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

COMMITTEE ON RURAL ECONOMIC DEVELOPMENT

Report of Regular Meeting
Thursday, February 5, 2026
House Hearing Room 4 -- 9:00 A.M.

RECEIVED
CHIEF CLERKS OFFICE

FEB 09 2026

Convened 9:03 A.M.
Recessed
Reconvened
Adjourned 10:00 A.M.

Members Present
Representative Blackman
Representative Hernandez
Representative Peshlakai
Representative Volk
Representative Lopez, Vice-Chairman
Representative Martinez, Chairman

Members Not Present
Representative Biasiucci

Agenda
Original Agenda – Attachment 1

Request to Speak
Report – Attachment 2

Committee Attendance
Report – Attachment 3

Committee Action

Bill	Action	Vote	Attachments
HB2804	DP	7-0-0-0	4,5,6
HB2388	DP	6-1-0-0	7,8
HB2926	HELD		

Veronica Graham, Committee Secretary
February 9, 2026

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

REVISED - 2/02/26 **REVISED - 2/02/26** **REVISED - 2/02/26**

Convened 9:03 am
adjourned 10:00 am

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

REGULAR MEETING AGENDA

COMMITTEE ON RURAL ECONOMIC DEVELOPMENT

DATE Thursday, February 5, 2026 ROOM HHR 4 TIME 9:00 A.M.

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2026021026

Members:

~~Representative Biasiucci~~
Representative Bliss
Representative Blackman
Representative Hernandez C
Representative Peshlakai
Representative Volk
Representative Lopez, Vice-Chairman
Representative Martinez, Chairman

Bills		Short Title	Strike Everything Title
HB2388	DP 6-1-0-0	appropriation; commerce authority; nuclear; study (Martinez) RED, APPROP, RULES	
HB2804	DP 7-0-0-0	rural affordable housing; tax credits (Martinez) RED, APPROP, RULES	
HB2926	Held	housing; contractors; bonds; taxes (Bliss) RED, RULES	

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

~~VC~~
~~RA~~
VC
~~01/29/2026~~
02/02/2026

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

Attachment 1

Information Registered on the Request to Speak System

House Rural Economic Development (2/5/2026)

HB2388, appropriation; commerce authority; nuclear; study

Testified in support:

Alexis Monet Bacs, THE LIBRE INITIATIVE ARIZONA

Support:

Russell Smoldon, AZ MUNICIPAL POWER USERS ASSN

Neutral:

Mary Ganapol, representing self; Daniel Stormont, representing self

Oppose:

Joan Murphy, representing self; Glenn Sollers, representing self; Jodi Paulsen, representing self; Dave Long, representing self; Nick Collins, representing self; Judith Simons, representing self; Sandra Kravetz, representing self; Rebecca Smith Gross, representing self; Frank Machek, representing self; Maria Salvucci, representing self; Kevin Brown, representing self; Beverly Janowitz-Price, representing self; Jeanne Casteen, representing self; Laurie Stoff, representing self; Alisa McMahon, representing self; Michael Fiflis, representing self; Christina Mollica, representing self; Dianne Post, representing self; Carol Maas, representing self; Sherrilynn James, representing self; jacqueline Johnson, representing self; Judy Whitehouse, representing self; Bettina Bickel, representing self; Katherine Doman Sheydayi, representing self; Elizabeth Schauer, representing self; Gail Kamaras, representing self; Charlie Silver, representing self; Barbara Hutchinson, representing self; Becky Sayler, representing self; Susan Morris, representing self; Brent Gibbs, representing self; Brenda Nelson, representing self; Christine Keitges, representing self; Sharon Lee, representing self; Linda Edwards, representing self; Kathy Fraser, representing self; Jeri Dow, representing self; David Staricha, representing self; Janet Senf, representing self; Kathy Pyner, representing self; Jocelyn Dustan, representing self; Penny Boone, representing self; Ralph Meredith, representing self; Gayle Meredith, representing self; Valerie Policastro Edie, representing self; Margaret Adams , representing self; Amy Etzkorn, representing self; Mariette Francis, representing self; Martha O'Connor, representing self; Kathleen Dubbs, representing self; Rebecca Scotney, representing self; Katherine Warren, representing self; Mary-Jeanne Fincher, representing self; Matthew Nelson, representing self; Francesca Pardes, representing self; William S. James, representing self; Jo Ann Caruthers, representing self; Edna Weigel, representing self; Steve Gorman-Hackstadt, representing self; Carolyn Watson, representing self; Rebecca Haynes, representing self; Mary Nelson, representing self; Susan Phelps, representing self; Kristen Abrahamson, representing self; Bart James, representing self; Bonnie Oakes, representing self; Cassandra Morano, representing self; Melinda Iyer, representing self; Kathryn Anderson, representing self; Charlotte Lis, representing self; Carol Fiore, representing self; William Yohey, representing self; Sherry Massie, representing self; Susan McMillan, representing self; Barbara Larson, representing self; Carol Garnett, representing self; Amy Pedotto, representing self; Jennifer Dawson, representing self; Chris Ahearn, representing self; Patricia Edelen, representing self; Linda Block, representing self; Paula Van Derven, representing self; Jean Meconi, representing self; Lynn DeMuth, representing self; Rivko Knox, representing self; Pat Jayson, representing self; Roger Blain, representing self; Jacqueline deSa, representing self; Libby Stortz, representing self; Alice Christianson, representing self; Theresa Paszkiewicz, representing self;

