



Arizona Small Business Association 2015 Legislative Scorecard

For the first time in over 50 years, Arizona's 52nd Legislature, first regular session concluded its business in just 81 days after convening and adjourned Sine Die on at 3:37 am April 3, 2015. Although the session was remarkably short, it was very productive especially for Arizona small businesses. During the session, state lawmakers introduced 1,163 bills and 89 memorials and resolutions. Upon adjournment 345 bills were passed and sent to Governor Ducey for action. In addition to the bills, the legislature passed an historically lean \$9.1 billion budget. In signing, Governor Ducey praised the bipartisan support and noted that it "moved Arizona in the direction as the best state to work and raise a family". All bills not vetoed or passed with emergency clause or delayed effective date became law on July 3, 2015.

In his Sine Die statement the Governor stated "I've always said government should operate at the speed of business, and legislative leadership, particularly President Biggs and Speaker Gowan were partners in making that happen." "In a few short months, we've taken significant steps to get our fiscal house in order and improve education in the state of Arizona." Taxpayers were victors this session with many pro-business pieces of legislation being passed by the legislature and signed into law. The Arizona Small Business Association (ASBA) strongly believes that well-informed legislators are essential to ensuring the development of necessary and responsible public policy that supports small business.

Although ASBA does not engage in the practice of endorsing candidates for public office, we do track how incumbent state legislators vote with ASBA on Arizona's top small business issues.

Our 2015 Legislative Scorecard outlines how each members of the legislature voted with us on our priority legislation. Final floor votes are what we track as the most objective way for us to evaluate and score lawmakers. The scorecard provides a summary of each bill that lawmakers were scored on, ASBA's position and the outcome of the bill.

ASBA's annual legislative agenda which communicates our top priorities for the year is presented to lawmakers at the beginning of the session. The priority agenda and annual legislative scorecard documents can be found in the Advocacy page of asba.com.



2015 Priority bills in detail

HB 2001: Income Tax Brackets; Inflation Index

Sponsor: Rep. Justin Olson (R – District 25)

ASBA's Position: Support



Bill Summary: Each tax year the Department of Revenue is required to adjust the income amounts for individual income tax rate brackets by the average annual change in the metropolitan Phoenix consumer price index.

Result: HB 2001 Passed the House of Representatives with a 38-21 vote, passed Senate with a 18-10 vote, and was signed into law by Governor Ducey. Chapter 91, Laws 2015

HB 2064: Graduation Requirement: Civics Test

Sponsor: Rep. Steve Montenegro (R – District 13)

ASBA's Position: Support



Bill Summary: Beginning in 2016-17, in order to graduate from high school or obtain GED, a student must correctly answer at least 60 of 100 questions listed on a test identical to the civics portion of the naturalization test used by the US Citizenship and Immigration Services.

Result: HB 2064 Passed the House of Representatives with a 42-17 vote, passed the Senate with a 19-10 vote, and was signed into law by Governor Ducey, Chapter 1, Laws 2015

2015 Priority bills in detail (continued)

HB 2213: Inspections; Audits; Notice; Rights

Sponsor: Rep. Warren Petersen (R – District 12)

ASBA's Position: Support



Bill Summary: An agency inspector, auditor or regulator who enters any premises of a regulated person to conduct an inspection is required to inform each person who is interviewed during the inspection or audit that participation in an interview is voluntary (unless the person is legally compelled to participate), that the person may have an attorney or any other experts in their field present during the interview and that the person is allowed at least 24 hours to review and revise any written statement on which the person's signature is requested. The written information that must be provided to the person subject to inspection or audit is expanded to include a notice that if the information and documents provided become a public record, the person may redact trade secrets and proprietary and confidential information, and the time limit for filing a compliance action arising from the inspection or audit.

Result: HB 2213 Passed the House of Representatives with a 40-20 vote, passed the Senate with a 24-4 vote, and was signed into law by Governor Ducey, Chapter 192, Laws 2015

HB 2297: State Agency Rulemaking; Restrictions

Sponsor: Rep. Eddie Farnsworth (R – District 12)

ASBA's Position: Support



Bill Summary: State agencies are prohibited from adopting any new rule that would increase existing regulatory restraints or burdens on the free exercise of property rights or the freedom to engage in an otherwise lawful business or occupation, unless the rule is a component of a comprehensive effort to reduce regulatory restraints or burdens or is necessary to implement statutes or required by a final court order or decision. Any person subject to a civil or criminal proceeding arising from the enforcement of a rule in violation has an affirmative defense to the enforcement action. The court or administrative body considering or reviewing the defense must rule on its merits without deference to any legislative, administrative or executive finding concerning the rule, and is permitted to award the prevailing party, other than the agency, attorney fees and costs.

