

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

COMMITTEE ON COMMERCE

Report of Regular Meeting
Tuesday, March 7, 2023
House Hearing Room 3 -- 2:00 P.M.

Convened 3:57 P.M.
Recessed
Reconvened
Adjourned 5:42 P.M.

MINUTES RECEIVED
CHIEF CLERK'S OFFICE

3-8-23

Members Present

Representative Aguilar
Representative Austin
Representative Carter
Representative Gress
Representative Heap
Representative Hendrix
Representative Ortiz
Representative Sun
Representative Carbone, Vice-Chairman
Representative Wilmeth, Chairman

Members Absent

Agenda

Original Agenda – Attachment 1

Request to Speak

Report – Attachment 2

Committee Attendance

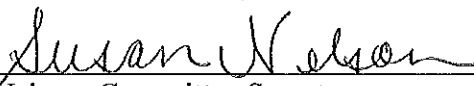
Report – Attachment 3

Presentations

<u>Name</u>	<u>Organization</u>	<u>Attachments (Handouts)</u>
<u>Matthew Gilligan</u>	<u>Rubrick – Keeping Data Secure4</u>	<u>4</u>
Bridget Binsbacher	Cactus League-A Grand Slam for AZ	5

Committee Action

<u>Bill</u>	<u>Action</u>	<u>Vote</u>	<u>Attachments</u>
SB1563	DP	10-0-0-0	6, 7
SB1052	DP	9-0-0-1	8, 9


Susan Nelson, Committee Secretary
March 8, 2023

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

REVISED - 3/02/23

REVISED - 3/02/23

REVISED - 3/02/23

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

REGULAR MEETING AGENDA

COMMITTEE ON COMMERCE

CONVENED: 3:57pm

ADJOURNED: 5:42pm

DATE Tuesday, March 7, 2023

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=2023031016>

Members:

Representative Aguilar
Representative Austin
Representative Carter
Representative Gress

Representative Heap
Representative Hendrix
Representative Ortiz

Representative Sun
Representative Carbone, Vice-Chairman
Representative Wilmeth, Chairman

• Presentations:

- Cactus League: A Grand Slam for Arizona's Economy
 - Bridget Binsbacher, Executive Director
- Keeping Data Secure – Challenges and Recommended Practices
 - Matthew Gilligan, Rubrik

Bills

Short Title

Strike Everything Title

2. SB1052

DP

biomarker testing; insurance coverage;
definitions(now: insurance coverage; biomarker
testing)

9.0.0.0 (Shope)

COM, RULES

1. SB1563

DP

workforce; study committee; report
(Kaiser)

10.0.0.0 COM, RULES

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

RA
03/01/2023
03/02/2023

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 (3/7/2023)

SB1052, biomarker testing; insurance coverage; definitions (NOW: insurance coverage; biomarker testing)

Support:

Marc Osborn, AMERICAN COUNCIL OF LIFE INSURERS (ACLI), AMERICAN FAMILY LIFE ASSURANCE CO (AFLAC)

Oppose:

Claribeth Davis, representing self; Lisa Gentry, representing self

SB1563, workforce; study committee; report

Support:

Jack McCain, representing self; Salim Faquiri, representing self; Aaron Rippenkroeger, representing self; Ajmeer Safi, representing self; Mohamed Abdullahi, representing self; Wazhma X, representing self

All Comments:

Jack McCain, Self: Request to speak as a coordinator for Afghan refugee issues.

