



**AzBA GRC Weekly Legislative Call Agenda
Thursday, April 13, 2023
3:00 P.M. (PST)**

- I. Call to Order-Paul Hickman
- II. Central Bank Digital Currency Bill (SB1144)
- III. Legislation Session/Political Update-AzBA/Veridus
- IV. State Legislation Tracking- AzBA/Veridus

[AzBA Global State Legislation Tracking List](#)

FORCED ACCESS/ ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) LEGISLATION

1. [SB 1096 Firearms; contracts; prohibition](#)

Prohibits a public entity from entering into a contract of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company does not, and will not, discriminate against a firearm entity or firearm trade association.

AzBA Position: Opposed

Sponsor: Sen Carroll (R)

Status: Passed Senate (16-13)

Passed House (31-29)

Governors Veto Letter

2. [HB 1138 Business; discrimination prohibition; social criteria](#)

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

AzBA Position: Opposed

Sponsor: Sen. Hoffman

Status: Passed Senate (16-13)

Passed House Commerce (6-3)

3. [HB 2472 Social credit; use; prohibition](#)

The state is prohibited from requiring a bank or financial institution to use a social credit score when the bank or financial institution evaluates whether to lend money to a customer.

AzBA Position: Neutral

Sponsor: Rep. Montenegro (R)

Status: Passed House (31-28)

Passed Senate (16-13)

Governors Veto Letter

4. [SB 1139 Government investments; products; fiduciaries; plans](#)

Outlines requirements for the State Treasurer and prescribes a fiduciary and other government entities' responsibilities and duties concerning an investment plan.

AzBA Position: Opposed

Sponsor: Sen Hoffman (R)

Status: Passed Senate (16-12)

Failed in House (28-30) * Motion to consider within 14 days

5. [HB 2471 Government Investments; Fiduciaries; Products](#)

Requires a fiduciary to take into account only pecuniary factors when evaluating an investment or discharging the fiduciary's duties with respect to a plan and outlines plan voting of ownership interests and proxy voting. Prescribes requirements and prohibitions relating to the State Treasurer's investments.

AzBA Position: Opposed

Sponsor: Rep. Montenegro (R)

Status: Passed House (31-28)

Assigned to Senate Government

6. [SB 1146 Divestment' K-12; abortion; explicit material](#)

Outlines requirements for the State Board of Investments (BOI) and the State Treasurer (Treasurer) regarding investments in companies that donate to or invest in organizations that promote, facilitate or advocate for abortions for minors or for the inclusion of, or the referral of students to, sexually explicit material in grades K-12 (Applicable Companies).

AzBA Position: Opposed

Sponsor: Sen. Hoffman (R)

Status: Passed Senate (16-12)

Passed House Government (5-4)

7. [HB 2156 Proxy voting; governmental entities; prohibition](#)

Outlines requirements for the State Treasurer and states a governmental entities responsibilities and duties regarding investment decisions and voting held shares in respect to a plan.

AzBA Position: Neutral

Sponsor: Rep. Livingston (R)

Status: Passed House (60-0)
Assigned to Senate Government

8. SB 1500 Government Investments; fiduciaries; pecuniary benefit

Outlines requirements for the State Treasurer and prescribes a fiduciary and other government entities' responsibilities and duties concerning an investment plan. Defines the following terms: a) Boycott of an energy company; b) Fiduciary; c) Nonpecuniary factor; d) Pecuniary factor.

AzBA Position: Opposed

Sponsor: Sen. Carroll (R)

Status: Passed Senate (16-14)

Passed House Government (5-4)

9. SB 1611 Public entities; contracts; prohibition

Specifies that a public entity may not implement an environmental, social or governance standards (ESG) policy as a condition of entering into or renewing a contract with a company.

AzBA Position: Opposed

Sponsor: Sen. Kern (R)

Status: Passed Senate (16-12)

Passed House Government (5-4)

10. SB 1612 Investments; financial institutions; state treasurer

A "public entity" is prohibited from investing public monies in or with a financial institution that has a written policy regarding environmental, social, and governance issues that include boycotting fossil fuels. The State Treasurer is authorized to cancel state contracts with financial institutions that have these policies. On referral from the State Treasurer, the Attorney General is required to investigate financial institutions that have these policies.

