

## ACC 2021

55th Legislature - 1st Regular Session, 2021

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## ACC 2021

### Posted Calendars and Committee Hearings

- H2128: STATE LICENSING; FEE WAIVER  
*Hearing:* House Military Affairs & Public Safety (Monday 02/01/21 at 2:00 PM, House Rm. 1)
- H2714: ENVIRONMENTAL TECHNOLOGY; BIOMASS; FORESTRY PRODUCTS  
*Hearing:* House Natural Resources, Energy & Water (Tuesday 02/02/21 at 2:00 PM, House Rm. 4)
- H2737: CORPORATION COMMISSION ACTIONS; INVESTIGATION  
*Hearing:* House Natural Resources, Energy & Water (Tuesday 02/02/21 at 2:00 PM, House Rm. 4)
- HR2003: FORESTS; PROPER MANAGEMENT  
*Calendar:* 2/3 House Consent
- S1177: FOREST PRODUCTS; PROCESSING; TAX CREDIT  
*Hearing:* Senate Appropriations (Tuesday 02/02/21 at 2:00 PM, Senate Rm. 109)
- S1217: SECURITIES; EXEMPT TRANSACTIONS  
*Calendar:* 2/2 Senate Caucus  
*Calendar:* 2/3 Senate Consent

### Bill Summaries

#### H2128: STATE LICENSING; FEE WAIVER

The list of persons that state agencies are required to waive any initial license fee charged for, with some exceptions, is expanded to include any active duty military service member and the member's spouse and any veteran.

First sponsor: Rep. Osborne (R - Dist 13)

Others: Rep. Blackman (R - Dist 6), Rep. Carroll (R - Dist 22), Rep. Chaplik (R - Dist 23), Rep. Dunn (R - Dist 13), Rep. Griffin (R - Dist 14), Rep. Hoffman (R - Dist 12), Rep. John (R - Dist 4), Rep. Nutt (R - Dist 14), Rep. Payne (R - Dist 21), Rep. Toma (R - Dist 22)

H2128 Daily History	Date	Action
STATE LICENSING; FEE WAIVER	2/1	House mil-pub safety held.
STATE LICENSING; FEE WAIVER	1/20	referred to House mil-pub safety.

#### H2193: RAILROADS; ANNUAL SAFETY INSPECTIONS

The Corporation Commission is required to conduct annual safety inspections of all railroads and railroad tracks in Arizona. Appropriates \$196,000 and two FTE positions from the general fund in FY2021-22 to the Commission for railroad safety inspectors.

First sponsor: Rep. Andrade (D - Dist 29)

Others: Rep. Butler (D - Dist 28), Rep. Fernandez (D - Dist 4), Rep. M. Hernandez (D - Dist 26), Rep. Powers Hannley (D - Dist 9), Rep. Salman (D - Dist 26), Rep. Schwiebert (D - Dist 20), Rep. Teran (D - Dist 30)

H2193 Daily History	Date	Action
RAILROADS; ANNUAL SAFETY INSPECTIONS	1/27	House trans held.
RAILROADS; ANNUAL SAFETY INSPECTIONS	1/20	referred to House trans, appro.

#### H2247: FOREST PRODUCTS; PROCESSING; TAX CREDIT

Establishes an individual and corporate income tax credit for taxpayers with a current healthy forest enterprise incentive certification and memorandum of understanding with the Arizona Commerce Authority that "process" "qualifying

forest products" (both defined) between January 1, 2022 and December 31, 2030 at a facility located in Arizona. The amount of the credit is up to \$10,000 for the first 20,000 tons and \$5,000 for every 10,000 tons after of qualifying forest products the taxpayer processes in the calendar year, not to exceed \$500,000 per taxpayer. The aggregate amount of tax credits in a calendar year is capped at \$2 million. If the allowable credit exceeds taxes due, the unclaimed amount of the credit may be carried forward for up to five consecutive tax years. Other requirements to qualify for the tax credit and an application process are established. Applies to tax years beginning with 2022.

