facing US retailers is the growth in the availability and sales of illicit products, both from counterfeit imports and from products stolen from legitimate retailers. These products are increasingly sold online through third-party marketplaces. RILA and BSA asked John Dunham & Associates (JDA) to examine the data around these illicit sales to determine how they impact the US economy, federal tax revenues, and criminal activity.

According to the analysis:

- As much as $68.9 billion worth of products were stolen from retailers in 2019. This represents about 1.5 percent of total retail sales.

- Academic research has suggested that most retail theft represent crimes of opportunity. In other words, people steal when it is easy to do so. Other causes include poor economic conditions, and dissatisfaction among workers. However, professionals in the field identify the availability of anonymous on-line marketplaces as ways to easily fence goods, and prosecutorial changes as being major factors contributing to the growth in ORC.

- Nearly 67 percent of asset protection managers at leading retailers surveyed report a moderate to considerable increase in organized retail crime, while 80 percent believe it will only get worse in the future.

- The economic impact of retail crime is profound. Retailers face increased costs for lost product, security, and labor, which lead to higher prices for consumers and ultimately, lower sales. Lower sales translate to fewer jobs throughout the economy. The result is $125.7 billion in lost economic activity and 658,375 fewer jobs, paying almost $39.3 billion in wages and benefits to workers.

- Retail theft is not a problem just in major metropolitan areas, it is pervasive across America. In fact, one factor that is associated with lower levels of retail theft is the density of retail locations.

- The impact of theft is felt through higher prices, and this impact is more acutely felt by low- and middle-income families.

- It is estimated that retail theft costs federal and state governments nearly $15 billion in personal and business tax revenues, not including the lost sales taxes.

CONCLUSION

Based on an econometric analysis of retail crime, including organized retail crime, as much as $68.9 billion worth of products were stolen from retailers in 2019.

Since retail theft leads to higher prices for consumers it also impacts the overall economy. Higher prices resulting from theft cost the US economy nearly 685,375 full-time equivalent jobs, paying almost $39.3 billion in wages and benefits to workers, as consumers react to higher costs by shopping less. In addition, about $15.0 billion in personal and business tax revenues alone, not to mention state and local sales taxes, would be lost.

A large part of this impact is due to organized retail crime, which involves professional shoplifting or other theft occurring in retail stores. These criminals are increasingly turning to online marketplaces to quickly and discretely fence mass quantities of stolen merchandise. Both the types and amount of goods sold via these on-line marketplaces closely match the level of shoplifting at brick-and-mortar establishments, and the kind of products stolen.

Appendix 1
Estimate of Sales Stolen by State ($2021)