AzBA Position: Opposed

Sponsor: Sen. Kern (R)

Status: Assigned to Senate Finance

11. SB 1694 Public Monies; ideology training; prohibition

A public entity is prohibited from entering into or renewing a contract with a company to that participates in a diversity, equity and inclusion program

AzBA Position: Opposed

Sponsor: Sen. Hoffman (R)

Status: Passed Senate 16-12

Passed House Government (5-4)

TECHNOLOGY/DATA/CRYPTOCURRENCY

12. HB 2066 Banks; financial institutions; personal information

Requires a bank or financial institution to destroy all personal information belonging to a former customer or client within 10 years after the business relationship ends, with exceptions.

AzBA Position: Neutral

Sponsor: Rep. Carter (R)

Status: Passed House (55-1)

Passed Senate (19-11)

Signed by the Governor

13. SB 1191 Disbursements; applicability; definition

Distributed ledger technology transfers where disbursements are recorded on a ledger and securely deposited in an escrow agent's depository account. For the purposes of this paragraph, distributed ledger technology "means a decentralized, shared and immutable ledger, which may be public or private permissioned or permissionless, or driven by tokenized crypto economics or tokenless. The ledger must be tamperproof and protected with cryptography to preserve the data.

AzBA Position: Support

Sponsor: Sen. Mesnard (R)

Status: Passed Senate Finance (4-3)

Passed House Commerce (6-4)

14. SB 1144 Central Bank Digital Currency; Prohibition

Prohibits the use of federally adopted central bank digital currency (CBDC) involving any contract, security or similar interest in this state, including commercial contracts.

AzBA Position: Opposed

Sponsor: Sen. Hoffman (R)

Status: Passed House Municipal Oversight & Elections (6-3)

15. HB 2770 Uniform commercial code; 2022 amendments

Makes numerous changes to the Uniform Commercial Code. Establishes requirements for "hybrid transactions" and "hybrid leases" (both defined). Establishes circumstances under which a person has control of an electronic document of title. Statute regulating control of an electronic copy of a record evidencing chattel paper is repealed and replaced. Adds a chapter regulating controllable electronic records and a chapter providing transitional provisions for Uniform Commercial Code amendments for 2022. More.

AzBA Position: Neutral

Sponsor: Rep. Wilmeth (R)

Status: Passed House Commerce (10-0)

16. HB 2197 Wills; electronic signatures; requirements

Various changes to statutes related to electronic wills. An electronic signature on a will may be signed by a person who is "electronically present" (defined) if specified conditions are met. A written statement affirmatively agreeing to serve as the qualified custodian of an

electronic will may be executed by an electronic signature and maintained as an electronic record. Establishes a form for an affidavit for an attested self-proving electronic will.

AzBA Position: Neutral

Sponsor: Rep. Wilmeth (R)

Status: Passed House (60-0)

Passed Senate (30-0)

Signed by the Governor

17. SB 1235 Legal tender; specie; bitcoin

Legal tender in Arizona consists of any medium of exchange that is authorized by the U.S. Constitution or U.S. Congress for the payment of debts, public charges, taxes and dues, "specie" (defined) issued at any time by the U.S. government, any other specie that a court of competent jurisdiction rules by a final, unappealable order to be within the scope of state authority to make a legal tender, and "bitcoin".

AzBA Position: Neutral

Sponsor: Sen. Rogers (R)

Status: Assigned to Senate Transportation

18. SB 1236 blockchain technology; tax; free; prohibition

Prohibits a county, city or town from imposing taxes or fees on blockchain technology nodes within a residence and specifies further regulation of blockchain technology nodes in a residence as a statewide concern.

AzBA Position: Neutral

Sponsor: Sen. Rogers (R)

Status: Passed Senate (16-13)

Passed House (31-27)

Governors Veto Letter

19. SB 1239 State agencies; payments; cryptocurrency

State agencies are authorized to accept "cryptocurrency" (defined) as a payment method for taxes, fees, fines, civil penalties, financial obligations, and special assessments by entering into an agreement with a "cryptocurrency issuer" (defined) to provide a method to accept cryptocurrency as a payment for any amount due to that agency or the state. Requirements for the agreement are listed. Effective January 1, 2024.

