

# Lewis Brisbois Bisgaard & Smith

## NAIFA

52nd Legislature - 1st Regular Session, 2015

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### Auto

H2135: TRANSPORTATION NETWORK COMPANIES	Minor change in Title 20 (Insurance) related to existing actions. Apparent striker bus.	First sponsor: Rep. Fann		3/11 House COW approved with amend #4032 and floor amend #4836. NOTE SHORT TITLE CHANGE. Passed House 55-0; ready for Senate.
H2205: TRAFFIC OFFENSE; RESTITUTION	Failure to stop and remain at the scene of an accident by a driver involved in an accident is no longer exempt from statute allowing restitution for offenses causing economic loss.	First sponsor: Rep. Boyer	Hearing: Senate Judiciary (Thursday 03/19/15 at 9:00 AM, Senate Rm. 109)	2/26 referred to Senate jud.
H2211: MOTORIZED QUADRICYCLES; RESTRICTIONS	A "motorized quadricycle" (defined as a commercial motor vehicle that is self-propelled by an emission-free electric motor, that seats at least eight passengers and that is licensed by the Department of Weights and Measures to operate as a limousine) is prohibited from being operated at a speed of more than 15 miles per hour and from being driven on a highway with a posted speed limit of more than 35 miles per hour. AS PASSED HOUSE.	First sponsor: Rep. Petersen	Hearing: Senate Transportation (Tuesday 03/17/15 at 2:00 PM, Senate Rm. 1)	2/23 referred to Senate trans.
H2221: DRIVER LICENSE SUSPENSION; PHOTO RADAR	Statute requiring the court to suspend a person's driver license for failure to appear as directed for a scheduled court appearance after service of a complaint alleging a violation of traffic laws does not apply if the violation is a result of a photo enforcement system.	First sponsor: Rep. Mesnard	Hearing: Senate Transportation (Tuesday 03/17/15 at 2:00 PM, Senate Rm. 1)	2/23 referred to Senate trans.
H2236: ATV & MOTORCYCLE PASSENGERS	A person other than the operator is prohibited from riding on an all-terrain vehicle (ATV) unless the ATV is equipped, instead of designed, to carry more than one person. AS PASSED HOUSE.	First sponsor: Rep. Shope	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	3/4 from Senate trans do pass.
H2308: VEHICLE EQUIPMENT; LIGHTING	A tail lamp is added to the list of vehicle lamps that must be maintained at all times in good working condition, in addition to a stop lamp or other signal lamps.	First sponsor: Rep. E. Farnsworth		3/12 from Senate pub-mil-tech with amend #4828.
H2327: VEHICLE INSURANCE CARDS; BARCODE	Motor vehicle insurers are authorized to place an encrypted barcode on insurance cards.	First sponsor: Rep. Robson		3/4 from Senate trans do pass.
H2345: MOTORCYCLES; ALL-TERRAIN VEHICLES;	Motorcycles, all-terrain vehicles and motor driven cycles are no longer prohibited from being equipped with handlebars positioned so that the operator's hands are above shoulder height.	First sponsor: Rep. Fann	Hearing: Senate Rules (Monday 03/16/15 at	3/4 from Senate trans do pass.