State	Value of Theft	Percent of Total	Total Analyzed Sales	Percent of Total	Percent of Sales Stolen	Population	Theft/cap
Alabama	$ 784,891,890	1.14%	$ 60,275,093,458	1.28%	1.30%	4,850,771	$ 161.81
Alaska	$ 48,665,901	0.07%	$ 10,277,685,588	0.22%	0.47%	738,565	$ 65.89
Arizona	$ 1,348,384,536	1.96%	$ 98,850,076,906	2.10%	1.36%	6,809,946	$ 198.00
Arkansas	$ 630,123,151	0.91%	$ 27,970,199,873	0.60%	2.25%	2,977,944	$ 211.60
California	$ 13,780,414,032	20.00%	$ 593,198,288,613	12.62%	2.32%	38,982,847	$ 353.50
Colorado	$ 642,164,867	0.93%	$ 80,457,580,742	1.71%	0.80%	5,436,519	$ 118.12
Connecticut	$ 711,139,046	1.03%	$ 53,190,725,316	1.13%	1.34%	3,594,478	$ 197.84
District of Columbia	$ 51,029,783	0.07%	$ 5,084,023,639	0.11%	1.00%	672,391	$ 75.89
Delaware	$ 225,728,453	0.33%	$ 15,912,205,191	0.34%	1.42%	943,732	$ 239.19
Florida	$ 4,512,360,700	6.55%	$ 316,321,405,111	6.73%	1.43%	20,278,447	$ 222.52
Georgia	$ 1,651,813,867	2.40%	$ 114,769,321,476	2.44%	1.44%	10,201,635	$ 161.92
Hawaii	$ 415,078,635	0.60%	$ 21,767,507,777	0.46%	1.91%	1,421,658	$ 291.97
Idaho	$ 115,117,078	0.17%	$ 23,948,126,275	0.51%	0.48%	1,657,375	$ 69.46
Illinois	$ 2,080,190,312	3.02%	$ 169,534,068,036	3.61%	1.23%	12,854,526	$ 161.83
Indiana	$ 1,186,198,341	1.72%	$ 98,668,380,342	2.10%	1.20%	6,614,418	$ 179.34
Iowa	$ 428,497,450	0.62%	$ 46,998,165,342	1.00%	0.91%	3,118,102	$ 137.42
Kansas	$ 641,857,888	0.93%	$ 37,742,183,986	0.80%	1.70%	2,903,820	$ 221.04
Kentucky	$ 727,444,260	1.06%	$ 61,094,436,576	1.30%	1.19%	4,424,376	$ 164.42
Louisiana	$ 904,462,205	1.31%	$ 50,094,684,221	1.07%	1.81%	4,663,461	$ 193.95
Maine	$ 315,299,580	0.46%	$ 22,305,206,624	0.47%	1.41%	1,330,158	$ 237.04
Maryland	$ 830,727,145	1.21%	$ 80,785,029,474	1.72%	1.03%	5,996,079	$ 138.55
Massachusetts	$ 1,255,069,019	1.82%	$ 110,289,292,284	2.35%	1.14%	6,789,248	$ 184.86
Michigan	$ 1,866,574,413	2.71%	$ 133,302,031,992	2.84%	1.40%	9,925,568	$ 188.06
Minnesota	$ 1,137,020,869	1.65%	$ 88,632,930,982	1.89%	1.28%	5,490,726	$ 207.08
Mississippi	$ 484,514,826	0.70%	$ 26,922,617,489	0.57%	1.80%	2,986,220	$ 162.25
Missouri	$ 1,347,248,590	1.96%	$ 95,477,739,525	2.03%	1.41%	6,075,300	$ 221.76
Montana	$ 70,217,088	0.10%	$ 16,285,943,858	0.35%	0.43%	1,029,862	$ 68.18
Nebraska	$ 228,478,325	0.33%	$ 29,884,455,805	0.64%	0.76%	1,893,921	$ 120.64
Nevada	$ 466,283,686	0.68%	$ 42,463,061,913	0.90%	1.10%	2,887,725	$ 161.47
New Hampshire	$ 292,318,765	0.42%	$ 28,315,472,699	0.60%	1.03%	1,331,848	$ 219.48
New Jersey	$ 1,663,522,887	2.41%	$ 147,026,511,960	3.13%	1.13%	8,960,161	$ 185.66
New Mexico	$ 229,381,813	0.33%	$ 16,365,482,571	0.35%	1.40%	2,084,828	$ 110.02
New York	$ 4,073,257,635	5.91%	$ 295,935,502,042	6.30%	1.38%	19,798,228	$ 205.74
North Carolina	$ 1,928,063,528	2.80%	$ 129,579,294,263	2.76%	1.49%	10,052,564	$ 191.80
North Dakota	$ 130,990,434	0.19%	$ 18,812,202,806	0.40%	0.70%	745,475	$ 175.71
Ohio	$ 2,112,726,640	3.07%	$ 168,846,405,535	3.59%	1.25%	11,609,756	$ 181.98
Oklahoma	$ 662,283,715	0.96%	$ 38,024,140,403	0.81%	1.74%	3,896,251	$ 169.98
Oregon	$ 551,374,725	0.80%	$ 62,723,565,288	1.33%	0.88%	4,025,127	$ 136.98
Pennsylvania	$ 5,579,853,673	8.10%	$ 231,671,800,750	4.93%	2.41%	12,790,505	$ 436.25
Rhode Island	$ 213,959,136	0.31%	$ 12,870,382,948	0.27%	1.66%	1,056,138	$ 202.59
South Carolina	$ 910,490,660	1.32%	$ 62,850,144,281	1.34%	1.45%	4,893,444	$ 186.06
South Dakota	$ 59,139,459	0.09%	$ 11,402,179,326	0.24%	0.52%	855,444	$ 69.13
Tennessee	$ 1,740,600,916	2.53%	$ 95,344,237,888	2.03%	1.83%	6,597,381	$ 263.83
Texas	$ 3,869,092,381	5.62%	$ 405,338,862,866	8.62%	0.95%	27,419,612	$ 141.11
Utah	$ 474,852,796	0.69%	$ 47,266,613,179	1.01%	1.00%	2,993,941	$ 158.60
Vermont	$ 91,666,089	0.13%	$ 10,148,771,899	0.22%	0.90%	624,636	$ 146.75
Virginia	$ 1,348,477,150	1.96%	$ 112,041,699,117	2.38%	1.20%	8,365,952	$ 161.19
Washington	$ 2,700,280,387	3.92%	$ 162,842,615,609	3.46%	1.66%	7,169,967	$ 376.61
West Virginia	$ 353,647,290	0.51%	$ 16,298,041,072	0.35%	2.17%	1,836,843	$ 192.53
Wisconsin	$ 1,008,730,023	1.46%	$ 87,169,609,209	1.85%	1.16%	5,763,217	$ 175.03
Wyoming	$ 9,769,336	0.01%	$ 6,807,118,933	0.14%	0.14%	583,200	$ 16.75
Total	$ 68,891,475,371		$ 4,700,183,123,060		1.47%	321,004,336	$ 214.61

THE IMPACT OF ORGANIZED RETAIL CRIME AND PRODUCT THEFT IN ARIZONA

Economic Impact			
	Jobs	Wages	Output
Agriculture	-181	-$9,102,100	-$20,244,100
Business and Personal Services	-5,702	-$339,945,700	-$642,452,500
Mining	-39	-$2,626,200	-$28,792,400
Construction	-107	-$6,440,000	-$23,322,400
Finance Insurance and Real Estate	-1,951	-$104,720,800	-$684,940,500
Manufacturing General	-374	-$24,144,100	-$151,806,500
Retail	-1,911	-$71,271,400	-$185,652,100
Transportation & Communication	-940	-$73,596,300	-$297,930,800
Travel and Entertainment	-2,199	-$67,004,100	-$177,046,100
Wholesaler	-401	-$37,919,800	-$134,099,300
Government	-177	-$16,424,500	-$52,798,200
Other	-315	-$13,275,800	-$21,524,800
Total	-14,297	-$766,470,800	-$2,420,609,700

Taxes Generated: Business and Personal

Federal	-$172,191,700
State and Local	-$127,388,100
Total Business and Personal Taxes	-$299,579,800

Arizona Organized Retail Crime Media Coverage

NBC News: Arizona couple allegedly ran shoplifting ring, sold stolen beauty items online for $2.7M
An Arizona couple ran a shoplifting ring and then sold stolen health and beauty products online in a yearslong scheme that resulted in more than $2.7 million in sales. The couple paid others to steal over-the-counter products from stores in the area and then sold the items on Amazon and eBay.