AzBA Position: Opposed

Sponsor: Sen. Rogers (R)

Status: Passed Senate (16-13)

Failed in Ways & Means (4-5)

20. SB 1238 Biometrics identifiers; collection; retention; disclosure

Establishes statutory requirements for a private entity in possession of biometric identifiers or biometric information relating to the collection, retention and destruction of biomarker identifiers and information.

AzBA Position: Opposed

Sponsor: Sen. Rogers (R)

Status: Passed Senate Transportation (4-3)

REAL ESTATE: TRANSACTION/MORTGAGE/FORECLOSURE/AFFORDABLE HOUSING

21. HB 2318 Affordable housing; tax credits; extension

The statutory repeal dates for the insurance premium tax credit and the individual and corporate income tax credits for projects that qualify for the federal low-income tax credit are extended six years, through tax year 2031. The cap on the aggregate amount of the affordable housing tax credits in any calendar year is increased to \$12 million, from \$4 million, beginning in calendar year 2024.

AzBA Position: Support

Sponsor: Rep. Livingston (R)

Status: Assigned to House Ways & Means, Appropriations

22. SB 1651 Water; energy; financing program

Counties and municipalities are authorized to provide for or allow the construction, installation or modification of critical capital expenditure improvements, energy efficiency improvements, renewable energy improvements or resiliency improvements on qualifying property by establishing a "C-PACE Program" (defined). Establishes a new chapter in Title 49 (Environment) establishing and regulating the Commercial Property Assessed Capital Expenditure Financing Program (C-PACE Program). To establish a C-PACE Program, a governing body is required to adopt a resolution or ordinance to do so, after a public hearing to consider establishing the Program. Local program authorities are authorized to enter into special assessment agreements with property owners to secure special assessment financing for C-PACE Program projects. Provides for the imposition and collection of special assessments

AzBA Position: Neutral

Sponsor: Sen. Borrelli (R)

Status: Assigned to House Government

23. HB 2040 Industrial development bonds; preapproval; repeal

Corporations are no longer required to obtain approval from the Arizona Department of Housing in order to issue bonds to finance a multifamily residential rental project, clinic, rest home, nursing home, skilled nursing facility, or life care facility.

AzBA Position: Neutral

Sponsor: Rep. Bliss (R)

Status: Passed House (40-20)

24. HB 2412 Foreclosure sales; housing department; registry

For a trustee's sale of residential property with up to four residential units, an "eligible tenant buyer" (defined) is allowed to submit a bid in an amount equal to the full amount of the successful bid at the trustee's sale, along with an affidavit stating that the eligible tenant buyer will occupy the residential property as his/her primary residence within 60 days after the recording of a trustee's deed in favor of the eligible tenant buyer, and will maintain occupancy for at least one year. For a trustee's sale of residential property with up to four

residential units, an "eligible bidder" (defined) is allowed to submit a bid in an amount that exceeds the full amount of the successful bid along with an affidavit stating that the eligible tenant buyer will occupy the residential property as his/her primary residence within 60 days after the recording of a trustee's deed in favor of the eligible tenant buyer, and will maintain occupancy for at least one year. These types of bids must be submitted within 30 days after the trustee sale. For a trustee's sale of residential property with up to four residential units, the trustee is required to allow eligible tenant buyers and eligible bidders to match or exceed the bid amount and are prohibited to execute the trustee's deed until expiration of the 30-day period. Also, the Arizona Department of Housing (ADOH) is required to establish and operate a registry of persons or entities that own more than 25 residential properties in Arizona, and monitor the level of compliance with state and local laws with respect to those properties. ADOH is also required to acquire and assist in acquiring at trustee sales residential housing appropriate for maintaining and increasing the supply of housing for purchase or rent by low and moderate income persons, including nonprofit corporations that provide housing assistance to acquire residential properties for sale or rent.

AzBA Position: Neutral

Sponsor: Rep. Gress (R)

Status: Assigned to House Commerce

25. [HB 2228 Home solicitation sales](#)

A sale made by an entity that is regulated by the Department of Insurance and Financial Institutions or its "affiliates" is exempt from regulation as a "home solicitation sale" (defined). A buyer in a home solicitation sale is prohibited from canceling the sale during the period of time during which cancellation is allowed if the seller in good faith makes a substantial beginning of performance of the contract at the buyer's request before the buyer gives notice of cancellation.

