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

COMMITTEE ON COMMERCE

Report of Special Meeting
Tuesday, March 28, 2023
House Hearing Room 3 -- 2:00 P.M.

MINUTES RECEIVED
CHIEF CLERK'S OFFICE
3-29-23

Convened 2:42 P.M.
Recessed
Reconvened
Adjourned 6:43 P.M.

Members Present
Representative Aguilar
Representative Austin
Representative Carter
Representative Gress
Representative Heap
Representative Hendrix
Representative Ortiz
Representative Sandoval
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

Committee Action

Bill	Action	Vote	Attachments
SB1163	DPA/SE	7-3-0-0	4, 5, 6
SB1106	DPA	6-4-0-0	7, 8, 9
SB1161	DPA/SE	7-3-0-0	10, 11, 12
SB1198	DPA/SE	9-1-0-0	13, 14, 15
SCR1033	DPA	6-4-0-0	16, 17, 18
SB1138	DP	6-3-0-1	19, 20

Susan Nelson

Susan Nelson, Committee Secretary
March 29, 2023

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

REVISED - 3/24/23 **REVISED - 3/24/23** **REVISED - 3/24/23**

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

CONVENED: 2:42pm
ADJOURNED: 6:43pm

SPECIAL MEETING AGENDA

COMMITTEE ON COMMERCE

DATE Tuesday, March 28, 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=2023031131

Members:

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

* Rep Sandoval replaced Rep Aguilar at 5:28pm.

	Bills	Short Title	Strike Everything Title
2	SB1106	DPA social media platforms; standards; notification (Rogers: Borrelli, Kern) 6-4-0-0 COM, RULES	
6	SB1138	DP banks; discrimination prohibition; social criteria(now: business; discrimination prohibition; social criteria) (Hoffman: Borrelli, Kern, et al) 6-3-0-1 COM, RULES	
3	SB1161	DPA/SE probation; work time credits; reporting (Kaiser: Shamp) 7-3-0-0 JUD w/d, GOV w/d, COM, RULES	**S/E: affordable housing; development standards; report**
1	SB1163	DPA/SE bond or override; contracts; prohibition (Kaiser: Carroll, Farnsworth, et al) 7-3-0-0 COM, RULES	**S/E: municipal; zoning; housing assessment; report**
4	**SB1198	DPA/SE restored salvage vehicle titles; inspections (Kaiser) 9-1-0-0 CTI held 0-0-0-0-0, RULES	**S/E: condominium; termination; notice; relocation fund**

Attachment 1

Bills	Short Title	Strike Everything Title
5 *SCR1033 DPA 6.4.0.0	state debt; limit; restrictions; prohibitions (Mesnard) COM held 0-0-0-0-0, RULES	

** If out of primary committee and assigned
* On previous agenda

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

JY
~~03/22/2023~~
03/24/2023

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 (3/28/2023)

SB1106, social media platforms; standards; notification

Support:

Phyllis Lester, representing self; John Matthews, representing self; Shirley Dye, representing self; Kay Reardon, representing self; Jere Fredenburgh, representing self; Cathy Schwanke, representing self; Barbara Blewster, representing self; Joseph Pikosz, representing self; Christine Maceri Genge, representing self; Dennis Genge, representing self; Jeff Mulder, representing self; Michele Ingram, representing self; Jennifer Wellsman, representing self; Nancy Hawkins, representing self; Philip Hubacek, representing self; Susan Leeper, representing self; Brandon LaBorde, representing self; Mark Logan, representing self; Cheryl Todd, representing self; Robert Morrow, representing self; Roger Gorres, representing self; Teddi Thompson, representing self; Jerry Clingman, representing self; Theresa Logan, representing self; Charles McCain, representing self; Shannon Severson, representing self; Torsten Leibold, representing self; Michael Meacham, representing self; Stephen Harris, representing self; Corinne Haynes, representing self; Valerie Giramberk, representing self; Buffalo Rick Galeener, representing self; James Adams, representing self; Virginia Reilly, representing self; Barry Burkhardt, representing self; Robert Puckett, representing self; Anita Bruner, representing self; Carol Cherry, representing self; Charles Mackey, representing self; Nikki Colletti, representing self; Dianna Gates, representing self; Bridget Nelke, representing self; Gary Saxhaug, representing self; Susan Thomas, representing self; Charles Bell, representing self; Claribeth Davis, representing self; Melanie Hutchings, representing self; James McFadzean, representing self; Lynn Ludwig, representing self; Beverly Ann, representing self; Joseph Myers, representing self; Mary Kay Ruwette, representing self; Ann Pendarvis, representing self; Susan Kelly, representing self; Philip Bryson, representing self; Catherine Tunget, representing self; Kelly Parks, representing self; Cherie Anello, representing self; Peter Anello, representing self; Roy Morales, representing self; Dawn Hampton, representing self; Carrie Heikkala, representing self; A B, representing self; Laura Doyle, representing self; Joe Fiumara, representing self; Espe Frecks, representing self; Pam Reinke, representing self; Sandra Morrison, representing self; LJ Busam, representing self; Juli Webb, representing self; Harold DarcAngelo, representing self; Brent Meadows, representing self; James L Simpson, representing self; Mary Evelyn Simpson, representing self; Ken Zebal, representing self; Indy Rebhun, representing self; Jeff Specter, representing self; Henry Ganster, representing self; Denise Lockwood, representing self; Cynthia Finnegan, representing self; Jane Evans, representing self; Thomas Burke, representing self; Andrew Costanzo, representing self; Ryan Larson, representing self; Sue VanRiper, representing self; Gary Zimmerman, representing self; Jeff Caldwell, representing self; Kat Nygaard, representing self; Theresa Breithaupt, representing self; William Bodine, representing self; Wayne Throw, representing self; Doris Hinton, representing self; Pam Throw, representing self; Larry Worley, representing self; David Crowley, representing self; diane marins, representing self; Kathy Madsen, representing self; Darrin Bergstad, representing self; Kristine Rodriguez, representing self; Gwen Carey, representing self; Laura Hancock, representing self; Julie Solem, representing self; Eric Lovelis, representing self; Anne Rankin, representing self; Roy Scott Lassell, representing self; Patricia Rosner, representing self; Bonnie Rine, representing self; Donna Malik, representing self; Janet Ackerman, representing self; Kathleen Hahn, representing self; Paul Thompson, representing self; Randy Leier, representing self; Carol Stines, representing self; Walter Houtz Jr., representing self; Gisela Aaron, representing self; Marti Alvarado , representing self; Donna Booth, representing self; Michael Aaron, representing self; Mary Jamsa, representing self;

James Pallas, representing self; Michael Mote, representing self; Victoria Doherty, representing self; George Momper, representing self; Jay Ts, representing self; Rick Wynant, representing self; Raymond Darragh, representing self; Gretchen Petersen, representing self; Lee Chadbourn, representing self; James Malik, representing self; Susan Kay, representing self; Valerie Williamson, representing self; Kay Bateman, representing self; C Dupree, representing self; Jeanne Blackketter, representing self; Deborah McDermott, representing self; Carol Rogala, representing self; Carol Clark, representing self; Larry Rounsaville, representing self; Wendy Jonessee, representing self; Irene Lavor, representing self

Oppose:

Stephanie Romero, representing self; Maria Salvucci, representing self; Kevin Brown, representing self; Mary Ellen Rimsza MD, representing self; Gail Kamaras, representing self; Kathleen Pettycrew, representing self; Dianne Post, representing self; Dave Long, representing self; Robin LaVoie, representing self; Brent Gibbs, representing self; Elizabeth Schauer, representing self; Linda Edwards, representing self; Barbara Oliver, representing self; Sherrilynn James, representing self; Kathy Fraser, representing self; Kimberlee McClure, representing self; Jeri Dow, representing self; Gayle Meredith, representing self; Ralph Meredith, representing self; Matthew Nelson, representing self; Diane Lings, representing self; Carrie L. Goode, representing self; GARY LEW OLIVER, representing self; Kathy Pyner, representing self; Penny Boone, representing self; Susan Morris, representing self; Margaret Adams , representing self; Cynthia Couture, representing self; kathleen mayer, representing self; Bradly Duell, representing self; Jeffrey Fortney, representing self; Mary Fortney, representing self; Kathleen Dubbs, representing self; Anne Leota Hart, representing self; Lucy Marshall, representing self; Rebecca Smith Gross, representing self; Marilyn Coyle, representing self; Kathryn Kaczmarek, representing self; Ruth Shea, representing self; Nancy Santori, representing self; Barbara Hutchinson, representing self; Julie Golding, representing self; Lawrence Peters, representing self; Beverlee Loat, representing self; Darrell Boomgaarden, representing self; Ellen M. Ferreira, representing self; Sallie Kladnik, representing self; Christopher Fleischman, representing self; Karen Syversen, representing self; Carol Maas, representing self; Paula Feely, representing self; Joan Murphy, representing self; Helen Kim, representing self; Murdock Holloway, representing self; Daria Lohman, representing self; Craig McDermott, representing self; Barbarba Tellman, representing self; Sally Harvey, representing self; Ruth Lambert, representing self; Mary Santy, representing self; Rebecca Scotney, representing self; Denise Link, PhD, WHNP, representing self; Marshall Militano, representing self; Sarah Militano, representing self; Dana Nicolson, representing self; Steve Ramos, representing self; Christina Mollica, representing self; Shirley Muney, representing self; Judith Simons, representing self; William Parker, representing self; Valerie Policastro Edie, representing self; Henne Queisser, representing self; Katherine Doman Sheydayi, representing self; Alexei Sheydayl, representing self; Donita Ramos, representing self; Steven Linder, representing self; Mary Pradelt, representing self; Susan Anderson, representing self; Kelly Rostan, representing self; Angela J. Miller, representing self; Elizabeth Putnam-Hidalgo, representing self; Amy Etzkorn, representing self; Virginia Dotson, representing self; Christine Keitges, representing self; Eve Shapiro, representing self; Sue Thorne, representing self; Janet Larkin, representing self; Cynthia Hans, representing self; Sarah King, representing self; Kathleen Martin, representing self; Mary Ann Graffagnino, representing self; Pat VanMaanen, representing self; Marilyn Childs, representing self; marilyn duerbeck, representing self; Marguerite Chaikin, representing self; Jackie Rich, representing self; Charlie Silver, representing self; Nancy Wood, representing self; Barbara Lynn Carpenter, representing self; Amy Bos, representing self; Lisa Maczura, representing self; Christine McLachlan-Comer, representing self; Marilyn Murov, representing self; Nelson Morgan, representing self; Joseph Alexander, representing self; Kathleen Sauer, representing self; Nicole Fordey, representing self; Linda Cooke, representing self; Edna Weigel, representing self; Kathleen Woessner, representing self; David Patchen, representing self; Alice Patricia Price, representing self; Charlotte Lis, representing self; Jennifer Dawson, representing self; Francis Copple, representing self; Linda Paul, representing self; Lori Taniguchi, representing self; David Myers, representing self; Eric Kadel, representing self;

Ishani Deo, representing self; JOHN FIENE, representing self; Bryan Lane, representing self; Katharine Donahue, representing self; Carol Garnett, representing self; Nora Plonsky, representing self; Connie Cockrell, representing self; George Ehrlich, representing self; Dawn Norton LD29, representing self; Rebecca Haynes, representing self; Mitchell Smith, representing self; Dianna DiMaggio, representing self; Sharon Ehrlich, representing self; Jerrold Borchardt, representing self; ALICE BUCK, representing self; Margaret Owen, representing self; Donna Johnson, representing self; Nancy Hancock, representing self; Mary Nelson, representing self; Jerry Wegenast, representing self; Devon Sloan, representing self; Janie Smieszek, representing self; Thea Chalow, representing self; RITA DEPUYDT, representing self; Rivko Knox, representing self; Crystal Bazarnic, representing self; Robert Fisher, representing self; Teresa Kelleher, representing self; Jo Ann Caruthers, representing self; Christian Trujillo Cruz, representing self; Judy Wegenast, representing self; Patricia Edelen, representing self; Karolyn Switzer, representing self; Gary Rulapaugh, representing self; Karen Kaplan, representing self; Eileen Hollowell, representing self; Catherine Hopkins, representing self; William Yohey, representing self; Gary Townsend, representing self; Margaret Tinsley, representing self; Stephen Coyle, representing self; William S. James, representing self; Sheila Green, representing self; Aaron Essif, representing self; Elizabeth Brauer, representing self; Jane Atkins, representing self; Rebecca Shook, representing self; Lynn Chinnis, representing self; Nora Welsh, representing self; Barbara Hurley, representing self; Roxanna Kearns, representing self; Charlene Campbell, representing self; Erica Hansen, representing self; Melanie Magisos, representing self; Caroline Anderson, representing self; Ariana Flores, representing self; Kathryn Dorn, representing self; jeff green, representing self; Laura Henry, representing self; Dieter Knecht, representing self; Dorothy Reed-Inman, representing self; Eric Harris, representing self; Steve Singkofer, representing self; Claire Bickel, representing self; Margaret Lacey, representing self; Cynthia Wagner, representing self; Cassandra Morano, representing self; Michael Levine, representing self; Suzette Taillac-Streit, representing self; marcia stewart, representing self; John Propster, representing self; Barbara Swenson, representing self; Brenda Parker, representing self; Patricia Brunner, representing self; Valarie Bryant, representing self; Allison Jackson, representing self; Denise Hudson, representing self; Carmen Terrell, representing self; Libby Stortz, representing self; Theresa Ryan, representing self; Margaret Cordovano, representing self; Leslie Hanson, representing self; Dee Maitland, representing self; Nancee K Wood, representing self; Jacqueline deSa, representing self; Jillian Downs, representing self; Alicia Messing, representing self; Angela Buer, representing self; Carolyn Lowther, representing self; Barbara Jones, representing self; Beth Ballmann, representing self; Lisa Koenig, representing self; Deborah Arn, representing self; Kathleen Schanus-Gohl, representing self; Susan Heck, representing self; Jill Anderson, representing self; Cynthia Paster, representing self; Christopher Cerrato, representing self; Sherri Johnson, representing self; Karen Robbins, representing self; Brandy Reese, representing self; Linda Block, representing self; Mariann Leahy, representing self; Mary Maclin, representing self; Peggy Church, representing self; Norman Fuchs, representing self; Roy Verdery, representing self; Alison Danis, representing self; Julian Donahue, representing self; Paula Van Derven, representing self; Lois Hansen, representing self; John Neville, representing self; Cheryl Stafford, representing self; Linda Guarino, representing self; Jeannine Reno, representing self; Nancy Lecrone Nonini, representing self; Kathryn Anderson, representing self; Zachary Rome, representing self; Michael Pyska, representing self; Nancy Branham, representing self; Marcia Tingley, representing self; Linda Ekstrum, representing self; Courtney Coolidge, AZ CHAMBER OF COMMERCE; Pat Johnson, representing self

All Comments:

Phyllis Lester, Self: We have to curb the social media interference.; John Matthews, Self: It's more than political beliefs it's also medical beliefs as well.; Shirley Dye, Self: Good idea, do not know if it will fly due to Social Media Cos going way beyond AZ state boundaries. But it is good not to be able to censor or take down candidates.; Jere Fredenburgh, Self: some common sense when using; Barbara Blewster, Self: Excellent bill.; Christine Maceri Genge, Self: Brings some ethics and truth to media.; Philip Hubacek, Self: Censorship must be stopped. Media should not

be allowed to censor conservative voices.; Brandon LaBorde, Self: Supports 1st amendment - only communists would not support this.; Roger Gorres, Self: This bill restores the 1st amendment for social media.; Shannon Severson, Self: Vote Yes. People shouldn't be discriminated against in the digital town square for their views and thoughts.; Stephen Harris, Self: The extreme misbehavior of social media platforms has created a pressing need for this bill. If enacted, it will most likely face a constitutional challenge. From a non-lawyer citizen's point of view, HB1106 seems well poised to survive the challenge; Valerie Giramberk, Self: Social media platforms are open to the public in general and therefore, everyone should have a right to access and posts on these platforms. These companies should not be allowed to discriminate based on political beliefs.; Barry Burkhardt, Self: This should be done at the National level but the State needs to take the lead and set the example!!; Nikki Colletti, Self: The extreme misbehavior of social media platforms has created a pressing need for this bill; Bridget Nelke, Self: this bill presents a good format for defining parameters and consequences for non compliance thank you; Gary Saxhaug, Self: Helps prevent people from being kicked off social media for their political beliefs. I'm a PC/SC.; Charles Bell, Self: The extreme misbehavior of social media platforms has created a pressing need for this bill.; Joseph Myers, Self: Provides media outlets from wrongful treatment of candidates running for office. This is an inappropriate use of algorithm and social media to target certain candidates; Susan Kelly, Self: incorrect; Philip Bryson, Self: I am an elected PC in Pima County LD18 precinct 262; Carrie Heikkala, Self: It's about time!; Joe Fiumara, Self: We need more freedom of speech in this country and less social media banning.; Espe Frecks, Self: Helps prevent people from being kicked off social media for their political beliefs; LJ Busam, Self: This will help from people being banned / licked off social media for their political beliefs which violates the 1st Amendment; Harold DarcAngelo, Self: LD15 PC; Mary Evelyn Simpson, Self: YavGOP PC. A much needed bill in the current social climate; Ken Zebal, Self: This is all about enforcing the first amendment you must support this; Gail Kamaras, Self: This is a conspiracy theory in search of a problem.; Penny Boone, Self: This bill is inspired by an absurd conspiracy theory that right-wing extremists are being persecuted by Big Tech. I oppose.; Susan Morris, Self: Based on irrational belief in conspiracies.; Anne Leota Hart, Self: This is a ridiculous bill based completely on a conspiracy theory that extremists like the Senator from LD 7 are being persecuted by Big Tech. Please stop wasting the people of Arizona's time. Address important and real issues.; Kathryn Kaczmarek, Self: Dangerous bill if passed. I do not support ordering social media to follow requirements listed in this bill.; Karen Syversen, Self: This bill is inspired by a conspiracy theory that right-wingers are persecuted by Big Tech. This was proved wrong by the Twitter hearings.; Sally Harvey, Self: This is a non-existent issue and a waste of time; Andrew Costanzo, Self: No censorship.; Gary Zimmerman, Self: We must get social media out of the business of aiding and abetting election fraud and selective partisan censorship.; Elizabeth Putnam-Hidalgo, Self: Stop the conspiracy/victim theories. Although often we might WANT such tech settings, we don't actually have them.; Virginia Dotson, Self: Spreading lies to many thousands of people constitutes a public nuisance. We must keep the protections we have, even though they are inadequate to the scale of the problem.; William Bodine, Self: Follow the constitution and give freedom of speech.; David Crowley, Self: Guaranteeing every citizens right to participate in Free Speech.; Sue Thorne, Self: Extreme right wing candidates who spout conspiracy theories about vaccines that have prevented millions of deaths to those smart enough to get them, outright lies about fair elections, books, teachers teaching history should be monitored & curtailed; Kristine Rodriguez, Self: clearly a free speech issue. Yes!; Eric Lovelis, Self: As a PC in LD2, I am 100% in favor of this bill and the 1st Amendment! Without free speech, there will be no discussion, and no chance to work out differences. We need to be respectful even if we disagree. Vote Yes; Roy Scott Lassell, Self: I support. We need to hear all non violent views. Open debate is a foundation of America.; Janet Ackerman, Self: I support. This bill strengthens my 1st Amendment right to political speech.; Mary Ann Graffagnino, Self: Ridiculous!; Carol Stines, Self: Social media is in cahoots with gov't agencies. We must not limit free speech.; Mary Jamsa, Self: Helps prevent people from being shut down on social media because of their political beliefs.; Michael Mote, Self: I am stronly in favor of this bill which helps prevent people from being kicked off or silenced on social media for their political beliefs. Big tech censorship is a huge problem in the country and help prevent that.; George Momper, Self:

Silencing opinions contrary to the government's narrative is a tool of dictators. Who is the supreme judge of "disinformation" anyway. AZ used to be proud of it's freedom.; Jay Ts, Self: Corporations are legal entities that would not exist unless We the People created laws that allow them to exist. Therefore, corporations need to be required to support ALL of our rights, just as the government is.; Raymond Darragh, Self: We need this bill to help protect freedom of speech; Lee Chadbourn, Self: Prevent people from being kicked off social media platforms because of their beliefs; Marguerite Chaikin, Self: such foolishness!; Susan Kay, Self: Republican LD3; Jackie Rich, Self: can the state regulate this? shouldn't this be a federal bill?; C Dupree, Self: Helps prevent people from being kicked off social media for their political beliefs.; Carol Rogala, Self: Strongly support.; Irene Lavor, Self: Free speech is a first amendment right. No one should be kicked off social media for their political beliefs.; Lisa Maczura, Self: So, behaving like a responsible adult on social media is now "woke"? A bad bill.; Jennifer Dawson, Self: Inspired by a conspiracy theory that right-wingers are being persecuted by Big Tech. ;this is nonsense.; Ishani Deo, Self: Everyone, including political candidates, needs to be held to the same standards of behavior. If candidates fail to meet this, social media platforms should have the right to prevent them behaving inappropriately; JOHN FIENE, Self: Although there are good reasons to monitor social media, this bill is part of a conspiracy theory that Big Tech is out to persecute Republicans. Write a new one, please.; Katharine Donahue, Self: No law should be based on a conspiracy theory. Laws should be based on fact not fantasy.; Dawn Norton LD29, Self: Ban social media platforms from "deplatforming" or "shadow banning" candidates under a conspiracy theory of persecution by Big Tech. Don't pass this bill restricting platform moderation & amplifying harmful content.; Rebecca Haynes, Self: Battling an imaginary opponent. Waste of time and money.; Mary Nelson, Self: First amendment?; Crystal Bazarnic, Self: If someone breaks the rules of a platform, they have the right (and responsibility) to take action. Support business. Vote no.; Karolyn Switzer, Self: This is based on an unfounded conspiracy theory and doesn't deserve to see the light of day.; Catherine Hopkins, Self: If every person is not above the law, why would a legislator be above standards set for all Americans? Legislators are Americans who volunteered to serve for all in their districts. Same rules need to apply for all. Legislators are NOT above standard; William Yohey, Self: A private company should have a right to ban anyone who is telling lies or malicious language SHOULD be ban.; Gary Townsend, Self: Anyone placing false or inflammatory messaging should be banned to protect the public.; Margaret Tinsley, Self: Arizona should not be regulating international social media platforms. Please vote no.; Elizabeth Brauer, Self: This is a ridiculous bill. Social media platforms absolutely should ban candidates who spread lies about election integrity and voter fraud.; Roxanna Kearns, Self: Social media platforms must have the ability to ban candidates who promote violence; Caroline Anderson, Self: Inspired by a conspiracy theory that right-wingers, candidates in particular, are being persecuted by Big Tech via settings which let the user post and browse the site normally but limits their posts' reach to other users.; Kathryn Dorn, Self: About deplatforming: being a candidate doesn't give someone the right to incite violence without suffering any consequences. About "shadow banning": do you have *any* actual evidence of that? (I.e., evidence that a court would accept?) I doubt it.; Steve Singkofer, Self: The government is the only entity that is prohibited from censoring people. Conspiracy theories notwithstanding. Vote NO.; Cynthia Wagner, Self: Conspiracy theory; marcia stewart, Self: THis bill looks to be created based on false information. The federal gov., is addressing more controls on social media, for many reasons, to include protecting our children, which should be of greater interest.; John Propster, Self: Another silly bill from a silly woman. VOTE NO! Save time and money since a veto is certain.; Theresa Ryan, Self: This is a Conspiracy Theory.; Margaret Cordovano, Self: A candidate who posts on social media should follow the rules for posting and if he or she does not, there should not be a free pass given just because he or she is a candidate for public office.; Dee Maitland, Self: There is no conspiracy against Republicans. They just indulge in more hate and violent rhetoric than other people.; Beth Ballmann, Self: This bill is inspired by a conspiracy theory that right wingers are being persecuted by Big Tech. They aren't.; Susan Heck, Self: Oppose I'd be happy to take social media away from people that are supporting big lies, misinformation, and hate speech. Just like I would take my teen's phone away if they were doing things that hurt the common good.; Christopher Cerrato, Self: NO!; Brandy Reese, Self: Private businesses

have the right to make and enforce their terms and conditions of service, so long as they aren't discriminating against protected groups.; Lois Hansen, Self: it is a conspiracy theory that "big tech" is targeting and deplatforming a political party; John Neville, Self: Not necessary censorship.; Cheryl Stafford, Self: Those who trty to use a social media platform for anti-American, anti-democratic or anti-constitutional communication should be able to be banned by the platform.; Linda Guarino, Self: Politicians who lie and/or encourage violence should be banned.; Jeannine Reno, Self: Elon Musk is letting previously banned Right-wing accounts back on Twitter. We have more pressing issues in AZ than giving any time to this bill.; Nancy Branham, Self: I am constituent in LD7. This bill is unnecessary and is based on theory that right candidates are being persecuted by Big Tech. Right wing candidates should SERIOUSLY listen to their constituents. That's who they are voted to represent.

SB1138, banks; discrimination prohibition; social criteria (NOW: business; discrimination prohibition; social criteria)

Support:

Theodore Farmer, representing self; Cathy Schwanke, representing self; Joseph Pikosz, representing self; Jeff Mulder, representing self; Michele Ingram, representing self; Philip Hubacek, representing self; Susan Leeper, representing self; Brandon LaBorde, representing self; Mark Logan, representing self; Cheryl Todd, representing self; Robert Morrow, representing self; Roger Gorres, representing self; Teddi Thompson, representing self; Theresa Logan, representing self; Charles McCain, representing self; Shannon Severson, representing self; Torsten Leibold, representing self; Stephen Harris, representing self; Valerie Giramberk, representing self; James Adams, representing self; Virginia Reilly, representing self; Barry Burkhardt, representing self; Robert Puckett, representing self; Anita Bruner, representing self; Robert Glass, representing self; Charles Mackey, representing self; Dianna Gates, representing self; Gary Saxhaug, representing self; Susan Thomas, representing self; Claribeth Davis, representing self; Melanie Hutchings, representing self; Laurie Foster, representing self; Joseph Myers, representing self; Mary Kay Ruwette, representing self; Ann Pendarvis, representing self; Philip Bryson, representing self; Catherine Tunget, representing self; Cherie Anello, representing self; Peter Anello, representing self; Roy Morales, representing self; Dawn Hampton, representing self; A B, representing self; P B, representing self; Laura Doyle, representing self; Joe Fiumara, representing self; Crystal O, representing self; Espe Frecks, representing self; Pam Reinke, representing self; Sheilia Stoddard, representing self; Sandra Morrison, representing self; John Gailey, representing self; LJ Busam, representing self; Juli Webb, representing self; Harold DarcAngelo, representing self; Brent Meadows, representing self; Ken Zebal, representing self; Jeff Specter, representing self; Henry Ganster, representing self; Denise Lockwood, representing self; Carol Stines, representing self; Donna Booth, representing self; Gwen Carey, representing self; Kristine Rodriguez, representing self; William Bodine, representing self; Doris Hinton, representing self; Eric Lovelis, representing self; Susan Kay, representing self; Kathleen Hahn, representing self; Paul Thompson, representing self; Wendy Jonessee, representing self; Darrin Bergstad, representing self; Jeff Caldwell, representing self; Walter Houtz Jr., representing self; Linda Scorzo, representing self; Chris Pedersen, representing self; Gretchen Petersen, representing self; Sue VanRiper, representing self; Randy Leier, representing self; Terry Fair, representing self; Mary Jamsa, representing self; Thomas Burke, representing self; Theresa Breithaupt, representing self; Wayne Throw, representing self; Pam Throw, representing self; Larry Worley, representing self; diane marins, representing self; Kathy Madsen, representing self; Julie Solem, representing self; Anne Rankin, representing self; Roy Scott Lassell, representing self; Patricia Rosner, representing self; Bonnie Rine, representing self; Donna Malik, representing self; Gisela Aaron, representing self; Marti Alvarado , representing self; Michael Aaron, representing self; Michael Mote, representing self; George Momper, representing self; Rick Wynant, representing self; Raymond Darragh, representing self; Lee Chadbourn, representing self; James Malik, representing self; Valerie Williamson, representing self; Janet

Ackerman, representing self; Judith Swietlik, representing self; C Dupree, representing self; Jeanne Blackketter, representing self; Deborah McDermott, representing self; Carol Rogala, representing self; Carol Clark, representing self; Larry Rounsaville, representing self; Irene Lavor, representing self

Oppose:

Stephanie Romero, representing self; Kevin Brown, representing self; Dianne Post, AZ NATIONAL ORGANIZATION FOR WOMEN (NOW), Self, STATE CONFERENCE NAACP; Mary Ellen Rimsza MD, representing self; Robin LaVoie, representing self; Elizabeth Goff, representing self; Dave Long, representing self; Brent Gibbs, representing self; Elizabeth Schauer, representing self; Linda Edwards, representing self; Charlotte Lis, representing self; Sherrilynn James, representing self; Kathy Fraser, representing self; Kimberlee McClure, representing self; Jeri Dow, representing self; Barbara Oliver, representing self; Gayle Meredith, representing self; Ralph Meredith, representing self; Diane Lings, representing self; Carrie L. Goode, representing self; GARY LEW OLIVER, representing self; Kathy Pyner, representing self; Rebecca Haynes, representing self; Susan Morris, representing self; Margaret Adams , representing self; Cynthia Couture, representing self; Margaret Owen, representing self; Mary Nelson, representing self; Thea Chalow, representing self; Crystal Bazarnic, representing self; kathleen mayer, representing self; Bradly Duell, representing self; Robert Fisher, representing self; Jo Ann Caruthers, representing self; Jeffrey Fortney, representing self; Mary Fortney, representing self; Kathleen Dubbs, representing self; Lucy Marshall, representing self; Raquel Mamani, representing self; Anne Leota Hart, representing self; Gary Rulapaugh, representing self; Marilyn Coyle, representing self; Penny Boone, representing self; Eileen Hollowell, representing self; margaret gallagher, representing self; Kenneth Bierman, representing self; Ruth Shea, representing self; Barbara Hutchinson, representing self; Nancy Santori, representing self; Stephen Coyle, representing self; Lawrence Peters, representing self; Julie Golding, representing self; Beverlee Loat, representing self; Darrell Boomgaarden, representing self; Sallie Kladnik, representing self; Ellen M. Ferreira, representing self; Christopher Fleischman, representing self; William Yohey, representing self; Carol Maas, representing self; Roxanna Kearns, representing self; Murdock Holloway, representing self; Helen Kim, representing self; Daria Lohman, representing self; Craig McDermott, representing self; Caroline Anderson, representing self; Ariana Flores, representing self; Anne Thompson, representing self; Karen Syversen, representing self; Jessica Haug, representing self; Barbarba Tellman, representing self; Dorothy Reed-Inman, representing self; Ruth Lambert, representing self; Sally Harvey, representing self; Cassandra Morano, representing self; Mary Santy, representing self; Rebecca Scotney, representing self; Kathryn Kaczmarek, representing self; Melissa Sadorf, representing self; Sarah Militano, representing self; Marshall Militano, representing self; Denise Link, PhD, WHNP, representing self; Steve Ramos, representing self; Christina Mollica, representing self; Dana Nicolson, representing self; Shirley Muney, representing self; Judith Simons, representing self; William Parker, representing self; Henne Queisser, representing self; Sharon Lee, representing self; Steven Linder, representing self; Donita Ramos, representing self; Mary Pradelt, representing self; Susan Anderson, representing self; Kelly Rostan, representing self; Angela J. Miller, representing self; Elizabeth Putnam-Hidalgo, representing self; Amy Etzkorn, representing self; Virginia Dotson, representing self; Eve Shapiro, representing self; Deborah Arn, representing self; Sue Thorne, representing self; Kari Hull, representing self; Janet Larkin, representing self; Jeanne Devine, representing self; Becky Sayler, representing self; Mary Maclin, representing self; Marilyn Childs, representing self; Emily Norton, representing self; Roy Verdery, representing self; marilyn duerbeck, representing self; Mary Ann Graffagnino, representing self; Marguerite Chaikin, representing self; Jackie Rich, representing self; Kathryn Anderson, representing self; Wes Oswald, representing self; Janet Senf, representing self; Charlie Silver, representing self; Michael Pyska, representing self; Nancy Branham, representing self; Wendy Briggs, AMERICAN PROPERTY CASUALTY INSURANCE ASSOCIATION; Daniel Romm, NATIONWIDE MUTUAL INSURANCE COMPANY; Nancy Wood, representing self; Barbara Lynn Carpenter, representing self; Darren Clift, representing self; Ryan Boyd, AZ ASSOCIATION OF COUNTIES; Pat Johnson, representing self; Jay Kaprosy, Arizona Bankers Association; Jennifer Coleman, representing self; Lisa

Maczura, representing self; Christine McLachlan-Comer, representing self; Maria Salvucci, representing self; Marilyn Murov, representing self; Nelson Morgan, representing self; Kathleen Sauer, representing self; Joseph Alexander, representing self; Nicole Fordey, representing self; Linda Cooke, representing self; Kathleen Woessner, representing self; Francis Copple, representing self; Frederick James, representing self; Linda Paul, representing self; Lori Taniguchi, representing self; Eric Kadel, representing self; Jennifer Dawson, representing self; David Myers, representing self; Ishani Deo, representing self; Bryan Lane, representing self; Nora Plonsky, representing self; Connie Cockrell, representing self; Dawn Norton LD29, representing self; George Ehrlich, representing self; Katharine Donahue, representing self; Mitchell Smith, representing self; Sharon Ehrlich, representing self; Jerrold Borchardt, representing self; ALICE BUCK, representing self; Donna Johnson, representing self; Nancy Hancock, representing self; Jerry Wegenast, representing self; Devon Sloan, representing self; RITA DEPUYDT, representing self; Rivko Knox, representing self; Teresa Kelleher, representing self; Christian Trujillo Cruz, representing self; Judy Wegenast, representing self; Patricia Edelen, representing self; Patricia Van Tuyl, representing self; Karolyn Switzer, representing self; Karen Kaplan, representing self; Margaret Tinsley, representing self; Catherine Hopkins, representing self; Victor Peterson, representing self; Sheila Green, representing self; Rebecca Shook, representing self; Barbara Hurley, representing self; Nora Welsh, representing self; Erica Hansen, representing self; Charlene Campbell, representing self; Melanie Magisos, representing self; Kathryn Dorn, representing self; Aaron Essif, representing self; jeff green, representing self; Dieter Knecht, representing self; Lisa Calderon, representing self; Laura Henry, representing self; Eric Harris, representing self; Claire Bickel, representing self; Steve Singkofer, representing self; Margaret Lacey, representing self; Lora Lida Walradt, representing self; Cynthia Wagner, representing self; Barbara Swenson, representing self; Allison Jackson, representing self; marcia stewart, representing self; Brenda Parker, representing self; Patricia Brunner, representing self; Carrie Sampson, representing self; Valarie Bryant, representing self; Carmen Terrell, representing self; Libby Stortz, representing self; Theresa Ryan, representing self; Leslie Hanson, representing self; Leslie Stallcop, representing self; Nancee K Wood, representing self; Jacqueline deSa, representing self; Angela Buer, representing self; Carolyn Lowther, representing self; Barbara Jones, representing self; Lisa Koenig, representing self; Kathleen Schanus-Gohl, representing self; Jill Anderson, representing self; Karen Robbins, representing self; Christopher Cerrato, representing self; Sherri Johnson, representing self; Linda Block, representing self; Alice Patricia Price, representing self; Mariann Leahy, representing self; Austin De Bey, Gowest Credit Union Associaton; Janie Smieszek, representing self; Pierre Desombre, representing self; Peggy Church, representing self; Cassio Saverino, representing self; Alison Danis, representing self; Julian Donahue, representing self; Paula Van Derven, representing self; Sharon Hendrickson, representing self; Lois Hansen, representing self; Eric Ossowski MD, representing self; Cheryl Stafford, representing self; Dianna DiMaggio, representing self; Claudia Oreck-Teplitsky, representing self; Nancy Lecrone Nonini, representing self; Zachary Rome, representing self; Leda DeVlieger, representing self; Marcia Tingley, representing self; Shirley Isaacson, representing self; Courtney Coolidge, AZ CHAMBER OF COMMERCE; Brandy Reese, representing self

All Comments:

Theodore Farmer, Self: NO ESG; Philip Hubacek, Self: Discrimination for ESG opinions has no place for companies or individuals.; Brandon LaBorde, Self: ESG is a backdoor to centralized control, akak communism. It is evil and will be used against individuals if allowed to have legal force. This bill protects individuals who differ from radical leftist ESG doctrine.; Roger Gorres, Self: The enforcement of ESG policies for all, is nothing other than socialism, and places a undue financial burden on the middle and lower class.; Shannon Severson, Self: Vote YES. STOP Chinese Communist Party-style social credit score systems that are unconstitutional, discriminatory and un-American.; Stephen Harris, Self: Protects individuals from being forced to adhere to ESG policies to participate in the economy; Valerie Giramberk, Self: Banks, insurers and others should not force an individual to accept the insane notion of ESG (equal outcome for all) in order to due business. This is a country of equal opportunity. Let

hard work and merit determine the outcome.; Gary Saxhaug, Self: Protects individuals from being forced to adhere to ESG policies to participate in the economy. I'm a PC/SC.; Joseph Myers, Self: Promotes limited discrimination based on political affiliation and other kinds of woke ideologies, such as ESG scores and unsustainable environmental policies; Philip Bryson, Self: I am an elected PC in Pima County LD18 precinct 262; Joe Fiumara, Self: No more ESG scoring or restrictions. ESG is a scam.; Crystal O, Self: better response to the ESG issue would be to restrict government from imposing social credit requirements on banks; Espe Frecks, Self: Protects individuals from being forced to adhere to ESG policies to participate in the economy; LJ Busam, Self: People should NOT be penalized or forced to adhere to ESG guidelines to participate in the economy. This is detrimental to our entire nation; Harold DarcAngelo, Self: LD15 PC; Ken Zebal, Self: To my way of thinking ESG policies are blatantly unconstitutional and this bill protects us from ESG; Carol Stines, Self: the whole ESG thing is made up and should not be used against companies; Kristine Rodriguez, Self: the radical concept of ESG's for businesses or individuals in America is anachronistic and belongs in the waste bin of history along with other freedom destroying communist concepts; William Bodine, Self: I don't want government requiring me to follow ESG policies. Keep your hands off of wallet. ESG is anti-american and anti-capitalistic.; Eric Lovelis, Self: As a PC in LD2, I am 100% against this bill. Being told how to run my business is no business of the government. Free Enterprise is what made America the greatest nation on the planet! Please vote YES on this bill.; Susan Kay, Self: Republican LD3; Mary Jamsa, Self: Protects people from being forced to adhere to ESG policies to participate in the economy.; Dianne Post, AZ NATIONAL ORGANIZATION FOR WOMEN (NOW), Self, STATE CONFERENCE NAACP: Social criteria and nondiscrimination are in fact good for business and those who do it are more profitable and stable. What is it you fear?; Barbara Oliver, Self: If this bill passes it could cost AZ millions!; Rebecca Haynes, Self: If the measure passes, most banks would not be able to work with any Arizona counties. as the Coconino County treasurer says, "How are teachers going to get payroll if I don't have a bank I can work with?"; Susan Morris, Self: Sen. Hoffman et al do not seem to understand the value of responsible investing.; Margaret Owen, Self: As I understand it, out of Arizona's 15 county treasurers (the majority of whom are Republicans!), 14 of them actually oppose this bill. That pretty much says it all to me. I oppose this bill.; Crystal Bazarnic, Self: Business is free to create their policy. The people are free to vote with their wallets. Vote no on this!; kathleen mayer, Self: violates 1st amendment rights of businesses; Kathleen Dubbs, Self: Listen to your county treasurers! This bill is ridiculous; Anne Leota Hart, Self: This will cost teachers and others to lose millions of dollars for no good reason. This is another kooky extremist position and an invalid interpretation of discrimination. Shame on them.; Penny Boone, Self: Banning ESG is unethical. It is extremist rhetoric. This bill may cost Arizonians millions of dollars. I oppose.; Eileen Hollowell, Self: Culture war statement that is opposed by most counties. Bad policy; Christopher Fleischman, Self: Government overreach into banks' business decisions.; William Yohey, Self: Hoffman wants to regulate banks. Since most county treasurers oppose this bill so should the legislators.; Roxanna Kearns, Self: Fourteen of Arizona's 15 county treasurers oppose this bill.; Caroline Anderson, Self: If the measure passes, most banks would not be able to work with any Arizona counties. Fourteen of Arizona's 15 county treasurers (10 of whom are Republicans) oppose the bill. Such efforts could cost Arizona millions.; Karen Syversen, Self: 14 of 15 country treasurers (of which 10 are GOP), oppose this bill!; Sally Harvey, Self: This is a ridiculous bill and would result in an unworkable environment for county treasurers; Kathryn Kaczmarek, Self: 14 of our 15 AZ county treasurers oppose this bill, that's how bad this would be for our state. Horrible bill.; Judith Simons, Self: Thoughtless, unnecessary, would cause great harm.; Mary Pradelt, Self: Listen to the stakeholders (banks) who strongly oppose this senseless bill; Virginia Dotson, Self: This would severely limit Arizonans' banking choices. It would be harmful.; Sue Thorne, Self: Dingbat Sen Hoff has produced a bill that 10 saner Repub. county treasurers are opposed to because banks realize we must go ESG to get Climate Chng ;under control. This Bill will cost AZ millions. One treasurer asks "How will teachers be paid?" NO!!!; Jeanne Devine, Self: Stop trying to control banks that endorse social or environmental values.; Roy Scott Lassell, Self: I fully support. This is the right approach.; Gisela Aaron, Self: No discrimination on ESG values.; Marti Alvarado , Self: I support. No more discrimination in how we live our lives.; Roy Verdery, Self: As a socially