ARIZONA STATE LEGISLATURE
Fifty-sixth Legislature - First Regular Session

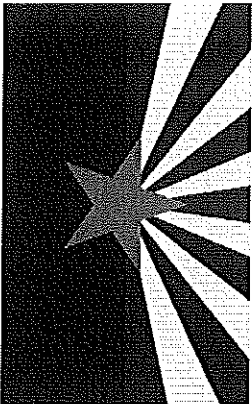
COMMITTEE ATTENDANCE RECORD

COMMITTEE ON COMMERCE

CHAIRMAN: Justin Wilmeth VICE-CHAIRMAN: Michael Carbone

DATE	03/07/23	/23	/23	/23	/23
CONVENED	3:57p m	m	m	m	m
RECESSED					
RECONVENED					
ADJOURNED	5:42pm				
MEMBERS					
Aguilar	✓				
Austin	✓				
Carter	✓				
Gress	✓				
Heap	✓				
Hendrix	✓				
Ortiz	✓				
Sun	✓				
Carbone, Vice-Chairman	✓				
Wilmeth, Chairman	✓				

✓ Present --- Absent exc Excused



Keeping Data Secure - Challenges and Recommended Best Practices

Matthew Gilligan SLED Director- Rubrik



Why Is This Important

Ransomware is a threat to national security, public safety, and economic prosperity. Ransomware Operators have disrupted hospitals, schools, pipeline operations, government services, and other critical infrastructure and essential services (National Cybersecurity Strategy-White House)

Ransomware is a type of malware, or malicious software, that locks up a victim's data or computing device and threatens to keep it locked — or worse — unless the victim pays the attacker a ransom (IBM)

Arizona Mission Critical Services:

- Child Welfare and Support Funding
- Medicaid, Health & Welfare Benefits
- Unemployment Benefits
- Law Enforcement, Criminal Prosecution and Court Systems
- Commerce and Business Services
- Education Services and Funding
- Finance, Payroll, Tax Filing and Collection
- Voter Registration

Cybersecurity Threats and Challenges

Threats

- Ransomware affected 66% of all organizations in 2021 (Verizon) and cost victims an estimated USD 20 Billion overall (IBM)
- Average Ransom Payment USD 800K and overall average cost per attack is USD 4.5M (IBM)
- The Average downtime due to Ransomware attacks is 21 days (Statista)
- Every 11 seconds in 2021 a new victim was hit by a Ransomware attack (Safeatlast)

Challenges

- The top 5 identified challenges to securing the organization from attacks are (Rubrik Zero Labs):

Insufficient Budget for data security

Lack of Cybersecurity tools and solutions in place or fully deployed

Insufficient Talent

Lack of prioritization of key cyber hygiene tasks like patching from executive leadership

Disagreements and/or competing priorities

Denial-of-Data Attacks

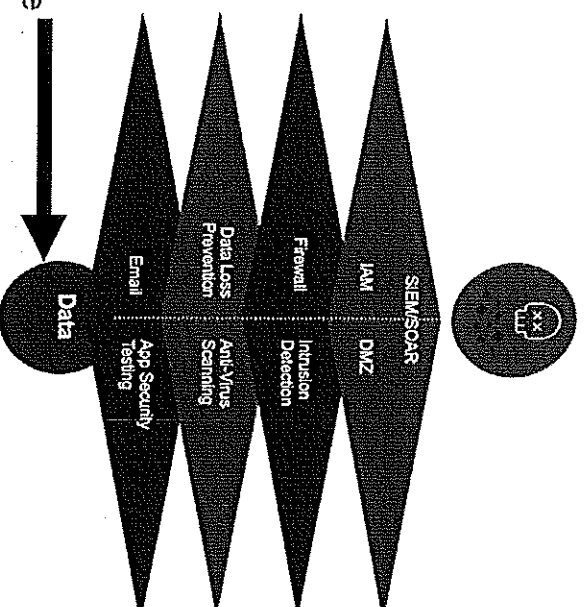
A Denial of Data (DoD) attack is any malicious attempt to block access to data that you own
The most common form of DoD is a Ransomware attack

- Financially-driven bad actors
- Removes your ability to control your own information assets
- Poses an existential threat to impacted organizations