AzBA Position: Neutral

Sponsor: Rep. Gress (R)

Status: Passed House (45-15)

Passed Senate (24-5)

Transmitted to the Governor

26. [HB 2493 Nonresident real estate transaction; notice](#)

By June 30 of each year, the Department of Revenue is required to notify the director of the Joint Legislative Budget Committee (JLBC) and the director of the Governor's Office of Strategic Planning and Budgeting (OSPB) whether the amount of revenue collected from the sale of real estate by nonresidents in Arizona for the prior fiscal year was \$3 million or more.

AzBA Position: Neutral

Sponsor: Rep. Gress (R)

Status: Assigned to Ways and Means

27. [HB 1426 Right to redeem; lien; sale](#)

The foreclosure of the right to redeem does not extinguish any of the property owner's or another lienholder's interest in the surplus proceeds from the sale of the property. After a property is sold at auction, the county treasurer is required to post a public list of the

remaining monies that any party that had a legal interest in the property before the judgment foreclosing the right to redeem or the issuance of the tax deed to the state may claim. After receiving full payment for the property, the county treasurer is required to notify by mail the former property owner and any person with a recorded interest in the property. Information that must be included in the notice is listed, including that any amount remaining after disbursement of surplus monies to any lienholders or other interested parties that filed a claim will be available for the former property owner or the owner's heirs or assigns to claim for up to five years. More. Emergency clause.

Sponsor: Sen. Wadsack (R)

Status: Assigned to Senate Finance

AzBA Position: Neutral

28. [SB 1470 Homeowners' association liens; homestead exemptions](#)

A homeowners' association or condo association lien is subject to the homestead exemption.

Sponsor: Sen. Kavanagh (R)

Status: Awaiting Committee Assignment

AzBA Position: Neutral

WORKPLACE/ REGULATORY ISSUES

29. [HB 2303 Employment; vaccination record; prohibition](#)

An employer is prohibited from requiring or requesting an employee's vaccination records as a condition of employment.

Sponsor: Rep. McGarr (R)

Status: Assigned to House Commerce

AzBA Position: Neutral

30. [HB 2555 Businesses; requirements to accept cash](#)

A business with a physical location in Arizona is required to accept cash as a form of payment for goods and services and cannot charge a fee or penalty for using cash as a form of payment. Establishes penalties for violations. Does not apply to the online sale of goods or services.

Sponsor: Rep. Chaplik (R)

Status: Passed House (52-8)

Failed in Senate Commerce (3-3)

AzBA Position: Neutral

31. [SB1107 Procurement; information content provider; prohibition](#)

Beginning on the effective date of this legislation, the Director of the Arizona Department of Administration is required to terminate, and direct any state government unit or political subdivision to terminate, any existing contract with a contractor that is an information content provider or a qualified marketplace platform that has engaged in "targeted censorship" (defined as deleting or placing a disclaimer on any form of free speech that is unequally applied based on a particular belief that is expressed in any form). State government units and

political subdivisions are prohibited from contracting with an information content provider or a qualified marketplace platform that has engaged in targeted censorship.

Sponsor: Sen. Rogers (R)

Status: Passed Senate Transportation (4-3)

AzBA Position: Neutral

32. HB 2292 Motor vehicle dealers; sales; cancellation

A motor vehicle dealer, a purchaser, and any lienholder may rescind or cancel the sale of any motor vehicle if all parties agree to the rescission or cancellation, all parties complete a return agreement, the dealer returns all fees, taxes, and other monies provided as part of the sale to the rightful parties, and the dealer documents the rescission or cancellation with the Arizona Department of Transportation (ADOT), if applicable. A canceled or rescinded sale invalidates any requirements imposed on the dealer to apply for a certificate of title or remit any fees or taxes. A rescission or cancellation does not negate that the motor vehicle has been the subject of a previous retail sale. Also, beginning on the 20th business day after full payment of a lien on a motor vehicle is made, a motor vehicle dealer that is unable to obtain a certificate of title for the vehicle from the lienholder is allowed to apply to ADOT for a certificate of title in the dealer's name for the purpose of resale. A dealer that is issued a certificate of title assumes liability for any outstanding balance to a lienholder.

Sponsor: Rep. Cook (R)

Status: Passed House (60-0)

Passed Senate Transportation (7-0)

AzBA Position: Neutral