Attachment 2

Frederick James, representing self; Christopher Cerrato, representing self; Salie Travis, representing self; Eden Winget, representing self; Devon Sloan, representing self; Pamela Chittenden, representing self; Marilyn Murov, representing self; STACEY NORDWALL, representing self; Cheryl Benefield, representing self; ALICE BUCK, representing self; Gina Gral, representing self; Karen Brown, representing self; Suzanne Zimmerman, representing self; Leonora Midgley, representing self; Patrick Kenny, representing self; Lisa Voss, representing self; Lisa Maczura, representing self; Angela Buer, representing self; Susan Matheson, representing self; Jerrold Borchardt, representing self; Dianna DiMaggio, representing self; Valarie Bryant, representing self; George Ehrlich, representing self; Nancy Hancock, representing self; Mona Nance, representing self; Sharon Ehrlich, representing self; Terri Farneti, representing self; Carol Rohe, representing self; Ann Lebert, representing self; Barbara Jones, representing self; Barbara Dompe, representing self; Patricia Brunner, representing self; Gary Townsend, representing self; Lacy Bangert, representing self; Margaret Tinsley, representing self; Judy Wilkening, representing self; Lois Ermak, representing self; Kristina Hakanson, representing self; Sarah Bihms LD29, representing self; Jan Allen, representing self; Janet Lewis-Weaver, representing self; Mary Rose, representing self; Allison Jackson, representing self; Christa Trexler, representing self; Mike Kunnecke, representing self; Ken Jones, representing self; Sharon Arnst, representing self; Cynthia Wagner, representing self; Dieter Knecht, representing self; John Cummings, representing self; Michael Brown, representing self; Shelly Gordon-Gray, representing self; Felisa Gilley, representing self; JoAnn McCay, representing self; LINDA GANTVERG, representing self; Ashka Atodaria, representing self; Allen Brown, representing self; William Bowlus-Root, representing self; Kathleen Schanus-Gohl, representing self; Melinda Bell, representing self; Jonathan Brechner, representing self; Eric Kadel, representing self; Sandra Stark, representing self; Susan Ordway, representing self; Kathleen Woessner, representing self; Rebecca Shook, representing self; Jillian Ryan, representing self; Loretta O'Connor, representing self; Leslie Stallcop, representing self; Barbara Lucas, representing self; Sery Johnson, representing self; Helen Abrahamson, representing self; Mary Keerins, representing self; Amy Gosla, representing self; Michael Abrahamson, representing self; Vania Guevara, CHISPA ARIZONA, A PROGRAM OF LEAGUE OF CONSERVATION VOTERS, INC; JOHN FIENE, representing self; Marin Lersch, representing self; Elissa Karn, representing self; Lisa Koenig, representing self; Alicia Messing, representing self; Kristan Larson, representing self; Marcia Tingley, representing self; Joanne Basta, representing self; Lance Shout, representing self; Greg Olszta, representing self; Marcella Deluca, representing self; Nancy Noto, representing self; Nancy Ray, representing self; Nancee K Wood, representing self; Nadya Laliberte, representing self; Joan Doherty, representing self; Garyh Rulapaugh, representing self; RITA DEPUYDT, representing self; Aaron Essif, representing self; Monica Bills, representing self; Kathryn Dorn, representing self; Jane Johnson, representing self; Harriet Williams, representing self; Roy L Carrington Jr., representing self; Andrea Golfen, representing self; Jennifer Schrader, representing self; Susan Bowen, representing self; Kat Ginzel, representing self; Sandy Bahr, Sierra Club - Grand Canyon Chapter

