



## Legislative Wrap-Up

### 48th Legislative Session - 2nd Regular Session

***Every year the Arizona State Legislature hears proposals that impact your business. The Second Session of the 48th Legislature came to a close on June 27, 2008. Do you know the changes facing your business?***

*This Legislative Wrap-Up provides a summary of the legislation that affects retail operations. Reflected in this document is the ARA or ACPC position on the issue, a short summary of the proposal and the outcome of the bill.*

*Support or opposition to a bill is usually self-explanatory. However for every bill, some monitoring is required. Monitoring consists of many different components, some of which are: the initial analysis of the bill; monitoring the committee assignments of the bill; providing information to legislators and/or staff; and watching the progress of the bill throughout the legislative process. Many proposals require monitoring because the bill could be amended to impact retailers. On occasion a bill has been amended and the ARA position on the bill has*

*changed from monitoring to supporting or opposing the measure.*

*The following wrap-up is a concise snapshot of the proposal. If you have questions regarding the involvement of ARA or ACPC, please contact us at 480-833-0009.*

September 26, 2008 is the general effective date for legislation passed during the 2nd Regular Session of the 48th Legislature

***The vitality of the retail environment in Arizona is in large part dependent upon the successful representation of retail interests at the Legislature. ARA has been successful in protecting your business's ability to thrive in the State of Arizona. We look forward to continuing that success by implementing the goals of the ARA membership during the First Session of the 49th Legislature.***

During the 2nd Regular Session of the 48th Legislature a total of 1542 bills and memorials were introduced. The Legislature passed and transmitted 347 bills to the Governor. The Governor signed 315 bills and vetoed 32 bills. Additionally, 29 resolutions were filed with the Secretary of State.

## **ENACTED BILLS**

### **HB2066: SIGN WALKERS; MUNICIPAL REGULATION**

Municipalities must allow posting, display and use of sign walkers. Delayed enactment date - 1/1/09  
First sponsor: Robson

**ARA Position:** ARA supported this bill on behalf of independent retailers that may use this method of advertising.  
**3/25 signed by governor.**

### **HB2088: MOTOR CARRIER SAFETY; VEHICLE EQUIPMENT**

Impacts safety equipment on trucks exceeding 30 feet in length. Repeals state laws regarding the maximum number of consecutive hours a driver of a commercial vehicle may be on duty.  
First sponsor: Biggs

**ARA Position:** ARA monitored this bill. **5/1 signed by governor.**

### **HB2103: 2008 TAX CORRECTIONS ACT**

Creates a use tax exemption for the purchase of solar energy devices and residential gray-water devices from a retailer registered with the DOR.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for negative impacts on retail operations as well as supported the section creating new exemptions.  
**4/22 signed by governor.**

### **HB2106: SALES TAX; ELECTRONIC PAYMENT DELINQUENCY**

Taxpayers who elect to file and pay sales tax electronically are not delinquent if payments are received by the Dept

of Revenue on or before the last day of the month for which the taxes are due. Delayed effective date - 1/1/09.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for impacts on sales tax transmissions to the State. **4/11 signed by governor.**

### **HB2107: DELINQUENT INFORMATION TAX RETURNS; PENALTY**

Informational returns filed late or not including the required information are penalized a maximum of \$500. Delayed effective date - 1/1/09.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for impacts on retail operations. **5/15 signed by governor.**

### **HB2204: DES; NOTICE; DOCUMENTS; ELECTRONIC SERVICE**

Allows electronic notification by the Dept of Economic Security of hearings, hearing results or of any order pertaining to determination of benefits, if the party being served has consented.

First sponsor: Hershberger

**ARA Position:** ARA monitored this bill. **4/28 signed by governor.**

### **HB2206: UNEMPLOYMENT INSURANCE; LIABILITY; LIENS; SERVICE**

Allows electronic notification if consent is given. Service is deemed complete upon transmission. An employer's obligation is extinguished if not collected by the Dept of

Economic Security within 6 years of the due date - some exceptions.

First sponsor: Hershberger

**ARA Position:** ARA monitored this bill for impacts on retail operations. **4/15 signed by governor.**

### **HB2207: SENTENCING; REORGANIZATION**

Re-organizes chapters regarding sentencing and imprisonment in the criminal code. Delayed effective date - 01/01/09.

First sponsor: Farnsworth

**ARA Position:** ARA monitored for potential organized retail crime amendments. **7/7 signed by governor.**

### **HB2224: SERVICE COMPANY CONTRACTS**

The list of exemptions from statutes regulating warranties and service contracts is expanded. Exemptions to manufacturers and sellers of items is restricted only to the actual items they manufacture, sell, install, construct or build.

First sponsor: McLain

**ARA Position:** ARA originally opposed this bill until amendments were adopted. **5/8 signed by governor.**

### **HB2251: GAME & FISH OMNIBUS**

Expands the types of licenses a child is permitted to hold. Also establishes an apprentice hunting license valid for two days. Delayed effective date 1/1/09.

First sponsor: Jerry Weiers

**ARA Position:** ARA monitored this bill for retailers that sell fishing and hunting licenses. **4/15 signed by governor.**

**HB2317: LUXURY TAX;  
TOBACCO TAX STAMPS**

Individual cigarette packages that don't appear to have proper tax stamps are considered properly stamped if they are part of the same pallet or master carton as properly stamped cigarette pkgs and if the cigarette distributor or retailer has substantially complied with other tobacco tax laws. Effective date is based on the Dept of Revenue's notification that tobacco tax stamps are available to registered wholesalers. First sponsor: Murphy  
**ARA Position:** ARA supported this bill for aid in luxury tax stamp inspections. **4/15 signed by governor.**

**HB2355: COMMERCIAL  
MOTOR VEHICLES;  
TRAILERS**

Expands the definition of "commercial motor vehicle" to include vehicles designed or maintained to transport passengers or property in the furtherance of a commercial enterprise. First sponsor: Biggs  
**ARA Position:** ARA monitored for impact on retail operations and product transport. **5/1 signed by governor.**

**HB2390: DES;  
CONTINUATION**

The statutory life of the Dept of Economic Security is extended to 7/1/18. First sponsor: Hershberger  
**ARA Position:** ARA monitored this bill for possible amendments impacting employment standards. **4/28 signed by governor.**

**HB2425:  
UNDERGROUND  
STORAGE TANKS;  
ENERGY ACT**

Requirements for new underground storage tanks (UST) or any new components installed on an existing UST, or new motor fuel dispensers connected to a UST must meet federal requirements. Various implementation dates. Operators of UST must designate individuals to undergo specified training.

First sponsor: Barnes  
**ARA:** ARA monitored this bill for retailers that sell fuel. **5/20 signed by governor.**

**HB2426: WASTE TIRE  
COLLECTION SITES**

New requirements for the storage of waste tires. First sponsor: Barnes  
**ARA Position:** ARA monitored bill for amendments impacting tire recycling fee as collected by retailers. **4/16 signed by governor.**

**HB2483: IGNITION  
STRENGTH OF  
CIGARETTES;  
REGULATION**

Cigarettes may not be sold in, or to persons located in the state unless they have been tested and meet specified performance standards regarding propensity to start accidental fires. The manufacturer must also file a written certification with the state fire marshal and pay a fee of \$250 per "brand family" of cigarettes for every certification period of three years. Labeling requirements are also specified. Establishes civil penalties for violations. Requires the fire marshal to implement these regulations pursuant to

the New York Fire Safety Standards for Cigarettes and to review the effectiveness of these regulations and report to the Legislature every three years. The statute preempts regulation by any political subdivision of the state. Effective August 1, 2009. Repealed if a federal reduced cigarette ignition propensity standard is enacted.

First sponsor: McComish  
**ARA Position:** ARA monitored bill. **5/6 signed by governor.**

**HB2485: ANIMALS;  
UNLAWFUL PUBLIC  
SALE**

Establishes a class 2 misdemeanor for selling animals on a public highway, park or adjacent public property or on commercial private property without express consent of the owner or lessee, some exceptions created. This applies only to a county with a population of 800,000 or more.

First sponsor: Speaker Weiers  
**ARA Position:** ARA monitored this bill for impacts on retail. This bill was supported by a national pet supply chain. Additionally, this bill will impact activity in retail parking lots. **7/7 signed by governor.**

**HB2486: WEAPONS;  
PROHIBITED  
POSSESSORS; ILLEGAL  
ALIENS**

Language prohibiting undocumented alien or non-immigrant alien from possessing a firearms. First sponsor: Speaker Weiers  
**ARA Position:** ARA monitored this bill for the impact on retailers selling firearms. **3/21 signed by governor.**

**HB2587: EXTENSION OF CREDIT; ID THEFT**

A credit issuer must take "reasonable steps"

(defined) to verify the identity of a consumer before extending credit. Credit shall not be extended to anyone who has placed a security freeze with a credit reporting agency or for whom the creditor has received a police report stating the consumer is a victim of identity theft.