responsible investor, I think banks and other institutions should have the absolute right to do business and make investments based on their contribution to the greater good of society and other social criteria.; Mary Ann Graffagnino, Self: Just wrong and discriminatory.; Michael Mote, Self: I am in favor of this bill which protects individuals from being forced to adhere to ESG policies and discriminating against any person based on certain affiliations or value-based criteria.; George Momper, Self: If you do not support this I would assume you admire the Communist Party of China's ability to neutralize people.; Lee Chadbourn, Self: No one should be forced to adhere to ESG Policies; Jackie Rich, Self: This bill would prevent most banks from working with any AZ counties. This bill needs to be amended.; Janet Ackerman, Self: I support. We shouldn't be forced to adhere to ESG policies in order to even participate in the economy.; C Dupree, Self: Protects individuals from being forced to adhere to ESG policies to participate in the economy.; Carol Rogala, Self: Strongly support.; Darren Clift, Self: Senator Barry Goldwater said it best: "This country has grown great and strong and prosperous by placing major reliance on a free economy...Private property, free competition, hard work-these have been our greatest tools." I encourage you to vote no.; Irene Lavor, Self: Individuals should NOT be forced to adhere to ESG policies to participate in the economy. Not in a free country!!; Lisa Maczura, Self: Unworkable and anti-business. Leave the banks alone.; Marilyn Murov, Self: How will counties meet payroll if they can't find a bank to work with? This bill hurts Arizona and could cripple us.; Nelson Morgan, Self: This bill interferes with the normal operation of business by banks. It's governmental overreach.; Joseph Alexander, Self: A misguided proposal with very serious negative impacts throughout AZ.; Linda Paul, Self: Allow banks to perform business as they see fit. This is governmental over reach with consequences for the budget/\.; Jennifer Dawson, Self: Fourteen of Arizona's 15 county treasurers (10 of whom are Republicans) oppose the bill; "How are teachers going to get payroll if I don't have a bank I can work with?" Could cost AZ millions.; Ishani Deo, Self: This doesn't do anything other than create problems for state systems and make it impossible to do business in or with Arizona; Dawn Norton LD29, Self: The bill would prohibit banks from discriminating based on political affiliation, social or environmental values. But it could cost AZ millions and hinder basic services. Fourteen county treasurers oppose it. Reject this bill.; Katharine Donahue, Self: Bad idea and probably based on the parochial social agenda of the sponsor.; Rivko Knox, Self: When 10 Rep. County Treasurer's oppose this bill, I think we have a problem!! Vote NO!!; Patricia Van Tuyl, Self: Bill would tie the hands of investors, drastically limiting investment choices and likely to taxpayers hundreds of millions of dollars nationwide and legislating Arizona's county treasurers out of having access to banks they can use for payroll.; Karolyn Switzer, Self: This is a bad idea on so many fronts - most AZ county treasurers oppose it because it would make their work more difficult.; Margaret Tinsley, Self: This would be horribly limiting to investment. Please vote no.; Catherine Hopkins, Self: An unreasonable bill. County treasurers are opposing this bill since their hands would be tied paying teachers as no bank could be worked with. Reimagine the bill. This is not the correct bill; Kathryn Dorn, Self: Are you prepared to explain how you broke the state's economy by forcing most banks and credit unions out (depriving people of basic services like check-cashing)? If not, please vote against this. Banks don't have to fund human rights abuses.; Steve Singkofer, Self: Capitalists are, apparently, only capitalists if and when they can force people to buy their shit. VOTE NO.; Lora Lida Walradt, Self: LD 8 voter: Punitive bill that would that leave counties without banks to process payrolls, result in loss of vital services, government shut downs and economic chaos, cost the state millions. REPUBLICANS & Democrats both oppose this bill.; Cynthia Wagner, Self: Fourteen of Arizona's 15 county treasurers (10 of whom are Republicans) oppose the bill; as the Coconino County treasurer says, "How are teachers going to get payroll if I don't have a bank I can work with?"; marcia stewart, Self: Investment decisions in government workers future retirement funds, need to be handled by professionals and not politicians. Cultural issues should not be considerations. Allow the experts to work on the future finances; Theresa Ryan, Self: Even Republicans are against this bill. As a former banker I know banks can't discriminate based on political affiliation, or social or environmental values. This is a bogus bill.; Janie Smieszek, Self: Too many banks would not be useable.; Cassio Saverino, Self: Another attempt to punish and micro manage local entities to punish schools. And you wonder why we have 3000 openings.; Lois Hansen, Self: One recent study says such efforts could

cost Arizona millions.; Eric Ossowski MD, Self: Bad Bill; Cheryl Stafford, Self: Fourteen of Arizona's 15 county treasurers (10 of whom are Republicans) oppose the bill. This would impede teachers and other public service employees from having a bank from which to get their paychecks.; Shirley Isaacson, Self: I am an Az. voter; Brandy Reese, Self: This bill is government overreach and infringement into the affairs of private businesses. It is an egregious abuse of power.

SB1161, probation; work time credits; reporting

Support:

Jake Hinman, Arizona Multihousing Association; Diana Devine, representing self; Lourdes Peña, ARIZONA HOUSING COALITION; Gaelle Esposito, Urban Phoenix Project; Christian Solorio, representing self; Sarah Shambrook, representing self; Michelle Ashton, representing self; Emily Ryan, Southern Arizona Home Builders Association; Kenneth Bierman, representing self; Dianne Post, AZ NATIONAL ORGANIZATION FOR WOMEN (NOW), Self, STATE CONFERENCE NAACP; Becky Sayler, representing self; Sharon Lee, representing self; Barbara Quijada, representing self; Kathleen Dubbs, representing self; Francisco "Hugo" Polanco, UNIDOSUS; Christine McLachlan-Comer, representing self; Nancy Lecrone Nonini, representing self; Wendy Jonessee, representing self; Sue VanRiper, representing self; Steven Moortel, Chicanos Por La Causa; Theresa Breithaupt, representing self; Dianne McCallister, Dominium; Spencer Kamps, HOME BUILDERS ASSOCIATION OF CENTRAL AZ

Neutral:

Jackie Rich, representing self

Oppose:

Nick Ponder, LEAGUE OF ARIZONA CITIES & TOWNS, PHOENIX, CITY OF, TUCSON, CITY OF; Susan Edwards, representing self; Mayor Ginny Dickey, representing self; Ellen Punyon, representing self; Miranda DeWitt, MESA, CITY OF; Jack W Lunsford, BUCKEYE, CITY OF; Jana Segal, representing self; Daniel Stormont, representing self; Vice Mayor Scott Moore, PARADISE VALLEY, TOWN OF; Neal Haddad, representing self; Counilwoman Sharron Grzybowski, representing self; joan hall, representing self; Anna Thomasson, Town Of Paradise Valley; Carrie Heikkala, representing self; Bob Alonzo, representing self; Judy Alonzo, representing self; Rivko Knox, representing self

All Comments:

Jake Hinman, Arizona Multihousing Association: Support Ortiz Striker; Diana Devine, Self: Support the strike everything amendment; Christian Solorio, Self: This bill will removing zoning barriers to building new affordable housing. This will help provide high quality affordable housing in areas near public transportation.; Sarah Shambrook, Self: Regarding strike everything amendment; Emily Ryan, Southern Arizona Home Builders Association: In support of the strike everything amendment to SB1161; Steven Moortel, Chicanos Por La Causa: Support of the Strike Everything amendment.; Theresa Breithaupt, Self: SB1161; Dianne McCallister, Dominium: We support the strike everything of Rep Ortiz dealing with zoning reform.; Mayor Ginny Dickey, Self: I agree with the League in opposition to the proposed striker on SB1161 that includes provisions of failed SB1117 preempting local zoning decision-making.; Ellen Punyon, Self: Affordable housing- yes. Lack of accountability-no; Jack W Lunsford, BUCKEYE, CITY OF: We oppose the bill with the striker being offered in House Commerce.; Jana Segal, Self: This bill doesn't allow for development less than 80 feet in height, doesn't allow for less than the maximum density specified by current zoning, and doesn't allow for general plan amendments or permit review - particularly for Tucson and Phoenix.; Daniel Stormont, Self: I support efforts to increase urban infill and availability of low-

income housing; however, this Strike Everything amendment is an obvious gift to developers and aimed specifically at Tucson and Phoenix to prevent local control in their communities.; Neal Haddad, Self: This bill does nothing to guarantee affordable housing, nor does it reduce the price of a new home or housing. Despite what the sponsors say, it strips the rights of citizens to petition the government for a redress of grievances. We have no voice,; Counilwoman Sharron Grzybowski, Self: contains components of 1117 that are simply bad for cities and towns; Carrie Heikkala, Self: NO! This bill is criminal! I can't believe two republicans sponsor this!; Jackie Rich, Self: re: striker - Agree with need for local governments to plan for housing and giving preference to AZ residents in low income housing. 80-foot towers are too high and too dense for very low income housing.

SB1163, bond or override; contracts; prohibition

Support:

Spencer Kamps, HOME BUILDERS ASSOCIATION OF CENTRAL AZ; Jake Hinman, Arizona Multihousing Association; Christian Solorio, representing self; Brian Tassinari, MANUFACTURED HOUSING INDUSTRY OF AZ; Dianne McCallister, Dominium; Emily Ryan, Southern Arizona Home Builders Association; Shirley Dye, representing self; Kay Reardon, representing self; Jere Fredenburgh, representing self; Barbara Blewster, representing self; Christine Maceri Genge, representing self; Dennis Genge, representing self; Jennifer Wellsman, representing self; Nancy Hawkins, representing self; Mark Logan, representing self; Jerry Clingman, representing self; Theresa Logan, representing self; Barbara Quijada, representing self; Stephen Harris, representing self; Gaelle Esposito, Urban Phoenix Project; Francisco "Hugo" Polanco, UNIDOSUS; Corinne Haynes, representing self; Buffalo Rick Galeener, representing self; James Adams, representing self; Dianna Gates, representing self; Bridget Nelke, representing self; Charles Bell, representing self; Melanie Hutchings, representing self; James McFadzean, representing self; Lynn Ludwig, representing self; Beverly Ann, representing self; Phyllis Lester, representing self; Susan Kelly, representing self; Kelly Parks, representing self; LJ Busam, representing self; James L Simpson, representing self; Mary Evelyn Simpson, representing self; Indy Rebhun, representing self; Henry Ganster, representing self; Denise Lockwood, representing self; Cynthia Finnegan, representing self; Andrew Costanzo, representing self; Wendy Jonessee, representing self; Jay Ts, representing self; Victoria Doherty, representing self; Sue VanRiper, representing self; Steven Moortel, Chicanos Por La Causa; James Pallas, representing self; Gary Zimmerman, representing self; Jane Evans, representing self; Theresa Breithaupt, representing self; Kay Bateman, representing self; Ryan Larson, representing self

Oppose:

Nick Ponder, LEAGUE OF ARIZONA CITIES & TOWNS, PARADISE VALLEY, TOWN OF, PHOENIX, CITY OF, TUCSON, CITY OF, YUMA, CITY OF; Susan Edwards, representing self; Mayor Ginny Dickey, representing self; Marge Zylla, TEMPE, CITY OF; Lauren King, City Of Sierra Vista, Town Of Marana, Town Of Prescott Valley; Craig McDermott, representing self; Alisa McMahon, representing self; Jack W Lunsford, BUCKEYE, CITY OF; Jackie Rich, representing self; Vice Mayor Scott Moore, PARADISE VALLEY, TOWN OF; Neal Haddad, representing self; Counilwoman Sharron Grzybowski, representing self; Heather Bernacki Wilkey, QUEEN CREEK, TOWN OF; Anna Thomasson, Town Of Paradise Valley; Alexis Apodaca, CHANDLER, CITY OF; Ginna Carico, GOODYEAR, CITY OF; Emily Webb, PEORIA, CITY OF; Carrie Heikkala, representing self; Bob Alonzo, representing self; Judy Alonzo, representing self; Dale Wiebusch, "SCOTTSDALE, CITY OF "; Marc Osborn, Town Of Queen Creek

All Comments:

Brian Tassinari, MANUFACTURED HOUSING INDUSTRY OF AZ: We support this bill with the S/E amendment.; Dianne McCallister, Dominium: We support the strike-everything amendment.; Emily Ryan, Southern Arizona

Home Builders Association: In support of the strike everything amendment to SB1163; Shirley Dye, Self: Having served on a school board, this is great, except, the non bid contracts that Districts use that are pre- qualified. Also, rural districts have a lot more issues with relationships with contractors than the metro districts. Hopefully will work; Jere Fredenburgh, Self: Needs to include no-bid contracts or there is a loop hole.; Barbara Blewster, Self: Excellent bill. This should have been done years ago. Thank you. Excellent.; Christine Maceri Genge, Self: Let's get monied donors from bidding on contracts to organizations they have donated to.; Stephen Harris, Self: Help to prevent conflicts of interest.; Bridget Nelke, Self: This is a good bill to eliminate or greatly reduce the occurance of contracts awarded to bond election financial supporters; Susan Kelly, Self: Incorrect selection; Mary Evelyn Simpson, Self: Yav GOP PC totally agree.. Contract with public monies should not be no-bed; Andrew Costanzo, Self: Prohibit conflict-of-interest. Stop no bid contracts.; Steven Moortel, Chicanos Por La Causa: Support the Strike Everything Amendment; Gary Zimmerman, Self: Common sense law to avoid conflicts of interest, perceived or real.; Mayor Ginny Dickey, Self: I agree with the League in opposition to the proposed striker on SB1163 that includes provisions of failed SB1117 preempting local zoning decision-making.; Craig McDermott, Self: Re: the striker What does the state mine inspector have to do with "S/E: municipal; zoning; housing assessment; report"? Of course, even without the multiple subjects, the striker is anti-municipality garbage; Alisa McMahon, Self: Striker: Another pro-development bill being promoted as a solution to "affordable housing." Another attempt at state preemption.; Jack W Lunsford, BUCKEYE, CITY OF: Oppose the striker; Jackie Rich, Self: this striker interferes in zoning by removing all single family zones and replacing with 6 homes per acre and establishes setbacks etc. Leave zoning alone! I like the requirement for cities to address housing. Support local control.; Neal Haddad, Self: This bill does nothing to guarantee affordable housing, nor does it reduce the price of a new home or housing. Despite what the sponsors say, it strips the rights of citizens to petition the government for a redress of grievances. We have no voice,; Counilwoman Sharron Grzybowski, Self: contains components of 1117 that are simply bad for cities and towns; Heather Bernacki Wilkey, QUEEN CREEK, TOWN OF: The Town is opposed to the strike-everything amendment being offered to SB 1163.; Ginna Carico, GOODYEAR, CITY OF: Opposed to the strike-everything amendment; Emily Webb, PEORIA, CITY OF: Opposed to strike-everything amendment.; Carrie Heikkala, Self: NO! This bill is criminal! I can't believe two republicans sponsor this!; Dale Wiebusch, "SCOTTSDALE, CITY OF ": Against the House Commerce strike-everything amendment.; Marc Osborn, Town Of Queen Creek: Working with the amendment sponsor on language

SB1198, restored salvage vehicle titles; inspections

Support:

Eric Buckeye, representing self; Wendy Jonessee, representing self

Oppose:

Charles Markle, representing self; Mike Gardner, ROCKWELL PROPERTY CO

All Comments:

Charles Markle, Self: Representing Rockwell Property

SCR1033, state debt; limit; restrictions; prohibitions

Support:

Karen Chaney, representing self; Charles McCorkle, representing self; Dwight Kadar, representing self; Andrea Kadar, representing self; Lou Sniderman, representing self; Louis Petty, representing self; Aimee Yentes, AZ FREE ENTERPRISE CLUB; Janelle Solomon, representing self; James Collins, representing self; David Schafranka, representing self; Susan Leeper, representing self; David Riley, representing self; Robert Anderson, representing self; Robert Gumfory, representing self; Michael Schroeder, representing self; Teddi Thompson, representing self; Gayle Peters, representing self; Charles McCain, representing self; Raymond Wilson, representing self; Michael Meacham, representing self; Deanna Schreckler, representing self; Stephen Harris, representing self; Leiann Anderson, representing self; Leslie White, representing self; Patricia Gillenwater, representing self; Joe Hopf, representing self; Ute Edge, representing self; Bill Edge, representing self; Michael Schultz, representing self; Sherrylyn Young, representing self; Lyle Aldridge, representing self; Ana P Sexton, representing self; Dorie Duff, representing self; Charles Mackey, representing self; Ruth Foelber, representing self; Debbie Joy, representing self; Sally Forster, representing self; Karl Forster, representing self; Nikki Colletti, representing self; Vicki Vaughn, representing self; Dianna Gates, representing self; Carole Challoner, representing self; Gary Saxhaug, representing self; Kim Miller, representing self; Melanie Hutchings, representing self; James McFadzean, representing self; Jana Reible, representing self; Lori Huff, representing self; Lynn Ludwig, representing self; Jean Ferguson, representing self; Mary Grace Werner, representing self; Joseph Myers, representing self; Nikki Eancheff, representing self; Richard Burke, representing self; Mary Ann Johnston, representing self; Mary Kay Ruwette, representing self; Vickie Parks, representing self; Ann Pendarvis, representing self; David Hanke, representing self; Catherine Tunget, representing self; Kelly Parks, representing self; K Webster, representing self; Tim Johnson, representing self; Robbin Parisek, representing self; Dawn Hampton, representing self; Ruth Denny, representing self; Kathy DuFresne, representing self; Janet Wilson, representing self; Joe Fiumara, representing self; Nancy Osgood, representing self; Larry Battin, representing self; Berta Lockhart, representing self; Jack Payne, representing self; Mozelle Ault, representing self; Kristin Baumgartner, representing self; Stan Howard, representing self; Thaya Howard, representing self; Marcella Cronenberg, representing self; Earl Taylor, representing self; James L Simpson, representing self; Richard Freeze, representing self; Mary Evelyn Simpson, representing self; Phil Sahag, representing self; Christine Stoner, representing self; Patricia Keitel, representing self; John Reed, representing self; Beth Pojman, representing self; Janice Rimer, representing self; Dale Brewer, representing self; Margaret Barnes, representing self; Mary Jamsa, representing self; Wendy Radimer, representing self; Danny Costa, representing self; Jane Evans, representing self; Paul Johnson, representing self; Nancy Barrett, representing self; Joelene Williamson, representing self; Jeannette Bovert, representing self; George Racz, representing self; karen enns, representing self; Cheri Raimonde, representing self; John Davidson, representing self; Paul Marriott, representing self; Jennifer Marriott, representing self; Lynda Patrick-Hayes, representing self; K Caillier, representing self; Aliaa Abdel-Gawad, representing self; Nancy Thornes, representing self; Deborah McDermott, representing self; Charles Moffett, representing self; Sue VanRiper, representing self; Susan Taraba, representing self; Theresa Breithaupt, representing self; Jacqueline Quinn, representing self; Teresa Schrader, representing self; Lois Dold, representing self; Laura Davis, representing self; Daniel Spencer, representing self; Doyle Taraba, representing self; Judy Alonzo, representing self; Bob Alonzo, representing self; Jim Jensen, representing self; Susan Kay, representing self; Susan Gavigan, representing self; Karen Trisko, representing self; Doris Hinton, representing self; Scott Chance, representing self; Ted Burwell, representing self; Bonnie Lund, representing self; Marcia Sahag, representing self; Darrin Bergstad, representing self; Jeanine Gouveia, representing self; Wanda Lund, representing self; christopher klepacz, representing self; Judy Smith, representing self; Teresa Tere Nunez, representing self; Susan Whittemore, representing self; Roy Scott Lassell, representing self; Darlene Jung, representing self; Marie Scillieri, representing self; Anne Rankin, representing self; louise liggett, representing self;