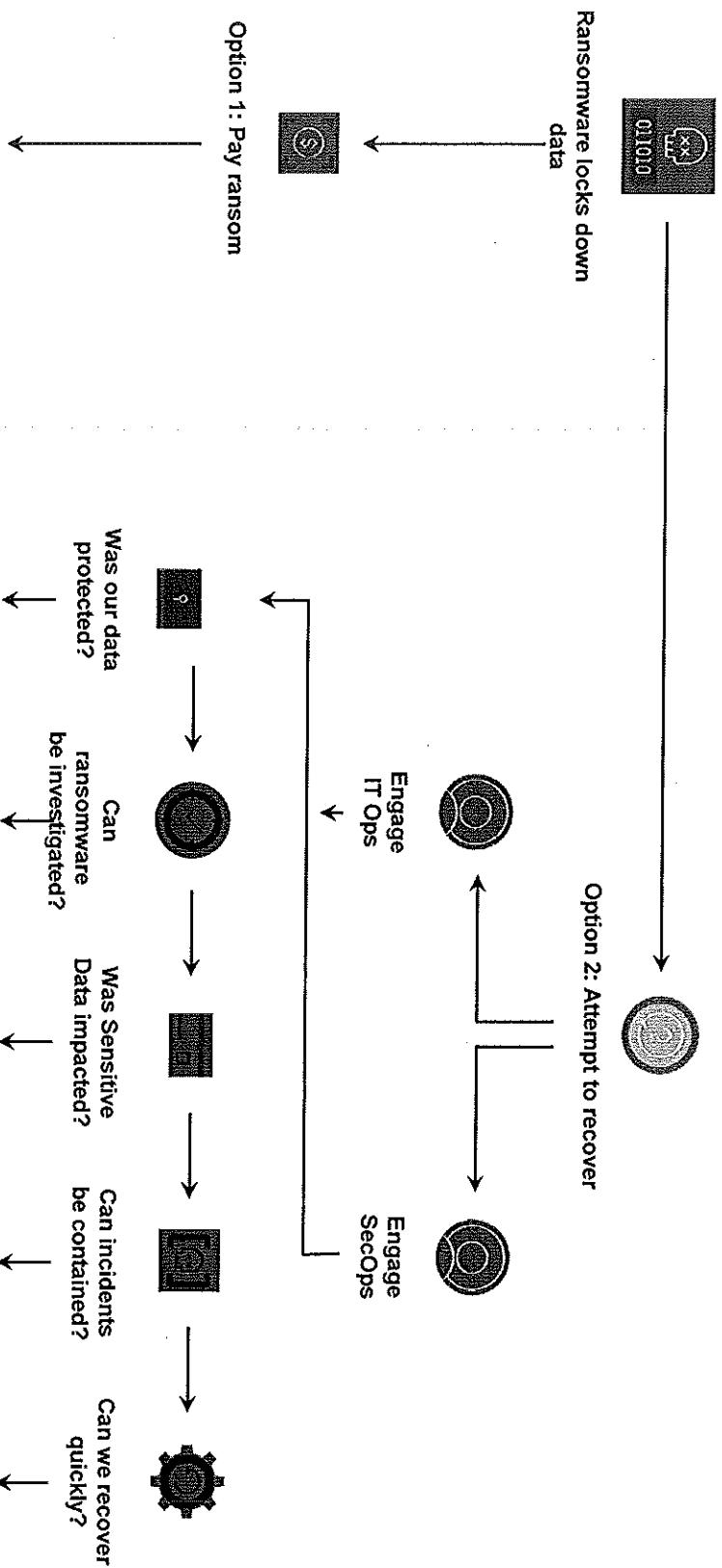
Cyber attacks are now the main driver for data recovery

- Historically, the driver was recovery from threats like natural disasters or human error
- The common impact was a lack of access to your data for some period of time, but the organization was largely in control of the outcome
- Defense in Depth is Critical but there will always be gaps that can be exploited

- Effective Data Security begins here



Why are organizations stuck paying ransoms?