EQUIPMENT	Motorcycles, mopeds, scooters and motor-driven cycles operated with a passenger are no longer required to be equipped with handrails for the passenger.		Senate Caucus Rm.)	
H2398: RESIDENTIAL TOW TRUCK PARKING; LIMITATION	Municipalities cannot prohibit a tow truck operator from parking a single tow truck at the operator's residence if the operator is required to be available on an on-call basis.	First sponsor: Rep. Pratt	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	3/11 from Senate trans do pass.
H2408: TOWING CONTRACTS; DPS	The Department of Public Safety (DPS) is required to include a "super heavy duty towing vehicle" (defined) classification in its towing services pricing when entering into towing contracts. The DPS Director is required to establish the maximum allowable rates for all towing vehicle classifications used in towing contracts. Each maximum allowable rate must include the "base rate" (defined as the rate in towing contracts existing on July 1, 2014) plus an increase equal to the total percentage adjustment in the year-to-year July combined transportation services index from July 2010 to July 2014 as published by the U.S. Department of Transportation. The super heavy duty towing vehicle maximum allowable rate must be twice the base rate for the heavy duty towing vehicle. Beginning January 1, 2016, the maximum allowable towing and storage service rates are subject to a towing contract, and on December 31 of each subsequent year, DPS is required to adjust the fees by an amount equal to the total percentage change in the combined transportation services index from year to year as published by the U.S. Department of Transportation or two percent, whichever is greater. The maximum allowable rates cannot be revised below the amounts prescribed in the prior year. AS PASSED HOUSE.	First sponsor: Rep. Stevens	Hearing: Senate Transportation (Tuesday 03/17/15 at 2:00 PM, Senate Rm. 1) Hearing: Senate Public Safety, Military & Technology (Wednesday 03/18/15 at 9:00 AM, Senate Rm. 1)	3/11 Senate pub-mil-tech held.
H2411: DEFENSIVE DRIVING SCHOOLS; ELIGIBILITY	A person who attends defensive driving school is not eligible to attend a defensive driving school again within 12 months, decreased from 24 months, from the day of the last violation for which he/she attended the school.	First sponsor: Rep. Stevens		2/23 referred to Senate trans.
H2422: VEHICLE TOWING	Tow truck operators are required to provide proof of financial responsibility that includes insurance policies of \$2 million in the aggregate, instead of being required to obtain a bond. If a towing firm with a contractual agreement with the Department of Public Safety acquires another towing firm with a contractual agreement with the Dept, both contractual agreements remain valid for one year after the date of the acquisition or until the end of the contractual agreement, whichever is shorter. Previously, both contractual agreements remained valid for one year after the date of the acquisition. AS PASSED HOUSE.	First sponsor: Rep. Fann	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	3/11 from Senate trans do pass.
H2523: TOWED VEHICLES; LOCAL AUTHORITY	A person is permitted to choose any towing company or operator of a towing vehicle to transport a motor vehicle from a towing company's storage premises to a vehicle repair facility. AS PASSED HOUSE.	First sponsor: Rep. Gray	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	3/11 from Senate trans do pass.
H2662: SPEED RESTRICTIONS; PENALTIES	If the speed at which the person is alleged to have driven or at which the court finds the person drove is 10 miles per hour or less over the maximum speed limit, the offense is designated as a waste of finite resources and is a civil traffic violation that is not considered for determining whether a driver license should be suspended or revoked, that cannot be considered as a moving traffic violation pur the purpose of	First sponsor: Rep. Stevens		3/4 referred to Senate trans.