First sponsor: Rep. Griffin (R - Dist 14)

H2247 Daily History	Date	Action
FOREST PRODUCTS; PROCESSING; TAX CREDIT	1/21	House nat res-energy-water do pass; report awaited.
FOREST PRODUCTS; PROCESSING; TAX CREDIT	1/19	House nat res-energy-water held. 1/20 referred to House nat res-energy-water ways-means.

## H2248: CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES

Without express legislative authorization, the Arizona Corporation Commission (ACC) is prohibited from adopting or enforcing a policy, decision or rule that directly or indirectly regulates the types of "critical electric generation resources" (defined) used or acquired by public service corporations within Arizona's energy grid. Does not apply to any policy, decision or rule adopted before June 30, 2020. Does not prohibit the ACC from setting electricity rates for public service corporations. Contains legislative findings. Retroactive to June 30, 2020.

First sponsor: Rep. Griffin (R - Dist 14)

H2248 Daily History	Date	Action
CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES	1/27	from House nat res-energy-water do pass.
CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES	1/26	House nat res-energy-water do pass; report awaited.
CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES	1/19	House nat res-energy-water held. 1/20 referred to House nat res-energy-water

## H2437: FUEL; ELECTRIC CARS; HYBRIDS; TAXES

Imposes a tax on a vehicle that accesses a street or highway and that is propelled by electricity of \$111 per year for FY2021-22, \$139 per year for FY2022-23, and \$166 per year for FY2023-24. Imposes a tax on a vehicle that accesses a street or highway and that is propelled by a combination of electricity and other fuels of \$45 per year for FY2021-22, \$56 per year for FY2022-23, and \$67 per year for FY2023-24. For FY2023-24 and each year after, each of these rates must be adjusted annually to reflect the change in the gross domestic product implicit price deflator reported by the U.S. Department of Commerce from January 1, 2020 to December 31 of the prior year. Due to a potential increase in state revenue, this legislation requires the affirmative vote of at least 2/3 of the members of each house of the Legislature for passage, and becomes effective on signature of the Governor.

First sponsor: Rep. Carroll (R - Dist 22)  
Others: Rep. Wilmeth (R - Dist 15)

H2437 Daily History	Date	Action
No actions posted for this bill within the requested time frame.		

## H2664: GOVERNMENT VEHICLES; ELECTRIC; APPROPRIATION

In considering the purchase of new motor vehicles, state agencies and political subdivisions are required to consider electric vehicles and the long-term maintenance and fuel costs in evaluating total costs over the life of the motor vehicle. A political subdivision is authorized to apply to the Department of Administration (DOA) for reimbursement for the difference between the amount that the political subdivision spent on electric vehicles and the amount that the political subdivision would have spent on fossil fuel vehicles, and DOA is required to reimburse political subdivisions on a first-come, first-served

basis. DOA is permitted to establish a reimbursement cap for each political subdivision. Appropriates \$1 million from the general fund in FY2021-22 to DOA to distribute to political subdivisions for electric vehicle reimbursement.

First sponsor: Rep. Epstein (D - Dist 18)

Others: Rep. Cano (D - Dist 3), Sen. Engel (D - Dist 10), Rep. Longdon (D - Dist 24), Rep. Stahl Hamilton (D - Dist 10), Rep. Teran (D - Dist 30)

H2664 Daily History

Date Action

GOVERNMENT VEHICLES; ELECTRIC; APPROPRIATION 2/1 referred to House gov-elect, appro.

## **H2714: ENVIRONMENTAL TECHNOLOGY; BIOMASS; FORESTRY PRODUCTS**

Modifies the requirements to qualify for assistance from the Environmental Technology Assistance Program to allow the capital investment made by a manufacturer, producer or processor to be in a facility that is used predominantly to process biomass and forestry industry products.

First sponsor: Rep. Nutt (R - Dist 14)

H2714 Daily History

Date Action

No actions posted for this bill within the requested time frame.