Best Practices for Preventing Denial-of-Data Attacks

NIST Security Standards

Data Resilience

- Use an immutable file system for backup data
- Ensure that it's air-gapped
- Avoid Open discoverable protocols like SMB, NFS
- Adopt an "assume breach" posture in line with NIST and CISA recommendations

Data Observability

- Monitor your backups for significant changes
- Hunt for known IOCs continuously using your backup data
- Scan for known sensitive data types (PII, PCI, HIPAA etc)
- Feed results back to your CMDB to keep it current
- Ensure data is being protected in line with "due care" expectations (GDPR, CCPA domestic, international etc)

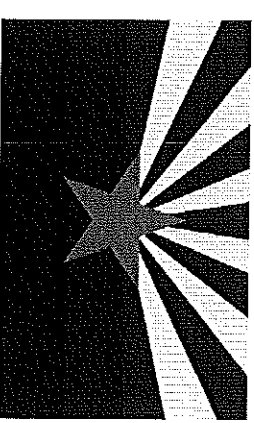
Data Remediation

- Monitor for suspect data and trends
- Contain and quarantine suspect backups to prevent any further contagion
- Automate your playbooks
- Ensure your recovery scenarios are real-world
- Test, Test, Test until your response is automatic
- Speed recovery by leveraging muscle memory

In Summary

The Threat is Real
Mission Critical Services are at Risk
Legacy Data Security Solutions need Modernization
Increase Cybersecurity Funding for Data Security
Leverage Best Practices
Continued Education & Training

..... Thank You



The Arizona Cactus League Association is committed to continuing its work to strengthen and promote the industry while serving communities and contributing to the wonderful quality of life all can enjoy in Arizona.

Thank you!

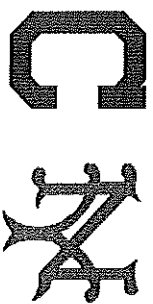
Bridget Binsbacher

Bridget@cactusleague.com

623-433-7505



1947



1952



1954, 1956-58



1959-65



1961



Cactus League Timeline

1961-62



1969



1970



1977



1993



1998



2003

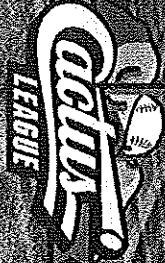


2006



2010





10 Stadiums 15 MLB Teams

Scan the code or visit the CACTUSLEAGUE.COM Stadium Map



SURPRISE STADIUM
Kansas City Royals & Texas Rangers
623-222-2222 15550 N Bullard Ave, Surprise, AZ

PEORIA SPORTS COMPLEX
Seattle Mariners & San Diego Padres
623-773-8700 16101 N 83rd Ave, Peoria, AZ

CAMELBACK RANCH-LENDALE
Los Angeles Dodgers & Chicago White Sox
623-302-5000 10710 W Camelback Rd, Phoenix, AZ

AMERICAN FAMILY FIELDS OF PHOENIX
Milwaukee Brewers
623-248-5500 3805 N 57th Ave, Phoenix, AZ

SALT RIVER FIELDS AT TALKING STICK
Arizona Diamondbacks & Colorado Rockies
480-270-5000 7255 N Pima Rd, Scottsdale, AZ

SCOTTSDALE STADIUM
San Francisco Giants
480-373-2586 7900 E Osborn Rd, Scottsdale, AZ

HONOLULU STADIUM
Oakland A's
408-444-4451 1235 N Green St, Napa, AZ

TEMPE DIABLO STADIUM
Los Angeles Angels
480-330-5863 2200 W Alameda Dr, Tempe, AZ

SLOAN PARK
Chicago Cubs
480-668-0500 2330 W Rio Salado Pkwy, Mesa, AZ

GOODYEAR BALLPARK
Cleveland Guardians & Cincinnati Reds
623-882-3130 19323 S Ballpark Way, Goodyear, AZ