KGUN: Man arrested in connection to stealing $100K worth of items from hardware stores
Tucson law enforcement officials arrested a man in connection to stealing more than $100,000 worth of items from hardware stores. Some of the stolen items were recovered during a traffic stop.

KTVK & KPHO: Arizona Legislature looking to deal with spike in organized retail theft
Retailers are seeing a spike in organized retail crime rings. The Arizona Legislature is considering a bill that would create a task force through the Attorney General's Office to address organized retail theft, which is supported by Attorney General Mark Brnovich.

Daily Breeze: CHP makes arrest to break up ring it says stole $710,000 in merchandise
California Highway Patrol broke up a retail theft ring that stole roughly $710,000 in stolen property from stores in Arizona, California, and Nevada. The group targeted Nike, Ulta Beauty, Nordstrom Rack, T.J. Maxx, Victoria Secret and Columbia stores.

Newsweek: Two Women Use Walmart App to Steal $100,000 Worth of Items, Police Say
Two women were arrested in Arizona after stealing $100,000 worth of merchandise from several Walmart stores by appearing to pay for the purchases using smartphones. Mesa police officers launched an investigation of the alleged thefts in March after a "series of suspicious transactions" involving an in-store scanning app was detected by Walmart's loss prevention team.

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: COM DP 6-3-0-0 | 3rd Read 19-9-2-0-0

SB 1494: COVID-19 vaccine; unemployment insurance
Sponsor: Senator Mesnard, LD 17
Committee on Commerce

Overview
Adds a prohibition on disqualifying unemployment insurance (UI) benefits relating to vaccine requirements.

History
The Department of Economic Security (DES) administers the UI benefit program, which provides benefit payments to eligible individuals who are unemployed through no fault of their own.

To qualify for benefits, an individual must meet certain eligibility requirements which include being able to work, available for work, and meeting specified wage requirements. An individual is disqualified from benefits if DES finds that the person has failed to: 1) apply for available work as so directed by the employment office; 2) actively engage in seeking work; or 3) accept suitable work when offered. DES is statutorily prohibited from disqualifying an individual from receiving UI benefits on the basis of the individual's separation from employment if the individual is a victim of domestic violence and leaves employment due to a documented case involving domestic violence (A.R.S. §§ 23-771 & 23-776).

Provisions
1. Prohibits DES from disqualifying an individual from receiving UI benefits based on the individual's separation from employment if the individual is terminated from employment for not receiving the COVID-19 vaccine or booster shot as required by the employer. (Sec. 1)
2. Specifies benefits paid to an individual are not to be charged against an employer's account if the employer's requirement that employees receive the COVID-19 vaccine or booster shot is required by law. (Sec. 1)
3. Makes technical and conforming changes. (Sec. 1)

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

Attachment 6

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1494

DATE March 15, 2022 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Carter		✓			
Chávez		✓			
Cook		✓			
Espinoza					✓
Kaiser		✓			
Liguori			✓		
Meza			✓		
Wilmeth		✓			
Chaplik, Vice-Chairman		✓			
Weninger, Chairman		✓			
		7	2	0	1

COMMITTEE SECRETARY

APPROVED:

JEFF WENINGER, Chairman
JOSEPH CHAPLIK, Vice-Chairman

ATTACHMENT 7

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: COM DPA 5-4-0-0 | 3rd Read 24-4-2-0

SB 1166: public employers; union contracts
Sponsor: Senator Leach, LD 11
Committee on Commerce

Overview
Prohibits public monies from being spent for *union activities.*

History
Pursuant to A.R.S. § 16-192, any public agency, department, board, commission or special taxing district may not spend or use public resources to influence an election, including the use or expenditure of monies, accounts, credit, materials, equipment, facilities, vehicles, telecommunications, web pages, personnel or any other thing of value. A public entity may present factual information in a neutral manner for educational or informational purposes. This includes information on a bond, budget, override, candidate or other type of election.

Provisions
1. Asserts a public employer may not spend public monies for union activities. (Sec. 1)
2. Prohibits a public employer from entering into an employment contract with a public employee to engage in union activities or provide any form of compensation for engaging in union activities. (Sec. 1)
3. Voids an employment contract that is in violation of the prohibition on engaging in union activities. (Sec. 1)
4. Grants any Arizona resident and the Attorney General standing to file suit against a public employer to remedy a violation regarding the use of public monies and employees for union activities. (Sec. 1)
5. Awards reasonable attorney fees and costs to the prevailing party that brought the action against the public employer. (Sec. 1)
6. Exempts existing employment contracts in effect prior to the enactment date of this act and specifies contracts that conflict with the prohibition on the use of public monies and employees for union activities may not be renewed or extended. (Sec. 1)
7. Asserts the regulation of the use of public monies and public employees for union activities is a matter of statewide concern and preempts local government regulations. (Sec. 1)
8. Permits a public employee to use personal leave for union activities. (Sec. 1)
9. Defines *union activities* as: a) political activities that involve advocating for the election or defeat of any political candidate; or b) lobbying or attempting to influence the passage or defeat of federal or state legislation, local ordinances or any ballot measure. (Sec. 1)
10. Defines pertinent terms. (Sec. 1)
11. Contains a legislative intent clause. (Sec. 2)

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

Attachment 8

Fifty-fifth Legislature
Second Regular Session

Commerce
S.B. 1166

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1166

(Reference to Senate engrossed bill)

Page 2, line 8, after "ACTIVITIES" insert "PERFORMED BY A UNION"

Line 10, strike the first "OR" insert "ACTIVITIES PERFORMED BY A UNION THAT INVOLVE"

Amend title to conform

JEFF WENINGER

1166WENINGER
03/11/2022
04:19 PM
H: PRB/ls

Attachment 9

Adopted ✓ # of Verbals ____
Failed ____ Withdrawn ____
Not Offered ____ Analysts Initials ____

