



## 2016 Legislative Wrap Up

52<sup>nd</sup> Legislature – 2<sup>nd</sup> Regular Session

The Arizona Legislature adjourned for the year on Saturday, May 7, 2016 at 5:45 a.m. following a session that lasted 117 days. During the session, 1,247 bills were introduced, 388 of which were passed by the Legislature. Governor Doug Ducey signed 374 bills into law and vetoed 14 bills. The Secretary of State received 36 memorials and resolutions. The general effective date for most legislative acts (without an emergency clause or specified later dates) is August 7, 2016.

Below please find summaries of the key bills that APMA supported during the 2016 session. If you have any questions or would like a copy of any bill or chaptered law, please contact Amanda Gray.

### **FUEL & CONVENIENCE STORE ISSUES**

#### **HB2130 – Municipalities; Counties; Energy Use Reporting (Rep. Petersen)**

Prohibits counties and municipalities from requiring a property owner, operator or tenant to report energy usage and consumption.

Signed by Governor on March 14. Chap. 27, Laws 2016.

#### **HB2131 – Municipalities; Counties; Auxiliary Containers (Rep. Petersen)**

Prohibits counties and municipalities from imposing a tax or fee on a consumer or a business owner for auxiliary containers (any reusable bags, boxes or other recyclable containers).

Signed by Governor on March 14. Chap. 28, Laws 2016.

#### **HB2372 – Liquor Licenses; Stores; Proximity; Exception (Rep. Shope)**

Would have allowed liquor licenses to be granted near a church or school if the applicant is a grocery store containing at least 4,500 square feet of retail space, offering fresh produce for sale and deriving less than 50 percent of its gross revenue from the sale of liquor (excluding fuel sales).

Failed to pass House of Representatives.

#### **HB2493 – Use Fuel Taxes; Adjustment (Rep. Bowers)**

Would have taxed all diesel fuel at 26 cents per gallon and allowed owners of light class vehicles to collect a reduction on their vehicle license tax each year. Would have removed requirements for use fuel sellers who sell directly to vehicles to be licensed by ADOT.

Negotiated agreement to hold summer Study Committee to reach a consensus on a solution to two tiered use fuel tax system.

### **STATE AGENCY ISSUES**

#### **HB2014 – Electronic Documents; State Agencies (Rep. Stevens)**

If a statute or rule requires submission of an application or other documentation, the bill would have required state agencies to provide a method of electronic submission.

Passed House of Representatives but was not heard in Senate committee.

**HB2171 – Weights & Measures; Omnibus (Rep. Petersen)**

Modifies definitions including ethanol flex fuel, biodiesel, biomass-based diesel, gasoline, gasoline provider, fleet owner, oxygenate, product transfer document (PTD) and supplier. Modifies the allowable sulfur amounts for diesel, biodiesel and bio-mass based diesel fuels. Eliminates requirement that PTDs for diesel fuel containing five percent or less by volume of biodiesel must state the amount of biodiesel intentionally added to or known to be in the product. Starting October 1, 2018, all retail diesel fuel dispensers must use green grip guards and all retail ethanol flex fuel dispensers must use yellow grip guards. Requires that fuel transporters ensure that the name and address of the final destination for the shipment are included on the PTD and that it accompanies the shipment to its final destination.

If a product is only available with the assistance of a salesperson, the seller may display the package at a service counter staffed by the salesperson without the package bearing the price.

Requires appointment of a Weights and Measures Services Division Council. Allows development and implementation of a consultation and training program for regulated industries and division inspectors. Allows an alleged violator to either request an informal hearing in person or telephonically or request a formal hearing under Title 41, Chapter 6, Article 10. Makes conforming changes. Signed by Governor on May 12.

**HB2250 – ADOT Advertising; Sponsorship; Nonhighway Assets (Rep. Gray)**

Authorizes ADOT to establish a program to lease or sell advertising on nonhighway assets, limited to motor vehicle and motorist-related goods and services. Revenues must be deposited in the State Highway Fund. Program ends on July 1, 2026.

Signed by Governor on March 24. Chap. 66, Laws 2016.