## **H2737: CORPORATION COMMISSION ACTIONS; INVESTIGATION**

At the request of a member of the Legislature, the Attorney General is required to investigate any decision, order or rule adopted or amended by the Arizona Corporation Commission (ACC) that the member alleges is beyond the ACC's statutory or constitutional authority or whether the ACC is not executing or enforcing a statute. If the Attorney General concludes that the ACC does not have the authority or is not executing or enforcing a statute, the Attorney General is required to notify the ACC of the violation by certified mail and provide 30 days to resolve the violation. If the ACC fails to resolve the violation within 30 days, the Attorney General is required to file a special action in the Supreme Court to resolve the issue, and the Supreme Court is required to give the action precedence over all other cases. If the Supreme Court determines that the ACC does not have the authority or is not executing or enforcing a statute, Attorney General is required to inform the Department of Administration (DOA), and DOA is required to withhold ten percent of the ACC operating lump sum budget for the current fiscal year. Does not apply to any order or decision setting rates for public service corporations.

First sponsor: Rep. Parker (R - Dist 16)

Others: Rep. Barton (R - Dist 6), Rep. Blasiucci (R - Dist 5), Rep. Blackman (R - Dist 6), Rep. Bolick (R - Dist 20), Rep. Bowers (R - Dist 25), Rep. Burges (R - Dist 1), Rep. Cobb (R - Dist 5), Rep. Cook (R - Dist 8), Rep. Dunn (R - Dist 13), Rep. Fillmore (R - Dist 16), Rep. Finchem (R - Dist 11), Rep. Grantham (R - Dist 12), Rep. Griffin (R - Dist 14), Rep. Hoffman (R - Dist 12), Rep. John (R - Dist 4), Rep. Kaiser (R - Dist 15), Rep. Kavanagh (R - Dist 23), Rep. Nguyen (R - Dist 1), Rep. Nutt (R - Dist 14), Rep. Payne (R - Dist 21), Rep. Pingerelli (R - Dist 21), Rep. Toma (R - Dist 22), Rep. Wilmeth (R - Dist 15)

H2737 Daily History

Date Action

CORPORATION COMMISSION ACTIONS; INVESTIGATION 2/1 referred to House nat res-energy-water.

## **HCR2027: CAMPAIGN FINANCE; SOURCE DISCLOSURE**

The 2022 general election ballot is to carry the question of whether to amend the state Constitution to require any person that makes campaign expenditures of more than \$10,000, or \$20,000 for statewide campaigns, in a two-year election cycle to promptly disclose the identity of all "original sources" of "major contributions" (both defined) used to fund that expenditure, and to grant the Citizens Clean Elections Commission the authority to establish penalties to enforce this requirement. Severability clause. If approved by the voters, the amendment applies to all elections occurring after January 1, 2024.

First sponsor: Rep. M. Hernandez (D - Dist 26)

Others: Rep. Andrade (D - Dist 29), Rep. Cano (D - Dist 3), Rep. Jermaine (D - Dist 18), Sen. Mendez (D - Dist 26), Rep. Rodriguez (D - Dist 27), Rep. Salman (D - Dist 26), Rep. Shah (D - Dist 24), Rep. Stahl Hamilton (D - Dist 10)

HCR2027 Daily History

Date Action

No actions posted for this bill within the requested time frame.

### **HR2003: FORESTS; PROPER MANAGEMENT**

The members of the House of Representatives place the highest importance on the issue of forest management and express their support of landscape-scale planning, forest thinning projects and the acceleration of consensus-supported and scientifically informed forest restoration treatments across this state and the nation.

First sponsor: Rep. Griffin (R - Dist 14)

HR2003 Daily History	Date Action
FORESTS; PROPER MANAGEMENT	1/25 from House land-agri-rural affairs do pass.
FORESTS; PROPER MANAGEMENT	1/25 House land-agri-rural affairs do pass; report awaited.
FORESTS; PROPER MANAGEMENT	1/20 referred to House land-agri-rural affairs.