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1166

DATE March 15, 2022 MOTION: DPA

	PASS	AYE	NAY	PRESENT	ABSENT
Carter		✓			
Chávez		✓			
Cook		✓			
Espinoza	✓	✓			
Kaiser		✓			
Liguori		✓			
Meza		✓			
Wilmeth		✓			
Chaplik, Vice-Chairman		✓			
Weninger, Chairman		✓			
		10	0	0	0

Jacqueline Derlinger
COMMITTEE SECRETARY

APPROVED:

Jeff Weninger
JEFF WENINGER, Chairman
JOSEPH CHAPLIK, Vice-Chairman

ATTACHMENT 10

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: FIN DPA 8-0-2-0 | 3rd Read 26-1-3-0

SB 1580: money transmission; money transmitter licensure
Sponsor: Senator Livingston, LD 22
Committee on Commerce

Overview

Repeals statute relating to transmitters of money and adopts the Conference of State Bank Supervisors (CSBS) Uniform Money Transmission Modernization Act.

History

CSBS supports state regulators in advancing the system of state financial supervision by ensuring safety and soundness; protecting consumers; promoting economic growth; and fostering innovation, responsive supervision. CSBS provides training, education and other resources to state banking industry professional. According to CSBS, the Money Transmitter Model Law implements clear and consistent standards across the state system.

A person must obtain a money transmitter license from the Department of Insurance and Financial Institutions (DIFI) or be an authorized delegate of a licensee to provide money transmitter services. Statute allows a corporation or limited liability company that is in good standing under the laws of the state or country of its incorporation or formation and is authorized to do business in Arizona to apply for or be issued a money transmitter license. A licensed money transmitter may conduct money transmitter services at one or more locations in Arizona through an authorized delegate (A.R.S. §§ 6-1201 and 6-1202).

Provisions

Money Transmission Laws

1. Repeals laws relating to money transmission and adopts the CSBS Money Transmission Modernization Act. (Sec. 2, 3)
2. Defines Pertinent terms relating to money transmission statutes. (Sec. 3)
3. Specifies applicable federal law governs if a state money transmission jurisdiction is conditioned on a federal law in the case of inconsistencies between state and federal law. (Sec. 3)
4. Allows the Director of DIFI (Director), if an inconsistency exists, to provide interpretative guidance that identifies the inconsistency and the appropriate means of complying with federal law. (Sec. 3)
5. Prohibits a person from engaging in the business of money transmission on behalf of an unlicensed or nonexempt person and deems a person that engages in unauthorized activities to be jointly and severally liable with the unlicensed or nonexempt person. (Sec. 3)
6. Requires each licensee to forward all money received for transmission in accordance with the terms of the agreement between the licensee and the sender unless the licensee has a

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

Attachment 11

reasonable belief or a reasonable basis to believe that the sender may be a victim of fraud or that a crime or violation of law has occurred, is occurring or may occur. (Sec. 3)

7. Requires a licensee who has failed to forward money received for transmission to respond to inquiries by the sender with the reason for the failure unless providing a response would violate a state or federal law. (Sec. 3)
8. Requires a licensee to refund a sender within 10 days of receipt of a sender's written request for a refund of money received for transmission unless specified conditions apply. (Sec. 3)
9. Excludes, from the refund requirements, money received for transmission that is: a) subject to the federal remittance rules; or b) pursuant to a written agreement between the licensee and payee to process payments for goods or services provided by the payee. (Sec. 3)
10. Requires a licensee or its authorized delegate to provide the sender a specified receipt for money received for transmission and provides requirements for electronical submission. (Sec. 3)
11. Provides disclosure requirements to be included on a receipt. (Sec. 3)
12. Outlines exceptions from receipt requirements. (Sec. 3)
13. Instructs the Director to consider the need to promote uniformity among other state's laws on money transmission. (Sec. 3)

Implementation

14. Permits the Director to:
    a) enter into agreements or relationships with other government officials or federal and state regulatory agencies in order to improve efficiencies and reduce regulatory burden by standardizing methods or procedures;
    b) use, hire, contract or employ analytical systems, methods or software to examine or investigate any money transmission licensee;
    c) accept licensing, examination or investigation reports made by other state or federal government agencies or officials; and
    d) accept audit reports made by an independent certified public accountant for an applicant or licensee and incorporate the audit in any report of examination or investigation. (Sec. 3)
15. Requires the Director to adopt rules to implement money transmission regulations and allows the Director to impose fees for administration and enforcement. (Sec. 3)

Examinations

16. Permits the Director to conduct an examination or investigation and take authorized actions to administer and enforce money transmission laws and other applicable law. (Sec. 3)
17. Requires regulated persons to provide all records the Director may reasonably require to conduct an examination or investigation. (Sec. 3)
18. Permits the Director to use multistate record production standards and examination procedures when the standards reasonably achieve specified requirements. (Sec. 3)
19. Prohibits the Director from waiving the authority to conduct an examination or investigation and take authorized actions to enforce compliance with state or federal law. (Sec. 3)
20. Specifies that a joint examination or investigation, or acceptance of either, does not waive an examination assessment. (Sec. 3)

Multistate Supervision

21. Allows the Director to participate in multistate supervisory processes established between states for all money transmission licensees that hold licenses in Arizona and other states and outlines certain participant responsibilities. (Sec. 3)