First sponsor: Robson

**ARA Position:** ARA monitored this bill. An exemption is given for any entity extending credit that is subject to 31 Federal Code of Regulations Section 103.121. **4/16 signed by governor.**

**HB2614: RENEWABLE ENERGY VALUATION; EXPIRATION EXTENSION**

For property tax purposes, renewable energy systems (defined) designed to produce energy primarily for on-site consumption are considered to add no value to the property.

First sponsor: Mason

**ARA Position:** ARA monitored for potential amendments for energy star products and/or holiday. **7/7 signed by governor.**

**HB2615: SOLAR ENERGY SYSTEMS; PERMITS**

Counties and Municipalities must adopt specified permitting standards for the use of solar energy devices. A study committee is established to collect information for solar energy permitting and to make recommendations by 12/31/09.

First sponsor: Mason

**ARA Position:** ARA monitored this bill for

possible amendments impacting retail operations. **5/23 signed by governor.**

**HB2621: BIOFUEL STANDARDS**

Establishes a biofuels conversion program in the Dept of Commerce to encourage the use of biofuels by distributing grants to fuel dispensing sites. Modifies definitions relating to the Dept of Weights and Measures (DWM) statutes. Requires labeling on biodiesel fuels. The DWM is authorized to adopt rules regarding testing, labeling and reporting.

First sponsor: Boone

**ARA Position:** ARA monitored this bill for impacts on retailers that sell fuel. **6/6 signed by governor.**

**HB2622: PRIME CONTRACTING CLASSIFICATION; CONTRACT SERVICES**

Income attributable to a written, design-phase services contract or professional services contract executed before modification begins is exempt from sales tax under the prime contracting classification. Retroactive to 1/1/01, although taxpayers may not claim a refund of TPT based on the retroactive application of this act.

First sponsor: Boone

**ARA Position:** ARA monitored this bill. Transactions with the prime contracting classification require are exempt at the point of sale. Retailers are required to maintain records for transactions involving prime contracting purchases. **6/6 signed by governor.**

**HB2638: MUNICIPAL TAX INCENTIVE PENALTY; APPLICATION**

Clarifies that the penalty imposed on a municipality for offering a tax incentive for locating a retail business in the municipality applies to any city or town that has 65% of its land area located within the Phoenix metro area.

First sponsor: Murphy

**ARA Position:** ARA monitored this bill for possible amendments negatively impacting retail development. Retail developers were not opposed to this bill. **5/1 signed by governor.**

**HB2658: INSURANCE CONTRACTS; SMALL EMPLOYER COVERAGE**

Clarifies that premiums received for health benefit plans issued to small employers groups are exempt from the tax on insurance premiums.

First sponsor: Reagan

**ARA Position:** ARA monitored this bill for independent retail members. **4/28 signed by governor.**

**HB2677: REAL ID ACT; IMPLEMENTATION PROHIBITED**

The state is prohibited from implementing the federal Real ID Act of 2005.

First sponsor: Burges

**ARA Position:** ARA monitored this legislation for the potential impact on point of sale transactions. **6/17 signed by governor.**

**HB2692: TAXPAYER INFORMATION RULING**

Defines a "taxpayer information ruling" as one submitted by a representative of the taxpayer without identifying the taxpayer,

and a "private taxpayer ruling" as one that identifies the taxpayer. If the taxpayer does not provide DOR with identifying information prior to publication, taxpayer information rulings are not binding on DOR for the purpose of abating interest, penalty or tax. Taxpayers may request that rulings not be published due to confidentiality concerns or other disclosed reasons.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for impacts on retail operations in regards to tax hearings and issuance of rulings. **5/20 signed by governor.**

**HB2701: COUNTY GRAFFITI ABATEMENT; PROCEDURES**

The power of a county board of supervisors to adopt ordinances to abate graffiti is clarified to state that it is the business that shall determine which of the three measures included in statute to implement.

First sponsor: Burns

**ARA Position:** ARA monitored this legislation, which clarified language in the 2007 legislation. **7/7 signed by governor.**

**HB2745: EMPLOYER SANCTIONS AMENDMENTS**

Restricts application of employer sanctions statutes to employees hired after 12/31/07. Clarifies that an independent contractor, is liable under the employer sanctions law and not the person or entity that hires the contractor. However, an employer violates the law if the employer hires a contractor or subcontractor who is an alien and whom the employer knows to be an

illegal alien. A complaint alleging violation of the law does not need to carry the complainant's social security number or be notarized. Complaints submitted on a prescribed form must be investigated. If an investigation results in a suspension of business licenses, only the licenses specific to the business location where the violation occurred are suspended. Adds provision that employers are considered to have complied with requirements of the law if there is "good faith" attempts to comply, despite "isolated, sporadic or accidental, technical or procedural failure to meet the requirements." Establishes a voluntary employer enhanced compliance program. This was passed as an emergency - effective date - 5/1/08.

First sponsor: Pearce

**ARA Position:** ARA monitored this bill. The language provides clarification on independent contractors, complaint procedures, and limits enforcement actions to specific business locations not an entire chain. Additional components. **5/1 signed by governor.**

**HB2826: LIQUOR WHOLESALERS; PROMOTIONAL ITEMS**

Allows wholesalers to furnish advertising specialties excluding signs to a retailer, not to exceed a value of \$500 annually per retailer.

First sponsor: McComish

**ARA Position:** ARA monitored this bill for impacts on retail operations. **5/20 signed by governor.**

**HB2828: WORKERS' COMP; CLAIMS**

Changes related to worker's compensation claims, among several are the following: prohibiting a claim from being reopened if the initial claim was denied, the determination was allowed to become final, and no exception applies excusing a late filing.

First sponsor: McComish

**ARA Position:** ARA monitored for impacts on retail operations. **5/7 signed by governor.**

**SB1095: AIR QUALITY; CLEAN BURNING GAS**

The period during which oxygenated fuels must be sold in Vehicle Emissions Control Area C (western Pinal County) is extended 30 days by moving the annual start date to 5/1 from 5/30. Does not become effective unless the EPA approves the change.

First sponsor: Flake

**ARA Position:** ARA monitored this bill for retailers engaged in the sale of fuel. **4/28 signed by governor.**

**SB1112: DIVORCE; DISPOSITION OF PROPERTY**

For purposes of community property in a divorce, a court may consider all debts and obligations related to the property. Service of a petition for divorce, annulment or legal separation does not alter the status of community property or alter the duties and rights of the spouses with respect to management of community property.

First sponsor: Linda Gray

**ARA Position:** ARA monitored this bill for impacts on retail credit operations. **4/29 signed by governor.**

**SB1125: OCCUPATIONAL SAFETY; EMPLOYEE DEATH; PENALTIES**

If an employee dies as a result of his/her employer's willful or repeated violation of workplace safety regulations, and the employee does not have any dependents who would otherwise be entitled to benefits under workers' compensation statutes, the employer is required to pay the additional \$25,000 compensation benefit to the employee's estate.

First sponsor: McCune Davis

**ARA Position:** ARA monitored this bill for impacts on workers compensation in a retail setting. **5/12 signed by governor.**

**SB1185: CREDIT REPORT; SCORE; SECURITY FREEZE**

A consumer may request that a consumer reporting agency place a security freeze on the consumer's credit report or consumer's credit score. The credit reporting agency must comply within 10 business days of receiving a written request from the consumer and must provide the consumer with a unique ID number or password for the consumer to use to temporarily lift or permanently remove the security freeze. A consumer reporting agency is liable for damages that result only from acts that are "grossly negligent" or those that issue from a willful and malicious intent to harm a consumer but is otherwise not liable for failing to implement a security freeze, for releasing a credit report or credit

score if a security freeze is in place or for failing to remove a security freeze at the consumer's request. Effective the earlier of the general effective date for legislation enacted this session or September 1, 2008.

First sponsor: Aguirre

**ARA Position:** ARA monitored this bill - impacted ARA members were neutral on the bill. **4/16 signed by governor.**

**SB1285: CEASE & DESIST ORDERS; DISCLOSURE**

A cease and desist order issued by the superintendent of the Dept of Financial Institutions to a person or entity that has engaged in unlicensed activity shall be open to public inspection.

First sponsor: McCune Davis

**ARA Position:** ARA monitored this bill for possible impact on retail banking operations. **4/28 signed by governor.**

**SB1340: TAX EXEMPTION; INTERNET APPLICATIONS**

The list of items that are exempt from sales tax and use tax is expanded to include the purchase by schools (charter or district), community colleges or state universities of application services that promote curriculum design or are used to assess student learning. Retroactive to Jan 1, 2000. Claims for refunds must be submitted by Dec 31, 2008, and total statewide amount of refunds is capped at \$10,000, including interest.

First sponsor: Bee

**ARA Position:** ARA monitored this bill for possible impacts on

compliance with the streamlined sales tax agreement. **5/12 signed by governor.**

**SB1410: CORP'S & LLC'S**

Various changes relating to corporations and LLC's. First sponsor: Verschoor

**ARA Position:**

ARA monitored this bill for the impact on new retail businesses establishing a corporation or LLC. **7/7 signed by governor.**

**SB1417: CONTRACTOR REGULATION**

The registrar of contractors (ROC) is prohibited from issuing a citation for failure to perform work in a professional and workmanlike manner or in accordance with any applicable building codes and professional industry standards unless the contractor is given an opportunity to inspect the work within 15 days of receiving written notice from the ROC, or the work has been subject to neglect, modification or abnormal use. If a general remodeling and repair contractor fails to secure workers' compensation, the ROC is required to suspend the contractor's license pending proceedings for revocation or other action.