Result: HB 2297 Passed the House of Representatives with a 35-25 vote, passed the Senate with a 17-12 vote, and was signed into law by Governor Ducey, Chapter 240, Laws 2015

2015 Priority bills in detail (continued)

HB 2331: Workers Compensation; Fraudulent Claims; Forfeiture

Sponsor: Rep. Karen Fann (R – District 1)

ASBA Position: Support



Bill Summary: For a person who forfeits all right to workers' compensation because of knowingly making a false statement, a class 6 felony, that forfeiture does not terminate on any subsequent designation of the offense as a misdemeanor. A claimant for workers' compensation is required to personally sign any monthly or annual income status report that requests the claimant to report employment status or earnings to the insurance carrier or self-insured employer. The reporting document must contain a statement that is in a specific form, which includes a statement that knowingly making a false statement to obtain compensation, benefits or payments is a class 6 felony and is subject to prison, fines, and forfeiture of benefits.

Result: HB 2331 Passed the House of Representatives with a 58-0 vote, passed the Senate with a 28-0 vote, and was signed into law by Governor Ducey, Chapter 115, Laws 2015

HB 2346: Medical Marijuana; Reimbursement; No Requirement

Sponsor: Rep. Karen Fann (R – District 1)

ASBA's Position: Support



Bill Summary: Workers' compensation carriers and self-insured employers providing workers' compensation benefits are added to the list of entities that are NOT required to reimburse a person for costs associated with the medical use of marijuana.

Result: HB 2346 Due to voter protection this bill required a 3 /4 vote by both bodies and that did occur with the House of Representatives 54-3 vote, and the Senate 26-3 vote. It was signed into law by Governor Ducey, Chapter 210, Laws 2015

HB 2568: Insurance Premium Tax Reduction

Sponsor: Rep. David Livingston (R – District 22)

ASBA's Position: Support



Bill Summary: The insurance premium tax rate for insurance other than fire, disability and health care service and disability insurance is annually reduced from the current rate of 2 percent to specified lower rates in calendar years 2016 through 2025 and to 1.70 percent in calendar year 2026 and beyond.

Result: HB 2568 Passed the House of Representatives with a 38-22 vote, passed the Senate with a 20-9 vote, and was signed into law by Governor Ducey, Chapter 220, Laws 2015

2015 Priority bills in detail (continued)

HB 2591: Securities Registration; Exemption; Website Operators

Sponsor: Rep. Jeff Weninger (R – District 17)

ASBA's Position: Support



Bill Summary: Specified that statutes regulating the sale of securities do not apply to the offer or sale of a security by the issuer if a list of specified conditions is met, including that the issuer is a business entity authorized to do business in Arizona and doing business pursuant to the federal securities act, the transaction meets the requirement of the federal exemption for intrastate offerings in the Securities Act, the aggregate offering price of the securities complies with a list of conditions, the issuer does not accept more than \$10,000 from any single purchaser who is not an accredited investor, and the issuer is not an investment company.

Result: ASBA took primary responsibility in the drafting and passage of HB 2591 "Crowdfunding" legislation. It passed the House of Representatives with a 60-0 vote, passed the Senate with a 28-0 vote, and was signed into law by Governor Ducey, Chapter 185, Laws 2015

SB 1446: TPT Reform; Contractors

Sponsor: Senator Debbie Lesko (R – District 21)

ASBA's Position: Support



Bill Summary: Establishes provisions for determining the tax liability of a person that is either a prime contractor or a subcontractor working under the control of a prime contractor and that purchases tangible personal property that was excluded from the tax base under the retail classification of transaction privilege tax (TPT) or use tax at the time of purchase and that incorporates or fabricates the property into a specified project. The amount is calculated and reported based on the location of the project, and is equal to any tax that a seller would have been required to pay under the retail class of TPT. Also established deadlines and process for reporting and payment of taxes. Lists exemptions and includes definition of Indian Tribe and Affiliated Indian. Further states that counties and municipalities are prohibited from requiring an applicant for a building permit to hold a TPT license or business license as a condition for issuing the building permit.

Result: SB 1446. An identical HB 2590 Passed the House of Representatives with a 57-0 vote, SB 1446 passed the Senate with a 28-1 vote, and was substituted for HB 2590 and sent to Governor who signed it into law, Chapter 4, Laws 2015

Arizona Small Business Association Legislative Scorecard 2015 Voting record of 52nd Legislature Members

