



Members of the LTAA Legislative Committee:

The House and Senate have nearly completed work to transfer bills from one chamber to the other, significantly narrowing the field of bills still in play. Last week's work was dominated by discussion of online sales tax collection, whether or not to allow more people to avoid required vaccinations, a reduced minimum wage for full-time students, and sports betting, among other hot-button issues. The first signs of the annual budget dance between legislative leadership and the Governor's Office are not yet in evidence, awaiting serious progress on some kind of reconciliation on big-ticket items like federal income tax conformity, reducing the K-12 rollover, increasing the budget stabilization fund and reducing the state's debt on buildings.

The following updates are of particular interest to the LTAA:

- [SB 1030 \(remote online notarization; registration\)](#): The bill, which passed the Senate by unanimous vote, has been single-assigned to the House Government Committee and is scheduled for a hearing on Thursday.
- [SB 1218 \(beneficiary deeds; separate property; nonlapse\)](#): Spearheaded by the LTAA, the bill passed out of the Senate by unanimous vote. It has been single-assigned to the House Commerce Committee and is scheduled for a hearing on Tuesday.
- [SB 1309 \(renewal of judgments; applicability\)](#): Spearheaded by the LTAA, the bill passed out of the Senate by unanimous vote. It has been single-assigned to the House Judiciary Committee and is scheduled for a hearing on Wednesday.
- [SB 1304 \(mechanics' liens; notice\)](#): This bill was brought to the sponsor by the Arizona Rock Products Association. Despite initial reservations given the strong pushback from multiple stakeholders, the sponsor has decided to move forward, but with a significantly pared-down version of the language. Introduced as a [strike-everything amendment](#), the bill increases, from 20 percent to 30 percent over estimated costs, the threshold at which a preliminary 20-day notice is required to be updated during the contracting of construction projects. All other provisions of the mechanics' liens statute remain the same. Given the scope of the proposal, the LTAA will not be engaging on this issue.
- [HB 2230 \(writ of garnishment; certified mail\)](#): Spearheaded by the Arizona Creditors Bar Association, this bill, as introduced, raised some concerns from a title perspective. The result

of several productive conversations with the lobbyist representing the Creditors Bar, a floor amendment was adopted last week exempting title companies.

- [SB 1471 \(homeless youth; families; funding sources\)](#): Spearheaded by several nonprofit organizations seeking to identify funding streams for homeless youth support services, this bill, as introduced, would effectively create a significantly burdensome and antagonistic withholding mandate for the title industry. Larry Phelps, Tyler Newlon, Roy Poll and Matt Sager have been heavily engaged in discussions with the bill sponsor, the Arizona Department of Revenue, and the bill proponents. As expected, the bill was amended in the Senate Appropriations Committee last week to remove the withholding mandate. In the hearing, the sponsor confirmed her commitment to working with the LTAA to identify a possible notification or reporting mechanism that is neither overly burdensome nor costly for title companies. She has called for a follow-up meeting with stakeholders this week. If you have any questions, comments and/or ideas, or if you are interested in participating in an ad-hoc committee on this issue, please let Larry and/or Tyler know as soon as possible.
- [HB 2637 \(condominium, homeowners' associations; lien priority\)](#): Brought to the sponsor by two constituents, this bill would have established super lien priority for HOAs. Given the extremely concerning consequences of this proposal, the LTAA immediately engaged. After hearing these concerns from key stakeholders, including the title industry, the bill sponsor held the bill in committee and will not be pursuing the issue.

Please see attached for the comprehensive list of bills we are tracking for the LTAA. For those joining the meeting tomorrow (9 a.m.) 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 King**

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