Kathleen Hahn, representing self; Dan Goebel, representing self; Paul Thompson, representing self; Janet Klepacz, representing self; Randy Leier, representing self; Dana Large, representing self; Karen Sherrell, representing self; James Ault, representing self; Gisela Aaron, representing self; LW Forster, representing self; Michael Aaron, representing self; James Pallas, representing self; Lee Chadbourn, representing self; Wendy Jonessee, representing self; Peggy Pavlich, representing self; Maria Lopez, representing self; Paul Pavlich, representing self; Michael Mote, representing self; Kim Depow, representing self; John Wallace, representing self; Merl Nielsen, representing self; Malgosia Cox, representing self; eileen acosta, representing self; Barbara Russell, representing self; Kathryn Farkas, representing self; Brent Michelson, representing self; Janet Manecke, representing self

Oppose:

Karen McLaughlin, Director of Budget & Research, THE ARIZONA CENTER FOR ECONOMIC PROGRESS; Dianne Post, representing self; Christine McLachlan-Comer, representing self; Kathleen Dubbs, representing self; Kenneth Bierman, representing self; Sharon Lee, representing self; Dave Wells, representing self; Susan Edwards, representing self; Ben Scheel, Opportunity Arizona; Catcher Baden, AZ BOARD OF REGENTS

All Comments:

Karen Chaney, Self: I am a PC in Ld17, and I support this bill.; Gayle Peters, Self: Defining and limiting debt is critically important. Please vote in favor of SCR1033. Gayle Peters (PCRC Precinct Captain); Leslie White, Self: Vote YES!!! - PC in Maricopa County; Patricia Gillenwater, Self: Approve of smart choice; Michael Schultz, Self: balance the budget; Ana P Sexton, Self: The government CANNOT keep spending money and get into debt our children and grandchildren will have to somehow pay back. STAY WITHIN YOUR MEANS (budget)!; Charles Mackey, Self: I support SCR1033. This bill will allow the state to better manage the budget.; Vicki Vaughn, Self: Please vote yes to constitutionally define debt as specified bonds and obligations of the State of Arizona that are paid with state General Fund monies.; Gary Saxhaug, Self: This bill, subject to voter approval, constitutionally defines debt as specified bonds and obligations of the State of Arizona that are paid with state General Fund monies.; Joseph Myers, Self: Branches of AZ government should live within the budget; refrain to creating new policies to do "end around run" on abuse of taxpayer dollars; Vickie Parks, Self: YES YES --- limit the Dems overspending spree; K Webster, Self: Limiting debt allowance; Joe Fiumara, Self: Voters should have the final say.; Nancy Osgood, Self: As a PC in LD12 I fully support this bill.; Berta Lockhart, Self: The State is to have the power to contract debts to supply deficits or failures in revenue or to meet unprovided for expenses.; Karen McLaughlin, THE ARIZONA CENTER FOR ECONOMIC PROGRESS: This bill would remove several of the tools used by the legislature when the state lost one-third of its tax revenue due to the Great Recession. It also fails to update the limit which hasn't changed since 1912.; Mary Evelyn Simpson, Self: YavGOP PC MUch needed bill; Dale Brewer, Self: I am a Committeeman PCRC , I have owned and run my own business. I am also a proud parent, grandparent, great grandparent.; Mary Jamsa, Self: This bill constitutionally defines debt as specified bonds and obligations of the State of Arizona that are to be paid with state General funds. I support this bill.; Wendy Radimer, Self: I am a PC Co-Captain and I agree with this Bill to be passed; Paul Johnson, Self: I am a PC Captain and I agree with this Bill that must be passed; Nancy Barrett, Self: I support this bill - we need to keep spending under control; Joelene Williamson, Self: The debt limit should mean something, that is why i support this bill; Susan Taraba, Self: PC; Daniel Spencer, Self: This will give guidance to spending; Susan Kay, Self: Republican LD3; Wanda Lund, Self: Thank you; Susan Whittemore, Self: I am a precinct committeeman and represent 175 voters; Roy Scott Lassell, Self: I support. This add logic to the debt process and makes sense. Not to mention will help to keep the state in check with the budget.; Dan Goebel, Self: Please vote FOR this Bill.; Karen Sherrell, Self: Clarify what debt means to eliminate current work arounds by fiscally irresponsible people.; LW Forster, Self: Please support this bill! NO spending beyond means with tricky maneuvers that avoid the voter and legislative approval. The total amount of contract debts may not exceed $350,000. This bill, subject to voter approval, constitutionally defines debt a; Lee Chadbourn, Self: We should

definitely have limit restrictions to our state debt; Maria Lopez, Self: As a Precinct Committeeman, I strongly support this bill.; Michael Mote, Self: I am in favor of this bill which is subject to voter approval.; John Wallace, Self: John Wallace Pima PC 171; Dave Wells, Self: We should be modernizing the amount, not tying your hands in an emergency. More at https://docs.google.com/document/d/1QHuZdwpFNyO3CWki01YTGoUaQ8wumps0/edit?usp=sharing&ouid=105484633680222528314&rtpof=true&sd=true; eileen acosta, Self: I support SCR1033; Barbara Russell, Self: This bill just makes sense to allow state to pay bills... like having overdraft protection on your bank account... just silly not to have it.; Catcher Baden, AZ BOARD OF REGENTS: Appreciate the intent of the amendment but would like to work it more

ARIZONA STATE LEGISLATURE

Fifty-sixth Legislature - First Regular Session

COMMITTEE ATTENDANCE RECORD

COMMITTEE ON **COMMERCE**

CHAIRMAN: Justin Wilmeth VICE-CHAIRMAN: Michael Carbone

	DATE	03/28/23	/23	/23	/23	/23
	CONVENED	2:42pm	m	m	m	m
	RECESSED					
	RECONVENED					
	ADJOURNED	6:43 PM				
MEMBERS						
Aguilar / SANDOVAL		✓				
Austin		✓				
Carter		✓				
Gress		✓				
Heap		✓				
Hendrix		✓				
Ortiz		✓				
Sun		✓				
Carbone, Vice-Chairman		✓				
Wilmeth, Chairman		✓				

√ Present --- Absent exc Excused

Attachment 3

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: ED DP 4-3-0-0 | 3rd Read 16-13-1-0

SB 1163: bond or override; contracts; prohibition
S/E: municipal; zoning; housing assessment; report
Sponsor: Senator Kaiser, LD 2
Committee on Commerce

Overview
Creates an at-risk permit relating to grading and earthmoving of property, provides zoning regulations relating to single-family residential uses, and establishes municipal reporting requirements relating to housing needs.

History
Statute authorizes municipalities to adopt zoning ordinances and codes to conserve and promote the public health, safety, convenience and general welfare and outlines zoning guidelines and requirements (Title 9, Ch.4, Art. 6.1, A.R.S.).

The governing body of a municipality must adopt by ordinance a citizen review process that applies to all rezoning and specific plan applications that require a public hearing. The citizen review process must include at least:

1) notifying adjacent landowners and other potentially affected citizens of the application;
2) informing adjacent landowners and other potentially affected citizens on the substance of the proposed rezoning; and
3) providing adjacent landowners and other potentially affected citizen an opportunity to express any issues or concerns regarding the rezoning.

Any zoning ordinances that propose to change property from one zone to another, that imposes any regulation not previously imposed or that removes any such regulation previously imposed must be adopted following the procedure prescribed in the citizen review process and in the manner set for public hearings (A.R.S. § 9-462.03).

Provisions

Housing Needs Assessment

1. Requires, beginning January 1, 2024, and every five years thereafter, a municipality to publish a housing needs assessment, which at minimum includes:
   a) the total population growth and total job growth projected for the subsequent five-year period; and
   b) the total need for additional residential housing units for rent and for sale in the municipality to meet:
      i. any deficiencies in housing the existing population and workforce;
      ii. the population growth and jobs growth projections; and
      iii. the housing needs across all various income levels. (Sec. 3)
2. Instructs a municipality, beginning January 1, 2025, and every year thereafter, to submit an annual report to the Department of Housing that accounts for:

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

a) the total number of proposed residential housing units and the total number of net new residential housing units submitted to the municipality; and
b) the total number of new residential housing units that are entitled, have been platted, have been issued a building permit and have received a certificate of occupancy by the municipality. (Sec. 3)

3. Outlines additional factors that the submitted report must include. (Sec. 3)
4. Specifies the requirement to publish a housing needs assessment does not require the municipality to meet or otherwise fulfill the projections stated in the assessment. (Sec. 3)
5. Excludes, from the assessment and reporting requirement, a municipality that is located on tribal land or that has a population of less than 30,000. (Sec. 3)

At-Risk Permit

6. Requires a municipality, at the applicant's request and after receiving certain approvals, to issue an at-risk permit for grading and earthmoving that relates to the property that is the subject of the preliminary plat. (Sec. 2)
7. Specifies the municipality issuing an at-risk permit does not constitute final preliminary plat approval or final approval of any grading and drainage plans. (sec. 2)
8. Stipulates any work, services or materials accomplished or acquired by the applicant is done at the financial risk of the applicant with no financial liability to the municipality for issuing the at-risk permit. (Sec. 2)
9. Allows the municipality to require that all grading and earthmoving be done in compliance with all municipal codes, ordinances and standards and other legal requirements. (Sec. 2)
10. Stipulates the at-risk permit requirements do not apply to:
    a) a municipality with a population of less than thirty thousand persons;
    b) a municipality that is located on tribal land;
    c) land in an area that is designated as a district of historical significance; or
    d) an area that is designated as historic on the national register of historic places. (Sec. 2)

Zoning Regulations

11. Prevents certain municipalities, on vacant land in any zone that allows single-family residential uses, from requiring:
    a) lot size minimums that are greater than 4,000 square feet in area, however, may limit the density to 6 primary dwelling units per acre;
    b) lot width minimums that are greater than 40 feet;
    c) front setbacks that are greater than 10 feet, except for portions of a dwelling that are occupied by a garage, in which the front setback minimum may not be greater than 18 feet from the back of the sidewalk or lot line if there is no sidewalk;
    d) side yard setbacks that are greater than 5 feet;
    e) rear setbacks that are greater than 10 feet; or
    f) the percentage of a lot that may be occupied by a building or structure to be greater than the setbacks. (Sec. 1)
12. Specifies certain municipalities, in any zone that allows residential uses, cannot prohibit the placement of a new manufactured home that is titled as real property and that is built according to the U.S. Department of Housing and Urban Development code (Code). (Sec. 1)
13. Permits a municipality to require single-family or duplex new manufactured housing, built in accordance with the Code, to be securely fixed to a permanent standard or engineered

foundation at an equivalent level as the requirements applicable to single-family dwellings within the municipality on which the manufactured housing is proposed to be located. (Sec. 1)

14. Instructs certain municipalities to provide additional residential zones that allow for the construction or use of duplexes, triplexes, lots that are smaller than 4,000 square feet and other housing types proposed by applicants. (Sec. 1)

15. Specifies the statutory zoning regulations does not affect the validity or enforceability of private covenants or other contractual elements among property owners by parties other than the municipality. (Sec. 1)

16. Excludes, from specified statutory zoning regulations, municipalities that are located on tribal land, an area designated as a historical significance district or an area designated as historic on the national register of historic places. (Sec. 1)

Miscellaneous

17. Makes technical and conforming changes. (Sec. 4)

Fifty-sixth Legislature
First Regular Session

Commerce
S.B. 1163

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1163

(Reference to Senate engrossed bill)

Strike everything after the enacting clause and insert:

"Section 1. Section 9-462.01, Arizona Revised Statutes, is amended to read:

9-462.01. Zoning regulations; public hearing; definitions

A. Pursuant to this article, the legislative body of any municipality by ordinance, in order to conserve and promote the public health, safety and general welfare, may:

1. Regulate the use of buildings, structures and land as between agriculture, residence, industry, business and other purposes.

2. Regulate signs and billboards.

3. Regulate the location, height, bulk, number of stories and size of buildings and structures, the size and use of lots, yards, courts and other open spaces, the percentage of a lot that may be occupied by a building or structure, access to incident solar energy and the intensity of land use.

4. Establish requirements for off-street parking and loading.

5. Establish and maintain building setback lines.

6. Create civic districts around civic centers, public parks, public buildings or public grounds and establish regulations for the civic districts.

7. Require as a condition of rezoning public dedication of rights-of-way as streets, alleys, public ways, drainage and public

Attachment 5

Adopted ✓ # of Verbals _____

Failed _____ Withdrawn _____

Not Offered _____ Analysts Initials _____

utilities as are reasonably required by or related to the effect of the rezoning.

8. Establish floodplain zoning districts and regulations to protect life and property from the hazards of periodic inundation. Regulations may include variable lot sizes, special grading or drainage requirements, or other requirements deemed necessary for the public health, safety or general welfare.

9. Establish special zoning districts or regulations for certain lands characterized by adverse topography, adverse soils, subsidence of the earth, high water table, lack of water or other natural or man-made hazards to life or property. Regulations may include variable lot sizes, special grading or drainage requirements, or other requirements deemed necessary for the public health, safety or general welfare.

10. Establish districts of historical significance provided that:

(a) The ordinances may require that special permission be obtained for any development within the district if the legislative body has adopted a plan for the preservation of districts of historical significance that meets the requirements of subdivision (b) of this paragraph, and the criteria contained in the ordinance are consistent with the objectives set forth in the plan.

(b) A plan for the preservation of districts of historical significance shall identify districts of special historical significance, state the objectives to be sought concerning the development or preservation of sites, area and structures within the district, and formulate a program for public action, including providing public facilities and regulating private development and demolition necessary to realize these objectives.

(c) The ordinance establishing districts of historical significance shall set forth standards necessary to preserve the historical character of the area so designated.

(d) The ordinances may designate or authorize any committee, commission, department or person to designate structures or sites of

special historical significance in accordance with criteria contained in the ordinance, and no designation shall be made except after a public hearing on notice of the owners of record of the property designated of special historical significance. The ordinances may require that special permission be obtained for any development respecting the structures or sites.

11. Establish age-specific community zoning districts in which residency is restricted to a head of a household or spouse who must be of a specific age or older and in which minors are prohibited from living in the home. Age-specific community zoning districts shall not be overlaid over property without the permission of all owners of property included as part of the district unless all of the property in the district has been developed, advertised and sold or rented under specific age restrictions. The establishment of age-specific community zoning districts is subject to all of the public notice requirements and other procedures prescribed by this article.

12. Establish procedures, methods and standards for the transfer of development rights within its jurisdiction. Any proposed transfer of development rights from the sending property or to the receiving property shall be subject to the notice and hearing requirements of section 9-462.04 and shall be subject to the approval and consent of the property owners of both the sending and receiving property. Before any transfer of development rights, a municipality shall adopt an ordinance providing for:

(a) The issuance and recordation of the instruments necessary to sever development rights from the sending property and to affix development rights to the receiving property. These instruments shall be executed by the affected property owners and lienholders.

(b) The preservation of the character of the sending property and assurance that the prohibitions against the use and development of the sending property shall bind the landowner and every successor in interest to the landowner.

(c) The severance of transferable development rights from the sending property and the delayed transfer of development rights to a receiving property.

(d) The purchase, sale, exchange or other conveyance of transferable development rights before the rights being affixed to a receiving property.

(e) A system for monitoring the severance, ownership, assignment and transfer of transferable development rights.

(f) The right of a municipality to purchase development rights and to hold them for resale.

(g) The right of a municipality at its discretion to enter into an intergovernmental agreement with another municipality or a county for the transfer of development rights between jurisdictions. The transfer shall comply with this paragraph, except that if the sending property is located in an unincorporated area of a county, the approval of the development rights to be sent to a municipality shall comply with section 11-817.

B. For the purposes of subsection A of this section, the legislative body may divide a municipality, or portion of a municipality, into zones of the number, shape and area it deems best suited to carry out the purpose of this article and articles 6, 6.2 and 6.3 of this chapter.

C. All zoning regulations shall be uniform for each class or kind of building or use of land throughout each zone, but the regulations in one type of zone may differ from those in other types of zones as follows:

1. Within individual zones, there may be uses permitted on a conditional basis under which additional requirements must be met, including requiring site plan review and approval by the planning agency. The conditional uses are generally characterized by any of the following:

(a) Infrequency of use.

(b) High degree of traffic generation.

(c) Requirement of large land area.

2. Within residential zones, the regulations may permit modifications to minimum yard lot area and height requirements.

D. ON VACANT LAND IN ANY ZONE THAT ALLOWS SINGLE-FAMILY RESIDENTIAL USES, A MUNICIPALITY WITH A POPULATION OF MORE THAN THIRTY THOUSAND PERSONS MAY NOT REQUIRE THE FOLLOWING:

1. LOT SIZE MINIMUMS THAT ARE GREATER THAN FOUR THOUSAND SQUARE FEET IN AREA. THE MUNICIPALITY MAY LIMIT THE DENSITY TO SIX PRIMARY DWELLING UNITS PER ACRE.

2. LOT WIDTH MINIMUMS THAT ARE GREATER THAN FORTY FEET.

3. FRONT SETBACKS THAT ARE GREATER THAN TEN FEET, EXCEPT FOR PORTIONS OF A DWELLING THAT ARE OCCUPIED BY A GARAGE, IN WHICH THE FRONT SETBACK MINIMUM MAY NOT BE GREATER THAN EIGHTEEN FEET FROM THE BACK OF THE SIDEWALK OR LOT LINE IF THERE IS NO SIDEWALK.

4. SIDE YARD SETBACKS THAT ARE GREATER THAN FIVE FEET.

5. REAR SETBACKS THAT ARE GREATER THAN TEN FEET.

6. THE PERCENTAGE OF A LOT THAT MAY BE OCCUPIED BY A BUILDING OR STRUCTURE TO BE GREATER THAN THE SETBACKS.

E. IN ANY ZONE THAT ALLOWS RESIDENTIAL USES, A MUNICIPALITY WITH A POPULATION OF MORE THAN THIRTY THOUSAND PERSONS MAY NOT PROHIBIT THE PLACEMENT OF A NEW MANUFACTURED HOME THAT IS, OR WILL BE AFTER PURCHASE, TITLED AS REAL PROPERTY AND THAT IS BUILT ACCORDING TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CODE. A MUNICIPALITY MAY REQUIRE SINGLE-FAMILY OR DUPLEX NEW MANUFACTURED HOUSING THAT IS BUILT ACCORDING TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CODE TO BE SECURELY FIXED TO A PERMANENT STANDARD OR ENGINEERED FOUNDATION AT AN EQUIVALENT LEVEL AS THE REQUIREMENTS APPLICABLE TO SINGLE-FAMILY DWELLINGS WITHIN THE MUNICIPALITY ON WHICH THE MANUFACTURED HOUSING IS PROPOSED TO BE LOCATED.

F. A MUNICIPALITY WITH A POPULATION OF MORE THAN THIRTY THOUSAND PERSONS SHALL PROVIDE ADDITIONAL RESIDENTIAL ZONES THAT ALLOW FOR THE CONSTRUCTION OR USE OF DUPLEXES, TRIPLEXES, LOTS THAT ARE SMALLER THAN FOUR THOUSAND SQUARE FEET AND OTHER HOUSING TYPES PROPOSED BY APPLICANTS.

~~D.~~ G. To carry out the purposes of this article and articles 6 and 6.2 of this chapter, the legislative body may adopt overlay zoning districts and regulations applicable to particular buildings, structures and land within individual zones. For the purposes of this subsection, "overlay zoning district" means a special zoning district that includes regulations that modify regulations in another zoning district with which the overlay zoning district is combined. Overlay zoning districts and regulations shall be adopted pursuant to section 9-462.04.

~~E.~~ H. The legislative body may approve a change of zone conditioned on a schedule for development of the specific use or uses for which rezoning is requested. If, at the expiration of this period, the property has not been improved for the use for which it was conditionally approved, the legislative body, after notification by certified mail to the owner and applicant who requested the rezoning, shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.

~~F.~~ I. All zoning and rezoning ordinances or regulations adopted under this article shall be consistent with and conform to the adopted general plan of the municipality, if any, as adopted under article 6 of this chapter. In the case of uncertainty in construing or applying the conformity of any part of a proposed rezoning ordinance to the adopted general plan of the municipality, the ordinance shall be construed in a manner that will further the implementation of, and not be contrary to, the goals, policies and applicable elements of the general plan. A rezoning ordinance conforms with the land use element of the general plan if it proposes land uses, densities or intensities within the range of identified uses, densities and intensities of the land use element of the general plan.