CactusLeague.com



Spring Training
Florida Arizona

Economic Impact of Sports Tourism



\$719 Million



\$274 Million



\$324 Million



\$450 Million



\$644 Million



\$277 Million



\$170 Million

Cactus League Spring Training Scorecard

◆ 2018 Economic Impact

- Total economic impact: \$644 million
- Gross Domestic Product: \$373 million
- Created 6,439 annual jobs paying \$224.6 million
- Directly generated \$31.9 million in taxes (\$24.2 m/state, \$7.7 m/local)

--Source: 2018 ASU W.P. Carey School of Business study

◆ 2020 Economic Impact – COVID-19

Total economic impact: (139 of 237 games scheduled)

- Gross Domestic Product: \$214 million
- Created 3,202 annual jobs paying \$128.3 million
- Directly generated \$18.4 million in taxes (\$13.1 m/state, \$5.3 m/local)

--Source: 2020 ASU W.P. Carey School of Business study

Cactus League Spring Training Scorecard

Spring Training 2019

◆ Attendance

- Total: 1,737,975
- Average: 7,900 per game (highest in 3 years)
- 8 of 15 clubs saw per-game increases
- All-time record crowd of 16,100 for Red Sox-Cubs at Sloan Park on March 25

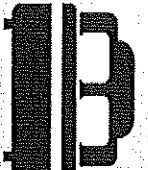
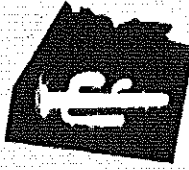
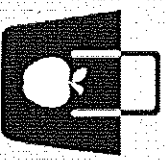
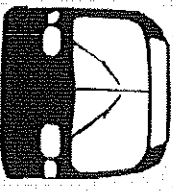
Spring Training 2020

◆ Attendance

- Total: 912,956
- Average: 6,568 per game (no spring break games)
- 12 of 15 clubs saw their largest crowds in final games
- Season Cancelled on March 12th, after 139 of 237 games were played

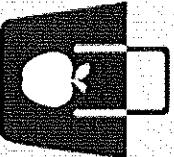
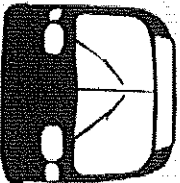
Cactus League visitor spending: Where does the money go?

In 2018, out-of-state visitors spent **\$315.8 million** in Arizona

							
Bars & Restaurants	Lodging	Souvenirs & Gifts	Other, Tourism & Entertainment	Groceries	Rental Cars	Gasoline	Local Transportation
\$122.6	\$89.8	\$34.7	\$24.9	\$22.3	\$11.5	\$6.4	\$3.6

COVID-19 2020 Economic Impact: Where does the money go?

In 2020, out-of-state visitors spent **\$168.3 million** in Arizona

	\$56.3		\$43.2		\$20.1		\$14.2		\$8.5		\$12.4		\$6.8		\$3.0
Bars & Restaurants		Lodging		Souvenirs & Gifts		Other, Tourism & Entertainment		Groceries		Rental Cars		Gasoline		Local Transportation	

Cactus League Spring Training Scorecard

◆Community Support

- A total of 1,944 volunteers worked 90,000 hours at Cactus League ballparks
- Affiliated non-profit partners raised \$2.6 million for their communities