First sponsor: Leff

**ARA Position:** ARA monitored this bill for impacts on retailers that also provide installation or contracting for consumers. **6/6 signed by governor.**

**SB1450: REGIONAL ATTRACTION DISTRICTS**

Allows property owners in Pinal County to petition the city in which the land is located to form a regional attraction

district. The district has all the rights, powers and immunities of a municipal corporation. The district is exempt from property taxation. The district is authorized to levy a 10% excise (sales) tax on all sales within the park, including admission.  
First sponsor: Verschoor  
**ARA Position:** ARA monitored this bill, which creates a new sales tax authority with jurisdiction within the specified area.

**6/27 signed by governor.**

**SB1502: PROFESSIONS; OCCUPATIONS; INITIAL REGULATION**

The state is prohibited from regulating any non-health profession for the first time unless certain criteria concerning regulation are met. Procedures are established.

First sponsor: Gorman

**ARA Position:** ARA monitored this bill for sectors of the retail industry that employ operations wherein regulation or licensing has been proposed. **4/29 signed by governor.**

\*\*\*\*\*

**Strike Everything Amendments**

**HB2270: WATER SUPPLY; DISCLOSURE (BUSINESS PERSONAL PROP VALUATION; DEPRECIATION)**

The original bill accelerated business personal property tax depreciation. The Strike Everything Amendments establishes disclosure requirements of The Department of Real Estate.

First sponsor: Clark

**ARA Position:** ARA supported the original bill re: business personal

property depreciation. The S/E language does not impact retail operations. **5/20 signed by governor.**

**SB1151: PSPRS; INVESTMENTS; MANAGEMENT (MARRIAGE; DISSOLUTION; COMMUNITY PROPERTY)**

The original bill had potential impacts on debt collections in retail operations. The Strike Everything Amendment is related to the Public Safety Personnel Retirement System.  
First sponsor: Linda Gray  
**ARA Position:** ARA monitored the original bill only. The S/E language does not impact retail operations **4/29 signed by governor.**

**SB1176: PURCHASER DWELLING ACTIONS; DEFINITIONS (TECH CORRECTION; SECURITY GUARDS)**

The original bill potentially impacts retail loss prevention operations. The Strike Everything Amendment exempts a real estate agent or broker from the definition of "seller" in statutes regarding civil suits for design defects.

First sponsor: Leff

**ARA Position:** ARA monitored the original bill for impacts on retail loss prevention or asset protection personnel. The S/E language does not impact retail operations. **5/20 signed by governor.**

**SB1028: LOAN ORIGINATOR LICENSING (MINIMUM WAGE; LOCAL GOVERNMENTS)**

The original bill addressed inconsistencies in the statutes regarding minimum wage and local

governments. The Strike Everything Amendment adds an article regulating loan originators (defined) to the chapter related to mortgage bankers and mortgage brokers.

First sponsor: Tibshraeny

**ARA Position:** ARA monitored the original bill. The S/E language does not impact retail operations **7/7 signed by governor.**

**SB1030: RETIREMENT; PSPRS; FIREFIGHTERS (ECONOMIC DEVELOPMENT; CONFLICTING LAWS; REPEAL)**

The original bill addressed conflicting statutes regarding minimum wage. The Strike Everything Amendment relates to the Public Safety Personnel Retirement System.

First sponsor: Tibshraeny

**ARA Position:** ARA monitored the original bill only. The S/E language does not impact retail operations **5/20 signed by governor.**

**SB1038: COPYRIGHT, MUSIC & IMAGES; TRADEMARK, COUNTERFEIT MARKS; INTELLECTUAL PROPERTY)**

The original bill could potentially aid retail operations. The Strike Everything Amendment establishes restitution requirements for unlawful copying of music or images or service.

First sponsor: Harper

**ARA Position:** ARA monitored the original bill for impacts on retail operations. The S/E language does not impact retail operations **4/29 signed by governor.**

\*\*\*\*\*

## **Vetoed Bills**

### **HB2220: STATE EQUALIZATION PROPERTY TAX REPEAL**

Makes permanent the three-year suspension of the state equalization assistance property tax. This tax is currently suspended until 2009. First sponsor: Speaker Weiers

#### **GOVERNOR'S VETO MESSAGE:**

"...permanently repealing a tax that supports such basic needs as schools and education during a time of severe budgetary deficits would be the height of fiscal irresponsibility."

**ARA Position:** ARA supported this legislation because it would reduce tax liability for retailers.

**4/16 VETOED**

### **HB2235: ADMINISTRATIVE RULES OVERSIGHT COMMITTEE**

Re-establishes the 11-member Administrative Rules Oversight Committee (AROC).

First sponsor: Desimone

#### **GOVERNOR'S VETO**

**MESSAGE:** "... the Rules Oversight Committee has been 'little missed'" and referred to the veto issued by Gov. Jane Dee Hull on April 26, 1999.

**ARA Position:** ARA supported this legislation because the previous AROC provided a level of review beneficial to regulated entities.

**4/28 VETOED**

### **HB2807: IMMIGRATION; LOCAL ENFORCEMENT**

Establishes standards and requirements for law enforcement officers regarding the immigration status of persons in order to: determine eligibility for welfare or other

government benefit" programs, verify legal residence or confirm identity of persons arrested.

First sponsor: Nelson

#### **GOVERNOR'S VETO**

**MESSAGE:** "...this bill is an "unnecessary, unfunded mandate to law enforcement.... nothing currently prohibits local law enforcement from entering into the agreements mandated by this bill... the state general fund could be required to pay up to \$100 million for mandated training at a time when we are facing significant budget shortfalls."

**ARA Position:** ARA monitored this bill for potential impacts on retail operations - providing data on patients at retail pharmacy or customers using EBT. **4/28 VETOED**

### **SB1255: ADMINISTRATIVE RULES OVERSIGHT COMMITTEE**

Re-establishes an 11-member Administrative Rules Oversight Committee (AROC).

First sponsor: Burns

#### **GOVERNOR'S VETO**

**MESSAGE:** See HB2235 - identical reasons **ARA Position:** See HB2235 - identical reasons.

**5/6 VETOED.**

\*\*\*\*\*

## **Dead Bills**

### **HB2002: EMPLOYMENT DISCRIMINATION; PROHIBITION**

Expands the list preferences and characteristics on the basis of which it is illegal for an employer to discriminate.

First sponsor: Sinema

**ARA Position:** ARA opposed this proposal due

to the impact on HR operations in a Right to Work State.

**Dead - Not heard in Committee.**

### **HB2012: DRIVER LICENSES; OUT-OF-STATE; ID PURPOSES**

Restricts any driver's license issued by a state allowing illegal immigrants to licensed.

First sponsor: Nichols

**ARA Position:** ARA monitored this bill for the impact on retail transactions that require an identification of the customer.

**Dead- not heard by full House.**

### **HB2024: MEGAN EVANS' LAW**

Establishes requirements for notices and warnings on motorized watercraft sold in the state.

First sponsor: Tom

**ARA Position:** ARA monitored this bill on behalf of retailers that sell watercrafts.

**Dead - not heard by full House.**

### **HB2026: VETERANS; GAME AND FISH LICENSES**

Expands eligibility requirements for veterans of the armed forces with permanent service-related disabilities to qualify for complimentary game and fish licenses.

First sponsor: Tom

**ARA Position:** ARA monitored this bill for retailers that sell game and fish licenses.

**Dead - not heard in Committee.**

### **HB2030: CONTRACTORS; REGULATIONS**

Amendments to Residential Contractors' Recovery Fund. When applying for a license or a renewal, contractors must

provide an estimate of the volume of work expected for the ensuing 24 months - the amount of the surety bond required is based on the value of anticipated work.

First sponsor: Konopnicki

**ARA Position:** ARA monitored this bill for retailers that engage in contracting services.

**Dead - not heard in Conference Committee.**

#### **HB2040: LIQUOR LICENSES; LOCAL RECOMMENDATIONS**

A liquor license shall not be granted unless approved by 2/3 vote of the total membership of the liquor board.

First sponsor: Prezelski

**ARA Position:** ARA opposed this bill.

**Dead - not heard in Committee.**

#### **HB2045: HANDYMAN REGISTRATION**

Certain categories of handymen otherwise exempt from licensure under the registrar of contractors must register as handymen if their work involves a list of prescribed activities.

First sponsor: McClure

**ARA Position:** ARA monitored this bill for retailers that engage in contracting services.

**Dead - not heard in Committee.**

#### **HB2050: PROPERTY TAX; VALUATION INCREASE LIMITATION**

For property tax calculations, the limited property value increases 3% per year. Enactment conditional on passage of an amendment to the constitution limiting annual increases to 3%.