~~G.~~ J. A regulation or ordinance under this section may not prevent or restrict agricultural composting on farmland that is five or more contiguous acres and that meets the requirements of this subsection. An

agricultural composting operation shall notify in writing the legislative body of the municipality and the nearest fire department of the location of the composting operation. If the nearest fire department is located in a different municipality from the agricultural composting operation, the agricultural composting operation shall also notify in writing the fire department of the municipality in which the operation is located. Agricultural composting is subject to sections 3-112 and 49-141. Agricultural composting may not be conducted within one thousand three hundred twenty feet of an existing residential use, unless the operations are conducted on farmland or land leased in association with farmland. Any disposal of manure shall comply with section 49-247. For the purposes of this subsection:

1. "Agricultural composting" means the controlled biological decomposition of organic solid waste under in-vessel anaerobic or aerobic conditions where all or part of the materials are generated on the farmland or will be used on the farmland associated with the agricultural composting operation.

2. "Farmland" has the same meaning prescribed in section 3-111 and is subject to regulation under section 49-247.

~~H.~~ K. A municipality may not adopt a land use regulation or impose any condition for issuance of a building or use permit or other approval that violates section 9-461.16.

~~I.~~ L. In accordance with article II, sections 1 and 2, Constitution of Arizona, the legislative body of a municipality shall consider the individual property rights and personal liberties of the residents of the municipality before adopting any zoning ordinance.

~~J.~~ M. Before adopting any zoning ordinance or zoning ordinance text amendment of general applicability, the legislative body of a municipality shall consider the probable impact of the proposed zoning ordinance or text amendment on the cost to construct housing for sale or rent.

~~K.~~ N. A municipality may not adopt or enforce a land use regulation that requires the property on which a nongovernmental primary or secondary school operates to be larger than one acre.

O. THIS SECTION DOES NOT AFFECT THE VALIDITY OR ENFORCEABILITY OF PRIVATE COVENANTS OR OTHER CONTRACTUAL ELEMENTS AMONG PROPERTY OWNERS BY PARTIES OTHER THAN THE MUNICIPALITY.

P. SUBSECTION A, PARAGRAPH 4 AND SUBSECTIONS D, E AND F OF THIS SECTION DO NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND, AN AREA THAT IS DESIGNATED AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SUBSECTION A, PARAGRAPH 10 OF THIS SECTION OR AN AREA THAT IS DESIGNATED AS HISTORIC ON THE NATIONAL REGISTER OF HISTORIC PLACES.

~~L.~~ Q. For the purposes of this section:

1. "Development rights" means the maximum development that would be allowed on the sending property under any general or specific plan and local zoning ordinance of a municipality in effect on the date the municipality adopts an ordinance pursuant to subsection A, paragraph 12 of this section respecting the permissible use, area, bulk or height of improvements made to the lot or parcel. Development rights may be calculated and allocated in accordance with factors including dwelling units, area, floor area, floor area ratio, height limitations, traffic generation or any other criteria that will quantify a value for the development rights in a manner that will carry out the objectives of this section.

2. "Receiving property" means a lot or parcel within which development rights are increased pursuant to a transfer of development rights. Receiving property shall be appropriate and suitable for development and shall be sufficient to accommodate the transferable development rights of the sending property without substantial adverse environmental, economic or social impact to the receiving property or to neighboring property.

3. "Sending property" means a lot or parcel with special characteristics, including farmland, woodland, desert land, mountain land, floodplain, natural habitats, recreation or parkland, including golf course area, or land that has unique aesthetic, architectural or historic value that a municipality desires to protect from future development.

4. "Transfer of development rights" means the process by which development rights from a sending property are affixed to one or more receiving properties.

Sec. 2. Section 9-463.01, Arizona Revised Statutes, is amended to read:

9-463.01. Authority

A. Pursuant to this article, the legislative body of every municipality shall regulate the subdivision of all lands within its corporate limits.

B. The legislative body of a municipality shall exercise the authority granted in subsection A of this section by ordinance prescribing:

1. Procedures to be followed in the preparation, submission, review and approval or rejection of all final plats.

2. Standards governing the design of subdivision plats.

3. Minimum requirements and standards for the installation of subdivision streets, sewer and water utilities and improvements as a condition of final plat approval.

C. By ordinance, the legislative body of any municipality shall:

1. Require the preparation, submission and approval of a preliminary plat as a condition precedent to submission of a final plat.

2. Establish the procedures to be followed in the preparation, submission, review and approval of preliminary plats.

3. Make requirements as to the form and content of preliminary plats.

4. Either determine that certain lands may not be subdivided, by reason of adverse topography, periodic inundation, adverse soils, subsidence of the earth's surface, high water table, lack of water or other

natural or man-made hazard to life or property, or control the lot size, establish special grading and drainage requirements and impose other regulations deemed reasonable and necessary for the public health, safety or general welfare on any lands to be subdivided affected by such characteristics.

5. Require payment of a proper and reasonable fee by the subdivider based upon the number of lots or parcels on the surface of the land to defray municipal costs of plat review and site inspection.

6. Require the dedication of public streets, sewer and water utility easements or rights-of-way, within the proposed subdivision.

7. Require the preparation and submission of acceptable engineering plans and specifications for the installation of required street, sewer, electric and water utilities, drainage, flood control, adequacy of water and improvements as a condition precedent to recordation of an approved final plat.

8. Require the posting of performance bonds, assurances or such other security as may be appropriate and necessary to assure the installation of required street, sewer, electric and water utilities, drainage, flood control and improvements meeting established minimum standards of design and construction.

D. The legislative body of any municipality may require by ordinance that land areas within a subdivision be reserved for parks, recreational facilities, school sites and fire stations subject to the following conditions:

1. The requirement may only be made ~~upon~~ ON preliminary plats filed at least thirty days after the adoption of a general or specific plan affecting the land area to be reserved.

2. The required reservations are in accordance with definite principles and standards adopted by the legislative body.

3. The land area reserved shall be of such a size and shape as to permit the remainder of the land area of the subdivision within which the reservation is located to develop in an orderly and efficient manner.

4. The land area reserved shall be in such multiples of streets and parcels as to permit an efficient division of the reserved area in the event that it is not acquired within the prescribed period.

E. The public agency for whose benefit an area has been reserved shall have a period of one year after recording the final subdivision plat to enter into an agreement to acquire such reserved land area. The purchase price shall be the fair market value of the reserved land area at the time of the filing of the preliminary subdivision plat plus the taxes against such reserved area from the date of the reservation and any other costs incurred by the subdivider in the maintenance of such reserved area, including the interest cost incurred on any loan covering such reserved area.

F. If the public agency for whose benefit an area has been reserved does not exercise the reservation agreement set forth in subsection E of this section within such ~~one year~~ ONE-YEAR period or such extended period as may be mutually agreed ~~upon~~ ON by such public agency and the subdivider, the reservation of such area shall terminate.

G. The legislative body of every municipality shall comply with this article and applicable state statutes pertaining to the hearing, approval or rejection, and recordation of:

1. Final subdivision plats.

2. Plats filed for the purpose of reverting to acreage of land previously subdivided.

3. Plats filed for the purpose of vacating streets or easements previously dedicated to the public.

4. Plats filed for the purpose of vacating or redescribing lot or parcel boundaries previously recorded.

H. Approval of every preliminary and final plat by a legislative body is conditioned ~~upon~~ ON compliance by the subdivider with:

1. Rules as may be established by the department of transportation relating to provisions for the safety of entrance upon and departure from abutting state primary highways.

2. Rules as may be established by a county flood control district relating to the construction or prevention of construction of streets in land established as being subject to periodic inundation.

3. Rules as may be established by the department of health services or a county health department relating to the provision of domestic water supply and sanitary sewage disposal.

I. If the subdivision is ~~comprised~~ COMPOSED of subdivided lands, as defined in section 32-2101, and is within an active management area, as defined in section 45-402, the final plat shall not be approved unless it is accompanied by a certificate of assured water supply issued by the director of water resources, or unless the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an assured water supply by the director of water resources pursuant to section 45-576 or is exempt from the requirement pursuant to section 45-576. The legislative body of the municipality shall note on the face of the final plat that a certificate of assured water supply has been submitted with the plat or that the subdivider has obtained a written commitment of water service for the proposed subdivision from a city, town or private water company designated as having an assured water supply, pursuant to section 45-576, or is exempt from the requirement pursuant to section 45-576.

J. Except as provided in subsections K and P of this section, if the subdivision is composed of subdivided lands as defined in section 32-2101 outside of an active management area and the director of water resources has given written notice to the municipality pursuant to section 45-108, subsection H, the final plat shall not be approved unless one of the following applies:

1. The director of water resources has determined that there is an adequate water supply for the subdivision pursuant to section 45-108 and the subdivider has included the report with the plat.

2. The subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an adequate water supply by the director of water resources pursuant to section 45-108.

K. The legislative body of a municipality that has received written notice from the director of water resources pursuant to section 45-108, subsection H or that has adopted an ordinance pursuant to subsection O of this section may provide by ordinance an exemption from the requirement in subsection J or O of this section for a subdivision that the director of water resources has determined will have an inadequate water supply because the water supply will be transported to the subdivision by motor vehicle or train if all of the following apply:

1. The legislative body determines that there is no feasible alternative water supply for the subdivision and that the transportation of water to the subdivision will not constitute a significant risk to the health and safety of the residents of the subdivision.

2. If the water to be transported to the subdivision will be withdrawn or diverted in the service area of a municipal provider as defined in section 45-561, the municipal provider has consented to the withdrawal or diversion.

3. If the water to be transported is groundwater, the transportation complies with the provisions governing the transportation of groundwater in title 45, chapter 2, article 8.

4. The transportation of water to the subdivision meets any additional conditions imposed by the legislative body.

L. A municipality that adopts the exemption authorized by subsection K of this section shall give written notice of the adoption of the exemption, including a certified copy of the ordinance containing the exemption, to the director of water resources, the director of environmental quality and the state real estate commissioner. If the municipality later rescinds the exemption, the municipality shall give written notice of the rescission to the director of water resources, the

director of environmental quality and the state real estate commissioner. A municipality that rescinds an exemption adopted pursuant to subsection K of this section shall not readopt the exemption for at least five years after the rescission becomes effective.

M. If the legislative body of a municipality approves a subdivision plat pursuant to subsection J, paragraph 1 or 2 or subsection O of this section, the legislative body shall note on the face of the plat that the director of water resources has reported that the subdivision has an adequate water supply or that the subdivider has obtained a commitment of water service for the proposed subdivision from a city, town or private water company designated as having an adequate water supply pursuant to section 45-108.

N. If the legislative body of a municipality approves a subdivision plat pursuant to an exemption authorized by subsection K of this section or granted by the director of water resources pursuant to section 45-108.02 or 45-108.03:

1. The legislative body shall give written notice of the approval to the director of water resources and the director of environmental quality.

2. The legislative body shall include on the face of the plat a statement that the director of water resources has determined that the water supply for the subdivision is inadequate and a statement describing the exemption under which the plat was approved, including a statement that the legislative body or the director of water resources, whichever applies, has determined that the specific conditions of the exemption were met. If the director subsequently informs the legislative body that the subdivision is being served by a water provider that has been designated by the director as having an adequate water supply pursuant to section 45-108, the legislative body shall record in the county recorder's office a statement disclosing that fact.

O. If a municipality has not been given written notice by the director of water resources pursuant to section 45-108, subsection H, the legislative body of the municipality, to protect the public health and safety, may provide by ordinance that, except as provided in subsections K and P of this section, the final plat of a subdivision located in the municipality and outside of an active management area will not be approved by the legislative body unless the director of water resources has determined that there is an adequate water supply for the subdivision pursuant to section 45-108 or the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an adequate water supply by the director of water resources pursuant to section 45-108. Before holding a public hearing to consider whether to enact an ordinance pursuant to this subsection, a municipality shall provide written notice of the hearing to the board of supervisors of the county in which the municipality is located. A municipality that enacts an ordinance pursuant to this subsection shall give written notice of the enactment of the ordinance, including a certified copy of the ordinance, to the director of water resources, the director of environmental quality, the state real estate commissioner and the board of supervisors of the county in which the municipality is located. If a municipality enacts an ordinance pursuant to this subsection, water providers may be eligible to receive monies in a water supply development fund, as otherwise provided by law.

P. Subsections J and O of this section do not apply to:

1. A proposed subdivision that the director of water resources has determined will have an inadequate water supply pursuant to section 45-108 if the director grants an exemption for the subdivision pursuant to section 45-108.02 and the exemption has not expired or if the director grants an exemption pursuant to section 45-108.03.

2. A proposed subdivision that received final plat approval from the municipality before the requirement for an adequate water supply became effective in the municipality if the plat has not been materially changed

since it received the final plat approval. If changes were made to the plat after the plat received the final plat approval, the director of water resources shall determine whether the changes are material pursuant to the rules adopted by the director to implement section 45-108. If the municipality approves a plat pursuant to this paragraph and the director of water resources has determined that there is an inadequate water supply for the subdivision pursuant to section 45-108, the municipality shall note this on the face of the plat.

Q. If the subdivision is composed of subdivided lands as defined in section 32-2101 outside of an active management area and the municipality has not received written notice pursuant to section 45-108, subsection H and has not adopted an ordinance pursuant to subsection O of this section:

1. If the director of water resources has determined that there is an adequate water supply for the subdivision pursuant to section 45-108 or if the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an adequate water supply by the director of water resources pursuant to section 45-108, the municipality shall note this on the face of the plat if the plat is approved.

2. If the director of water resources has determined that there is an inadequate water supply for the subdivision pursuant to section 45-108, the municipality shall note this on the face of the plat if the plat is approved.

R. Every municipality is responsible for the recordation of all final plats approved by the legislative body and shall receive from the subdivider and transmit to the county recorder the recordation fee established by the county recorder.

S. Pursuant to provisions of applicable state statutes, the legislative body of any municipality may itself prepare or have prepared a plat for the subdivision of land under municipal ownership.

T. The legislative bodies of cities and towns may regulate by ordinance land splits within their corporate limits. Authority granted

under this section refers to the determination of division lines, area and shape of the tracts or parcels and does not include authority to regulate the terms or condition of the sale or lease nor does it include the authority to regulate the sale or lease of tracts or parcels that are not the result of land splits as defined in section 9-463.

U. For any subdivision that consists of ten or fewer lots, tracts or parcels, each of which is of a size as prescribed by the legislative body, the legislative body of each municipality may expedite the processing of or waive the requirement to prepare, submit and receive approval of a preliminary plat as a condition precedent to submitting a final plat and may waive or reduce infrastructure standards or requirements proportional to the impact of the subdivision. Requirements for dust-controlled access and drainage improvements shall not be waived.

V. AT THE APPLICANT'S REQUEST, AFTER PRELIMINARY PLAT SUBMITTAL AND AFTER THE APPLICANT RECEIVES ANY REQUIRED APPROVAL FROM THE DEPARTMENT OF ENVIRONMENTAL QUALITY, THE MUNICIPALITY SHALL ISSUE AN AT-RISK PERMIT FOR GRADING AND EARTHMOVING THAT RELATES TO THE PROPERTY THAT IS THE SUBJECT OF THE PRELIMINARY PLAT. THE MUNICIPALITY ISSUING AN AT-RISK PERMIT DOES NOT CONSTITUTE FINAL PRELIMINARY PLAT APPROVAL OR FINAL APPROVAL OF ANY GRADING AND DRAINAGE PLANS. ANY WORK, SERVICES OR MATERIALS ACCOMPLISHED OR ACQUIRED BY THE APPLICANT OR ITS AGENTS IS DONE AT THE FINANCIAL RISK OF THE APPLICANT WITH NO FINANCIAL LIABILITY TO THE MUNICIPALITY FOR ISSUING THE AT-RISK PERMIT. THE MUNICIPALITY MAY REQUIRE THAT ALL GRADING AND EARTHMOVING BE DONE IN COMPLIANCE WITH ALL MUNICIPAL CODES, ORDINANCES AND STANDARDS AND OTHER LEGAL REQUIREMENTS. THIS SUBSECTION DOES NOT APPLY TO A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND PERSONS, A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND, LAND IN AN AREA THAT IS DESIGNATED AS A DISTRICT OF HISTORICAL SIGNIFICANCE PURSUANT TO SECTION 9-462.01, SUBSECTION A, PARAGRAPH 10 OR AN AREA THAT IS DESIGNATED AS HISTORIC ON THE NATIONAL REGISTER OF HISTORIC PLACES.

Sec. 3. Title 9, chapter 4, article 6.4, Arizona Revised Statutes, is amended by adding section 9-469, to read:

9-469. Municipal housing needs assessment; annual report; applicability

A. BEGINNING JANUARY 1, 2024 AND EVERY FIVE YEARS THEREAFTER, A MUNICIPALITY SHALL PUBLISH A HOUSING NEEDS ASSESSMENT THAT INCLUDES AT LEAST THE FOLLOWING:

1. THE TOTAL POPULATION GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR PERIOD.

2. THE TOTAL JOB GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR PERIOD.

3. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT AND FOR SALE IN THE MUNICIPALITY TO MEET:

(a) ANY DEFICIENCIES IN HOUSING THE EXISTING POPULATION.

(b) ANY DEFICIENCIES IN HOUSING THE EXISTING WORKFORCE.

(c) THE POPULATION GROWTH PROJECTIONS.

(d) THE JOBS GROWTH PROJECTIONS.

(e) THE HOUSING NEEDS ACROSS ALL VARIOUS INCOME LEVELS.

B. BEGINNING JANUARY 1, 2025 AND EVERY YEAR THEREAFTER, EACH MUNICIPALITY SHALL SUBMIT AN ANNUAL REPORT ACCOUNTING FOR THE TOTAL NUMBER OF PROPOSED RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY, THE TOTAL NUMBER OF NET NEW RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY AND THE TOTAL NUMBER OF NEW RESIDENTIAL HOUSING UNITS THAT ARE ENTITLED, HAVE BEEN PLATTED, HAVE BEEN ISSUED A BUILDING PERMIT AND HAVE RECEIVED A CERTIFICATE OF OCCUPANCY BY THE MUNICIPALITY. THE REPORT SHALL BE SUBMITTED TO THE ARIZONA DEPARTMENT OF HOUSING. THE ANNUAL REPORT SHALL ALSO INCLUDE THE FOLLOWING:

1. THE NUMBER OF HOUSING DEVELOPMENT APPLICATIONS RECEIVED IN THE PRIOR YEAR.

2. THE NUMBER OF LOTS AND MULTIFAMILY UNITS INCLUDED IN ALL DEVELOPMENT APPLICATIONS IN THE PRIOR YEAR.

3. THE NUMBER OF LOTS AND MULTIFAMILY UNITS APPROVED AND DISAPPROVED OR OTHERWISE NOT APPROVED IN THE PRIOR YEAR.

4. THE STATUS AND PROGRESS IN MEETING THE MUNICIPALITY'S HOUSING NEEDS.

5. A PLAN THAT SPECIFIES HOW THE MUNICIPALITY INTENDS TO SATISFY THE IDENTIFIED NEED FOR ADDITIONAL HOUSING UNITS WITHIN THE MUNICIPALITY.

C. THIS SECTION DOES NOT REQUIRE A MUNICIPALITY TO MEET OR OTHERWISE FULFILL THE PROJECTIONS IN THE HOUSING NEEDS ASSESSMENT REQUIRED BY SUBSECTION A OF THIS SECTION.

D. THIS SECTION DOES NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND OR A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND PERSONS.

Sec. 4. Section 11-812, Arizona Revised Statutes, is amended to read:

11-812. Restriction on regulation; exceptions; aggregate mining regulation; definitions

A. ~~Nothing contained in~~ Any ordinance authorized by this chapter shall NOT:

1. Affect existing uses of property or the right to its continued use or the reasonable repair or alteration of the property for the purpose for which used at the time the ordinance affecting the property takes effect.

2. Prevent, restrict or otherwise regulate the use or occupation of land or improvements for railroad, mining, metallurgical, grazing or general agricultural purposes, if the tract concerned is five or more contiguous commercial acres. For the purposes of this paragraph:

(a) "General agricultural purposes" includes agritourism as defined in section 3-111, but does not include any of the following:

(i) Food establishments THAT ARE under the authority of the department of health services pursuant to section 36-136, subsection I AND that are associated with an agritourism business.

(ii) Rodeo events that are open to the general public and that sell tickets for admission. For the purposes of this item, rodeo events do not include generally accepted agricultural practices associated with livestock and equine operations.

(iii) The cultivation of cannabis as defined in section 13-3401 or marijuana as defined in section 13-3401 or 36-2801.

(b) "Mining" has the same meaning prescribed in section 27-301.

3. Prevent, restrict or otherwise regulate the use or occupation of land or improvements for agricultural composting, if the tract is five or more contiguous commercial acres. An agricultural composting operation shall notify in writing the board of supervisors and the nearest fire department of the location of the composting operation. If the nearest fire department is located in a city, town or fire district where the agricultural composting is not located, the agricultural composting operation shall also notify in writing the fire district in which the operation is located. Agricultural composting is subject to sections 3-112 and 49-141. For the purposes of this paragraph, "agricultural composting" has the same meaning prescribed in section 9-462.01, subsection ~~G~~ J.