### **S1175: CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES**

Without express legislative authorization, the Arizona Corporation Commission (ACC) is prohibited from adopting or enforcing a policy, decision or rule that directly or indirectly regulates the types of "critical electric generation resources" (defined) used or acquired by public service corporations within Arizona's energy grid. Does not apply to any policy, decision or rule adopted before June 30, 2020. Does not prohibit the ACC from setting electricity rates for public service corporations. Contains legislative findings. Retroactive to June 30, 2020.

First sponsor: Sen. Kerr (R - Dist 13)

Others: Sen. Gowan (R - Dist 14), Sen. Gray (R - Dist 21), Sen. Leach (R - Dist 11), Sen. Livingston (R - Dist 22), Sen. Shope (R - Dist 8)

S1175 Daily History	Date Action
CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES	2/1 from Senate nat res-energy-water with amend #4041.
CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES	1/27 Senate nat res-energy-water do pass; report awaited.
CORPORATION COMMISSION; ELECTRIC GENERATION RESOURCES	1/19 referred to Senate nat res-energy-water.

### **S1177: FOREST PRODUCTS; PROCESSING; TAX CREDIT**

Establishes an individual and corporate income tax credit for taxpayers with a current healthy forest enterprise incentive certification and memorandum of understanding with the Arizona Commerce Authority that "process" "qualifying forest products" (both defined) between January 1, 2022 and December 31, 2030 at a facility located in Arizona. The amount of the credit is up to \$10,000 for the first 20,000 tons and \$5,000 for every 10,000 tons after of qualifying forest products the taxpayer processes in the calendar year, not to exceed \$500,000 per taxpayer. The aggregate amount of tax credits in a calendar year is capped at \$2 million. If the allowable credit exceeds taxes due, the unclaimed amount of the credit may be carried forward for up to five consecutive tax years. Other requirements to qualify for the tax credit and an application process are established. Applies to tax years beginning with 2022.

First sponsor: Sen. Kerr (R - Dist 13)

Others: Sen. Gowan (R - Dist 14), Sen. Gray (R - Dist 21), Sen. Livingston (R - Dist 22), Sen. Rogers (R - Dist 6), Sen. Shope (R - Dist 8)

S1177 Daily History	Date Action
FOREST PRODUCTS; PROCESSING; TAX CREDIT	1/21 withdrawn from Senate fin.
FOREST PRODUCTS; PROCESSING; TAX CREDIT	1/19 referred to Senate fin, appro.

### **S1217: SECURITIES; EXEMPT TRANSACTIONS**

The list of classes of transactions that are exempt from specified securities regulations is expanded to include transactions by an issuer, its parent or subsidiary companies, and their respective directors, managers, general partners, officers and employees acting as such to offer or sell securities of the issuer pursuant to specified federal code, in which the sum of the aggregate

offering price and aggregate sales does not exceed \$50 million, including up to \$15 million offered by all selling securityholders that are affiliates of the issuer.

First sponsor: Sen. Pace (R - Dist 25)

S1217 Daily History	Date	Action
SECURITIES; EXEMPT TRANSACTIONS	1/28	from Senate com do pass.
SECURITIES; EXEMPT TRANSACTIONS	1/27	Senate com do pass; report awaited.
SECURITIES; EXEMPT TRANSACTIONS	1/20	referred to Senate com.

### **S1307: WATER; WASTEWATER SYSTEM; COUNTY OPERATION**

A county with a population of more than 200,000 persons and less than 900,000 persons (Pinal County) is authorized to acquire, maintain and operate a water and wastewater system if the public service corporation that owns the system is either operated by an interim manager under an order of the Arizona Corporation Commission (ACC), or within the three years immediately preceding the acquisition, was operated by an interim manager under an order of the ACC. The county may acquire the by agreement with the public service corporation or by eminent domain and is required to pay the public service corporation the fair valuation for the system. Establishes a formula for determining the fair valuation. After the county acquires the water and wastewater system, the county is authorized to contract with a private entity to operate the system. A contract for the operation and maintenance of the system is exempt from the county's procurement code except that the county is required to issue a public request for proposals. These authorizations are repealed an unspecified number of months (blank in original) after a county acquires a water and wastewater system from a public service corporation or on January 1, 2027, whichever is earlier.