Licensure

22. Requires a person to be licensed in order to engage in the business of money transmission or advertise or hold itself out as providing money transmission. (Sec. 3)
23. Specifies person who may engage in the business of money transmission without a license. (Sec. 3)
24. Specifies a money transmission license is not transferable or assignable. (Sec. 3)
25. Permits the Director certain actions to establish consistent licensure between Arizona and other states. (Sec. 3)
26. Allows the Director to establish relationships or contracts with NMLS or other entities designated by NMLS to enable the Director to: a) collect and maintain records; b) coordinate multistate licensing processes and supervisions processes; c) process fees; and d) facilitate communication between Arizona and licenses or other persons subject to money transmission regulation. (Sec. 3)
27. Permits the Director to use NMLS for all aspects of licensure, including forms, processes and functionalities. (Sec. 3)
28. Allows the Director, for participation in the NMLS, to waive or modify, by rule or order, any or all requirements and establish new requirements as reasonably necessary. (Sec. 3)
29. Requires an applicant for licensure to apply to DIFI and pay all applicable nonrefundable fees and outlines the contents of the application. (Sec.3)
30. Outlines additional requirements for applicants who are a corporation, limited liability company, partnership or other legal entity. (Sec. 3)
31. Permits the Director to waiver application requirements or allow an applicant to submit other information. (Sec. 3)
32. Outlines additional information requirements for specified individuals. (Sec. 3)
33. Allows a person presumed to exercise a controlling influence to rebut the presumption of control if the person is a passive investor. (Sec. 3)
34. Requires an individual, if they have resided outside the United States within the previous 10 years, to provide an investigative background report prepared by an independent search firm that meets outlined requirements. (Sec. 3)
35. Instructs the Director to promptly the applicant of the date on which the application is determined to be complete. (Sec. 3)
36. Requires the Director to approve or deny the application within 120 days after the completion date. (Sec. 3)
37. Stipulates if the application is not approved or denied within 120 days: 1) the application is approved; 2) the license is effective on the 121 day; and 3) the Director may extend the period for good cause. (Sec. 3)
38. Specifies the Director's determination that an application is complete and accepted means only that the application appears to include all of the required items and is not an assessment of the substance of the application. (Sec. 3)

39. Instructs the Director, upon considering an application complete, to investigate the applicant's financial condition, financial and business experience, character and general fitness. (Sec. 3)
40. Outlines the conditions that must be met for license issuance. (Sec. 3)
41. Allows the Director, if an applicant avails itself or is otherwise subject to a multistate licensing process, to either: 1) accept the applicant investigation results of a lead investigative state; or 2) investigate the applicant if Arizona is the lead investigative state. (Sec. 3)
42. Requires the Director to issue a formal written notice of application denial within 30 days after a denial decision is made and requires the notice to include specific reasons for denial along with appeal information. (Sec. 3)
43. Specifies the initial license term begins on the day the application is approved and expires on December 31 of the year in which the term began unless the initial date is between November 1 and December 31 then the term runs through to December 31 of the following year. (Sec. 3)
44. Requires a license to be annually renewed. (Sec. 3)
45. Requires applicable renewal fees be paid no more than 60 days before the license expires. (Sec. 3)
46. Sets the renewal term as one year, which begins on January 1 of each year after the initial license term and expires on December 31 of the year the renewal term begins. (Sec. 3)
47. Requires a licensee to submit a renewal report with the annual renewal fee and requires the report to specify information that is materially different from the original license application if the licensee has not previously reported the information to the Director. (Sec. 3)
48. Allows a licensee to renew an expired license by January 31 and subjects a licensee to a late fee of $500. (Sec. 3)
49. Permits the Director to use NMLS to process license renewals. (Sec. 3)
50. Authorizes the Director to suspend or revoke a license if a licensee fails to continue to meet the qualifications or requirements for a new money transmission license. (Sec. 3)
51. Requires a money transmission applicant to demonstrate that the applicant meets the net worth, surety bond and permissible investments requirements. (Sec. 3)

License Suspension and Revocation

52. Prescribes the conditions in which the Director may suspend or revoke a license and suspend or revoke the designation of an authorized delegate. (Sec. 3)
53. Allows the Director, in determining whether a licensee or authorized delegate is engaging in an unsafe or unsound practice, to consider the size and condition of the licensee's money transmission, the magnitude of the loss, the gravity of the violation and the previous conduct of the licensee or the authorized delegate. (Sec. 1)
54. Permits the licensee or delegate to appeal a suspension or revocation. (Sec. 3)

Acquisition of Control

55. Requires written approval from the Director prior to acquiring control of a licensee. (Sec. 3)
56. Specifies that an individual is not deemed to acquire control of a licensee and is not subject to acquisition of control requirements when the individual becomes a key individual in the ordinary course of business. (Sec. 3)