4. Prevent, restrict or otherwise regulate the otherwise lawful discharge of a firearm or air gun or use of archery equipment on a private lot or parcel of land that is not open to the public on a commercial or membership basis.

B. A nonconforming business use within a district may expand if the expansion does not exceed one hundred ~~per cent~~ PERCENT of the area of the original business.

C. For the purposes of subsection A, paragraph 2 of this section, mining does not include aggregate mining operations in an aggregate mining operations zoning district established pursuant to this section. The board of supervisors of any county with a population of more than two million persons shall designate and establish the boundaries of an aggregate mining operations zoning district on the petition of at least one hundred persons who reside within one-half mile of an existing aggregate mining operation.

In addition, the board of supervisors of any county may establish, in its discretion and on the board's initiative, one or more aggregate mining operations zoning districts. Aggregate mining operations zoning districts may only be located in areas that are inventoried and mapped as areas of known reserves or in areas with existing aggregate mining operations. Subject to subsections E and F of this section, a county and the state mine inspector may jointly adopt, as internal administrative regulations, reasonable aggregate mining operations zoning district standards limited to permitted uses, procedures for approval of property development plans and site development standards for dust control, height regulations, setbacks, days and hours of operation, off-street parking, screening, noise, vibration and air pollution control, signs, roadway access lanes, arterial highway protection and property reclamation for which aggregate mining operations are not otherwise subject to federal, state or local regulation or a governmental contractual obligation. Regulations jointly adopted pursuant to this subsection by the county and the state mine inspector shall not prohibit the activities included in the definition of mine pursuant to section 27-301, paragraph 8 or duplicate, conflict with or be more stringent than applicable federal, state or local laws.

D. The board of supervisors of any county that establishes an aggregate mining operations zoning district shall appoint an aggregate mining operations recommendation committee for the district. The committee consists of not more than seven operators, or representatives of operators, of active aggregate mining operations in any district within the county and an equal number of private citizens, who are not operators, who are not employed by operators and who do not represent operators, residing within three miles of the boundaries of aggregate mining operations or a proposed aggregate mining operation in the district for which the committee is established. The initial members appointed to the committee shall be deemed the primary members, and the board of supervisors shall appoint not more than five alternate members who represent operators and shall appoint not more than five alternate members who are private citizens. Alternate

members may serve at meetings of the committee when a primary member is unable to attend. An aggregate mining operator may serve on more than one committee in the same county. The board of supervisors shall determine the length of terms of members of the committee and shall stagger the initial appointments so that not all members' terms expire at the same time. Members of the committee who no longer qualify for membership as provided by this subsection are subject to removal and replacement by the board of supervisors. The committee shall elect a member who is an aggregate mining operator to serve as chairperson for the first year in which the committee is created. For each year thereafter, the chairperson shall be elected by the members of the committee with a member who is a private citizen and a member who is an aggregate mining operator serving as chairperson in alternate years. The committee is subject to the open meeting requirements of title 38, chapter 3, article 3.1.

E. Within ninety days after an aggregate mining operations recommendation committee is established, the committee shall notify all existing aggregate mining operators in the district of the application of this section and title 27, chapter 3, article 6 to the aggregate mining operation. In addition, the committee shall:

1. By a majority vote of all members make recommendations to the board of supervisors for aggregate mining zoning districts and administrative regulations as provided in this section. The board of supervisors may adopt or reject the recommendations but may not make any modifications to the recommendations unless the modification is approved by a majority of the members of the recommendation committee.

2. Serve as a forum for mediation of disputes between members of the public and aggregate mining owners or operators. If the committee is unable to resolve a dispute, the committee shall transmit the matter to the state mine inspector, with written findings and recommendations, for further action.

3. Hear written complaints filed with the state mine inspector regarding alleged material deviations from approved community notices for aggregate mining operations and make written recommendations to the state mine inspector pursuant to section 27-446.

F. Any administrative regulations adopted by a board of supervisors pursuant to this section are not effective until the regulations are approved by the state mine inspector. The STATE MINE inspector may disapprove the administrative regulations adopted by the board of supervisors only if they duplicate, conflict with or are more stringent than applicable federal, state or local laws, rules or regulations. If the STATE MINE inspector disapproves the administrative regulations, the STATE MINE inspector must provide written reasons for the disapproval. The STATE MINE inspector shall not make any modification to the administrative regulations as adopted by the board of supervisors unless the modification is approved by a majority of the members of the board of supervisors.

G. A person or entity is subject to this chapter if the use or occupation of land or improvements by the person or entity consists of or includes changing, remanufacturing or treating human sewage or sludge for distribution or resale. These activities are not exempt from this chapter under subsection A, paragraph 2 of this section.

H. A county shall not require as a condition for a permit or for any approval, or otherwise cause, an owner or possessor of property to waive the right to continue an existing nonconforming outdoor advertising use or structure without acquiring the use or structure by purchase or condemnation and paying just compensation unless the county, at its option, allows the use or structure to be relocated to a comparable site in the county with the same or a similar zoning classification, or to another site in the county acceptable to both the county and the owner of the use or structure, and the use or structure is relocated to the other site. The county shall pay for relocating the outdoor advertising use or structure including the cost of removing and constructing the new use or structure that is at least the same size and height. This subsection does not apply

to county rezoning of property at the request of the property owner to a more intensive zoning district.

I. For the purposes of this section:

1. "Aggregate" has the same meaning prescribed in section 27-441.

2. "Aggregate mining" has the same meaning prescribed in section 27-441.

3. "Aggregate mining operation" means property that is owned, operated or managed by the same person for aggregate mining.

4. "Operators" means persons who are actively engaged in aggregate mining operations within the zoning district or proposed zoning district and who have given notice to the state mine inspector pursuant to section 27-303."

Amend title to conform

LAURIN HENDRIX

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

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1163

DATE March 28, 2023 MOTION: DPA/S/E

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar		✓			
Austin		✓			
Carter	✓		✓		
Gress	✓		✓		
Heap		✓			
Hendrix		✓			
Ortiz		✓			
Sun			✓		
Carbone, Vice-Chairman		✓			
Wilmeth, Chairman		✓			
		7	3	0	0

APPROVED:

JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman

Susan Nelson
COMMITTEE SECRETARY

ATTACHMENT 6

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: TAT DP 4-3-0-0 | 3rd Read 16-13-1-0

SB 1106: social media platforms; standards; notification
Sponsor: Senator Rogers, LD 7
Committee on Commerce

Overview

Establishes standards for social media platforms relating to deplatforming candidates, user censorship, algorithm categorization and notification requirements.

History

A social media platform is an organization that provides a service for public users to disseminate speech, expression, information or other content to other users or the public and includes both the organization and any of its officers, agents, employees, contractors or any other person employed by or acting on behalf of the social media platform, as well subcontractors or entities used to conduct fact-checking or any other activities relating to content modulation.

Provisions

Social Media Platforms (Sec. 1)

1. Establishes laws governing social media platforms (Platforms).
2. Defines *social media platform* as any information service, system, internet search engine or access software provider that meets all of the following:
   a) provides or enables computer access by multiple users to a computer server, including an internet platform or social media site;
   b) operates as a sole proprietorship, partnership, limited liability company, corporation, association or other legal entity;
   c) does business in Arizona; and
   d) has either annual gross revenues of more than $100,000,000, as adjusted in January of each odd-numbered year to reflect any increase in the consumer price index, or at least 100,000,000 monthly individual platform participants globally.

Candidates

3. Prohibits a Platform from wilfully deplatforming a candidate from the date of the candidate's qualification to the date of the election or cessation of candidacy.
4. Requires a social media platform to provide a method:
   a) by which a user can be identified as a candidate; and
   b) that provides the social media platform with sufficient information to confirm the candidate's qualification.
5. Stipulates the Secretary of State may, upon finding that a Platform has violated the deplatforming prohibition, impose a civil penalty of:
   a) $250,000 per day for deplatforming a candidate for statewide office; and

b) $25,000 per day for deplatforming a candidate for any other office.

6. Requires a platform to inform the candidate, when free advertising is wilfully provided, of the in-kind consideration and specifies what is not considered as free advertising.

Censorship Standards

7. Mandates the Platform to publish the standards used for determining how it will censor, deplatform and shadow ban the Platform's users.
8. Requires the Platform's censorship, deplatforming and shadow banning standards to be applied in a consistent manner among the Platform's users.
9. Instructs the Platform, before the implementation of changes to the rules, terms and agreements, to inform each user about any such changes.
10. Prohibits the platform from making changes more than once every 30 days.
11. Prohibits the Platform from censoring or shadow banning a user's content or material or deplatforming a user:
    a) without delivering a specified notification to the user; or
    b) in a manner that violates censorship standards.
12. Instructs the Platform to:
    a) provide a mechanism that allows a user to request the number of other Platform participants who were provided or shown the user's content or posts;
    b) provide a user with the number of other Platform participants who were provided or shown the user's content or posts;
    c) categorize algorithms used for postprioritization and shadow banning; and
    d) permit a user to opt out of postprioiritization and shadow banning algorithm categories to allow sequential or chronological posts and content.
13. Requires the Platform to annually provide notice on algorithms used for postprioritization and shadow banning and reoffer the opt-out opportunity.
14. Prohibits a Platform from applying or using postprioritization or shadow banning algorithms for content posted by or about a user who is a candidate, during the user's candidacy.
15. Asserts postprioritization of certain content from or about a candidate based on payments to the Platform by the candidate or a third party is not a violation of censorship standards.
16. Requires a social media platform to provide a user with a method:
    a) by which a user can be identified as a candidate; and
    b) that provides the social media platform with sufficient information to confirm the user's qualification of candidacy.
17. Requires the Platform to permit a user, who has been deplatformed, to access or retrieve all of their information, content, material and data for at least 60 days after the required notification of deplatforming has been received.
18. Prevents a Platform from censoring, deplatforming or shadow banning a journalistic enterprise based on the content of the journalistic enterprise's publication or broadcast, unless the content is obscene.
19. Asserts postprioritization of certain journalistic enterprise content based on payments to the Platform by the journalistic enterprise is not a violation of censorship standards.

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

20. Stipulates that a Platform is not required to notify a user if the censored content or material is obscene.

21. Asserts a violation of the censorship standards constitutes an unlawful practice under consumer fraud statutes and is in addition to all other causes of action, remedies and penalties available to this state.

22. Permits the Attorney General to investigate and take appropriate action against anyone who commits a violation in accordance with consumer fraud statutes.

23. Allows a user who is harmed by a Platform's violation of certain censorship standards to bring a private cause of action for the violation for which the court may award:
    a) a maximum of $100,000 in statutory damages for each proven claim;
    b) actual damages;
    c) punitive damages, if aggravating factors are present;
    d) other forms of equitable relief, including injunctive relief; and
    e) costs and reasonable attorney fees, if the user was deplatformed in violation of censorship, deplatforming or shadow banning standards.

24. Stipulates that the failure of a Platform's compliance with the standards regarding allowing users to opt out of postprioritization and shadow banning algorithms will be treated as a separate violation, act or practice.

25. Specifies a Platform that censors, shadow bans, deplatforms or applies postprioritization algorithms to candidates and users in Arizona is conclusively presumed to be engaged in substantial and not isolated activities within Arizona and operating, conducting, engaging in or carrying on a business and doing business in Arizona, and the social media platform is therefore subject to the jurisdiction of the courts of Arizona.

26. Excludes, from the Platform censorship standards, a publisher, broadcaster, printer or other person engaged in disseminating information or reproducing printed or pictorial matter if the information or matter has been disseminated or reproduced on behalf of others without knowledge of violation.

27. Defines pertinent terms.

Fifty-sixth Legislature
First Regular Session

Commerce
S.B. 1106

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1106

(Reference to Senate engrossed bill)

Page 1, line 15, strike "A SOCIAL MEDIA PLATFORM" insert "AN EMPLOYEE OF THIS STATE IN THE EMPLOYEE'S OFFICIAL CAPACITY"

Page 2, strike lines 5 through 12

Renumber to conform

Line 14, after "MEANS" strike remainder of line

Line 15, strike "OR ACCESS SOFTWARE PROVIDER" insert ". PUBLIC OR SEMIPUBLIC INTERNET-BASED SERVICE OR APPLICATION"

Strike lines 16 and 17

Renumber to conform

Line 21, after "$100,000,000" insert "DIRECTLY FROM THE OPERATION OF THE SOCIAL MEDIA PLATFORM AND NOT FROM THE SELLING OF GOODS AND SERVICES"

Line 23, strike "OR" insert "AND"

Between lines 24 and 25, insert:

"(v) PRIMARILY FUNCTIONS TO CONNECT USERS IN ORDER TO ALLOW USERS TO INTERACT SOCIALLY WITH EACH OTHER WITHIN THE PLATFORM. EMAIL OR DIRECT MESSAGING SERVICES DOES NOT MEET THIS CRITERION ON THE BASIS OF THAT FUNCTION ALONE.

(vi) ALLOWS USERS TO CREATE A PUBLIC OR SEMIPUBLIC PROFILE FOR THE PURPOSES OF LOGGING IN TO AND USING THE PLATFORM, POPULATE A PUBLIC LIST OF OTHER USERS WITH WHOM AN INDIVIDUAL SHARES A SOCIAL CONNECTION WITHIN THE PLATFORM, AND POST CONTENT THAT IS VIEWABLE BY OTHER USERS."

Attachment 8

Adopted √ # of Verbals _____
Failed _____ Withdrawn _____
Not Offered _____ Analysts Initials _____

Page 2, line 25, after "INCLUDE" insert "A BROADBAND INTERNET ACCESS SERVICE PROVIDER OR"; after "APPLICATION" insert ", CLOUD SERVICES PROVIDER"

Line 26, after "ENTERTAINMENT" insert ", E-COMMERCE"; strike "OTHER"

Between lines 31 and 32, insert:

"(c) DOES NOT INCLUDE CLOUD STORAGE, SHARED DOCUMENT COLLABORATION AND OTHER CLOUD COMPUTING SERVICES."

Line 37, strike "; free advertising"

Line 38, strike "NOT WILFULLY"

Line 41, after the second "CANDIDATE" insert "AS ALLOWED UNDER THE COMMUNICATIONS DECENCY ACT OF 1996 (P.L. 104-104; 110 STAT. 133; 47 UNITED STATES CODE 230)"; strike "A SOCIAL"

Strike lines 42 through 44

Page 3, strike lines 1 and 2

Strike lines 9 through 14

Line 15, after the first semicolon strike remainder of line

Strike line 16 and 17

Line 18, strike "A."

Line 19, strike "OR HAS USED"

Line 20, strike "CENSOR,"; strike "AND SHADOW BAN"

Strike lines 22 through 44

Strike pages 4 and 5, insert:

"18-704. Penalties; exceptions

A. AN EMPLOYEE WHO VIOLATES THIS CHAPTER SHALL BE SUBJECT TO REMOVAL FROM STATE SERVICE, REDUCTION IN GRADE, DEBARMENT FROM STATE EMPLOYMENT FOR A PERIOD NOT TO EXCEED FIVE YEARS, SUSPENSION, REPRIMAND OR A CIVIL PENALTY NOT TO EXCEED $1,000.

B. THIS CHAPTER DOES NOT PROHIBIT AN EMPLOYEE FROM ENGAGING IN LAWFUL ACTIONS WITHIN THE OFFICIAL AUTHORITY OF THE EMPLOYEE FOR THE PURPOSE OF EITHER:

1. EXERCISING LEGITIMATE LAW ENFORCEMENT FUNCTIONS DIRECTLY RELATED TO ACTIVITIES TO COMBAT CHILD PORNOGRAPHY, HUMAN TRAFFICKING OR THE ILLEGAL TRANSPORTING OF OR TRANSACTING IN CONTROLLED SUBSTANCES.

2. SAFEGUARDING OR PREVENTING THE UNLAWFUL DISSEMINATION OF PROPERLY CLASSIFIED STATE SECURITY INFORMATION."

Amend title to conform

JUSTIN WILMETH

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

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1106

DATE March 28, 2023 MOTION: DPA

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar			✓		
Austin			✓		
Carter		✓			
Gress		✓			
Heap		✓			
Hendrix		✓			
Ortiz			✓		
Sun			✓		
Carbone, Vice-Chairman		✓			
Wilmeth, Chairman		✓			
		6	4	0	0

APPROVED:

JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman

Susan Nelson
COMMITTEE SECRETARY

ATTACHMENT 9

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: JUD DPA 6-0-1-0 | 3RD Read 30-0-0-0

SB 1161: probation; work time credits; reporting
S/E: affordable housing; development standards; report
Sponsor: Senator Kaiser, LD 2
Committee on Commerce

Summary of the Strike-Everything Amendment to SB 1161

Overview

Requires municipalities to allow by right the construction of low-income multifamily residential rental property and establishes municipal reporting requirements relating to housing needs.

History

Statute authorizes municipalities to adopt zoning ordinances and codes to conserve and promote the public health, safety, convenience and general welfare and outlines zoning guidelines and requirements (Title 9, Ch.4, Art. 6.1, A.R.S.). The governing body of a municipality must adopt by ordinance a citizen review process that applies to all rezoning and specific plan applications that require a public hearing. The citizen review process must include at least:

1) notifying adjacent landowners and other potentially affected citizens of the application;
2) informing adjacent landowners and other potentially affected citizens on the substance of the proposed rezoning; and
3) providing adjacent landowners and other potentially affected citizen an opportunity to express any issues or concerns regarding the rezoning.

Any zoning ordinances that propose to change property from one zone to another, that imposes any regulation not previously imposed or that removes any such regulation previously imposed must be adopted following the procedure prescribed in the citizen review process and in the manner set for public hearings (A.R.S. § 9-462.03).

A *low-income multifamily residential rental property* is a multifamily residential property to which:

1) The owner received an allocation of federal income tax credits through the low-income housing tax credit program;
2) The property remains both income and rent restricted consistent with the low-income housing tax credit program and the provisions of the declaration of affirmative land use restrictive covenants agreement recorded on the property. The requirement of this subdivision is met if an affirmative land use restrictive covenants agreement is not yet recorded on the property but the property is otherwise subject to both income and rent restrictions under the low-income housing tax credit program; and
3) A federal, state or tribal court has not entered a judgment or order based on a finding that an act or omission of an owner or operator of the property constitutes a breach or violation of either:
   a) The declaration of affirmative land use restrictive covenants agreement recorded on the property.

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

b) Restrictions under the low-income housing tax credit program imposed on the property but not contained within an affirmative land use restrictive covenants agreement.
c) The restrictions apply to all units on the property except employee units.

Provisions

Housing Needs Assessment

1. Requires, beginning January 1, 2024, and every five years thereafter, a municipality to publish a housing needs assessment, which at minimum includes:
   a) the total population growth and total job growth projected for the subsequent five-year period; and
   b) the total need for additional residential housing units for rent and for sale in the municipality to meet:
      i. any deficiencies in housing the existing population and workforce;
      ii. the population growth and jobs growth projections; and
      iii. the housing needs across all various income levels. (Sec. 2)
2. Instructs a municipality, beginning January 1, 2025, and every year thereafter, to submit an annual report to the Department of Housing that accounts for:
   a) the total number of proposed residential housing units and the total number of net new residential housing units submitted to the municipality; and
   b) the total number of new residential housing units that are entitled, have been platted, have been issued a building permit and have received a certificate of occupancy by the municipality. (Sec. 2)
3. Outlines additional factors that the submitted report must include. (Sec. 2)
4. Specifies the requirement to publish a housing needs assessment does not require the municipality to meet or otherwise fulfill the projections stated in the assessment. (Sec. 2)
5. Excludes, from the assessment and reporting requirement, a municipality that is located on tribal land or that has a population of less than 30,000. (Sec. 2)

Miscellaneous

6. Requires, by January 1, 2024, certain municipalities to allow by right the construction of low-income multifamily residential rental property, in any existing commercial, mixed-use or multifamily residentially zoned district within one-half mile of a light rail or streetcar stop, with specified development standards. (Sec. 1)
7. Prohibits a municipality from requiring a general plan amendment, use permit or review by a board or commission for construction of low-income multifamily residential rental property. (Sec. 1)
8. Excludes, from the requirement to allow the construction of low-income multifamily residential rental property, any:
   a) land in the immediate vicinity of a municipal airport;
   b) territory in the vicinity of a military airport or ancillary military facility; or
   c) area where an existing mobile home park may be displaced. (Sec. 1)
9. Asserts every political subdivision of Arizona must give preference to state residents for any available low-income housing assistance payments or tenant-based assistance pursuant to the federal Housing Act of 1937. (Sec. 3)

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1161

(Reference to Senate engrossed bill)

Strike everything after the enacting clause and insert:

"Section 1. Title 9, chapter 4, article 6, Arizona Revised Statutes, is amended by adding section 9-461.18, to read:

9-461.18. Transit-oriented development; standards; applicability

A. NOTWITHSTANDING ANY OTHER LAW, ORDINANCE OR CHARTER PROVISION, ON OR BEFORE JANUARY 1, 2024, A MUNICIPALITY WITH A POPULATION GREATER THAN FIVE HUNDRED TWENTY-FIVE THOUSAND PERSONS SHALL ALLOW BY RIGHT, IN ANY EXISTING COMMERCIAL, MIXED-USE OR MULTIFAMILY RESIDENTIALLY ZONED DISTRICT WITHIN ONE-HALF MILE OF A LIGHT RAIL OR STREETCAR STOP, THE CONSTRUCTION OF LOW-INCOME MULTIFAMILY RESIDENTIAL RENTAL PROPERTY AS DEFINED IN SECTION 42-13601 WITH THE FOLLOWING DEVELOPMENT STANDARDS:

1. THE MAXIMUM HEIGHT LIMIT MAY NOT BE LESS THAN EIGHTY FEET.

2. THE DENSITY LIMIT MUST BE AT LEAST THE GREATEST ALLOWED DENSITY FOR PREVIOUSLY APPROVED MIXED USE OR RESIDENTIAL USE IN THE MUNICIPALITY.