All Comments:

Joan Murphy, Self: NO DATA CENTERS; Glenn Sollers, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; Jodi Paulsen, Self: If you want a nuclear powered data center, you pay for it and the ongoing energy and water it requires. Where will this water come from anyway? We have none!; Judith Simons, Self: Data centers require too much energy, excessive land & water, & are opposed by Arizonans of all political affiliations.; Alisa McMahon, Self: A valid study must include benefits and costs. This bill would spend resources on a one-sided study. That is wasteful and irresponsible. Ignoring downsides of data centers and small modular nuclear reactors would lead to poor planning and decisions.; Michael Fiflis, Self: Data centers gobble up vast amounts of water – we cannot afford that in our drought ravaged State - and huge amounts of electricity that consumers will have to pay for. Don't waste my tax dollars on this. Reject this special interest legislation.; Susan Morris, Self: There is overwhelming evidence that these centers use too much water and power. NO!; Brenda

Nelson, Self: NO DATA CENTERS! OPPOSE; David Staricha, Self: We don't need more power hungry centers in Arizona.; Penny Boone, Self: NO! Data centers are harmful to Az using too much power and water.; Valerie Policastro Edie, Self: excessive water use; Martha O'Connor, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage; Kathleen Dubbs, Self: Arizona does not need data centers!; Carolyn Watson, Self: As a constiuent, I'm asking for a" no" vote on this bill. A study which appears biased already, pushing data centers and small nuclear plants on communities isn't viable for our water supply. Communities at risk are pushing back. Thank you; Rebecca Haynes, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; Kristen Abrahamson, Self: I do not want the chance of a biased study to bring these data centers to Arizona. the excess of land, water and energy usage of data centers will pose a big danger to the state and its people.; Carol Fiore, Self: You do know that data centers use excessive water and land, right? We the people do not want them in our communities.; Carol Garnett, Self: Use tax money to help the people. Don't need to study this as I am sure the corporations have already done so. The use of land, water and electricity is already known and it does not benefit us.; Jennifer Dawson, Self: NO DATA CENTERS!! Dangerous and excessive use of water and energy for very little result.; Chris Ahearn, Self: Please oppose. Data centers use excessive amount of water and land usage. Environmentally, this compounds our current water troubles.The 7 state negotiations likely will negatively hit our state. This bill makes it worse. Vote no. Thank you.; Patricia Edelen, Self: The majority of AZ residents are opposing the development of more data centers - you can't drink data.; Jean Meconi, Self: The corporations & individuals pushing data centers have wealth beyond our imaginations and don't need any financial help from AZ taxpayers.; Pat Jayson, Self: Data Centers with "small nukes", are you kidding?; Roger Blain, Self: This study is unneeded. The tech isn't ready for deployment yet, and also SMR's are just water boilers, and where will that resource come from?; Jacqueline deSa, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; Alice Christianson, Self: Martinez is supporting nuclear and probably other data centers against the wishes of AZ residents who are opposed to them because of excessive land and water usage. Protect our citizens and our water.; Salie Travis, Self: I can assure the sponsors that even if the study on benefits of reactors and data centers is a positive one, NO ONE wants them in our state. Their immense water use would be a major issue. Strongly oppose!; Pamela Chittenden, Self: Use excess energy, land and, more importantly, water!; Marilyn Murov, Self: Does not specify how much state tax money for the study and data centers use way too much H2O and energy that we don't have; Karen Brown, Self: We need no studies to know that data centers are overwhelmingly opposed by the public because they are wasteful of water and energy and cause prices for power to spike. I strongly oppose this bill.; Patrick Kenny, Self: This bill uses public money to advance nuclear-powered data centers despite widespread opposition from Arizonans. These facilities consume enormous energy, land, and water. Arizona needs unbiased analysis—not taxpayer-funded advertising. OPPOSE.; Lisa Maczura, Self: The only people who like data centers are the one's that get paid to build or maintain them. Not a winner in an election year.; Angela Buer, Self: Committing AZ tax dollars to a biased study designed to promote nuclear-powered data centers is wasteful. Arizonans across the political spectrum oppose more data centers due to their massive energy, land, and water use. OPPOSE.; Patricia Brunner, Self: Arizonans overwhelmingly oppose data centers. WE don't need a study.; Gary Townsend, Self: We already know that who benefits is not the voters.; Margaret Tinsley, Self: More data centers will not necessarily benefit Arizonans, especially given their excessive water use. And an unspecified amount of money we don't have to study this? Not a good idea. Please vote no.; Sarah Bihms LD29, Self: Studying "benefits" of nuclear data centers ignores real land and water costs. Communities have already said no.; Cynthia Wagner, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage. I'm an AZ Voter; Daniel Stormont, Self: A third-party assessment of economic benefits from data centers would be

