Triadvocates Legislative Update February 10, 2019



Members of the LTAA Legislative Committee:

We have now completed 26 days in the legislative session, with more than 1,200 bills introduced. The deadline for introduction of bills in the Senate was last Monday (February 8) and the House deadline is tomorrow (February 11). We are entering the second-to-last week to hear bills in the chamber of origin (House bills in the House; Senate bills in the Senate), so committee agendas will likely be quite lengthy.

Notable among the many considerations this past week was HB 2536 (fuel; electric cars; hybrids; taxes). The bill was heard in the Senate Transportation Committee and passed unanimously. What's particularly notable is that the bill includes a series of substantial increases in the motor fuel taxes for vehicles and establishes new taxes on natural gas and propane for vehicles, and a new vehicle tax on electric and hybrid vehicles. The sponsor, Republican Representative Noel Campbell, describes this bill as an "absolute necessity" to address the needs of our transportation infrastructure. While the eventual fate of this bill is unclear, this is yet another example of Republicans having discussions about raising revenues to meet critical government needs or enhance fiscal stability. Other examples include proposals to increase the sales tax to support education which would be referred to the ballot, and the governor's veto of the tax conformity legislation which included a temporary reduction in state income tax rates.

The following updates are of particular interest to the LTAA:

- <u>SB 1030 (remote online notarization; registration)</u>: The bill, as <u>amended</u>, passed the Senate Government Committee by unanimous vote last week. The LTAA submitted a slip of support, along with the Arizona Secretary of State's Office, Arizona Trial Lawyers Association, Arizona Association of REALTORS, Arizona Mortgage Lenders Association and Arizona Trustee Association. There was no opposition. The bill will move to the Senate floor for a vote this week
 - Please note: we have been working very closely with the Arizona Secretary of State's Office and will continue to do so as this bill moves through the process. Once the Legislature adjourns, we will be organizing a follow-up meeting to ensure the LTAA

has an opportunity to provide input surrounding rulemaking for electronic notarization and remote online notarization. More information to come.

- <u>SB 1218 (beneficiary deeds; separate property; nonlapse)</u>: Spearheaded by the LTAA, this bill passed the Senate Commerce Committee by unanimous vote last week. The probate section of the Arizona State Bar is supportive of the legislation. The bill will move to the Senate floor for a vote this week.
- <u>SB 1309 (renewal of judgments; applicability)</u>: Spearheaded by the LTAA, this bill is scheduled for a hearing in the Senate Judiciary Committee this-coming Thursday (February 14). The Arizona Creditors Bar Association will submit a slip of support.
- <u>SB 1304 (mechanics' liens; notice)</u>: This bill was brought to the sponsor by the Arizona Rock Products Association. After multiple stakeholders expressed significant concerns, the sponsor decided not to move forward with the legislation. However, he has since revisited the issue and is now considering a significantly pared-down version of the language that raises the percentage of the estimated total price from twenty percent to fifty percent—all other provisions of the mechanics' liens statute would remain the same.
- HB 2230 (writ of garnishment; certified mail): Spearheaded by the Arizona Creditors Bar Association, this bill passed the House Judiciary Committee, as amended, last week. While the amendment language addresses some of the initial concerns raised by members of the LTAA Legislative Committee, we are currently working with the Creditors Bar to further amend the bill when it goes to the House floor.
- SB 1471 (homeless youth; families; funding sources): Spearheaded by several nonprofit organizations, this bill would effectively create a significantly burdensome and antagonistic withholding mandate. This model has apparently been adopted in several other states in an attempt to establish new funding sources for homeless youth support services. As co-chairs of the LTAA Legislative Committee, Larry Phelps and Tyler Newlon will be joining me for a stakeholder meeting tomorrow afternoon to discuss concerns from the title industry perspective. The lobbyists representing the groups pushing the bill have been receptive to our initial feedback and are eager to work with us to identify potential solutions.

Please see attached for the comprehensive list of bills we are tracking for the LTAA. Several new measures have been introduced over the past week, which we will be reviewing and discussing at our meeting tomorrow morning (9 a.m. at First American). For those who will be joining via GoToMeeting, please see below.

LTAA Legislative Committee Meeting

To join from your computer, tablet or smartphone: https://global.gotomeeting.com/join/423181613
You can also dial in using your phone: +1 (571) 317-3122; Access Code: 423-181-613

Hope you all had a great weekend.

Lauren

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