B. THE MUNICIPALITY MAY NOT REQUIRE A GENERAL PLAN AMENDMENT, USE PERMIT OR REVIEW BY A BOARD OR COMMISSION FOR CONSTRUCTION OF HOUSING PURSUANT TO THIS SECTION.

C. THIS SECTION DOES NOT APPLY TO ANY LAND IN THE IMMEDIATE VICINITY OF A MUNICIPAL AIRPORT, TO ANY TERRITORY IN THE VICINITY OF A MILITARY AIRPORT OR ANCILLARY MILITARY FACILITY AS DEFINED IN SECTION 28-8461 OR TO ANY AREA WHERE AN EXISTING MOBILE HOME PARK AS DEFINED IN SECTION 33-1409 MAY BE DISPLACED.

Attachment 11

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

Sec. 2. Title 9, chapter 4, article 6.4, Arizona Revised Statutes, is amended by adding section 9-469, to read:

9-469. Municipal housing needs assessment; annual report; applicability

A. BEGINNING JANUARY 1, 2024 AND EVERY FIVE YEARS THEREAFTER, A MUNICIPALITY SHALL PUBLISH A HOUSING NEEDS ASSESSMENT THAT INCLUDES AT LEAST THE FOLLOWING:

1. THE TOTAL POPULATION GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR PERIOD.

2. THE TOTAL JOB GROWTH PROJECTED FOR THE SUBSEQUENT FIVE-YEAR PERIOD.

3. THE TOTAL NEED FOR ADDITIONAL RESIDENTIAL HOUSING UNITS FOR RENT AND FOR SALE IN THE MUNICIPALITY TO MEET:

(a) ANY DEFICIENCIES IN HOUSING THE EXISTING POPULATION.

(b) ANY DEFICIENCIES IN HOUSING THE EXISTING WORKFORCE.

(c) THE POPULATION GROWTH PROJECTIONS.

(d) THE JOBS GROWTH PROJECTIONS.

(e) THE HOUSING NEEDS ACROSS ALL VARIOUS INCOME LEVELS.

B. BEGINNING JANUARY 1, 2025 AND EVERY YEAR THEREAFTER, EACH MUNICIPALITY SHALL SUBMIT AN ANNUAL REPORT ACCOUNTING FOR THE TOTAL NUMBER OF PROPOSED RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY, THE TOTAL NUMBER OF NET NEW RESIDENTIAL HOUSING UNITS SUBMITTED TO THE MUNICIPALITY AND THE TOTAL NUMBER OF NEW RESIDENTIAL HOUSING UNITS THAT ARE ENTITLED, HAVE BEEN PLATTED, HAVE BEEN ISSUED A BUILDING PERMIT AND HAVE RECEIVED A CERTIFICATE OF OCCUPANCY BY THE MUNICIPALITY. THE REPORT SHALL BE SUBMITTED TO THE ARIZONA DEPARTMENT OF HOUSING. THE ANNUAL REPORT SHALL ALSO INCLUDE THE FOLLOWING:

1. THE NUMBER OF HOUSING DEVELOPMENT APPLICATIONS RECEIVED IN THE PRIOR YEAR.

2. THE NUMBER OF LOTS AND MULTIFAMILY UNITS INCLUDED IN ALL DEVELOPMENT APPLICATIONS IN THE PRIOR YEAR.

3. THE NUMBER OF LOTS AND MULTIFAMILY UNITS APPROVED AND DISAPPROVED OR OTHERWISE NOT APPROVED IN THE PRIOR YEAR.

4. THE TOTAL AMOUNT OF VACANT AREA ZONED FOR SINGLE-FAMILY, COMMERCIAL AND MULTIFAMILY RESIDENTIAL AS A PERCENTAGE OF THE MUNICIPALITY'S TOTAL AREA AT THE TIME OF THE HOUSING NEEDS ASSESSMENT.

5. THE STATUS AND PROGRESS IN MEETING THE MUNICIPALITY'S HOUSING NEEDS.

6. A PLAN THAT SPECIFIES HOW THE MUNICIPALITY INTENDS TO SATISFY THE IDENTIFIED NEED FOR ADDITIONAL HOUSING UNITS WITHIN THE MUNICIPALITY.

C. THIS SECTION DOES NOT REQUIRE A MUNICIPALITY TO MEET OR OTHERWISE FULFILL THE PROJECTIONS IN THE HOUSING NEEDS ASSESSMENT REQUIRED BY SUBSECTION A OF THIS SECTION.

D. THIS SECTION DOES NOT APPLY TO A MUNICIPALITY THAT IS LOCATED ON TRIBAL LAND OR A MUNICIPALITY WITH A POPULATION OF LESS THAN THIRTY THOUSAND PERSONS.

Sec. 3. Title 36, chapter 12, article 1, Arizona Revised Statutes, is amended by adding section 36-1426, to read:

36-1426. Housing assistance; state residents; preference

EVERY POLITICAL SUBDIVISION OF THIS STATE SHALL GIVE PREFERENCE TO RESIDENTS OF THIS STATE FOR ANY AVAILABLE LOW-INCOME HOUSING ASSISTANCE PAYMENTS OR TENANT-BASED ASSISTANCE PURSUANT TO THE UNITED STATES HOUSING ACT OF 1937 (42 UNITED STATES CODE SECTION 1437f)."

Amend title to conform

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

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1161

DATE March 28, 2023 MOTION: DPA/SE

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar		✓			
Austin		✓			
Carter			✓		
Gress		✓			
Heap			✓		
Hendrix		✓			
Ortiz		✓			
Sun		✓			
Carbone, Vice-Chairman			✓		
Wilmeth, Chairman		✓			
		7	3	0	0

APPROVED:

JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman

Susan Nelson
COMMITTEE SECRETARY

ATTACHMENT 12

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: TAT DPA 4-3-0-0 | 3rd Read 19-10-1-0

SB 1198: restored salvage vehicle titles; inspections
S/E: condominium; termination; notice; relocation fund
Sponsor: Senator Kaiser, LD 2
Committee on Commerce

Summary of the Strike-Everything Amendment to SB 1198

Overview

Changes the fund for which a unit owner receives monies for relocation costs from the association's reserve fund and operating account to the Condominium Relocation Fund.

History

A *condominium* is a real estate development, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of the separate portions (A.R.S. § 33-1202).

Except in the case of taking all units by eminent domain, a condominium may be terminated only by an agreement of at least 80% of the unit owners in the association. If any real estate in a condominium is to be sold following termination, the termination agreement must establish the minimum terms of sale and the title to all real estate vests in the association. Proceeds of the sale must be distributed to the unit owners and lienholders in proportion to the respective interest of the unit owners. Upon termination of a condominium, the interests of unit owners are the fair market values of their units, limited common elements, common element interests immediately before the termination, their pro rata share of any monies in the association's reserve fund and the operating account and 5% of the total amount of relocation costs for owner-occupied units. An independent appraiser selected by the association must determine the fair market value, but any unit owner may obtain a second independent appraisal at their own expense. If the unit owners' appraisal differs from the associations by five percent or less, the higher appraisal is final. If the appraisals differ by more than 5% the unit owner must submit to arbitration at the association's expense and the arbitration amount is the final sale amount (A.R.S. § 33-1228).

Provisions

1. Clarifies the pro rate share of any monies in the association's reserve fund and the operating account *immediately before the termination* as a respective interest of a unit owner. (Sec. 1)
2. Stipulates a unit owner, only for a unit that is owner's primary residence, receives an additional 5% of that total amount for relocation costs along with all closing costs of the sales transaction from the Condominium Relocation Fund. (Sec. 1)
3. Specifies the closing costs includes:
   a) the costs for title insurance, if requested; and
   b) compensation for the difference the interest rate for any amount owed on a mortgage, deed of trust or other similar encumbrance on the unit at the time of termination and the

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

interest rate for a similar mortgage or deed of trust or other similar financing method on that same amount at the time of termination. (Sec. 1)

4. Specifies the fair market value of the unit is determined from the higher of:
   a) the highest selling price paid for comparable unit that was sold in the condominium in the previous five years; and
   b) the fair market value as determined by an independent appraisal of the unit that is made using similar features in condominiums within a five-mile radius of the condominium. (Sec. 1)
5. Removes language relating to the association's independent appraiser determines the fair market value. (Sec. 1)
6. Stipules the unit owner may submit the issues to arbitration if the unit owner and the buyer do not agree on the fair market value of the unit and, if applicable, the relocation costs and other additional amounts due an owner of a unit that is the unit owner's primary residence. (Sec. 1)
7. Specifies the Condominium Relocation Fund pays for the costs of the arbitration. (Sec. 1)
8. Requires each condominium unit be assessed an annual amount determined by the Department of Housing for deposit into the Condominium Relocation Fund. (Sec. 1)
9. Requires the association to mail or deliver to the purchaser a statement notifying the purchaser that the condominium may be terminated by a vote of 80% or more of the owners of the units in the condominium and if a sufficient number of units are acquired by a potential buyer for the entire property, the unit owners may be required to sell their units. (Sec. 2)
10. Requires the board of directors to provide an annual notice to unit owners that includes:
    a) a statement that the condominium may be terminated by a vote of 80% or more of the owners of the units in the condominium and if a sufficient number of units are acquired by a potential buyer for the entire property, the unit owners may be required to sell their units; and
    b) a statement that provides the total number of units in the condominium, the number of units owned by each unit owner and the name of each unit owner. (Sec. 3)
11. Establishes the Condominium Relocation Fund consisting of monies collected by an annual assessment. (Sec. 4)
12. Instructs the Department of Housing to administer the Condominium Relocation Fund. (Sec. 4)
13. Permits the Department of Housing to use up to 5% of the Condominium Relocation Fund monies for administration costs. (Sec. 4)
14. Requires the State Treasurer to invest and divest Condominium Relocation Fund monies and credit earned monies to the fund. (Sec. 4)
15. Stipulates unexpended and unencumbered monies remain in the fund at the end of the fiscal year. (Sec. 4)
16. Requires each unit owner to pay an annual assessment, in an amount determined by the Department of Housing, for each unit the person owns. (Sec. 4)
17. Directs the county treasurer to collect the assessment in the same manner as real property taxes. (Sec. 4)
18. Requires the county treasurer to separately list the assessment on the tax roll and transfer the revenues collected to the State Treasurer for deposit into the Condominium Relocation Fund. (Sec. 4)

19. Specifies monies in the Condominium Relocation Fund must be used to pay the following as a portion of the amount payable to a unit owner for the unit owner's interest in a condominium that is being terminated:
    a) for a unit that is the primary residence of the unit owner, all of the following:
        i. the additional 5% of the total amount of the pro rata share of monies as relocation costs.
        ii. all closing costs of the sales transaction, including costs for title insurance if requested by the unit owner.
        iii. compensation for the difference in the interest rate for any amount owed on a mortgage, deed of trust or other similar encumbrance on the unit at the time of termination and the interest rate for a similar mortgage or deed of trust or other similar financing method on that same amount at the time of termination.
    b) for all unit owners, the costs of the arbitration.
20. Contains a legislative intent clause. (Sec. 5)
21. Applies the changes to the condominium termination statutes retroactively to all condominiums whether established before or after the effective date of this Act. (Sec. 6)

Fifty-sixth Legislature
First Regular Session

Commerce
S.B. 1198

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1198

(Reference to Senate engrossed bill)

Strike everything after the enacting clause and insert:

"Section 1. Section 33-1228, Arizona Revised Statutes, is amended to read:

33-1228. Termination of condominium

A. Except as provided in subsection B of this section, a condominium may be terminated only by agreement of unit owners of units to which at least eighty percent of the votes in the association are allocated, or any larger percentage the declaration specifies, except:

1. In the case of a taking of all the units by eminent domain.

2. If the declaration specifies a smaller percentage, but only if all of the units in the condominium are restricted exclusively to nonresidential uses.

B. A condominium created on or after September 24, 2022 may be terminated only by agreement of unit owners of units to which ninety-five percent of the votes in the association are allocated, or any larger percentage the declaration specifies, except as provided in subsection A, paragraph 1 or 2 of this section.

C. At least thirty days before recording a termination agreement, the board of directors of the association shall convene a regular or special meeting of the board of directors at which a person or entity that purports to have the agreement of at least the percentage of the votes in the association specified in subsection A or B of this section, as applicable, or any larger percentage if required, shall produce and make

Attachment 14

Adopted ✓ # of Verbals ____

Failed ____ Withdrawn ____

Not Offered ____ Analysts Initials ____

available to the unit owners copies of a signed notarized statement that the owner of a unit has executed a termination agreement. The person or entity shall produce copies of a statement for each unit owner who has agreed to the termination, or may produce the signed termination agreement that includes a sufficient number of unit owners. Any meeting called pursuant to this subsection shall be noticed as otherwise provided by law, except that the board may not take action by written consent or any other method that does not provide for an actual meeting that is open to all the unit owners. Any termination agreement that is recorded without full compliance with this subsection is invalid.

D. An agreement to terminate shall be evidenced by the execution or ratifications of a termination agreement, in the same manner as a deed, by the requisite number of unit owners. The termination agreement shall specify a date after which the agreement will be void unless it is recorded before that date. A termination agreement and all ratifications of a termination agreement shall be recorded in each county in which a portion of the condominium is situated and is effective only on recordation.

E. A termination agreement may provide that all the common elements and units of the condominium shall be sold following termination. If, pursuant to the agreement, any real estate in the condominium is to be sold following termination, the termination agreement shall set forth the minimum terms of the sale.

F. The association, on behalf of the unit owners, may contract for the sale of real estate in the condominium, but the contract is not binding on the unit owners until approved pursuant to subsections A, B, C and D of this section. If any real estate in the condominium is to be sold following termination, title to that real estate on termination vests in the association as trustee for the holders of all interest in the units. Thereafter, the association has all powers necessary and appropriate to effect the sale. Until the sale has been concluded and the proceeds of the sale distributed, the association continues in existence with all powers it

had before termination. Proceeds of the sale shall be distributed to unit owners and lienholders as their interests may appear, in proportion to the respective interests of unit owners as provided in subsection I of this section. Unless otherwise specified in the termination agreement, as long as the association holds title to the real estate, each unit owner and the unit owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the unit owner's unit. During the period of that occupancy, each unit owner and the successors in interest remain liable for all assessments and other obligations imposed on unit owners by this chapter or the declaration.

G. If the real estate constituting the condominium is not to be sold following termination, title to all the real estate in the condominium vests in the unit owners on termination as tenants in common in proportion to their respective interests as provided in subsection I of this section, and liens on the units shift accordingly. While the tenancy in common exists, each unit owner and the unit owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the unit owner's unit.

H. Following termination of the condominium, the proceeds of any sale of real estate, together with the assets of the association, are held by the association as trustee for unit owners and holders of liens on the units as their interests may appear. Following termination, creditors of the association holding liens on the units that were recorded before termination may enforce those liens in the same manner as any lienholder.

I. The respective interests of unit owners referred to in subsections F, G and H of this section are as follows:

1. Except as provided in paragraph 2 of this subsection, the respective interests of unit owners are the fair market values of their units, limited common elements and common element interests immediately before the termination~~,~~ AND their pro rata share of any monies in the association's reserve fund and the operating account IMMEDIATELY BEFORE THE

TERMINATION. ~~and~~ ONLY FOR A UNIT THAT IS THE PRIMARY RESIDENCE OF THE UNIT OWNER, FROM THE CONDOMINIUM RELOCATION FUND, THE UNIT OWNER SHALL RECEIVE an additional five percent of that total amount for relocation costs ALONG WITH ALL CLOSING COSTS OF THE SALES TRANSACTION, INCLUDING COSTS FOR TITLE INSURANCE IF REQUESTED BY THE UNIT OWNER, AND COMPENSATION FOR THE DIFFERENCE IN THE INTEREST RATE FOR ANY AMOUNT OWED ON A MORTGAGE, DEED OF TRUST OR OTHER SIMILAR ENCUMBRANCE ON THE UNIT AT THE TIME OF TERMINATION AND THE INTEREST RATE FOR A SIMILAR MORTGAGE OR DEED OF TRUST OR OTHER SIMILAR FINANCING METHOD ON THAT SAME AMOUNT AT THE TIME OF TERMINATION. FOR ALL UNIT OWNERS, THE FAIR MARKET VALUE OF THE UNIT SHALL BE DETERMINED FROM THE HIGHER OF THE HIGHEST SELLING PRICE PAID FOR A UNIT WITH A COMPARABLE FLOOR PLAN AND COMPARABLE SIZE THAT WAS SOLD IN THE CONDOMINIUM IN THE IMMEDIATELY PRECEDING FIVE YEARS AND THE FAIR MARKET VALUE AS DETERMINED BY AN INDEPENDENT APPRAISAL OF THE UNIT THAT IS MADE USING UNITS WITH A SIMILAR SQUARE FOOTAGE, A SIMILAR NUMBER OF BEDROOMS AND BATHROOMS AND OTHER SIMILAR FEATURES IN CONDOMINIUMS WITHIN A FIVE-MILE RADIUS OF THE CONDOMINIUM. ANY APPRAISAL USED FOR THIS PURPOSE IS AT THE UNIT OWNER'S OPTION, AND THE UNIT OWNER SHALL PAY FOR THE APPRAISAL. IF THE UNIT OWNER CHOOSES NOT TO USE AN APPRAISAL, THE FAIR MARKET VALUE SHALL BE DETERMINED WITHOUT IT AS PRESCRIBED BY THIS PARAGRAPH. THE FAIR MARKET VALUE SHALL NOT BE REDUCED BY ANY SPECIAL ASSESSMENTS, CAPITAL IMPROVEMENT FEES OR OTHER CHARGES IMPOSED BY THE ASSOCIATION DURING THE TWO-YEAR PERIOD IMMEDIATELY PRECEDING THE TERMINATION. ~~An independent appraiser selected by the association shall determine the total fair market values. The determination of the independent appraiser shall be distributed to the unit owners and becomes final unless disapproved within sixty days after distribution to the unit owner. Any unit owner may obtain a second independent appraisal at the unit owner's expense and, if the unit owner's independent appraisal amount differs from the association's independent appraisal amount by five percent or less, the higher appraisal is final. If the total amount of compensation owed as determined by the~~

~~second appraiser is more than five percent higher than the amount determined by the association's appraiser,~~ IF THE UNIT OWNER AND THE BUYER DO NOT AGREE ON THE FAIR MARKET VALUE OF THE UNIT AND, IF APPLICABLE, THE RELOCATION COSTS AND OTHER ADDITIONAL AMOUNTS DUE AN OWNER OF A UNIT THAT IS THE UNIT OWNER'S PRIMARY RESIDENCE, the unit owner ~~shall~~ MAY submit THE ISSUES to arbitration by an arbitrator affiliated with a national arbitration association and under the rules of that association ~~at the association's expense~~ and the arbitration amount is the final sale amount. ~~As part of the arbitration process, the appraisers shall fully disclose their appraisal methodologies and shall disclose any other transaction occurring between the buyer and the sellers. An additional five percent of the final sale amount shall be added for relocation costs.~~ THE COSTS OF THE ARBITRATION SHALL BE PAID FROM THE CONDOMINIUM RELOCATION FUND ESTABLISHED BY SECTION 41-3958.