◆Education Partnerships

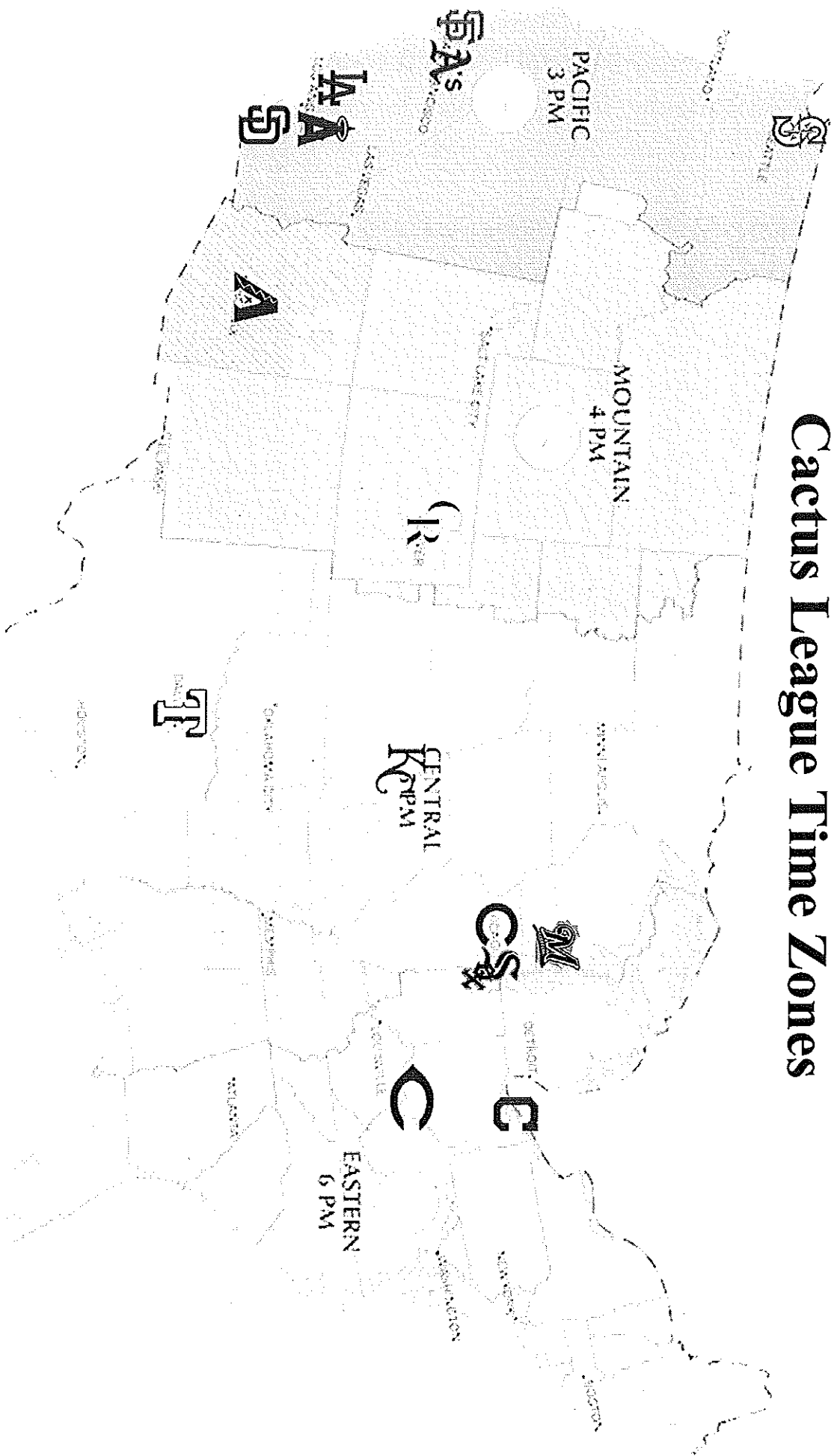
- FAFSA Campaign
- Arizona Promise

Some facilities offer volunteer opportunities and nonprofit partnerships that generate meaningful contributions to various programs, charities and scholarships throughout the state.