First sponsor: McClure

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

#### **HB2063: EMPLOYER SANCTIONS; FEDERAL CITATION; CORRECTION**

Corrects an incorrect citation to federal law in last year's employer sanctions bill.

First sponsor: Pearce

**ARA Position:** ARA monitored this bill for potential negative amendments impacting retail human resource operations.

**Dead - failed in Senate Committee.**

#### **HB2098: CORPORATE TAX CREDIT; TUITION ORGANIZATIONS**

Establishes permanent tax credit for contribution to a school tuition organization.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for retailers that make tax contributions.

**Dead - failed to pass House on reconsideration 29-29.**

#### **HB2100: TAX CREDITS; WITHHOLDING TAX REDUCTION**

Allows an employee to elect payroll deduction to make a tax deductible contribution to tuition organizations or public schools.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for the impact on HR operations.

**Dead - not heard by full Senate.**

#### **HB2102: TAX COLLECTIONS; AUTOMATED DATA MATCH**

Allows the DOR to enter into agreements with financial institutions for a data match system to assist in the collection of delinquent taxes, penalties and interest.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for the impact on tax depts at the retail level.

**Dead - held in Senate Committee.**

#### **HB2108: INCOME TAX CREDIT REVIEW SCHEDULE**

Creates a permanent revolving schedule for review of statutory tax credits by the Joint Legislative Income Tax Credit Review Committee.

First sponsor: Yarbrough

**ARA Position:** ARA monitored this bill for the impacts on taxing operations.

**Dead- final vote not taken.**

#### **HB2111: TAX CREDIT; CONTRIBUTION TO CHARTER SCHOOLS (DEPT OF REVENUE CLOSING AGREEMENTS)**

DOR can enter into agreements with taxpayer if 50% of persons in the affected class have failed to properly account for their taxes due to the same misunderstanding.

First sponsor: Yarbrough

**ARA Position:** ARA monitored the original bill for benefit to taxing operations and potential negative amendments. ARA monitored the S/E amendment for retailers that make those contributions.

**Dead - failed on third reading.**

#### **HB2112: TELEPHONE SOLICITATIONS; REGISTRATION STATEMENT EXPIRATION**

Changes the expiration date of registration statements filed with the Secretary of State by telephone solicitors from 6/30 each year to 7/1 each year.

First sponsor: McClure

**ARA Position:** ARA monitored this bill.  
**Dead - not heard in Committee.**

**HB2122: CREDIT CARD; FRAUD; TECHNICAL CORRECTION**

Minor change relating to fraudulent use of a credit card.

First sponsor: McClure

**ARA Position:** ARA monitored this bill.

**Dead - held in Committee.**

**HB2138: CONSUMER REPORTING AGENCIES; INFO SALES**

A business entity, including a consumer reporting agency, shall not sell to or exchange with a third party the existence of a credit inquiry arising from a consumer mortgage loan application if the sale or exchange is triggered by an inquiry made in response to an application for credit (with some exceptions).

First sponsor: Ableser

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

**HB2145: INSURANCE; MENTAL HEALTH COVERAGE; PARITY**

A corporation, organization or insurer that issues a group health care plan that provides both medical and surgical benefits and mental health benefits (including substance related disorders) shall not impose any treatment limitations or financial requirements with respect to mental health coverage unless comparable treatment limitations or financial requirements are

imposed on medical and surgical benefits.

First sponsor: Ableser

**ARA Position:** ARA monitored this bill for the impact on cost of insurance coverage for retailers that provide benefit for employees.

**Dead - held in Committee.**

**HB2165: EMPLOYER COMMUNICATIONS; RELIGIOUS; POLITICAL BELIEFS**

Prohibits an employer from requiring any employee to attend a meeting sponsored by the employer or participating in any communication with the employer that has a primary purpose of communicating the employer's political or religious opinion, unless the employer is required to do so by another law.

An employee may report a violation of this statute to the Industrial Commission and may file an action in superior court within 90 days of the alleged violation.

First sponsor: Prezelski

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

**HB2166: AHCCCS; HEALTHCARE GROUP; WAITING PERIOD**

Eliminates the 180-day waiting period for an employer to enroll in Healthcare Group under AHCCCS after the employer's group coverage is discontinued.

First sponsor: Prezelski

**ARA Position:** ARA monitored this bill for independent retailers.

**Dead - held in Committee.**

**H2180: TECH CORRECTION; SERVICING BANKS**

Minor change in Title 35 (Public Finances), relating to state servicing banks.

First sponsor: Boone

**ARA Position:** ARA monitored this bill for potential impacts on retail banking operations.

**Dead - not heard in Committee.**

**HB2201: TECH CORRECTION; LIQUOR; LIABILITY**

Minor change relating to liquor liability.

First sponsor: Nelson

**ARA Position:** ARA monitored this bill for potential negative amendments impacting retail operations.

**Dead - not heard in Committee**

**HB2218: TECH CORRECTION; MUNICIPAL ZONING**

Minor change relating to zoning.

First sponsor: Pearce

**ARA Position:** ARA monitored this bill for potential negative impacts to retail development.

**Dead - not heard in Committee.**

**HB2238: TECH CORRECTION; DEPT OF REVENUE**

Minor change relating to the Dept of Revenue.

First sponsor: Speaker Weiers

**ARA Position:** ARA monitored this bill for any amendments impacting retail tax operations.

**Dead- not heard in Committee.**

**HB2246: TECH CORRECTION; PRIME CONTRACTING CLASSIFICATION**

Minor change relating to the prime contracting transaction privilege tax classification.

First sponsor: Burns

**ARA Position:** ARA monitored this bill for retailers that are required to keep records of transactions related to prime contracting.  
**Dead - not heard in Committee.**

**HB2256: GAME AND FISH; SENIOR HUNTERS**

Allows the Game and Fish Commission to issue a complimentary license to a specific demographics.  
First sponsor: Jerry Weiers  
**ARA Position:** ARA monitored this bill for impacts on sales of hunting licenses.  
**Dead - held in Committee.**

**HB2273: CONTRACTOR RETENTION**

The 7 day period within which the owner of a construction project must make final payment to the contractor (with certain exceptions) is extended to 30 days. Further, contractors and subcontractors must make final payment to their subcontractors or material suppliers within 30 days of providing an invoice.

First sponsor: Reagan  
**ARA Position:** ARA monitored this bill for impact on retail development as well as retailers that engage in contracting services.  
**Dead - held in Committee.**

**HB2289: LABOR ORGANIZATIONS; NONUNION EMPLOYEES; REPRESENTATION**

If an employee is a member of a collective bargaining unit of an employer with which a union has a contract but the employee is not a member of the union, the contract may provide that

the union may collect actual costs of grievance representation from the employee if the representation was initiated by the employee.  
First sponsor: Chabin  
**ARA Position:** ARA monitored this bill.  
**Dead - not heard in Committee.**

**HB2300: VICTIMS' LEAVE; EMPLOYMENT RIGHTS**

Requires employers with 50 or more employees to allow an employee who is victim of a crime to leave work to appear in court to comply a court order as a witness in any court proceeding.  
First sponsor: Sinema  
**ARA Position:** ARA opposed this bill based on impact to HR policies.  
**Dead - Not heard in Committee.**

**HB2302: RETAIL SUPERSTORES; ECONOMIC IMPACT REPORT**

Requires an economic impact report before approving or disapproving a proposed development project that would permit the construction of a retail superstore.  
First sponsor: Sinema  
**ARA Position:** ARA opposed this bill based on conflict with local zoning requirements.  
**Dead - not heard in Committee.**

**HB2306: ATTORNEY FEES; ZONING CHALLENGES**

Permits attorney fees and costs to be awarded to a local governmental entity in any civil action commenced by a big box retailer to challenge the validity or application of an ordinance, rule, regulation or initiative measure regulating zoning.

First sponsor: Sinema  
**ARA Position:** ARA opposed this bill.  
**Dead - not heard in Committee.**

**HB2308: CLEAN CAR STANDARDS; NO IDLING**

Requires the director of ADEQ to adopt the California Motor Vehicle Emissions Standards for passenger cars, light duty trucks and medium duty passenger vehicles. The Dept may adopt the Zero Emission Vehicle Program Regulations contained in the California Code of Regulations only in air quality area A or B (Phoenix metro and Tucson metro) as necessary to meet applicable air quality standards. Establishes timeframes  
First sponsor: Sinema  
**ARA Position:** ARA monitored this bill.  
**Dead - not heard in Committee.**

**HB2322: TECH CORRECTION; MUNICIPALITIES; POWERS**

Minor change in Title 9 (cities & towns) relating to the use of resources to influence elections.  
First sponsor: Nelson  
**ARA Position:** ARA monitored this bill for impact on local issues.  
**Dead - not heard in Committee.**

**HB2323: TECH CORRECTION; CITIES & TOWNS; POWERS**

Minor change in Title 9 (cities & towns) relating to municipal compliance with court decisions..  
First sponsor: Nelson  
**ARA Position:** ARA monitored this bill for impact on local issues.  
**Dead - not heard in Committee.**

**HB2324: TECH CORRECTION; MUNICIPAL POWERS**

Minor change in Title 9 (cities & towns) relating to municipal fees on the hospitality industry.