worthwhile; however, the study should also include potential economic losses, as well.; Michael Brown, Self: Nuclear is dangerous and not needed in Arizona; JoAnn McCay, Self: Let's push back against more data centers - they use too much water.; LINDA GANTVERG, Self: Figure out the water supply first and then we can consider data centers if necessary; Allen Brown, Self: There is a pushback against large data centers in Arizona. They employ very few people for such a large facility. They consume resources at such a high rate. I would wait for technology to catch up with demand. Vote NO on HB2388.; Jonathan Brechner, Self: Nothing that helps data centers which suck up our water should be supported.; Susan Ordway, Self: The excessive energy and water use required by these data centers makes them very unpopular with most Arizonans. These are not something Arizona needs more of.; Jillian Ryan, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; Barbara Lucas, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; Helen Abrahamson, Self: Data centers use up way too much water, a precious resource here in AZ; Mary Keerins, Self: Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; JOHN FIENE, Self: I am a fan of safe nuclear energy, but where do you get the water to cool these auxiliary reactors? Oppose this bill and any striker. LD1 voter; Alicia Messing, Self: Environmental impact statements are essential.; Kristan Larson, Self: Protect our water resources!; Marcia Tingley, Self: Clearly promotes nuclear-powered data centers, while Arizonans are opposing data centers in their communities, because of both energy & excessive land & water usage.; Joanne Basta, Self: Combining data centers and nuclear power - both dangerous especially in our regulatory environment.; Greg Olszta, Self: promotes nuclear-powered data centers. Arizonans of all political affiliations are pushing back hard against more data centers in our communities, not just because they use so much energy, but also for their excessive land and water usage.; Marcella Deluca, Self: The majority of Arizonans do not want more data centers in our communities because of their excessive energy, land and water usage.; Aaron Essif, Self: Arizonans of ALL political affiliations are pushing back against more data centers.; Kathryn Dorn, Self: I can save you money on this: the current push to build a ridiculous number of data centers is driven largely by tech companies' terror that if they don't keep demonstrating "growth," investors will flee and they'll collapse. Meager economic benefit.; Jane Johnson, Self: This bill has an unspecified amount of $$ to study nuclear powered data centers. Arizona is facing a water crisis. Data centers require enormous amounts of water and are causing our utility rates to increase significantly costing the taxpayer.; Susan Bowen, Self: ARIZONIANS OF ALL POLITICAL AFFILIATIONS ARE PUSHING BACK AGAINST MORE DATA CENTERS IN OUR COMMUNITIES, NOT JUST BECAUSE THEY USE SO MUCH ENERGY BUT FOR THEIR EXCESSIVE LAND AND WATER USAGE; AI DATA CTRS SHOULD BE REQUIRED TO BE POWERED BY SOLAR ONLY; Sandy Bahr, Sierra Club - Grand Canyon Chapter: Any study of data centers and small modular nuclear reactors should look at the economic downside and harms to our communities, not just any perceived benefits.