57. Provides requirements to acquire control of a licensee. (Sec. 3)
58. Allows the Director, on request, to allow a licensee or the person or group of persons acting in concert seeking to acquire control of a licensee to submit some or all required information without using NMLS. (Sec. 3)
59. Deems an application for acquisition of control complete when it includes all required items and instructs the Director to promptly notify the applicant of the date on which the application was determined to be complete. (Sec. 3)
60. Requires the Director, upon determining the application for acquisition of control is complete, to approval or deny the application within 60 days. (Sec. 3)
61. Stipulates if the application is not approved or denied within 60 days: 1) the application is approved; 2) the person is not prohibited from acquiring control; and 3) the Director may extend the period for good cause. (Sec. 3)
62. Specifies the Director's determination that an application is complete and accepted means only that the application appears to include all of the required items and is not an assessment of the substance of the application. (Sec. 3)
63. Instructs the Director, upon considering an application complete, to investigate the person's financial condition, financial and business experience, character and general fitness. (Sec. 3)
64. Outlines the conditions that must be met for acquiring control. (Sec. 3)
65. Allows the Director, if an applicant participates in a multistate licensing process, to: 1) accept the investigation results of a lead investigative state; or 2) investigate the applicant if Arizona is the lead investigative state. (Sec. 3)
66. Requires the Director to issue a formal written notice of application denial within 30 days after a denial decision is made and requires the notice to include specific reasons for denial along with appeal information. (Sec. 3)
67. Delineates persons in which the requirements for an application to acquire control do not apply. (Sec. 3)
68. Requires specified individuals to notify the Director within 15 days after the acquisition of control. (Sec. 3)
69. Specifies the requirements for an application to acquire control do not apply to a person that receives approval to engage in money transmission or is identified as a person in control in a prior application if specified conditions are met. (Sec. 3)
70. Allows a person to request a determination from the Director as to whither the person would be considered a person in control of a licensee. (Sec. 3)
71. Key Individuals
72. Requires a licensee adding or replacing any key individual to provide: a) notice within 15 days after the effective date of the key individual's addition or replacement; and b) required information within 45 days after the effective date of the key individual's addition or replacement. (Sec. 3)
73. Allows the Director, within 90 days of the key individual's notice of addition or replacement, to issue a notice of disapproval of a key individual if the competence, experience, character or integrity of the individual is not in the best interest of the public or the customers of the licensee. (Sec. 3)

74. Requires a notice of disapproval to contain a statement of the basis for disapproval and to be sent to the licensee and the disapproved individual. (Sec. 3)
75. Allows a licensee to appeal a notice of disapproval. (Sec. 3)
76. Deems a key individual's application to be approved if the provided notice is not disapproved within 90 days of completion. (Sec. 3)
77. Stipulates if a multistate licensing process includes a key individual notice review and disapproval process:
    a) the Director may accept the determination of another state; or
    b) the Director may investigate the application if Arizona is the lead investigative state. (Sec. 3)

Reports and Audits

78. Requires each licensee to submit a report of condition within 45 days after the end of the calendar or within any extended time as the Director prescribes. (Sec. 3)
79. Outlines the contents of the report of condition. (Sec. 3)
80. Permits the Director to use NMLS for the submission of the report of condition and allows the Director to change or update the reporting requirements to maintain consistency with NMLS reporting. (Sec. 3)
81. Requires each licensee, within 90 days after the end of each fiscal year, to file an audited financial statement prepared by an independent certified public accountant and any other information reasonably required by the Director. (Sec. 3)
82. Allows the Director, if the certificate of opinion is qualified, to order the licensee to take any action found necessary to enable the independent CPA to remove the qualification. (Sec. 3)
83. Directs each licensee to submit a report of authorized delegates within 45 days after the end of the calendar quarter and outlines information that must be included. (Sec. 3)
84. Provides reporting requirements for a licensee regarding bankruptcy, receivership, revocation or suspension of a license, felony charge or convictions and the Bank Secrecy Act requirements. (Sec. 3)
85. Outlines specified records that must be maintained by a licensee for at least five years. (Sec. 3)

Authorized Delegates

86. Provides responsibilities for a licensee prior to conducting business through an authorized delegate. (Sec 3)
87. Specifies delegates must comply with money transmission laws. (Sec. 3)
88. Delineates the requirements for a written contract between the licensee and the delegate prior to conducting business. (Sec. 3)
89. Requires a licensee, within five days after the license is suspended, revoked, surrendered or expired, to provide documentation to the Director that the licensee has provided notice to all applicable authorized delegates whose names are in a record filed with the Director. (Sec. 3)
90. Requires applicable authorized delegates, on suspension, revocation, surrender or expiration of a licensee's license, to immediately cease to provide money transmission as an authorized delegate of the license. (Sec. 3)

91. Specifies that an authorized delegate of a licensee holds in trust for the benefit of the licensee all money net of fees received from money transmission. (Sec. 3)

92. Requires, if an authorized delegate commingles money transmission monies and other money or property, all commingled money and other property to be considered held in trust in favor of the licensee in an amount equal to the amount of money net of fees received from money transmission. (Sec. 3)

93. Prohibits an authorized delegate from using a subdelegate to conduct money transmission on behalf of a licensee. (Sec. 3)

94. Authorizes the Director to issue an order against the licensee to cease and desist from providing money transmission through an authorized that is in violation of money transmission laws. (Sec. 3)

Net worth, Surety Bond and Permissible Investments

95. Requires a licensee to maintain a tangible net worth of: a) the greater of $100,000 or three percent of total assets for the first $100,000,000; b) two percent of additional assets for $100,000,000 to $1,000,000,000; or c) one-half percent of additional assets for over $1,000,000,000. (Sec. 3)

96. Requires tangible net worth to be demonstrated at initial application by the applicant's most recent audited or unaudited financial statements. (Sec. 3)

97. Permits the Director to exempt a person from the net worth requirements. (Sec. 3)

98. Requires an applicant for a money transmission license to maintain a surety bond and specifies the requirements for bond amounts. (Sec. 3)

99. Requires a licensee to maintain permissible investments that have a market value of not less than the aggregate amount of all of its outstanding money transmission obligations. (Sec. 3)

100. Allows the Director to limit the extent to which a specific investment may be considered a permissible investment. (Sec. 3)

101. Specifies that permissible investments, even if commingled with other assets of the licensee, are held in trust for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations in the event of insolvency, bankruptcy, reorganization, receivership or any other judicial or administrative proceeding for its dissolution or reorganization. (Sec. 3)

102. Requires the Director, on the establishment of a statutory trust or when any money are drawn on a letter of credit, to notify the applicable regulator of each state in which the licensee is licensed of the establishment of the trust or the money drawn on the letter of credit. (Sec. 3)