First sponsor: Nelson

**ARA Position:** ARA monitored this bill for retail cross-over.

**Dead - not heard in Committee**

**HB2328: INCOME TAX CREDIT; ENERGY PRODUCTION**

For tax years 2009 - 2012, a tax credit is established for individuals or corporations who produce electrical or mechanical energy from qualified energy resources, or who pay for energy resources so that a tax exempt entity can produce energy. The amount of the credit is the total kilowatt hours of electricity produced multiplied by 1.1 cents, with a maximum of \$100,000 annually for a single installation and an aggregate total maximum of \$1 million annually.

The credit may be carried forward for up to 5 consecutive years.

First sponsor: Mason

**ARA Position:** ARA monitored this bill for retailers that are considering energy generation.

**Dead - held in Committee.**

**HB2341: EMPLOYEE VERIFICATION; BASIC PILOT PROGRAM**

Removes the mandatory language in the statute requiring employers to use the basic pilot program to verify employment eligibility. If a court finds that an employer intentionally or knowingly employed an unauthorized alien, the employer, after hiring the

employee, shall verify the employment eligibility of the employee through the basic pilot program.

First sponsor: Konopnicki

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2342: EMPLOYER SANCTIONS; INDEPENDENT CONTRACTORS**

An independent contractor is not an employee for purposes of the employer sanctions statute.

Adds a definition of "independent contractor" to the definitions section of the employer sanctions statute.

First sponsor: Konopnicki

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2343: EMPLOYER SANCTIONS; COMPLAINTS**

Requires complaints of violations of the employer sanctions statute to be written, signed and certified and to contain identifying information of the complainant. Prohibits the Attorney General from investigating a complaint that is based solely on religion, color, language, citizenship, nationality, ethnicity or gender. Adds definitions of "false complaint" and "frivolous complaint" to the definitions section of the employer sanctions statute.

First sponsor: Konopnicki

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2344: EMPLOYER SANCTIONS; JUDICIAL FINDINGS**

Makes several changes to the employer sanctions

statute, including definitions. Also requires the county attorney to establish beyond a reasonable doubt that an employer has intentionally employed an authorized alien (formerly, preponderance of the evidence); and requires a 2<sup>nd</sup> violation to be based upon a judicial finding of a former violation.

First sponsor: Konopnicki

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2345: EMPLOYER SANCTIONS; ENFORCEMENT**

Removes the authority of the attorney general to investigate violations of the employer sanctions statute. It is a class 3 misdemeanor (lowest) to knowingly file a false complaint or a frivolous complaint (formerly, the complaint had to be both false and frivolous).

First sponsor: Konopnicki

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2346: EMPLOYER SANCTIONS; HIRING UNAUTHORIZED ALIENS**

Makes it illegal to knowingly or intentionally hire (formerly, employ) an unauthorized alien, eliminating the retroactive effect of the employer sanctions statute.

First sponsor: Konopnicki

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee**

**HB2348: STATE TREASURER; PROCEDURES (S/E CEASE AND DESIST ORDERS; DISCLOSURE)**

A warrant presented to the state treasurer for

disbursement of state funds must be valid for funds to be paid.

First sponsor: Konopnicki

**ARA Position:** ARA monitored this bill for cease and desist orders - possible impact on retail operations if granted to state agencies beyond the Treasurer.

**Dead - never had final vote.**

**HB2354: PROPERTY VALUATION; COMMON AREAS**

The definition of common areas for the purposes of property tax valuation is expanded to include commercial, industrial or multiple use property.

First sponsor: Biggs

**ARA Position:** ARA monitored this bill for taxation impacts.

**2/12 from House ways-means with amend #4107.**

**HB2361: COMPREHENSIVE TRANSACTION PRIVILEGE TAX**

Resets the rate for all sales and use taxes to 3.5%. Adds services to the tax base. Makes many changes to the tax base.

First sponsor: Bradley

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2382: LUXURY TAX; EXEMPTION; TECHNICAL CORRECTION**

Minor change in Title 42 (Taxation), relating to luxury privilege tax.

First sponsor: Brown

**ARA Position:** ARA monitored this bill for impacts on retailers selling products subject to luxury tax.

**Dead - not heard in Committee.**

**HB2383: CONSUMER FRAUD; TECHNICAL CORRECTION**

Minor change in Title 44 (Trade and Commerce), relating to consumer fraud.

First sponsor: Brown

**ARA Position:** ARA monitored this bill for potential increases in penalties.

**Dead - not heard in Committee.**

**HB2388: LIQUOR PRODUCERS; WHOLESALERS; ELECTRONIC DEVICES**

Commercial coercion or bribery in regards to spirituous liquor does not prohibit a producer or wholesaler from giving a licensee free electronic devices designed to record identification information for the purpose of preventing persons under 21 years old from purchasing alcohol.

First sponsor: Reagan

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2399: AHCCCS; HEALTHCARE GROUP**

The 180 day waiting period for an employer group to enroll in AHCCCS healthcare group does not apply to an employer group with not more than 5 eligible employees.

First sponsor: Farley

**ARA Position:** ARA monitored bill for independent retailers.

**Dead - not heard in Committee.**

**HB2400: AHCCCS; MEMBER'S EMPLOYERS; REPORTS**

An applicant for AHCCCS services or redetermination of eligibility shall identify that person's

employer and the employer that person's spouse or parent(s).

AHCCCS shall prepare a list of each employer identified by applicants, the total number of employees employed by each employer and the total number of those employees and their spouses and dependents who are enrolled in AHCCCS. The list shall be provided to the governor, the president of the Senate, the speaker of the House, the Secretary of State and the director of the State Library, Archives and Public Records.

First sponsor: Farley

**ARA Position:** ARA opposed this bill as it leads to AHCCCS reimbursement by employers.

**Dead - not heard in Committee.**

**HB2412: CRIMINAL TRESPASS; DAY LABORERS**

The list of activities that constitute criminal trespass in the first degree is expanded to include soliciting day labor after receiving a notice prohibiting entry.

First sponsor: Kavanagh

**ARA Position:** ARA monitored this bill for retailers impacted by day laborers.

**Dead - failed to pass Senate on reconsideration 15-11.**

**HB2450: BREAST-FEEDING; WORKPLACE; JURY DUTY**

Employers must provide break time and locations for breastfeeding.

First sponsor: Lopez

**ARA Position:** ARA monitored this bill for impacts on scheduling as well as construction.

**Dead - not heard in Committee**

**HB2457: TELEPHONE CALL CENTERS; CONSUMER SERVICES**

Expands the list of persons and entities subject to regulations regarding telephone solicitation and sales. Prohibits transmission of financial, credit or identifying information to a foreign country without the person's written permission.

First sponsor: Lujan

**ARA Position:** ARA opposed this bill due to impact on credit center operations.

**Dead- not heard in Committee.**

**HB2458: INSURANCE; FAMILY LEAVE INSURANCE**

Establishes a family leave insurance program to be administered by the Dept of Labor.

First sponsor: Lujan

**ARA Position:** ARA monitored this.

**Dead - not heard in Committee**

**HB2465: PROPERTY TAX; VALUATION; MULTIPLE USE; INCOME APPROACH**

Owners of property classified as multiple use class 1 (commercial) and class 3 (residential) property may elect to have the valuation of the property determined by the income approach.

First sponsor: Nelson

**ARA Position:** ARA monitored this bill or impact on shopping center taxation method.

**Dead - not heard in Committee**

**HB2518: STUDENT PROTECTION; CREDIT CARD SOLICITATION**

Credit card marketers are prohibited from other promotional incentives on campus at State

universities and community colleges.

First sponsor: Ableser

**ARA Position:** ARA monitored this bill for retailers that offer credit cards.

**Dead - not heard by full House.**

**HB2520: LARGE ELECTRONICS RECYCLING PROGRAM**

Beginning 1/1/2009, manufacturers of computers and televisions must annually register with the Dept of Environmental Quality (DEQ) and pay a registration fee determined by DEQ in rule. Manufactures are required to establish their own recycling program or pay an annual fee to participate in a state-established recycling program. Establishes requirements for manufacturer recycling programs, including convenient service in every county and at least one collection site for any city with a population of 10,000 or more persons.

Recycling programs cannot charge fees to consumers to collect, transport or recycle computers and televisions. DEQ must establish by contract a state recycling program for computers and televisions. All fees are deposited in the newly established Covered Electronic Devices Fund, which is administered by DEQ and used only to pay the costs of recycling programs. Beginning 1/1/2011, it is illegal for a person to dispose of a computer or television and for solid waste facilities to knowingly receive them. Violators are subject to a civil penalty of up to \$10,000 per day. Because of a

possible increase in state revenue, this bill requires a 2/3 vote in each house for passage per Prop 108.

First sponsor: Ableser

**ARA Position:** ARA monitored bill for amendments requiring retailers to collect.

**Dead - not heard in Committee.**

**HB2540: FRAUDULENT SCHEMES AND ARTIFICES; CLASSIFICATION**

Fraudulent schemes or artifices involving an amount less than \$25,000 is reduced to a class 3, 4, 5, or 6 felony, depending on the amount.