2. If any unit or any limited common element is destroyed to the extent that an appraisal of the fair market value of the unit or element before destruction cannot be made, the interests of all unit owners are their respective common element interests immediately before the termination.

J. Except as provided in subsection K of this section, foreclosure or enforcement of a lien or encumbrance against the entire condominium does not of itself terminate the condominium, and foreclosure or enforcement of a lien or encumbrance against a portion of the condominium does not withdraw that portion from the condominium. Foreclosure or enforcement of a lien or encumbrance against withdrawable real estate does not of itself withdraw that real estate from the condominium, but the person taking title may require from the association, on request, an amendment excluding the real estate from the condominium.

K. If a lien or encumbrance against a portion of the real estate comprising the condominium has priority over the declaration, and the lien or encumbrance has not been partially released, the parties foreclosing the

lien or encumbrance, on foreclosure, may record an instrument excluding the real estate subject to that lien or encumbrance from the condominium.

L. The provisions of subsections E, F, G, H, J and K of this section do not apply if the original declaration, an amendment to the original declaration recorded before the conveyance of any unit to an owner other than the declarant or an agreement by all of the unit owners contains provisions inconsistent with these subsections.

M. ~~Beginning on August 3, 2018,~~ Any provisions in the declaration that conflict with subsection I, paragraph 1 of this section are void as a matter of public policy.

N. EACH UNIT IN A CONDOMINIUM SHALL BE ASSESSED AN ANNUAL AMOUNT AS DETERMINED BY THE DIRECTOR OF THE ARIZONA DEPARTMENT OF HOUSING TO PROVIDE MONIES FOR THE CONDOMINIUM RELOCATION FUND ESTABLISHED PURSUANT TO SECTION 41-3958.

Sec. 2. Section 33-1260, Arizona Revised Statutes, is amended to read:

33-1260. Resale of units; information required; fees; civil penalty; applicability; definition

A. For condominiums with fewer than fifty units, a unit owner shall mail or deliver to a purchaser or a purchaser's authorized agent within ten days after receipt of a written notice of a pending sale of the unit, and for condominiums with fifty or more units, the association shall mail or deliver to a purchaser or a purchaser's authorized agent within ten days after receipt of a written notice of a pending sale that contains the name and address of the purchaser all of the following in either paper or electronic format:

1. A copy of the bylaws and the rules of the association.

2. A copy of the declaration.

3. A dated statement containing:

(a) The telephone number and address of a principal contact for the association, which may be an association manager, an association management

company, an officer of the association or any other person designated by the board of directors.

(b) The amount of the common expense assessment for the unit and any unpaid common expense assessment, special assessment or other assessment, fee or charge currently due and payable from the selling unit owner. If the request is made by a lienholder, escrow agent, unit owner or person designated by a unit owner pursuant to section 33-1256, failure to provide the information pursuant to this subdivision within the time provided for in this subsection shall extinguish any lien for any unpaid assessment then due against that unit.

(c) A statement as to whether a portion of the unit is covered by insurance maintained by the association.

(d) The total amount of money held by the association as reserves.

(e) If the statement is being furnished by the association, a statement as to whether the records of the association reflect any alterations or improvements to the unit that violate the declaration. The association is not obligated to provide information regarding alterations or improvements that occurred more than six years before the proposed sale. ~~Nothing in~~ This subdivision ~~relieves~~ DOES NOT RELIEVE the seller of a unit from the obligation to disclose alterations or improvements to the unit that violate the declaration~~, nor precludes~~ AND DOES NOT PRECLUDE the association from taking action against the purchaser of a unit for violations that are apparent at the time of purchase and that are not reflected in the association's records.

(f) If the statement is being furnished by the unit owner, a statement as to whether the unit owner has any knowledge of any alterations or improvements to the unit that violate the declaration.

(g) A statement of case names and case numbers for pending litigation with respect to the unit filed by the association against the unit owner or filed by the unit owner against the association. The unit owner or the association shall not be required to disclose information

concerning the pending litigation that would violate any applicable rule of attorney-client privilege under ~~Arizona~~ STATE law.

(h) A statement that provides "I hereby acknowledge that the declaration, bylaws and rules of the association constitute a contract between the association and me (the purchaser). By signing this statement, I acknowledge that I have read and understand the association's contract with me (the purchaser). I also understand that as a matter of Arizona law, if I fail to pay my association assessments, the association may foreclose on my property." The statement shall also include a signature line for the purchaser and shall be returned to the association within fourteen calendar days.

4. A copy of the current operating budget of the association.

5. A copy of the most recent annual financial report of the association. If the report is more than ten pages, the association may provide a summary of the report in lieu of the entire report.

6. A copy of the most recent reserve study of the association, if any.

7. A statement summarizing any pending lawsuits, except those relating to the collection of assessments owed by unit owners other than the selling unit owner, in which the association is a named party, including the amount of any money claimed.

8. A STATEMENT NOTIFYING THE PURCHASER THAT UNDER THE LAWS OF THIS STATE, THE CONDOMINIUM MAY BE TERMINATED BY A VOTE OF EIGHTY PERCENT OR MORE OF THE OWNERS OF THE UNITS IN THE CONDOMINIUM AND IF A SUFFICIENT NUMBER OF UNITS ARE ACQUIRED BY A POTENTIAL BUYER FOR THE ENTIRE PROPERTY, THE UNIT OWNERS MAY BE REQUIRED TO SELL THEIR UNITS.

B. A purchaser or seller who is damaged by the failure of the unit owner or the association to disclose the information required by subsection A of this section may pursue all remedies at law or in equity against the unit owner or the association, whichever failed to comply with subsection A of this section, including the recovery of reasonable attorney fees.

C. The association may charge the unit owner a fee of not more than an aggregate of ~~four hundred dollars~~ $400 to compensate the association for the costs incurred in the preparation and delivery of a statement or other documents furnished by the association pursuant to this section for purposes of resale disclosure, lien estoppel and any other services related to the transfer or use of the property. In addition, the association may charge a rush fee of not more than ~~one hundred dollars~~ $100 if the rush services are required to be performed within seventy-two hours after the request for rush services, and may charge a statement or other documents update fee of not more than ~~fifty dollars~~ $50 if thirty days or more have passed since the date of the original disclosure statement or the date the documents were delivered. The association shall make available to any interested party the amount of any fee established from time to time by the association. If the aggregate fee for purposes of resale disclosure, lien estoppel and any other services related to the transfer or use of a property is less than ~~four hundred dollars~~ $400 on January 1, 2010, the fee may increase at a rate of not more than twenty percent per year based on the immediately preceding fiscal year's amount, not to exceed the ~~four hundred dollar~~ $400 aggregate fee. The association may charge the same fee without regard to whether the association is furnishing the statement or other documents in paper or electronic format.

D. The fees prescribed by this section shall be collected ~~no~~ NOT earlier than at the close of escrow and may only be charged once to a unit owner for that transaction between the parties specified in the notice required pursuant to subsection A of this section. An association shall not charge or collect a fee relating to services for resale disclosure, lien estoppel and any other services related to the transfer or use of a property except as specifically authorized in this section. An association that charges or collects a fee in violation of this section is subject to a civil penalty of not more than ~~one thousand two hundred dollars~~ $1,200.

E. This section applies to a managing agent for an association that is acting on behalf of the association.

F. The following are exempt from this section:

1. A sale in which a public report is issued pursuant to section 32-2183 or 32-2197.02.

2. A sale pursuant to section 32-2181.02.

3. A conveyance by recorded deed that bears an exemption listed in section 11-1134, subsection B, paragraph 3 or 7. On recordation of the deed and for no additional charge, the unit owner shall provide the association with the changes in ownership, including the unit owner's name, billing address and phone number. Failure to provide the information shall not prevent the unit owner from qualifying for the exemption pursuant to this section.

G. This section does not apply to timeshare plans or associations that are subject to chapter 20 of this title.

H. For the purposes of this section, unless the context otherwise requires, "unit owner":

1. Means the seller of the condominium unit title. ~~and excludes~~

2. DOES NOT INCLUDE:

(a) Any real estate salesperson or real estate broker who is licensed under title 32, chapter 20 and who is acting as a salesperson or broker. ~~.~~

(b) Any escrow agent who is licensed under title 6, chapter 7 and who is acting as an escrow agent. ~~and also excludes~~

(c) A trustee of a deed of trust who is selling the property in a trustee's sale pursuant to chapter 6.1 of this title.

Sec. 3. Title 33, chapter 9, article 3, Arizona Revised Statutes, is amended by adding section 33-1262, to read:

33-1262. Annual notice to unit owners; termination; ownership

THE BOARD OF DIRECTORS SHALL PROVIDE AN ANNUAL NOTICE TO ALL UNIT OWNERS THAT INCLUDES THE FOLLOWING:

1. A STATEMENT THAT UNDER THE LAWS OF THIS STATE, THE CONDOMINIUM MAY BE TERMINATED BY A VOTE OF EIGHTY PERCENT OR MORE OF THE OWNERS OF THE UNITS IN THE CONDOMINIUM AND IF A SUFFICIENT NUMBER OF UNITS ARE ACQUIRED BY A POTENTIAL BUYER FOR THE ENTIRE PROPERTY, THE UNIT OWNERS MAY BE REQUIRED TO SELL THEIR UNITS.

2. A STATEMENT THAT PROVIDES THE TOTAL NUMBER OF UNITS IN THE CONDOMINIUM, THE NUMBER OF UNITS OWNED BY EACH UNIT OWNER AND THE NAME OF EACH UNIT OWNER.

Sec. 4. Title 41, chapter 37, article 2, Arizona Revised Statutes, is amended by adding section 41-3958, to read:

41-3958. Condominium relocation fund; assessment; purpose; exemption

A. THE CONDOMINIUM RELOCATION FUND IS ESTABLISHED CONSISTING OF MONIES COLLECTED PURSUANT TO SECTION 33-1228 AND THIS SECTION. THE DEPARTMENT SHALL ADMINISTER THE FUND. EACH UNIT OWNER IN A CONDOMINIUM AS DEFINED IN SECTION 33-1202 SHALL PAY AN ASSESSMENT EACH YEAR FOR EACH CONDOMINIUM UNIT THE PERSON OWNS. THE DIRECTOR SHALL DETERMINE BY RULE THE AMOUNT OF THE ASSESSMENT AND SHALL NOTIFY THE COUNTY TREASURER OF THE AMOUNT. THE COUNTY TREASURER SHALL COLLECT THE ASSESSMENT IMPOSED BY THIS SECTION AT THE SAME TIME AND IN THE SAME MANNER AS REAL PROPERTY TAXES. THE COUNTY TREASURER SHALL SEPARATELY LIST THE ASSESSMENT ON THE TAX ROLL AND SHALL TRANSFER THE REVENUES COLLECTED TO THE STATE TREASURER FOR DEPOSIT IN THE CONDOMINIUM RELOCATION FUND.

B. MONIES IN THE FUND SHALL BE USED TO PAY THE FOLLOWING AS A PORTION OF THE AMOUNT PAYABLE TO A UNIT OWNER FOR THE UNIT OWNER'S INTEREST IN A CONDOMINIUM THAT IS BEING TERMINATED PURSUANT TO SECTION 33-1228:

1. FOR A UNIT THAT IS THE PRIMARY RESIDENCE OF THE UNIT OWNER, ALL OF THE FOLLOWING AS PRESCRIBED BY SECTION 33-1228:

(a) THE ADDITIONAL FIVE PERCENT OF THE TOTAL AMOUNT PURSUANT TO SECTION 33-1228, SUBSECTION I, PARAGRAPH 1 AS RELOCATION COSTS.

(b) ALL CLOSING COSTS OF THE SALES TRANSACTION, INCLUDING COSTS FOR TITLE INSURANCE IF REQUESTED BY THE UNIT OWNER.

(c) COMPENSATION FOR THE DIFFERENCE IN THE INTEREST RATE FOR ANY AMOUNT OWED ON A MORTGAGE, DEED OF TRUST OR OTHER SIMILAR ENCUMBRANCE ON THE UNIT AT THE TIME OF TERMINATION AND THE INTEREST RATE FOR A SIMILAR MORTGAGE OR DEED OF TRUST OR OTHER SIMILAR FINANCING METHOD ON THAT SAME AMOUNT AT THE TIME OF TERMINATION.

2. FOR ALL UNIT OWNERS, THE COSTS OF THE ARBITRATION PRESCRIBED BY SECTION 33-1228.

C. ON NOTICE FROM THE DIRECTOR, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONIES REMAINING IN THE FUND AT THE END OF THE FISCAL YEAR DO NOT REVERT TO THE STATE GENERAL FUND BUT REMAIN IN THE FUND, SEPARATELY ACCOUNTED FOR, AS A CONTINGENCY RESERVE.

D. THE DEPARTMENT MAY USE NOT MORE THAN FIVE PERCENT OF THE MONIES IN THE FUND ANNUALLY FOR THE COSTS OF THE DEPARTMENT IN ADMINISTERING THE FUND.

Sec. 5. Legislative intent; condominium terminations; retroactivity

A. The legislature finds that in recent years, numerous condominium owners in this state have been forced to sell their residences at a significantly reduced price to investors that have acquired a substantial interest in the condominium units in that community and that are terminating the condominium over the objection of those same owners and, in most cases, converting the condominiums to rental property. These condominium owners have been financially harmed by the inequitable system used by the investors acquiring the condominium units at an extreme discount in a forced sale. Some of these investors have further harmed these condominium owners by levying special assessments or other similar charges against the unit owners once the investors have control of the

association board of directors, thus requiring the special assessments and charges to be paid on termination, reducing the net sales proceeds for the unit owners even further. These inequities are compounded by recent real estate market forces that have made condominium termination and conversion a more favored investment option.

B. The statutory provisions that govern the acquisition and termination of a condominium, originally written in 1977, have been in place in this state since 1985 and have been unchanged for many years. Beginning in 2018, the legislature recognized the inequities in the old statutory scheme that leaves these condominium owners with unequal bargaining power and has attempted to provide more protections for condominium owners who are subject to a forced termination. A recent decision in this state's courts, Cao v. PFP Dorsey Investments, LLC, 253 Ariz. 552 (Az. App. 2022), has reduced or eliminated the effectiveness of the legislature's recent enactments, resulting in continuing harm to condominium owners' private property rights.

C. Based on the foregoing and after careful consideration of the case Cao v. PFP Dorsey Investments, LLC, 253 Ariz. 552 (Az. App. 2022), the legislature finds and declares that there is a vital public interest in maintaining these forms of private property ownership as affordable and essential housing and in ensuring through a lawful exercise of its police powers that condominium unit owners are properly compensated for their private property ownership rights and receive fair compensation for any condominium units that are forced to be sold under the termination process. The legislature further finds that even if this enactment does constitute a substantial impairment to one or more contractual rights, this enactment is a valid exercise of this state's police power in that it provides a safeguard to the vital public interest in protecting these property rights and is a reasonable and appropriate minor adjustment to the inherently unequal bargaining position of the parties and furthers this significant and legitimate public purpose. Therefore, the legislature intends for this

act to be retroactively applied to all condominiums in this state, whether established before or after the effective date of this act.

Sec. 6. Retroactivity

Section 33-1228, Arizona Revised Statutes, as amended by this act, applies retroactively to all condominiums in this state, whether established before or after the effective date of this act."

Amend title to conform

JUSTIN WILMETH

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

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1198

DATE March 28, 2023 MOTION: DPA/SE

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

APPROVED:

JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman

Susan Nelson
COMMITTEE SECRETARY

ATTACHMENT 15

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: FIN DP 4-3-0-0 | 3rd Read 16-12-2-0

SCR1033: state debt; limit; restrictions; prohibitions
Sponsor: Senator Mesnard, LD 13
Committee on Commerce

Overview

Subject to voter approval, constitutionally defines *debt* as specified obligations of this State that are paid with state General Fund monies.

History

The Arizona Constitution grants the State the power to contract debts to supply the casual deficits or failures in revenues or to meet expenses not otherwise provided for. The total amount of contract debts cannot exceed $350,000. The monies created from such debts must be used for the outlined purpose. Additionally, the State may borrow money to: 1) repel an invasion; 2) suppress an insurrection; or 3) defend the State during a time of war. Monies may not be paid from the state treasury except as provided by law (Arizona State Constitution, Article 9 § 5).

Provisions

1. Defines *debt* as the following state obligations that are paid with state General Fund monies:
   a) general obligation bonds;
   b) long-term notes and obligations;
   c) certificates of participation and other obligations pursuant to any lease-purchase agreement;
   d) revenue bonds; and
   e) obligations of this State in one fiscal year that are deferred in whole or in part to another fiscal year.
2. Instructs the Secretary of State to submit this proposition to the voters in the next general election.

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

Fifty-sixth Legislature
First Regular Session

Commerce
S.C.R. 1033

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.C.R. 1033

(Reference to Senate engrossed resolution)

Page 1, line 26, after "MEANS" insert ":

1. ANY OF"

Line 27, strike "OBLIGATIONS OF" insert "ISSUED BY"; after "STATE" insert ", OTHER THAN THOSE ISSUED FOR LONG-TERM CAPITAL PROJECTS FOR EDUCATION OR PUBLIC SAFETY PURPOSES,"

Line 29, strike "1." insert "(a)"

Line 30, strike "2." insert "(b)"

Line 31, strike "3." insert "(c)"

Line 33, strike "4." insert "(d)"

Line 34, strike "5." insert "2. STATE GENERAL FUND"; after "OBLIGATIONS" strike remainder of line

Line 35, strike "ARE"; after "PART" insert "FROM ONE FISCAL YEAR"; after "YEAR" insert "FOR THE PURPOSES OF RESOLVING CASUAL DEFICITS OR FAILURES IN REVENUES"

Amend title to conform

JUSTIN WILMETH

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C: MEB

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

Attachment 17

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

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SCR 1033

DATE March 28, 2023 MOTION: DPA

	PASS	AYE	NAY	PRESENT	ABSENT
~~Aguilar~~ SANDOVAL			✓		
Austin			✓		
Carter	✓	✓			
Gress		✓			
Heap		✓			
Hendrix		✓			
Ortiz			✓		
Sun			✓		
Carbone, Vice-Chairman		✓			
Wilmeth, Chairman		✓			
		6	4	0	0

APPROVED:

JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman

Susan Nelson
COMMITTEE SECRETARY

ATTACHMENT 18

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: GOV DPA 5-3-0-0 | 3rd Read 16-13-1-0

SB 1138: business; discrimination prohibition; social criteria
Sponsor: Senator Hoffman, LD 15
Committee on Commerce

Overview

Prohibits financial institutions, insurers or credit reporting agencies from discriminating against any person based on certain affiliations or value-based criteria.

History

A *financial institution* is statutorily defined as banks, trust companies, savings and loan associations, credit unions, consumer lenders, international banking facilities and financial institution holding companies under the jurisdiction of the Department of Insurance and Financial Institutions (A.R.S. § 6-101).

An *insurer* includes every person engaged in the business of making contracts of insurance (A.R.S. § 20-104).

A *consumer reporting agency* is any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information on consumers for the purpose of furnishing consumer reports to third parties (A.R.S. § 44-1691).

Provisions

1. Prohibits a financial institution, an insurer or a credit reporting agency from discriminating against any person based on:
   a) political affiliation; or
   b) other social credit, environmental, social, governance or similar values-based or impact criteria. (Sec. 1, 2 ,3)
2. Stipulates that the prohibition does not interfere with a financial institution's, an insurer's or a credit reporting agency's ability to discontinue or refuse to conduct business with a person if necessary for the physical safety of employees. (Sec. 1, 2, 3)
3. Permits a financial institution to offer investments, products or services to a potential customer or investor that include subjective standards if the standards are fully disclosed and explained prior to the entering into a contract. (Sec. 1)
4. Specifies the Legislature declares that:
   a) the practice of discrimination against persons or entities in Arizona by using their social credit or environmental, social justice and governmental score is a statewide concern; and
   b) discrimination based on such scores not only threatens the rights, privileges, peace, order, health, safety and general welfare of Arizona and its inhabitants but menaces the institutions and foundation of a free democratic state. (Sec. 1, 2, 3)

☐ 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 1138

DATE March 28, 2023 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
~~Aguilar~~ SANDOVAL			✓		
Austin			✓		
Carter		✓			
Gress		✓			
Heap		✓			
Hendrix		✓			
Ortiz					✓
Sun			✓		
Carbone, Vice-Chairman		✓			
Wilmeth, Chairman		✓			
		6	3	0	1

APPROVED:

JUSTIN WILMETH, Chairman
MICHAEL CARBONE, Vice-Chairman

Susan Nielson
COMMITTEE SECRETARY

ATTACHMENT 20