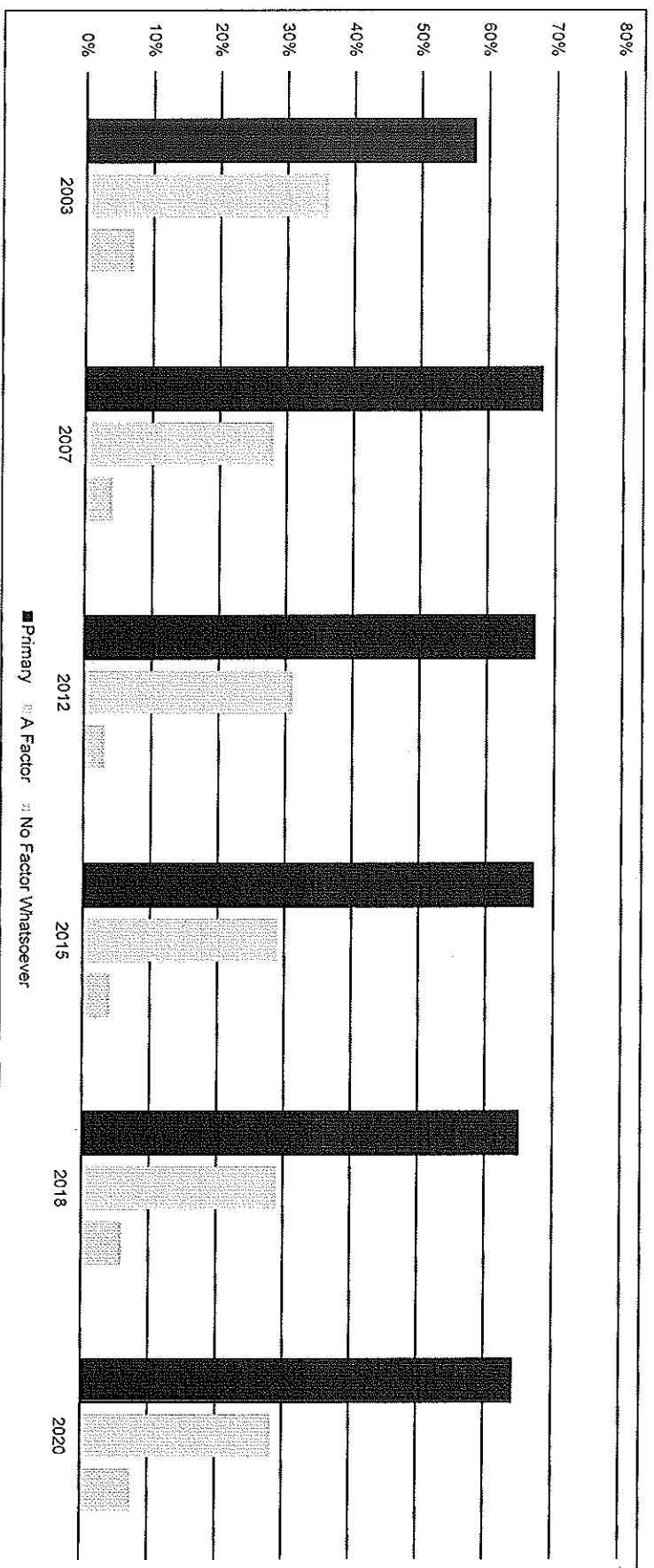
“Let’s Talk Tourism”

- ♦ Tourism drives the economy
- ♦ Key contributors are:
 - Professional Sports
 - Hotels and Lodging
 - Airlines and Airports
 - State and National Parks
 - Outdoor Activities and Experiences
 - Local Businesses that support tourism
 - Industry related career and employment opportunities
- ♦ The Arizona Cactus League is a driver of tourism

Cactus League Time Zones



64% of visitors said spring training was the primary reason for their visit



Cactus League Opportunities

- Spring Training Teams
- Box Office
- Facilities and Operations Teams
- Nonprofits
- Internships
- Volunteers

www.CactusLeague.com



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

SB 1563: workforce; study committee; report

Sponsor: Senator Kaiser, LD 2

Committee on Commerce

Overview

Establishes the Joint Legislative New American Talent Study Committee (Study Committee).