	establishing rates of motor vehicle insurance, and that has a civil penalty that cannot exceed \$15 plus surcharges established in statute. Does not apply to a school crossing, state highway work zone, speed zone or business or residential district.			
S1051: AUTOCYCLES; CLASS M LICENSE; EXEMPTION	A class M driver license is not necessary for operating an "autocycle" (defined as a three-wheeled motorcycle with a completely enclosed seating area equipped with a roll cage, safety belts and antilock brakes and designed to be controlled with a steering wheel and pedals).	First sponsor: Sen. Burges	Calendar: 3/16 House COW	3/9 from House rules okay.
S1118: TECH CORRECTION; EMERGENCY INTERCEPTION	Minor change in Title 13 (Criminal Code) related to emergency interception. Apparent striker bus.	First sponsor: Sen. Ward		3/9 retained on Senate COW calendar.
S1181: VEHICLE INSPECTIONS; ADOT	The Director of the Department of Transportation is authorized to establish an additional vehicle inspection fee in an amount to be determined by the Director by rule for a level two or level three inspection that is conducted at a location other than at a Dept facility for an insurance company or its authorized agent. The Dept is permitted to issue a restored salvage certificate of title for a vehicle that is a recovered theft and has other specified deficiencies if the Dept has completed a level two or level three inspection, instead of only a level three inspection. AS PASSED SENATE.	First sponsor: Sen. Worsley	Hearing: House Ways & Means (Monday 03/16/15 at 2:00 PM, House Rm. 3)	3/10 referred to House ways-means.
S1237: ELECTRONIC DRIVER LICENSE; ADOT AUTHORITY	The Department of Transportation is required to develop, pilot or implement virtual or electronic credentials, records, procedures, processes and systems as the Director deems necessary to carry out the functions and duties of the Dept. If the Dept implements procedures for virtual or electronic driver licenses, a driver license holder may display the license on a wireless communication device at the demand of a justice of the peace or police officer.	First sponsor: Sen. Dial	Hearing: House Transportation & Infrastructure (Tuesday 03/17/15 at 2:00 PM, House Rm. 1)	3/3 referred to House trans-inf, appro.
S1256: TECH CORRECTION; VEHICLE ACCIDENT REPORT	Minor change in Title 28 (Transportation) related to vehicle accident reports. Apparent striker bus.	First sponsor: Sen. Ward		1/28 referred to Senate rules only.
S1273: DRIVER LICENSES; REAL ID ACT	If a driver license applicant requests a driver license that complies with the federal REAL ID Act of 2005, the Department of Transportation is required to issue the applicant a REAL ID-compliant license. A REAL ID-compliant driver license or nonoperating license must be valid for a period of eight years. A person applying for a REAL ID-compliant license is required to provide the Dept with two documents providing satisfactory proof of the applicant's permanent resident address. The fee for a REAL ID-compliant license is an amount determined by the Director of the Dept. AS PASSED SENATE.	First sponsor: Sen. Worsley		3/4 passed Senate <u>20-10</u> ; ready for House.
S1274: ADOT OMNIBUS	Various changes related to the Department of Transportation. The Director of the Dept is authorized to establish alternative methods and use contracted private persons for the administration and oversight of programs, functions or persons that are subject to Title 28 (Transportation), and to adopt rules to administer these methods and contracts. The Dept is authorized to establish a program to lease or sell advertising on nonhighway assets of the Dept and to allow monetary sponsorship of facilities and other assets of the Dept. The Dept is permitted to generate revenue from any advertising or sponsorship program and to contract with a third party to perform any or all aspects of the program. The list of transportation-related statutes that the State	First sponsor: Sen. Worsley	Hearing: House Transportation & Infrastructure (Tuesday 03/17/15 at 2:00 PM, House Rm. 1)	3/10 referred to House trans-inf.

Transportation Board and the Director of the Dept are not exempt from is expanded, and the list of purposes for which they are exempt is modified. The list of reasons for which the Dept may issue a vehicle certificate of title without registration is expanded to include that the vehicle is a trailer or semitrailer that will be used in interstate commerce and that is registered in another state. Reduces the amount of time a temporary registration is valid to 60 days, from 90 days. Authority to appoint a special assistant for the regional transportation plan is transferred to the regional planning agency, from the Director of the Dept. AS PASSED SENATE.