First sponsor: Sinema

**ARA Position:** ARA opposed any decreased penalty where ORC could be applied.

**Dead - not heard in Committee.**

**HB2544: SALES TAX EXEMPTION; ENERGY-EFFICIENT APPLIANCES**

Through 12/31/13, sales of energy star efficient clothes washers, standard size refrigerators, and chest or upright freezers are exempt from retail sales and use taxes.

First sponsor: Sinema

**ARA Position:** ARA supported this legislation.

**Dead - not heard in Committee.**

**HB2552: BARBERING AND COSMETOLOGY BOARD**

The Board of Barbers and the Board of Cosmetology are combined into one board. All current members of the boards continue to serve until their terms expire.

First sponsor: Gallardo

**ARA Position:** ARA monitored bill for retailers that include beauty salons.

**Dead - held in Committee.**

**HB2576: LABOR; REST PERIODS; MEAL BREAKS**

Employers must allow employees to take at least a 30 minute meal break during every continuous 8 hours of labor, and at least a 10 minute paid rest period during every 4 hours of labor.

First sponsor: Pancrazi

**ARA Position:** ARA monitored bill.

**Dead - not heard in Committee.**

**HB2580: LABOR; RIGHT TO WORK**

Employers are prohibited from interfering with a person by attempting or threatening to prevent the person from joining a union.

First sponsor: Gallardo

**ARA Position:** ARA opposed to changes in the Right to Work Statutes.

**Dead- not heard in Committee**

**HB2604: CONSUMER REPORTS; SECURITY FREEZE**

A consumer may make a written request that a consumer reporting agency place a security freeze on the consumer's consumer report. During a security freeze, a consumer reporting agency may not release information from a consumer's consumer report without the consumer's prior authorization, except to report that a security freeze is in place.

First sponsor: Mason

**ARA Position:** ARA opposed bill without amendment to lift the credit freeze for instant credit applications.

**Dead – not heard in Committee.**

**HB2605: TECH CORRECTION; VEHICLE IDLING ORDINANCES**

Minor change in Title 11 (Counties), relating to county planning and zoning.

First sponsor: Mason

**ARA Position:** ARA monitored this bill for impact on delivery of goods.

**Dead - not heard in Committee.**

**HB2608: TECH CORRECTION; FUELS**

Minor change in Title 41 (State Government), relating to motor fuel.

First sponsor: Mason

**ARA Position:** ARA monitored this bill for retailers that sell fuel.

**Dead - not heard in Committee.**

**H2613: RENEWABLE ENERGY ENTERPRISE ZONE (I)**

Specific electric generating plants that meet stated requirements may be certified as a renewable energy enterprise zone and be eligible for incentives, including a classification as Class 6 property.

First sponsor: Mason

**ARA Position:** ARA monitored this bill for potential independent generation by retailers.

**Dead - not heard by full House.**

**HB2616: RENEWABLE ENERGY ENTERPRISE ZONES (II)**

Electric generating facilities that produce a minimum of two megawatts of electricity using "renewable energy equipment" and that meet other stated requirements may be certified as a renewable energy enterprise zone and be eligible for property tax incentives, including a classification as Class 6

property – an assessed valuation of 5%.)

First sponsor: Mason

**ARA Position:** ARA monitored bill for retailers considering energy generation at retail site.

**Dead - not heard in Committee.**

**HB2617: COMMERCIAL PROPERTY TAX; RENEWABLE ENERGY**

The list of real and personal property to be classified as class 2 property for purposes of taxation is expanded to include property and improvements used for specified commercial or industrial purposes on which renewable energy equipment is permanently installed and accounts for at least \_\_\_ % of the property's total full cash value. These properties may not be classified as class 2 for more than 5 tax years.

First sponsor: Mason

**ARA Position:** ARA monitored bill for retailers considering energy generation at retail site.

**Dead - not heard in Committee.**

**HB2637: PROHIBITING MUNICIPAL TAXATION OF SERVICES**

Exemptions to sales, TPT, use or other similar tax levied by a municipality or special taxing district is expanded to include services.

First sponsor: Murphy

**ARA Position:** ARA monitored this bill for potential impact on tax rates.

**Dead - not heard by full House.**

**HB2642: TAX SIMPLIFICATION; INCOME TAX REPEAL**

Repeals and replaces income tax statutes with provisions for a sales tax applicable to all

transactions, including sales and services, "from production, manufacturing, wholesale, retail or from transactions involving real or personal, tangible or intangible, choate or inchoate property or rights to property." Also establishes a new percentage rate to determine the distribution base. An intent section states the Legislature wishes this measure to be revenue neutral to the state and to recipients of monies from the distribution base.  
First sponsor: Murphy  
**ARA Position:** ARA opposed this bill due to the tax on services.  
**Dead - not heard in Committee.**

**HB2660: JOINT; SEVERAL LIABILITY; CRIMINAL OFFENSES**  
Creates joint and several liability if a party produces, publishes or benefited by the distribution of any written, audio, video or digital material that is dangerous or obscene (defined).  
First sponsor: Nichols  
**ARA Position:** ARA opposed this bill because of the liability on retailers that merchandise materials that would be considered dangerous or obscene.  
**Dead - failed in Committee.**

**HB2664: FREE COMPRESSED AIR; SERVICE STATIONS**  
Every service station must provide free water (for use in a vehicle), compressed air and use of an air pressure gauge to customers who purchase gasoline for use in any passenger vehicle or any commercial vehicle of less than 6,000 lbs. Any

person who intentionally violates this act is subject to a civil penalty of up to \$50 for each day of violation.  
First sponsor: Farley  
**ARA Position:** ARA opposed this bill as it mandates business practices.  
**Dead - not heard in Committee.**

**HB2672: SMALL INSTALLMENT LOAN ACT**

Allows a lender to charge an acquisition fee and a monthly handling charge instead of interest for consumer loans of between \$200 and \$3,000.  
First sponsor: Biggs  
**ARA Position:** ARA monitored this bill for retailers that extend credit.  
**Dead - not heard by full Senate.**

**HB2691: EMPLOYMENT SECURITY; AMOUNT OF BENEFITS**

Maximum amount of the weekly benefit under unemployment compensation statutes is changed to 2/3 of the person's average weekly wage. The amount is recalculated on July 1 of each year the person qualifies for compensation. The maximum amount a person can receive in a benefit year is increased to 2/3 (formerly 1/3) of the person's base period earnings.  
First sponsor: Lopes  
**ARA Position:** ARA monitored bill.  
**Dead - not heard in Committee.**

**HB2695: SPIRITUOUS LIQUOR; MINORS; UNLICENSED GATHERINGS**

Creates a class 1 misdemeanor for a retail

spirituous liquor licensee or its employees to sell spirituous liquor to a person knowing that person intends to furnish the liquor to a person who is under 21 years old.  
First sponsor: Kavanagh  
**ARA Position:** ARA monitored this bill for retailers that hold liquor licenses.  
**Dead - not heard by full Senate.**

**HB2703: LARGE EMPLOYERS; AHCCCS; REIMBURSEMENT**

If a person who receives AHCCCS benefits is employed by an employer who employs 100 or more persons in the state the employer must reimburse AHCCCS for the cost of the services.  
First sponsor: Alvarez  
**ARA Position:** ARA opposed this bill.  
**Dead - not heard in Committee.**

**HB2706: PRICING; ABNORMAL MARKET DISRUPTIONS; EMERGENCIES**

Prohibits unconscionable pricing or hoarding of essential goods or services during a declaration of a state of emergency by the president of the U.S. or the governor or on a finding of an abnormal market disruption. Establishes the Consumer Education Revolving Fund to pay costs of notices pursuant to this statute and for consumer education.  
First sponsor: Schapira  
**ARA Position:** ARA opposed this bill.  
**Dead - not heard in Committee.**

**HB2707:  
IDENTIFYING  
INFORMATION; THEFT;  
PENALTIES**

Expands the list of information, which must be redacted from records or documents before an entity may discard or dispose of the records. Changes the civil penalties imposed for violating this statute to a per record or document fine, rather than a per incident fine.

First sponsor: Chad Campbell

**ARA Position:** ARA opposed this bill due to the impact on retailers.

**Dead- not heard in Committee.**

**HB2712:  
NONDISCRIMINATION;  
ACCOMODATION;  
EMPLOYMENT;  
HOUSING**

Expands the list of classes protect against discrimination to include age, creed, disability, marital status, sex, gender identity or expression, sexual orientation and physical characteristics.

First sponsor: Cloves Campbell

**ARA Position:** ARA opposed this bill.

**Dead - not heard in Committee.**

**HB2723: COMMUNITY  
FACILITIES  
DISTRICTS; COUNTIES;  
LIMITED AREAS**

Establishes "community formed districts" in specified areas that would have the power to levy an excise tax of up to 5%.

First sponsor: Tobin

**ARA Position:** ARA opposed this bill based on the precedent of expanding taxing jurisdictions.

**Dead - retained on Senate COW calendar.**

**HB2740: GRAFFITI;  
PARENT  
RESPONSIBILITY**

The court may order the juvenile's parent or guardian to assist the juvenile in restitution he/she had knowledge of the graffiti and tagging.