HB2804, rural affordable housing; tax credits

Testified in support:

Kristina Sabetta, representing self; Rebecca Daggett, representing self; Reid Butler, representing self; Chris Hite, representing self

Testified as opposed:

Aimee Yentes, AZ FREE ENTERPRISE CLUB

Support:

Joe Galli, Flagstaff Chamber of Commerce, Greater Flagstaff Chamber Of Commerce; Brandy Petrone, KEYS TO CHANGE; Robyn Prud'homme-Bauer, representing self; Tom Dorn, TOWN OF PAYSON; Susan Morris, representing self; Christian Solorio, representing self; Jess Knudson, LAKE HAVASU CITY; kathy bashor, ARIZONA PEER AND FAMILY COALITION; Courtney Coolidge, AZ CHAMBER OF COMMERCE; Leslie Stallcop, representing self; Lorene Anderson, representing self; Bahney Dedolph, representing self; Robin Davis, representing self; Clark Princell, VALLEY PARTNERSHIP; Robert Aldous, CASA GRANDE, CITY OF; Ethan Knowlden, representing self; Jennifer Moore, representing self; Steve Kaiser, ARIZONA HOUSING COALITION; Sally Evans, representing self; Armando Esparza, representing self; Leigh Marino, City Of Cottonwood; Courtney Gilstrap LeVinus, Arizona Multihousing Association; Jeremy Browning, ARIZONA HOUSING COALITION; Brian Murray, City Of Flagstaff; Tom Farley, Arizona Association Of Realtors; Khara House, representing self

Oppose:

Dwight Kadar, representing self; Andrea Kadar, representing self; Andres Aguerrette, representing self; Anna Morrison, representing self; Cathy Schwanke, representing self; Janelle Solomon, representing self; Randal Scott, representing self; Elizabeth King, representing self; C D Tavares, representing self; Kristine Nelson, representing self; Arthur Fesler-Butts, representing self; Jeanne Tavares, representing self; Patricia Gerrodette, representing self; Bonnie Kistler, representing self; Rachel Bauer, representing self; Charles Gonzalez, representing self; Stephen Harris, representing self; Leslie White, representing self; Pamela Peake Election Printing & Supp - Owner, representing self; William & Mary Jurica, representing self; Maryclare Abatecola, representing self; Susie Luhrs, representing self; Dianna Gates, representing self; Carole Challoner, representing self; Randy Brown, representing self; Sydney Brown, representing self; James McFadzean, representing self; Brenda Marts, representing self; Jean Ferguson, representing self; Christi Sourk, representing self; Barbara Jennings, representing self; Cara Kretz, representing self; Janet Louchheim, representing self; K Webster, representing self; Lorraine S, representing self; Thomas Reiner, representing self; Jane Waypa, representing self; Karen Chaney, representing self; Steve Hetsler, representing self; Colleen Ryan, representing self; Peter Asencio, representing self; Stanley Hicks, representing self; Carolyn Davidson, representing self; Merl Nielsen, representing self; Daniel Spencer, representing self; Kathryn Farkas, representing self; Jean Rice, representing self; louise liggett, representing self; karen enns, representing self; Jeffrey Luft, representing self; Bonnie Lund, representing self; Carrie Cox, representing self; Mary Jamsa, representing self; Roy Scott Lassell, representing self; Kathryn Clark, representing self; Doris Mills, representing self; Bill Harenburg, representing self; brenda simon, representing self; Douglas Simon, representing self; conrad tolson, representing self; Joelene Williamson, representing self; Dayle Hartgerink, representing self; Brent Michelson, representing self; Kim Gordon, representing self; Barbara Scott, representing self; Sandee McKinlay, representing self; Cheryl Pardini, representing self; Nancy Barrett, representing self; Suzanne Murray, representing self; Helen Fong, representing self; eileen acosta, representing self; Julia Pitula, representing self; Sindy Reich, representing self; Patricia Phillips, representing self; Donalda Bond, representing self; Clare Goldsberry, representing self; Anne Girdler, representing self; Shuron Harvey, representing self; Tony Dudzinski, representing self; Dennis Pullaro, representing self; Anne White, representing self; Chandrasekhar Doniparthi, representing self; Margaret Barnes, representing self; Katherine Cabianca, representing self; Barton Anderson, representing self; Janice Weinmann-Danis, representing self; Brad Danis, representing self; Kati Danis, representing self; Karen Sherrell, representing self; Anne Fesler-Butts, representing self; Dimitrios Gockel, representing self

All Comments:

Reid Butler, Self: I am a long-time Arizona affordable housing developer. I am attending he Committee today with the Arizona MultiHousing Association (Chair of the AMA Developer SubCommittee). I have developed affordable housing in Miami, Arizona.; Susan Morris, Self: Civilized countries and states provide rental assistance to the needy.