**HB2337 – Regulation; Deficiencies; Opportunity to Correct (Rep. Norgaard)**

Requires agencies to provide the regulated person an opportunity to correct the deficiency if the agency is unsure whether the regulated person meets the statutory list of circumstances which preclude the person from receiving an opportunity to correct.

Signed by Governor on May 19.

**SB1119 – Board of Technical Registration; Continuation (Sen. Yee)**

The Board of Technical Registration is extended eight years to July 1, 2024.

Signed by Governor on May 11. Chap. 142, Laws 2016.

**SB1207 – Department of Transportation; Continuation (Sen. Worsley)**

The Department of Transportation is extended eight years to July 1, 2024.

Signed by Governor on May 17.

**OTHER****Budget Bills**

The FY 2016-17 budget was passed in early May. The budget provides \$9.6B in annual spending, and restores \$300 million in funding that was cut from K-12 education and \$32 million from universities last year. It includes no tax increase and a tax cut to allow businesses to depreciate the deduction they can take for purchases of new equipment more quickly. It increases the discount rate at which tobacco distributors purchase tobacco stamps from the Department of Revenue to 96.48% of face value, subject to an administrative allowance. The budget does not sweep funds from the UST Revolving Fund.

Signed by Governor Ducey on May 10.

**HB2613 – Regulatory Boards; Licensing; Revisions (Rep. Petersen)**

Eliminates state licensing for assayers, citrus fruit packers and drivers training instructors; permits BTR to continue licensing registered geologists but also allows trained geologists to practice in the state, if they meet statutory requirements, without licensure.

Signed by Governor on May 19.

**SB1487 – State Law; Local Violations; Penalties (Sen. Biggs)**

Allows a member of the legislature to ask the Attorney General to investigate official actions by local governments that the member alleges violates state law. If there is a violation, Attorney General then notifies local government unit and attempts to resolve the issue. If violation is unresolved after 30 days, State Treasurer must withhold and redistribute the state shared monies from the local government.

Signed by Governor on March 17. Chap. 35, Laws 2016.

**SCM1007 – Ozone Concentration Standard; Urging EPA (Sen. Griffin)**

Urges EPA to reinstate the previous ozone standard of 75 parts per billion.

Sent to Secretary of State on April 4.

**SCM1015 – Exceeding Authority; Urging Congress (Sen. Griffin)**

Urges US Congress to enact the Stopping EPA Overreach Act.

Sent to Secretary of State on March 30.

Below please find titles of the bills that APMA monitored during the 2016 session:

HB2036 – Human Trafficking; Signs; Rest Stops (Rep. Coleman)

HB2251 – Commercial Motor Vehicles (Rep. Gray)

SB1013 – Lottery Funding; LTAF; Restoration (Sen. Farley)

SB1256 – Drug Lab Remediation; Assayers; Repeal (Sen. Kavanagh)

SB1398 – Fuel Taxes; Streets & Highways (Sen. Griffin)

SB1422 – Board of Technical Registration; Omnibus (Sen. Yee)

SB1490 – Transportation Funding; Task Force (Sen. Worsley)

Below please find titles of the bills that APMA opposed during the 2016 session:

HB2177 – Paid Sick and Safe Time (Rep. Andrade)

HB2275 – Genetically Engineered Foods; Labeling (Rep. Mendez)

HB2407 – Hydraulic Fracturing; Prohibition (Rep. Mendez)

HB2408 – Auxiliary Containers; Regulation Prohibition; Repeal (Rep. Mendez)

HB2489 – Clean Fuels; Waiver; Implementation Plan (Rep. Bowers)

HB2491 – Gasoline Vapor Pressure; Seasonal Transition (Rep. Bowers)

HB2595 – Liquor Licenses; Tribal Land (Rep. Benally)

HB2684 – Climate Change; Study Committee (Rep. Plumlee)

SB1012 – County Motor Vehicle Fuel Taxes (Sen. Farley)

SB1234 – Minimum Wage; Nonmonetary Compensation (Sen. Bradley)

SB1312 – Motor Fuel Taxes (Sen. Farley)

SB1384 – Fuel Taxes; Exemption; Navajo Reservation (Sen. Begay)

None of these bills were successful this year.