Provisions

1. Establishes the 14-member Study Committee to:
 - a) review best practices to maximize economic integration of new Americans into the workforce;
 - b) evaluate state requirements and policies that pose unnecessary barriers to new American workforce participation; and
 - c) identify solutions that improve access to new American talent in this state. (Sec. 1)
2. Outlines the membership of the Study Committee. (Sec. 1)
3. Instructs the cochairpersons to call meetings as often as necessary to effectuate the purpose of the Study Committee. (Sec. 1)
4. Requires the chairperson of the Study Committee to submit a report of its findings and recommendations, by December 31, 2023, to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Senate Commerce Committee, the House of Representatives Commerce Committee and the Arizona Commerce Authority. (Sec. 1)
5. Requires the chairperson of Study Committee to submit a copy of the report to the Secretary of State. (Sec. 1)
6. Requires the Arizona Commerce Authority to post the report on their website. (Sec. 1)
7. Repeals the Study Committee on July 1, 2024. (Sec. 1)

Attachment 6

☐ Prop 105 (45 votes)

☐ Prop 108 (40 votes)

☐ Emergency (40 votes)

☐ Fiscal Note

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

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1563

DATE March 07, 2023 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar		✓			
Austin		✓			
Carter		✓			
Gress		✓			
Heap		✓			
Hendrix		✓			
Ortiz		✓			
Sun		✓			
Carbone, Vice-Chairman		✓			
Wilmeth, Chairman		✓			
		10	0	0	0

APPROVED:



JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman



COMMITTEE SECRETARY

ATTACHMENT 7



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

SB 1052: insurance coverage; biomarker testing

Sponsor: Senator Shope, LD 16

Committee on Commerce

Overview

Excludes a policy that provides limited benefit coverage from the requirement for certain policies to provide coverage for biomarker testing.

History

Contracts for health services, evidence of coverage for health care plans and health insurance policies issued by a hospital or medical service corporations, health care services organization, disability insurer or group or blanket disability insurer are statutorily required to provide coverage for biomarker testing. *Biomarker testing* is the analysis of a patient's tissue, blood or other biospecimen for the presence of a biomarker. A *biomarker* is a characteristic that is objectively measured and evaluated as an indicator of normal biological processes, pathogenic processes or pharmacologic responses to a specific therapeutic intervention (A.R.S. §§ 20-841.13, 20-1057.19, 20-1376.10 and 20-1406.10).

Statute defines *limited benefit coverage* as an insurance policy that is designed, advertised and marketed to supplement major medical insurance and that includes accident only, dental only, vision only, disability income only, fixed or hospital indemnity, specified disease insurance, credit insurance or Taft-Hartley trusts (A.R.S. § 20-1137).

Provisions

1. Specifies a policy that is issued or renewed by a disability insurer, or a group or blanket disability insurer does not include a policy that provides limited benefit coverage.

Attachment 8

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note
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ARIZONA HOUSE OF REPRESENTATIVES
Fifty-sixth Legislature - First Regular Session

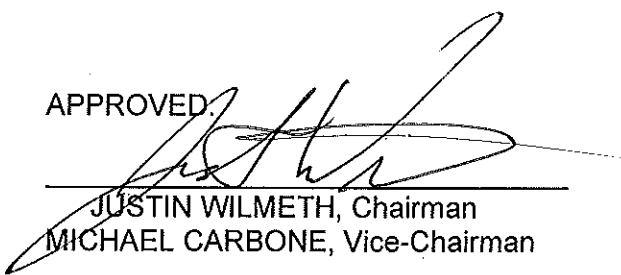
ROLL CALL VOTE

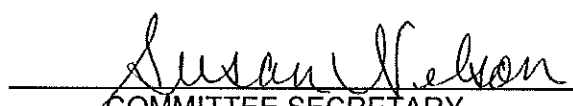
COMMITTEE ON Commerce BILL NO. SB 1052

DATE March 07, 2023 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar		✓			
Austin		✓			
Carter		✓			
Gress		✓			
Heap		✓			
Hendrix		✓			
Ortiz		✓			
Sun					
Carbone, Vice-Chairman		✓			✓
Wilmeth, Chairman		✓			
		9	0	0	1

APPROVED.


JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman


COMMITTEE SECRETARY

ATTACHMENT 9