Let's do that, too!; Robin Davis, Self: This tax credit needs to be brought back. Representative Martinez did a great job of wording this to avoid fraud. Rural Arizonans seem to get lost in the shuffle anymore in favor of cities. Many rural people need this tax credit.; Tom Farley, Arizona Association Of Realtors: Changed from not speaking to if necessary.; Khara House, Self: As a long-time housing advocate, I recognize that communities need practical tools to close real affordability gaps, especially in smaller and rural areas. I support this bill: it supports stable housing, workforce retention, and community wellbeing.; Andrea Kadar, Self: This tax credit scheme is rife with fraud. Last year, extending the program was a top priority for Hobbs as the program was set to expire. The extension was killed, making Arizona the first state; Randal Scott, Self: No go on this one; Arthur Fesler-Butts, Self: As a retired vet, '07 ASU Honors Grad: Life Member; NCOA, NRA, ASU Alumni, AZCDL, DAV, American Legion, a member of Kiwanis & 20+yrs PC, urge you to oppose this Bill. This is a bias pure and simple and we need to rid our State of its practice.; Patricia Gerrodette, Self: Sounds really good, with the right words. But looks suspiciously like yet another way to provide a tax CREDIT, not even deduction, to people with investment $$ and to remove income from an AZ treasury already struggling.; Stephen Harris, Self: This tax credit scheme is rife with fraud. In 2025 this was program was top priority for Hobbs to extend, was killed, making Arizona the first state to let its LIHTC program be repealed. This bill would bring it back; Leslie White, Self: VOTE NO! This is ripe with FRAUD. Leslie White PC Oregon District LD5; Susie Luhrs, Self: What happened with previous budgets?; Randy Brown, Self: It's dead and gone. We don't need to reanimate this zombie and have it wasting tax $. Government isn't the answer, IT'S THE PROBLEM! This issue is buried. No need to dig it up.; Sydney Brown, Self: Why would we bring back fraud? Wouldn't it be better to cut fraud further?; James McFadzean, Self: Tax credit schemes are rife with fraud. Tax credit program was a priority for Hobbs last year but the extension was killed. This bill is an attempt to bring it back. NO way.; Peter Asencio, Self: I am a PC LD1.; Daniel Spencer, Self: Please, no new taxes.; Kathryn Farkas, Self: I don't agree with handouts to developers.; karen enns, Self: As I understand this bill, it would hand out money to developers only, and not help ordinary buyers.; Jeffrey Luft, Self: Another bad idea. Stay out of my pocket, Now!!!; Bonnie Lund, Self: Get rid of the fraud.; Mary Jamsa, Self: This tax credit scheme is rife with fraud. I do not support this bill.; Roy Scott Lassell, Self: I do not support this bill. It is not appropriate and enables another level of fraud and waste.; Kathryn Clark, Self: The affordable housing tax credits expired last year and was repealed. This should not be supported going forward, please vote NO.; brenda simon, Self: Affordable housing seems to play out as tax-payers getting the bill. Enough.; conrad tolson, Self: This could be open to fraud; Joelene Williamson, Self: oppose. no subsidizing developers!; Dayle Hartgerink, Self: Oppose. This is just an opportunity to subsidize land developers LD28 PC; Nancy Barrett, Self: I do not support this; Suzanne Murray, Self: Vote no on this bill which would create Housing tax credits that would be susceptible to fraud; Donalda Bond, Self: Stop the FRAUD & abuse of our tax dollars; Tony Dudzinski, Self: Please vote NO on this bill . Thank you ..; Barton Anderson, Self: Because I'm a Republican.; Anne Fesler-Butts, Self: As retired M.D., USAR LTC: Life member; NCOA Aux, DAV, American Legion, NRA, AZCDL a member of Kiwanis, I urge you to oppose this Bill.; Dimitrios Gockel, Self: I am against this bill of the Rural affordable housing tax credits. Because more needs to be done. Water must be protected, and we do not have enough water to protect all of Arizonians.

HB2926, housing; contractors; bonds; taxes

Support:

Steve Kaiser, HABITAT FOR HUMANITY OF CENTRAL ARIZONA; Janet Larkin, representing self

Oppose:

Nick Ponder, LEAGUE OF ARIZONA CITIES & TOWNS; Robert Wisler, APACHE JUNCTION, CITY OF; Robert Aldous, CASA GRANDE, CITY OF

All Comments:

Janet Larkin, Self: Affordable housing is so important to not putting out more people on the street. We can do this!