First sponsor: Chad Campbell

**ARA Position:** ARA monitored this bill for negative amendments requiring product restriction.

**Dead - not heard in Committee**

**HB2756: LARGE  
EMPLOYERS; AHCCCS;  
REIMBURSEMENT**

If an employee of an entity that employs at least 100 employees in this state receives services from AHCCCS, the employer must reimburse AHCCCS for the cost of those services.

First sponsor: Miranda

**ARA Position:** ARA opposed.

**Dead - not heard in Committee.**

**HB2760: BEVERAGE  
CONTAINERS;  
RECYCLING FUND;  
REDEMPTION**

Beverage containers shall carry an Arizona redemption value of five cents for a container of 24 ounces or less and ten cents for containers larger than 24 ounces. The fee is charged to wholesales who sell to retailers and to retailers who sell to consumers.

First sponsor: Sinema

**ARA Position:** ARA opposed due to impact on retailers and consumers.

**Dead - not heard in Committee**

**HB2761: DISPOSABLE  
BAGS; RECYCLING;  
SURCHARGE; FUND**

Establishes charges to retailers at 25 cents for each plastic disposable

bag provided to consumers and 15 cents for each paper disposable bag, which can be passed on to consumers.

Revenues deposited in a Disposable Bag Recycling Fund established by this act. Retailers must provide a recycling deposit location near the front of their stores. Distribution of monies from the fund is controlled by the director of the DEQ and must be used to promote recycling programs in schools and local government .

First sponsor: Sinema

**ARA Position:** ARA opposed this new program due to the impact on retailers and consumers.

**Dead- not heard in Committee.**

**HB2766: OMNIBUS  
ENERGY ACT OF 2008**

50 pages of changes to statutes re: energy use.

First sponsor: Mason

**ARA Position:** ARA monitored this bill initially and then obtained an amendment to remove product restrictions - supported the bill with the amendment.

**Dead - not heard by full Senate.**

**HB2777: AHCCCS; DES;  
FRAUD REDUCTION**

AHCCCS and DES must contract with a private entity to provide fraud reduction technology.

First sponsor: Crump

**ARA Position:** ARA monitored this bill for amendments requiring fingerprint id at pharmacy.

**Dead - not heard by full Senate.**

**HB2784: TECH CORRECTION; FOOD STANDARDS**

Minor change in statutes related to public health and safety.

First sponsor: Gallardo

**ARA Position:** ARA monitored this bill for impact on retailers merchandising consumable products.

**Dead - not heard in Committee**

**HB2785: TECH CORRECTION; WAGE RATES**

Minor change in statutes related to employment practices.

First sponsor: Gallardo

**ARA Position:** ARA monitored this bill for impact on minimum wage.

**Dead - not heard in Committee.**

**HB2794: GRAFFITI RELATED MATERIALS; STORAGE; DISPLAY**

Stores are prohibited from displaying graffiti-related materials in an area accessible to the public without store employee assistance.

First sponsor: Chad Campbell

**ARA Position:** ARA opposed this bill based on the national impact of a statewide lock-up.

**Dead- not heard in Committee**

**HB2797: TAX CLASSIFICATION; RETAILERS; ELECTRIC GENERATION**

Real and personal property of electric generators and retailers with a minimum of 200,000 sq feet of commercial improvements are removed from property class 1 and placed in a new class 10. The assessment ratio of class 10 property is 40% of its full cash value.

First sponsor: Chabin

**ARA Position:** ARA opposed the bill as it would nearly double the property tax on retailers.

**Dead - not heard in Committee.**

**HB2810: PLANNED COMMUNITIES; COMMERCIAL SIGNAGE**

Prohibits erecting a sign that is larger than 120 sq feet or higher than 18 feet tall in a planned community that includes housing for older persons. An HOA may enact more stringent restrictions.

First sponsor: Burges

**ARA Position:** ARA opposed due to current problems with HOA mandates on commercial signage. **Dead - not heard in Committee.**

**HB2819: GRAFFITI IMPLEMENTS; UNLAWFUL POSSESSION; MINORS**

An unsupervised person under 18 may not possess any "graffiti implement" on public or private property without the express consent of the owner of the property.

First sponsor: Chad Campbell

**ARA Position:** ARA monitored this bill for negative amendments.

**Dead- not heard in Committee.**

**HB2819: GRAFFITI IMPLEMENTS; UNLAWFUL POSSESSION; MINORS**

An unsupervised person under 18 may not possess any "graffiti implement" on public or private property without the express consent of the owner of the property.

First sponsor: Chad Campbell

**ARA Position:** ARA monitored this bill for negative amendments.

**Dead- not heard in Committee.**

**HB2829: WORKERS' COMPENSATION; EMPLOYEE MISCONDUCT**

Establishes responsibility and limits benefits if employee's situation is due the person's "misconduct" which is defined.

First sponsor: McComish

**ARA Position:** ARA supported this bill for workers compensation reform.

**Dead - failed in Committee.**

**HB2832: AEROSOL SPRAY PAINTS; STORAGE; DISPLAY**

Retail establishments in Maricopa or Pima counties that sell aerosol spray paint may not display or store such items in areas accessible to the public without employee assistance.

First sponsor: Garcia

**ARA Position:** ARA opposed the bill.

**Dead - not heard in Committee.**

**HCR2034: WAGE & OVERTIME PROTECTION; VOTER APPROVAL**

The 2008 general election ballot is to carry the question of whether to amend the state Constitution to require a vote of the people for any act that reduces the minimum wage or allows employers to pay workers less than time-and-a-half for hours worked in excess of 40 hours per week.

First sponsor: Sinema

**ARA Position:** ARA monitored for impact on Right to Work status.

**Dead- not heard in Committee.**

**HCR2040: SPENDING ACCOUNTABILITY AND TRANSPARENCY ACT**

The 2008 general election ballot is to carry the question of whether to amend the state Constitution to require a balanced budget.

First sponsor: Pearce

**ARA Position:** ARA supported this bill for potential protection from tax increases in the future.

**Dead - not heard by full House.**

**HCR2041: DISCRIMINATION; PREFERENTIAL TREATMENT; PROHIBITION**

The 2008 general election ballot is to carry the question of whether to amend the state Constitution to prohibit discrimination against entire classes and group or individuals.

First sponsor: Pearce

**ARA Position:** ARA opposed this bill due to the expansion of discrimination protections.

**Dead - failed to pass House 27-32.**

**HCR2044: VOTER-PROTECTION; TEMPORARY BUDGETARY SUSPENSION**

The 2008 general election ballot is to carry the question of whether to amend the state Constitution ignore voter approved requirements if certain findings are issued in writing.

First sponsor: Pearce

**ARA Position:** ARA monitored this bill for potential protection from tax increases.

**Dead - not heard by full Senate.**

**HCR2048: LABOR RELATIONS; RIGHT TO WORK**

The 2008 general election ballot is to carry the question of whether to amend the statutes to recite that the right of employees to form union and bargain collectively shall not be denied or abridged. Further, it is illegal to threaten or compel a person not to join a union. It is also illegal to discipline an employee because person is or is not a member of a union.

First sponsor: Prezelski

**ARA Position:** ARA monitored for impact on Right to Work status.

**Dead- not heard in Committee.**

**SB1002: PROPERTY TAX; EQUALIZATION TAX REPEAL**

Makes permanent the 3-year suspension of the state equalization property tax.

First sponsor: Waring

**ARA Position:** ARA supported this bill for tax relief on retailers.

**Dead - see H2220.**

**SB1027: MUNICIPAL TAX INCENTIVES**

A municipality that provides a tax incentive to a retail business to locate within its borders shall be penalized by having its share of sales tax revenue reduced by the amount of the incentive.

First sponsor: Tibshraeny

**ARA Position:** ARA monitored this bill.

**Dead - not heard in House Committee.**

**SB1076: SIGN WALKERS; MUNICIPAL REGULATION**

All municipalities shall allow posting, display and use of sign walkers and shall adopt reasonable

regulations relating to public safety purposes.

First sponsor: Harper

**ARA Position:** ARA supported this bill for independent retailers that use this method of advertising.

**Dead - see H2066.**

**SB1094: LIQUOR NEAR CASH REGISTERS; PROHIBITION**

It is unlawful for a retail liquor licensee or an employee the licensee to display containers of spirituous liquor within 30 feet of a cash register where sales are made, unless the containers are completely screened from customer view.

First sponsor: Garcia

**ARA Position:** ARA opposed the bill.

**Dead - not heard in Committee.**

**SB1107: MARRIAGE; PROPERTY; DEBTS**

Requires that spouses join in transaction of a partnership, corp or LLC in order for marital community to be bound.

First sponsor: Linda Gray

**ARA Position:** ARA monitored this bill for the impact on credit operations.

**Dead - not heard in Committee**

**SB1127: LIQUOR LICENSES; INSURANCE; DRUG PARAPHERNALIA**

Applicants for a liquor license, transfer or renewal of a liquor license shall provide documentation to the Dept of Liquor License and Control that at least the minimum coverage liability insurance has been obtained in amount determined by the director. The list of circumstances for which the director may suspend, revoke or refuse to renew

a liquor license is expanded to include the sale, use or display of drug paraphernalia at the licensed premises.