103. Provides regulations for permissible investments held in trust. (Sec. 3)

104. Allows the Director to: a) allow other types of investments that the Director determines are of sufficient liquidity and quality to be a permissible investment; and b) participate in efforts with other state regulators to determine that other types of investments are of sufficient liquidity and quality to be a permissible investment. (Sec. 3)

105. Delineates the types of permissible investments. (Sec. 3)

106. Prescribes requirements for a notice of expiration or nonextension of a letter of credit. (Sec. 3)

107. Permits the Director to: a) designate an agent to serve on the Director's behalf as beneficiary to a letter of credit if the agent and letter of credit meet requirements established by the

Director; and b) participate in multistate processes designed to facilitate issuing and administering letters of credit, including services provided by NMLS and a state regulatory registry. (Sec. 3)

Exception

108. Outlines specified individuals or entities who are exempt from money transmission laws. (Sec. 3)

109. Allows the Director to require any person claiming to be exempt from money transmission licensure to provide information and documentation demonstrating qualification for the exemption. (Sec. 3)

Miscellaneous

110. Permits the Deputy Director to require the following individuals to submit a full set of fingerprints and the associated fees to DIFI before receiving a license:
    a) any individual in control of a licensee or applicant;
    b) any individual seeking to acquire control of a licensee; or
    c) each key individual. (Sec. 1)

111. Defines pertinent terms relating to money transmission statutes. (Sec. 5)

112. Removes language relating to a requirement for a licensee to retain additional records. (Sec. 6)

113. Deletes language relating to a requirement for a licensee to maintain any customer identification records. (Sec. 6)

114. Removes the notification *by mail* limitation relating to registering an advanced fee loan broker. (Sec. 7)

115. Repeals statute requiring the name and addresses of all registered advanced fee loan brokers be recorded by DIFI. (Sec. 8)

116. Specifies the federal exemption from reporting requirements does not apply to persons who are engaged in the money accumulation business. (Sec. 9)

117. Defines pertinent terms relating to money laundering statutes. (Sec. 9)

118. Exempts a licensed money transmitter from new money transmission statutes if there are conflicts between existing money transmitter statutes until the person renews their license or until six months after the effective date, whichever is later. (Sec. 11)

119. Requires a licensed money transmitter to only amend authorized delegate contracts for contracts entered into or amended after the effective date or after completion of license renewal. (Sec. 11)

120. Makes technical and conforming changes. (Sec. 4, 6, 9, 10)

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1580

DATE March 15, 2022 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Carter	✓	✓			
Chávez	✓	✓			
Cook		✓			
Espinoza	✓	✓			
Kaiser					✓
Liguori		✓			
Meza		✓			
Wilmeth		✓			
Chaplik, Vice-Chairman		✓			
Weninger, Chairman		✓			
		9	0	0	1

Jacqueline Danley
COMMITTEE SECRETARY

APPROVED:
Jeff Weninger

JEFF WENINGER, Chairman
JOSEPH CHAPLIK, Vice-Chairman

ATTACHMENT 12

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: APPROP DPA 9-1-0-0 | 3rd Read 17-11-2-0

SB 1459: event wagering; fantasy sports; fees
Sponsor: Senator Borrelli, LD 5
Committee on Commerce

Overview
Reduces the amount of monies the Arizona Department of Gaming (ADG) may use for regulating and enforcing fantasy sports contest and event wagering laws. Caps the fee for the privilege of operating fantasy sports contests and event wagering.

History
Laws 2021, Chapter 234, established laws governing fantasy sports contests and event wagering. ADG is responsible for the administration and regulation of fantasy sports contest and event wagering operators.

The Fantasy Sports Contest Fund and the Event Wagering Fund were established for the deposit of their respective licensing and privilege fees. ADG may spend up to 10% of each fund's monies on the costs of regulating and enforcing fantasy sports contest and event wagering laws, respectively. Any monies remaining revert to the state General Fund.

ADG is required to establish a fee for the privilege of operating fantasy sports contests and event wagering. In determining the fee, ADG must consider the highest percentage of revenue share that an Indian tribe pays in accordance with the tribal-state gaming compact. The fees are due by the 25th day of each month for deposit to the respective funds (A.R.S. §§ 5-1211, 5-1212, and 5-1318).

ADG has set the following fees for the privilege of operating:
1) fantasy sports contests, 5% of fantasy sports contest adjusted revenues;
2) event wagering for retail operations, 8% of adjusted gross event wagering receipts; and
3) event wagering for mobile operations, 10% of adjusted gross event wagering receipts (R19-4-208; R19-4-112).

Provisions
1. Lowers, from 10% to 8%, the maximum amount of monies ADG may spend:
   a) from the Fantasy Sports Contest Fund on the annual costs of regulating and enforcing fantasy sports contest statutes; and
   b) from the Event Wagering Fund on the annual costs of regulating and enforcing event wagering statutes. (Sec. 2, 4)
2. Caps the fee for the privilege to operate fantasy sports contests and event wagering at 10%. (Sec. 1, 4)
3. Repeals previously enacted Laws which amended Event Wagering statutes. (Sec. 3)

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

Attachment 13

Fifty-fifth Legislature
Second Regular Session

Commerce
S.B. 1459

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1459

(Reference to Senate engrossed bill)

Page 1, line 9, after "PERCENT" insert "OF THE FANTASY SPORTS CONTEST OPERATOR'S ADJUSTED REVENUES"

Strike lines 30 through 43

Renumber to conform

Page 2, line 8, after "PERCENT" insert "OF THE EVENT WAGERING OPERATOR'S ADJUSTED GROSS EVENT WAGERING RECEIPTS"

Line 27, strike "~~ten~~ EIGHT" insert "ten"