PLEASE COMPLETE THIS FORM FOR THE PUBLIC RECORD

HOUSE OF REPRESENTATIVES

Please PRINT Clearly

Committee on Rural Economic Develop. Bill Number 2804

Date 2/5/26 ☑ Support ☐ Oppose ☐ Neutral

Name Brian Swanton Need to Speak? ☑ Yes ☐ No

Representing Gorman & Company Are you a registered lobbyist? NO

Complete Address

E-mail Address bswanton@gormanusa.com Phone Number (612) 709-4889

Comments:

FIVE-MINUTE SPEAKING LIMIT

ARIZONA STATE LEGISLATURE

Fifty-seventh Legislature - Second Regular Session

COMMITTEE ATTENDANCE RECORD

COMMITTEE ON **RURAL ECONOMIC DEVELOPMENT**

CHAIRMAN: Teresa Martinez VICE-CHAIRMAN: Chris Lopez

DATE	02/05/26	
CONVENED	9:03 am	
RECESSED		
RECONVENED		
ADJOURNED	10:00 am	
MEMBERS	PRESENT	NOT PRESENT
Blackman	✓	
Bliss	✓	
Hernandez C	✓	
Peshlakai	✓	
Volk	✓	
Lopez, Vice-Chairman	✓	
Martinez, Chairman	✓	
TOTAL	7	

Attachment 3

ARIZONA HOUSE OF REPRESENTATIVES

57th Legislature, 2nd Regular Session
Majority Research Staff

HB 2804: rural affordable housing; tax credits
Sponsor: Representative Martinez, LD 16
Committee on Rural Economic Development

Overview

Establishes the Rural Development and Housing Tax Credit.

History

Individual income tax is levied on an Arizona resident's taxable income at a single tax rate of 2.5 percent. Corporate income tax is levied on a corporation 's taxable income at 4.9 percent. The calculation of Arizona individual income tax begins with the federal adjusted gross income and the corporate income tax begins with federal taxable income, which are then subject to various additions, subtractions and deductions. Statute also authorizes various tax credits that reduce a taxpayer's income tax liability (A.R.S. Title 43, Chapters 10 and 11).

Provisions

Rural Development and Housing Tax Credit

1. Establishes the rural development and housing tax credit administered by the Arizona Department of Housing. (Sec. 3)
2. Instructs ADOH to allocate tax credits for projects that:
   a. are wholly located within a county with a population of less than 800,000 persons;
   b. qualify for the federal low-income housing tax credit; and
   c. are placed in service after June 30, 2027 in an amount that the department determines is necessary for the economic feasibility of the qualified project. (sec. 3)
3. Specifies the credit is allowed in the first six taxable years during the federal credit period. (sec. 3)
4. Requires ADOH to:
   a. allocate tax credits according to the department's current qualified allocation plan;
   b. prescribe forms, procedures and criteria for applying, evaluating and qualifying for the credit; and
   c. issue an eligibility statement for each qualified project that identifies the qualified project, the allocation year and the amount of the credits allocated to the project. (Sec. 3)
5. Directs ADOH, for calendar years 2026 through 2036, to allocate a total of $2,000,000 of tax credits in any calendar year according to the date of the allocation of the credit. (Sec. 3)

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

Attachment 4

6. Prohibits a credit allocated in calendar year 2026 from being claimed until the federal fiscal year beginning October 1, 2027. (Sec. 3)
7. Specifies an approved amount applies against the dollar limit for the year in which the application is submitted. (Sec. 3)
8. Directs any unused balances that are under the dollar limit be reallocated in the following year. (Sec. 3)
9. Stipulates a taxpayer that owns an interest in an investment in a qualified project that receives an eligibility statement from ADOH is allowed a tax credit provided the taxpayer acquires the interest before filing a tax return claiming the tax credit. (sec. 3)
10. requires the taxpayer to apply the credit against the taxpayer's insurance premium or income tax liability. (sec. 1)
11. Instructs ADOH, with DIFI and ADOR, to adopt rules and publish and prescribe forms and procedures as necessary to administer the tax credit. (Sec. 3)
12. Requires ADOH, by July 30 of each year, to hold a public hearing to solicit and accept public comments relating to the amount of the credit to be used for qualified projects and other rural development and housing tax credit issues. (Sec. 3)
13. Instructs ADOH to submit a report that addresses whether the credits produced a significant number of additional affordable housing units and that analyzes the economic impact of the credits on Arizona. (Sec. 3)
14. Repeal the rural development and housing tax credit January 1, 2037. (Sec. 4)