First sponsor: McCune Davis

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

**SB1145: PERSONAL IDENTIFYING INFO; RESTRICTED USE**

Minor change relating to personal identifying information.

First sponsor: Carolyn Allen

**ARA Position:** ARA monitored this bill for amendments.

**Dead - not heard in Committee.**

**SB1157: INTERNET SALES TAX; PROHIBITION**

Prohibits the collection of certain state and local taxes on Internet sales if the vendor does not have a nexus in the state.

First sponsor: Chuck Gray

**ARA Position:** ARA opposed this bill - it is counter to Streamlined Sales Tax.

**Dead - held in Committee.**

**SB1164: HEALTHCARE GROUP; ENROLLMENT FREEZE**

HealthCare Group - a program administered by AHCCCS providing health insurance coverage for sole proprietors and employers of fewer than 50 persons - is prohibited from enrolling new employer groups until 7/1/11. AHCCCS must submit to JLBC quarterly reports on the financial condition of HCG as well as an annual fiscal audit.

First sponsor: Gorman

**ARA Position:** ARA monitored this bill for independent retailers.

**Dead - not final read in the Senate.**

**SB1183: PREMARITAL & POSTMARITAL AGREEMENTS; REGISTRY**

Requires the Secretary of State to establish and maintain a premarital and post-marital agreements registry.

First sponsor: Linda Gray

**ARA Position:** ARA monitored this bill for the impact on credit operations.

**Dead - not heard by full Senate.**

**SB1196: LABOR ORGANIZATIONS; NONUNION EMPLOYEES; REPRESENTATION**

If an employee is a member of a collective bargaining unit of an employer with which a union has a contract but the employee is not a member of the union, the contract may provide that the union may collect actual costs of grievance representation from the employee if the representation was initiated by the employee.

First sponsor: Garcia

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

**SB1198: UNEMPLOYMENT BENEFITS; DISQUALIFICATION**

Removes lockouts from the list of actions that disqualify individuals from receiving unemployment benefits for a period of 1 week.

First sponsor: Garcia

**ARA Position:** ARA opposed this bill.

**Dead - not heard in Committee.**

**SB1199: FAMILY LEAVE INSURANCE**

The Dept of Labor shall establish and administer a family leave insurance

program and pay family leave insurance benefits. Beginning 1/1/09, family leave insurance benefits are payable to a qualified individual during a period in which the individual is on family leave. An individual is disqualified from family leave insurance benefits for 52 weeks if the individual willfully made a false statement or misrepresentation regarding a material fact or willfully failed to report a material fact to obtain benefits or if the serious health condition for which the individual is seeking leave was suffered as a result of his/her criminal conduct. Due to the increase in state revenue, this bill requires a 2/3 majority for passage per Prop 108.

First sponsor: Garcia

**ARA Position:** ARA monitored.

**Dead - not heard in Committee.**

**SB1201: TELEPHONE CALL CENTERS; CONSUMER SERVICES**

The list of persons and entities subject to regulations regarding telephone solicitation and sales is expanded to include consumer service call centers/employees and consumer sales call centers/employees. A consumer services employee shall not transmit a person's financial, credit or identifying information to a foreign country without the person's written permission.

First sponsor: Garcia

**ARA Position:** ARA opposed this bill, due to the impact on credit operations.

**Dead - not heard in Committee.**

**SB1242: INSURANCE;  
MENTAL HEALTH  
COVERAGE; PARITY**

A corp, organization or insurer that issues a group health care plan cannot impose any treatment limitations or financial requirements for mental health coverage unless comparable limitations are imposed on medical and surgical benefits.

First sponsor: Burton Cahill

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

**SB1247: EMPLOYER  
COMMUNICATIONS;  
RELIGIOUS; POLITICAL  
BELIEFS**

An employer or designee cannot require an employee to attend a meeting sponsored by the employer or to participate in any communication with the employer that has a primary purpose of communicating the employer's religious or political opinion, unless the employer is required to do so by another law. An employee may report violations to the Industrial Commission and may file an action in superior court within 90 days of an alleged violation.

Religious organizations, political organizations and regular coursework at educational institutions are exempt.

First sponsor: Burton Cahill

**ARA Position:** ARA monitored this bill.

**Dead - not heard in Committee.**

**SB1248: RIGHT TO  
WORK**

The right of employees to bargain collectively through a labor organization shall not be denied or abridged. Employers or their agents are prohibited from

interfering with a person by attempting to prevent the person from joining a union or coercing the person to leave an employment position against the person's will.

First sponsor: Burton Cahill

**ARA Position:** ARA opposed this bill.

**Dead - not heard in Committee.**

**SB1256: SPECIAL  
DISTRICTS;  
SECONDARY LEVY  
LIMITS**

Limits the increase in the maximum secondary tax levy permissible to certain special districts.

First sponsor: Burns

**ARA Position:** ARA monitored this bill for taxation benefits.

**Dead - not heard by full Senate.**

**SB1260: MUNICIPAL  
ELECTIONS; TAX  
ISSUES, TAX  
INCENTIVES**

Requires municipal elections on tax issues take place at specific times.

First sponsor: Chevront

**ARA Position:** ARA monitored this bill for impacts on shopping center development

**Dead - failed in Committee.**

**SB1294: HEALTH  
INSURANCE  
MANDATES;**

Legislative proposals that mandate health coverage shall submit a written report explaining the factors for assessing the social and financial impact to the Joint Legislative Audit Committee before the start of the legislative session.

First sponsor: Leff

**ARA Position:** ARA monitored this bill.

**Dead - Failed in Committee.**

**SB1331: COMMUNITY  
FACILITIES  
DISTRICTS; COUNTIES;  
LIMITED AREAS**

A community facilities district may be formed by a county with a population of an unspecified amount if at least 25% of the property owners in the proposed district sign a petition.

First sponsor: O'Halleran

**ARA Position:** ARA opposed this bill due to the taxing impact it would have on retailers.

**Dead - not heard in Senate Committee of the Whole.**

**SB1333: ORGANIZED  
RETAIL THEFT**

A person commits organized retail theft is guilty of a class 5 felony.

First sponsor: Chuck Gray

**ARA Position:** ARA supported this bill - ARA requested this bill.

**Dead - not heard in Committee - ARA requested that bill not be heard due to Sponsor's desire to keep ORC in shoplifting statute.**

**SB1371: REGISTERED  
DOMESTIC PARTNERS**

Provides for registered domestic partnership, which provides the same responsibilities and benefits of marriage.

First sponsor: Chevront

**ARA Position:** ARA monitored for impact on the cost to business for employee benefits.

**Dead- not heard in Committee**

**SB1374: EMPLOYER  
SANCTIONS**

Makes changes to the employer sanctions law.

First sponsor: Burns

**ARA Position:** ARA monitored this bill for impacts on hiring operations.

**Dead - see HB2745.**

**SB1389: HEALTHCARE GROUP; HEALTH PLANS; INFORMATION**

Makes numerous changes to statutes related to Healthcare Group.

First sponsor: Chevront

**ARA Position:** ARA monitored this bill for retailers that participate in Healthcare Group.

**Dead - not heard in Committee**

**SB1397: RADIO FREQUENCY ID**

A consumer commodity, food, drug, device, cosmetic or package that contains or bears a radio frequency identification (RFID) tag shall bear a label that states that the item contains or bears a RFID tag and that the tag can transmit unique identification information to an independent reader both before and after purchase. A business shall not combine or link an individual's nonpublic personal information with a RFID tag beyond what is required to manage inventory, and the attorney general's website shall contain information to educate businesses about RFID technology. A person may implant RFID device into another person provided they have that person's (or parent or guardian if the person is a minor) written informed consent.

First sponsor: Johnson

**ARA Position:** ARA opposed this bill.

**Dead - not heard in Committee.**

**SB1437: TOBACCO PRODUCTS; IDENTIFICATION; EDUCATION**

Retail tobacco vendors must require proof of age from a prospective purchase or tobacco products if the person

appears to be under 27 years of age. Violations are subject to graduated civil penalties of \$300 to \$500.

First sponsor: Pesquiera

**ARA Position:** ARA opposed this bill due to duplicative requirements.

**Dead- not heard in Committee.**

**SB1495: LIGHT RAIL PERFORMANCE AUDIT**

If the "minimum operating segment" of the Phoenix Metro light rail system is not operational by 1/1/09, a performance audit shall be conducted.

First sponsor: Gorman

**ARA Position:** ARA monitored this bill for the impact on retailers along the light rail system.

**Dead - held in Committee.**

**SCR1036: PROTECT ARIZONA EMPLOYEES' PAYCHECKS**

Deductions from an employee's paycheck for political purposes is prohibited unless the employee gives annual written authorization.

First sponsor: Gorman

**ARA Position:** ARA supported this referendum for the impact on labor operations.

**Dead - not heard by full Senate.**