



February Legislative Update

Arizona's 53rd State Legislature is early in their session. Over 700 bills have been introduced. Members of our EVP Advocacy & Government Relations Committee are receiving weekly updates from our government public relations firm Triadovcates. A few highlights from the recent update include the following:

Health Care: Another possible storm cloud appeared on the budget horizon with the release of analysis by ASU Professor Lee McPheeters indicating that repeal of the Affordable Care Act, and the loss of the Medicaid coverage that was included, would have a multi-billion impact on the State's economy. This puts even more urgency on Gov. Ducey's efforts to work with the federal delegation to find a suitable replacement.

Economic Development: HB 2492, Jobs, Incentives, Credits and Grants was introduced before the deadline by Representative Weninger. This bill is responsive to the Competitiveness Initiatives section of the EVP policy priorities. The bill includes a suite of ideas to protect and promote Arizona's manufacturing base, including adjustments to the current R&D tax credit, the development of a job creation fund, and other ideas.

Three other bills that are closely being tracked:

- 1) HB 2152 Arizona Emissions Bank; Credit
- 2) SB 1212, Angel Investor Tax Credit Expansion
- 3) HB 2213, GPLET Reform

Education: Battle lines are forming at the Legislature regarding two proposals in both the House and Senate to revise and expand the existing Empowerment Scholarship Account (ESA) program.

Transportation: As a partnership, we formally entered a vote of support for Senate Bill 1025 to the Senate Judiciary Committee. This bill is an ADOT sponsored bill to provide Absolute Immunity on our State freeways.

Other: A series of measures were heard and passed in House Government that would change the rules for ballot initiatives, including one proposal (HCR 2002), that would refer to the ballot the question of repealing the "Voter Protection Act" (aka Prop 105). This act requires a $\frac{3}{4}$ vote of the Legislature to change any voter approved initiative, and only "in furtherance" of the initiative's intent.