Miscellaneous

15. Stipulates a taxpayer is allowed a credit against the premium tax liability, individual income tax or corporation income tax provided the ADOH issues an eligibility statement for a qualified project. (Sec. 1, 6, 8)
16. Specifies the amount of the tax credit. (Sec. 1, 6, 8)
17. Requires the taxpayer, to claim the credit, to submit the eligibility statement provided by ADOH to the respective agency with the taxpayer's tax return. (Sec. 1, 6, 8)
18. Allows the unused portion of the tax credit to be carried forward for up to five consecutive taxable years. (Sec. 1, 6, 8)
19. Stipulates if the federal low-income housing tax credit with respect to the qualified project is subject to recapture, then the applicable tax credit is also subject to recapture in a proportion amount from all taxpayers that claimed the credit. (Sec. 1, 6, 8)
20. Requires the applicable agencies in reference to the tax credit to adopt rules and publish and prescribe forms and procedures as necessary to administer the tax credit. (Sec. 1, 6, 8)
21. Declares a taxpayer the claims a tax credit against the state premium tax liability is not required to pay any additional retaliatory tax and may fully offset any retaliatory tax imposed in accordance with statute. (Sec. 1)
22. Contains a purpose statement and saving clause. (Sec. 10, 12)
23. Makes the legislation retroactive to taxable years beginning January 1, 2026. (Sec.11)

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

ROLL CALL VOTE

COMMITTEE ON Rural Economic Development BILL NO. HB 2804

DATE February 05, 2026 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Blackman		✓			
Bliss		✓			
Hernandez C		✓			
Peshlakai		✓			
Volk		✓			
Lopez, Vice-Chairman		✓			
Martinez, Chairman		✓			
		7	0	0	0

Veronica Graham
COMMITTEE SECRETARY

APPROVED:

TERESA MARTINEZ, Chairman
CHRIS LOPEZ, Vice-Chairman

ATTACHMENT 5

HB2804

Attachment 6

ARIZONA HOUSE OF REPRESENTATIVES

57th Legislature, 2nd Regular Session
Majority Research Staff

HB 2388: appropriation; commerce authority; nuclear; study
Sponsor: Representative Martinez, LD 16
Committee on Rural Economic Development

Overview

Appropriates an unspecified amount from the state General Fund (GF) in Fiscal Year (FY) 2027 to the Arizona Commerce Authority (ACA) to study the economic benefits of small modular reactors and data centers.

History

The ACA provides private sector leadership in growing and diversifying the economy of this state, creating high quality employment in this state through expansion, attraction and retention of businesses and marketing this state for the purpose of expansion, attraction and retention of businesses (A.R.S. § 41-1502).

Provisions

1. Appropriates an unspecified amount from the GF in FY 2027 to the ACA to conduct a study of the economic benefits of small modular reactors and data centers to this state and local governments. (Sec. 1)
2. Requires the study to include:
   a. the number of direct and indirect full-time jobs created;
   b. the amount of any state and local tax revenue increases from property, transaction privilege or income taxes;
   c. broadband and infrastructure investments and improvements;
   d. secondary and tertiary jobs and businesses created; and
   e. any other economic benefits the Arizona commerce authority deems relevant. (Sec. 1)
3. Directs the ACA to submit a report of its finding to the Governor and the Legislature and make a copy of the report available on its website. (Sec. 1)

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

Attachment 7

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

ROLL CALL VOTE

COMMITTEE ON Rural Economic Development BILL NO. HB 2388

DATE February 05, 2026 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Blackman		✓			
Bliss		✓			
Hernandez C		✓			
Peshlakai			✓		
Volk		✓			
Lopez, Vice-Chairman		✓			
Martinez, Chairman		✓			
		6	1	0	0

APPROVED:

TERESA MARTINEZ, Chairman
CHRIS LOPEZ, Vice-Chairman

Veronica Graham
COMMITTEE SECRETARY

ATTACHMENT 8