SENATORS	Party/District	Voting Record
Ed Ableser	Democrat 26	57%
Sylvia Tenney Allen	Republican 6	100%
Nancy Barto	Republican 15	100%
Carlyle Begay	Democrat 7	88%
Andy Biggs	Republican 12	100%
David Bradley	Democrat 10	55%
Judy Burges	Republican 22	100%
Olivia Cajero Bedford	Democrat 3	44%
Lupe Contreras	Democrat 19	44%
Andrea Dalessandro	Democrat 2	22%
Jeff Dial	Republican 18	100%
Adam Driggs	Republican 28	100%
Steve Farley	Democrat 9	55%
David Farnsworth	Republican 16	100%
Gail Griffin	Republican 14	100%
Katie Hobbs	Democrat 24	44%
John Kavanagh	Republican 23	100%
Debbie Lesko	Republican 21	100%
Barbara McGuire	Democrat 8	88%
Robert Meza	Democrat 30	55%
Catherine Miranda	Democrat 27	60%
Lynne Pancrazi	Democrat 4	75%
Steve Pierce	Republican 1	100%
Martin Quezada	Democrat 29	33%
Don Shooter	Republican 13	100%
Steve Smith	Republican 11	100%
Kelli Ward	Republican 5	100%
Bob Worsley	Republican 25	100%
Steve Yarbrough	Republican 17	100%
Kimberly Yee	Republican 20	100%

REPRESENTATIVE	Party/District	Voting Record
John Ackerley	Republican 2	100%
John Allen	Republican 15	100%
Lela Alston	Democrat 24	28%
Richard Andrade	Democrat 29	41%
Brenda Barton	Republican 6	100%
Jennifer Benally	Democrat 7	45%
Reginald Bolding	Democrat 27	58%
Sonny Borrelli	Republican 5	100%
Rusty Bowers	Republican 25	100%
Paul Boyer	Republican 20	100%
Kate Brophy McGee	Republican 28	100%

Legislative Scorecard (Continued)

REPRESENTATIVE	Party/District	Voting Record
Noel Campbell	Republican 1	100%
Mark A. Cardenas	Democrat 19	50%
Heather Carter	Republican 15	100%
Ken Clark	Democrat 24	41%
Regina Cobb	Republican 5	100%
Doug Coleman	Republican 16	100%
Diego Espinoza	Democrat 19	41%
Karen Fann	Republican 1	100%
Eddie Farnsworth	Republican 12	100%
Charlene Fernandez	Democrat 4	41%
Mark Finchem	Republican 11	100%
Randall Friese	Democrat 9	41%
Rosanna Gabaldón	Democrat 2	36%
Sally Ann Gonzales	Democrat 3	33%
David M. Gowan Sr.	Republican 14	100%
Rick Gray	Republican 21	100%
Albert Hale	Democrat 7	70%
Anthony Kern	Republican 20	100%
Jonathan Larkin	Democrat 30	58%
Jay Lawrence	Republican 23	100%
Vince Leach	Republican 11	100%
David Livingston	Republican 22	100%
Phil Lovas	Republican 22	100%
Stefanie Mach	Democrat 10	41%
Debbie McCune Davis	Democrat 30	41%
Juan Mendez	Democrat 26	33%
J.D. Mesnard	Republican 17	100%
Eric Meyer	Democrat 28	50%
Darin Mitchell	Republican 13	100%
Steve Montenegro	Republican 13	100%
Jill Norgaard	Republican 18	100%
Justin Olson	Republican 25	100%
Lisa Otondo	Democrat 4	58%
Warren Petersen	Republican 12	100%
Frank Pratt	Republican 8	100%
Rebecca Rios	Democrat 27	50%
Tony Rivero	Republican 21	100%
Bob Robson	Republican 18	100%
Macario Saldade	Democrat 3	50%
Andrew Sherwood	Democrat 26	41%
T.J. Shope	Republican 8	100%
Victoria Steele	Democrat 9	41%
David Stevens	Republican 14	100%
Bob Thorpe	Republican 6	100%
Kelly Townsend	Republican 16	100%
Michelle Ugenti	Republican 23	80%
Ceci Velasquez	Democrat 29	41%
Jeff Weninger	Republican 17	100%
Bruce Wheeler	Republican 10	58%



Summary

The Arizona Small Business Association wishes to thank the members of the Arizona State Legislature for a successful, pro-business legislative session. We are pleased to report that both Democrats and Republicans equally supported ASBA's pro-business agenda and voted to support our priority bills a majority of the time.

Finally, we wish to thank Governor Doug Ducey for being a champion of business.

About ASBA

The Arizona Small Business Association is an independent, non-partisan trade association that is privately funded by its members and corporate sponsors. In existence for over 40 years, ASBA is the largest trade association in Arizona exclusively focused on small businesses and one of only two of its kind in the country.

The Mission of the Arizona Small Business Association is to be THE statewide resource for small business.

Business owners have joined ASBA for the convenience and efficiency of our products and services, for the ability to engage and advocate for public policy that ignites small business growth, and for fostering a positive economic direction for Arizona powered by entrepreneurship.

Your Business. Our Expertise. Together, A Prosperous Arizona.

D - Democrat | R - Republican | Y - Yes | N - No | NV - No Vote
2014 Voting record of the members of the Arizona Senate

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