First sponsor: Sen. Shope (R - Dist 8)

S1307 Daily History	Date	Action
No actions posted for this bill within the requested time frame.		

### **S1459: AGENCY DECISIONS; ADMINISTRATIVE REVIEWS**

Deletes the exemption from judicial review of administrative decisions for the Arizona Corporation Commission.

First sponsor: Sen. Petersen (R - Dist 12)

S1459 Daily History	Date	Action
AGENCY DECISIONS; ADMINISTRATIVE REVIEWS	1/28	referred to Senate jud.

### **S1470: ARIZONA CLIMATE RESILIENCY PLANNING GROUP**

Establishes a 22-member Arizona Climate Resiliency Planning Group to review and revise the recommendations made in the Arizona Climate Change Advisory Group's 2006 climate change action plan, develop a resiliency plan to protect or improve the resiliency of Arizona's human populations and natural and economic systems against the risks of climate change, and identify measures that can be taken to meet specified greenhouse gas emissions reductions targets. The Group is required to submit a report of its findings and recommendations to the Governor and the Legislature by August 31, 2022, and self-repeals April 1, 2023.

First sponsor: Sen. Engel (D - Dist 10)  
Others: Sen. Contreras (D - Dist 19), Rep. Rodriguez (D - Dist 27)

S1470 Daily History	Date	Action
ARIZONA CLIMATE RESILIENCY PLANNING GROUP	1/28	referred to Senate nat res-energy-water.

### **S1475: ENERGY IMPROVEMENTS; ON-BILL REPAYMENTS; UTILITIES**

With approval of the Arizona Corporation Commission (ACC), a public service corporation or public power entity with at least 250,000 service connections in Arizona is required to develop and implement one or more "on-bill repayment programs" (defined) for eligible energy efficiency, renewable energy, distributed

generation, energy storage or demand response improvements. Factors the ACC must consider when approving an on-bill repayment program are specified. January 1, 2022.

First sponsor: Sen. Engel (D - Dist 10)

Others: Sen. Bowle (D - Dist 18), Sen. Contreras (D - Dist 19), Sen. Gonzales (D - Dist 3), Sen. Peshlakai (D - Dist 7), Rep. Rodriguez (D - Dist 27)

S1475 Daily History

Date Action

ENERGY IMPROVEMENTS; ON-BILL REPAYMENTS; UTILITIES 1/28 referred to Senate nat res-energy-water, com.

### **S1602: FOREST PRODUCTS; PROCESSING; TAX CREDIT**

Establishes an individual and corporate income tax credit for taxpayers with a current healthy forest enterprise incentive certification and memorandum of understanding with the Arizona Commerce Authority that "process" "qualifying forest products" (both defined) between January 1, 2022 and December 31, 2030 at a facility located in Arizona. The amount of the credit is up to \$10,000 for the first 20,000 tons and \$5,000 for every 10,000 tons after of qualifying forest products the taxpayer processes in the calendar year, not to exceed \$500,000 per taxpayer. The aggregate amount of tax credits in a calendar year is capped at \$2 million. If the allowable credit exceeds taxes due, the unclaimed amount of the credit may be carried forward for up to five consecutive tax years. Other requirements to qualify for the tax credit and an application process are established. Applies to tax years beginning with 2022.

First sponsor: Sen. Gowan (R - Dist 14)

S1602 Daily History

Date Action

FOREST PRODUCTS; PROCESSING; TAX CREDIT 2/1 referred to Senate nat res-energy-water.

### **S1655: ELECTRICITY; GAS; DISCONNECTION PROHIBITED**

A "utility" (defined) is prohibited from disconnecting any service related to heating if the temperature where the meter is located is forecasted to drop below 32 degrees Fahrenheit. A utility is prohibited from disconnecting any service related to air conditioning if the temperature where the meter is located is forecasted to exceed 90 degrees Fahrenheit. Utilities are required to make reasonable payment arrangements with a customer to allow for the continuation of service. Utilities are prohibited from disconnecting a customer's service if the customer's household income is at or below 200 percent of the federal poverty guidelines and the customer makes a minimum payment, or if the customer has a household with a pregnant woman, a child who is under 5 years of age, a person who uses life support equipment, or a resident who has a disability or who is 65 years of age or older.