Amend title to conform

JEFF WENINGER

1459WENINGER2
03/14/2022
10:50 AM
H: PRB/ls

Adopted ✓ # of Verbals ____

Failed ____ Withdrawn ____

Not Offered ____ Analysts Initials ____

Attachment 14

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1459

DATE March 15, 2022 MOTION: DPA

	PASS	AYE	NAY	PRESENT	ABSENT
Carter		✓			
Chávez		✓			
Cook		✓			
Espinoza		✓			
Kaiser					✓
Liguori			✓		
Meza		✓			
Wilmeth		✓			
Chaplik, Vice-Chairman		✓			
Weninger, Chairman		✓			
		8	1	0	1

COMMITTEE SECRETARY

APPROVED:

JEFF WENINGER, Chairman
JOSEPH CHAPLIK, Vice-Chairman

ATTACHMENT 15

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: COM DP 7-0-2-0 | 3rd Read 27-0-3-0

SB 1248: beer shipments; coercion; prohibition
Sponsor: Senator Gowan, LD 14
Committee on Commerce

Overview
Declares it unlawful for a supplier to coerce a wholesaler to accept delivery of beer or other commodities.

History
The Department of Liquor Licenses and Control (DLLC), which consists of the State Liquor Board and the Office of the Director of the Department regulates the manufacture, distribution and sale of liquor in this state through the issuance of 21 license types or series.

Statute outlines unlawful acts regarding liquor and DLLC licensees. Violations of liquor laws are classified as class 2 misdemeanors unless another classification is provided in statute (A.R.S. §§ 4-244; 4-246).

Provisions
1. Deems it unlawful for a supplier to coerce or attempt to coerce a wholesaler to accept delivery of beer or any other commodity that the wholesaler did not order or that the wholesaler canceled. (Sec. 1)
2. Permits a supplier to impose reasonable, good-faith inventory requirements on a wholesaler if the requirements are generally applied to similarly situated wholesalers that have an agreement with the supplier. (Sec. 1)
3. Prescribes a civil penalty of between $200 to $3,000, to be imposed by DLLC, for a person who unlawfully coerces wholesalers. (Sec. 1)
4. Makes technical changes. (Sec. 1, 2)

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

Attachment 16

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1248

DATE March 15, 2022 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Carter		✓			
Chávez		✓			
Cook					✓
Espinoza		✓			
Kaiser					✓
Liguori		✓			
Meza		✓			
Wilmeth		✓			
Chaplik, Vice-Chairman		✓			
Weninger, Chairman		✓			
		8	0	0	2

Jacqueline Derlinger
COMMITTEE SECRETARY

APPROVED:

JEFF WENINGER, Chairman
JOSEPH CHAPLIK, Vice-Chairman

ATTACHMENT 17

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: COM DPA/SE 8-0-1-0 | 3rd Read 27-0-3-0

SB 1403: workers' compensation; industrial commission; claim
Sponsor: Senator Gowan, LD 14
Committee on Commerce

Overview

Provides reporting requirements for insurance carriers and self-insured employers who receive notification of an injury by an injured employee who intends to file a workers' compensation claim.

History

The Industrial Commission of Arizona (ICA) is a five-member Governor-appointed commission responsible for overseeing various labor-related issues in Arizona including processing and adjudicating workers' compensation claims.

In the event an accident occurs to an employee, the employee must report the accident and the resulting injury to the employer. The employer, within 10 days after receiving notice of an accident, must inform the insurance carrier and the ICA. Additionally, any physician employed by the injured employee must report the accident and the resulting injury to the employer, the insurance carrier and the ICA (A.R.S. § 23-908).

Pursuant to A.R.S. § 23-1061, the ICA, upon receiving a notification of the injury, must send a workers' compensation claim form to the employee. No claim for compensation is valid unless the claim is filed with the ICA by the employee, in writing, within one year after the injury occurred. The ICA, on receiving a claim, must give notice to the insurance carrier. If the insurance carrier does not issue a notice of claim status denying the claim within 21 days after the date the insurance carrier is notified by the ICA of a claim or a petition to reopen, the insurance carrier must immediately pay compensation as if the claim was accepted, from the date the insurance carrier is notified by the ICA of a claim or petition to reopen until the date the insurance carrier issues a notice of claim status denying such claim.

Provisions

1. Stipulates an insurance carrier or self-insured employer who receives a written notification that an injured employee intends to file a claim for compensation must: a) forward the notification of the injury and intended claim to the ICA within seven business days and; b) inform the employee of the requirement for the employee to file a claim with the ICA. (Sec. 1)
2. Provides that the requirement to file a claim within one year of the injury is suspended, from the date that the insurance carrier or self-insured employer received written notification of the injury and intended claim until the date that the insurance carrier or self-insured employer forwards the written notification to the ICA. (Sec. 1)
3. Requires the ICA, upon receiving the forwarded notification, to notify to the employee of the employee's responsibility to file a claim with the ICA. (Sec. 1)
4. Clarifies the additional expenses relating to a petition to reopen a claim must be incurred within 15 days *before,* rather than 15 days *after,* the date that the petition is filed. (Sec. 1)
5. Makes technical changes. (Sec. 1)

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

Attachment 18

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-fifth Legislature - Second Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1403

DATE March 15, 2022 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Carter		✓			
Chávez		✓			
Cook					✓
Espinoza		✓			
Kaiser					✓
Liguori		✓			
Meza		✓			
Wilmeth		✓			
Chaplik, Vice-Chairman		✓			
Weninger, Chairman		✓			
		8	0	0	2

COMMITTEE SECRETARY

APPROVED:

JEFF WENINGER, Chairman
JOSEPH CHAPLIK, Vice-Chairman

ATTACHMENT 19