First sponsor: Sen. Mendez (D - Dist 26)

Others: Rep. Andrade (D - Dist 29), Sen. Gonzales (D - Dist 3), Rep. M. Hernandez (D - Dist 26), Sen. Navarrete (D - Dist 30), Sen. Quezada (D - Dist 29), Rep. Salman (D - Dist 26), Sen. Steele (D - Dist 9), Rep. Teran (D - Dist 30)

S1655 Daily History

Date Action

No actions posted for this bill within the requested time frame.

### **S1689: CAMPAIGN FINANCE; PUBLIC SERVICE CORPORATIONS**

A "public service corporation," an "affiliate of a public service corporation" or a "principal" of a public service corporation or its affiliate (all defined) is prohibited from contributing directly or indirectly to an Arizona Corporation Commission (ACC) candidate or candidate committee. An ACC candidate is prohibited from accepting or soliciting contributions directly or indirectly from a public service corporation, an affiliate of a public service corporation or a principal of a public service corporation or its affiliate. An expenditure by a public service corporation, an affiliate of a public service corporation or a principal of a public service corporation or its affiliate is not an independent expenditure if the expenditure is a coordinated public service corporation expenditure. A coordinated public service corporation expenditure is deemed to

be an in-kind contribution to an ACC candidate, and requirements for those expenditures are established.

First sponsor: Sen. Mendez (D - Dist 26)

Others: Sen. Alston (D - Dist 24), Rep. Andrade (D - Dist 29), Sen. Contreras (D - Dist 19), Rep. M. Hernandez (D - Dist 26), Sen. Navarrete (D - Dist 30), Sen. Quezada (D - Dist 29), Rep. Salman (D - Dist 26), Sen. Steele (D - Dist 9), Rep. Teran (D - Dist 30)

S1689 Daily History

Date Action

No actions posted for this bill within the requested time frame.

### **S1693: PUBLIC FACILITIES; ENVIRONMENTAL POLICIES**

By July 1, 2026, all state agencies, universities, school districts, and community college districts must purchase at least 10 percent of their energy from "green sources" (defined), and all existing state buildings that are more than 50,000 square feet must conform to the leadership in energy and environmental design (LEED) existing building standards. All new or leased state buildings must conform to the LEED rating system. The Department of Administration, Department of Transportation, and Arizona Board of Regents must reduce energy use in public buildings they administer by 20 percent per square foot by July 1, 2028, using FY2001-2002 as the baseline year. Establishes the Energy & Water Efficiency Fund for public facilities to be administered by the Arizona Commerce Authority. The Fund will provide loans to finance energy and water efficiency measures for public facilities and terminates on July 1, 2031. By December 31, 2022, school districts and charter schools are required to adopt green cleaning policies and purchase and use environmentally sensitive cleaning products. Also establishes an 11-member Green Public Schools Task Force to recommend a model green cleaning policy for public schools. The Task Force must submit a report to the Governor and the Legislature by November 1, 2022 and self-repeals January 1, 2023.

First sponsor: Sen. Mendez (D - Dist 26)

Others: Rep. Andrade (D - Dist 29), Sen. Gonzales (D - Dist 3), Rep. M. Hernandez (D - Dist 26), Sen. Quezada (D - Dist 29), Rep. Salman (D - Dist 26), Sen. Steele (D - Dist 9)

S1693 Daily History

Date Action

No actions posted for this bill within the requested time frame.

### **S1764: ENERGY EFFICIENT STANDARDS; PRODUCTS**

Summary to come

First sponsor: Sen. Engel (D - Dist 10)

Others: Sen. Otondo (D - Dist 4)

S1764 Daily History

Date Action

No actions posted for this bill within the requested time frame.