## DOI

<p>H2213: INSPECTIONS; AUDITS; NOTICE; RIGHTS</p>	<p>An agency inspector, auditor or regulator who enters any premises of a regulated person to conduct an inspection is required to inform each person who is interviewed during the inspection or audit that participation in an interview is voluntary (unless the person is legally compelled to participate), that the person may have an attorney present during the interview and that the person is allowed at least 24 hours to review and revise any written statement on which the person's signature is requested. The written information that must be provided to the person subject to inspection or audit is expanded to include a notice that if documents provided become a public record, the person may redact trade secrets and proprietary information, and the time limit for filing a compliance action arising from the inspection or audit. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Petersen</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/10 from Senate com-work dev with amend <u>#4785</u>.</p>
<p>H2297: STATE AGENCY RULEMAKING; RESTRICTIONS</p>	<p>State agencies are prohibited from adopting any new rule that would increase existing regulatory restraints or burdens on the free exercise of property rights or the freedom to engage in an otherwise lawful business or occupation, unless the rule is a component of a comprehensive effort to reduce regulatory restraints or burdens or is strictly ministerial in implementing legislation standards. Some exceptions. Any person subject to a civil or criminal proceeding arising from the enforcement of a rule in violation has a defense to the enforcement action.</p>	<p>First sponsor: Rep. E. Farnsworth</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/12 from Senate gov do pass.</p>
<p>H2324: INTERGOVERNMENTAL AGREEMENTS; PUBLIC AGENCY INDEMNIFICATION</p>	<p>An intergovernmental agreement may require one public agency to defend, indemnify or hold harmless the other public agency for liabilities, damages, losses and costs only to the extent caused by the negligence, recklessness or intentional wrongful conduct of the indemnifying public agency. Any other indemnity clause in an intergovernmental agreement is void.</p>	<p>First sponsor: Rep. Weninger</p>		<p>3/4 from Senate gov do pass.</p>
<p>H2646: RULEMAKING; APPROVAL OF GOVERNOR; FACTORS</p>	<p>An agency is prohibited from conducting any formal or informal rulemaking without the prior written approval of the Governor. When seeking approval to conduct rulemaking, an agency is required to specify one or more of a specified list of factors as justification for the rulemaking. For the purpose of these requirements, "agency" does not include the Corporation Commission, any agency that is headed by a single elected state official, and any agency whose administrative head is not appointed by the Governor. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Olson</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/12 from Senate gov with amend <u>#4845</u>.</p>

## Fiduciary

<p>H2416: ANNUAL REPORT; LICENSEE; FILING EXTENSION</p>	<p>On good cause shown by a consumer lender licensee, the Superintendent of Financial Institutions may extend the time for filing the annual report for up to 70 days, increased from 60 days.</p>	<p>First sponsor: Rep. Stevens</p>		<p>3/11 referred to Senate rules only.</p>
<p>S1162: HOME-BASED BUSINESS; LICENSING; EMERGENCIES</p>	<p>If the Governor declares a state of emergency or a state of war emergency in Arizona, an agency, department, board or commission of the state or a political subdivision, excluding the Corporation Commission, is prohibited from requiring a home-based business to have a valid "license" (defined) during the state of emergency or state of war emergency. AS PASSED SENATE.</p>	<p>First sponsor: Sen. D. Farnsworth</p>	<p>Hearing: House Commerce (Wednesday 03/18/15 at 9:30 AM, House Rm. 1)</p>	<p>3/9 referred to House com.</p>
<p>S1163: HOME-BASED BUSINESS; COUNTY REGULATION</p>	<p>County ordinances cannot restrict or otherwise regulate the owner of a "home-based business" that holds a valid "license" (both defined) from making residential property improvements to add doors, shelving or display racks for use by the home-based business, or from displaying a temporary commercial sign on the residential property during business hours if the sign is no more than 24 inches by 24 inches. Does not preclude a county from imposing reasonable operating requirements on a home-based business or a residential property used by a home-based business. AS PASSED SENATE.</p>	<p>First sponsor: Sen. D. Farnsworth</p>	<p>Hearing: House Rural &amp; Economic Development (Tuesday 03/17/15 at 2:00 PM, House Rm. 5)</p>	<p>3/9 referred to House rural-econ.</p>

## Life

<p>H2335: INSURANCE COMPLIANCE AUDIT PRIVILEGE</p>	<p>Insurance compliance audit privilege is extended to any insurance compliance audit document, instead of only self-evaluative audit documents. Insurance companies are no longer required to notify the Department of Insurance prior to the initiation of an insurance compliance audit and at the conclusion of the audit. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Fann</p>		<p>3/4 from Senate rules okay. To Senate consent calendar.</p>
<p>H2352: CREDIT FOR REINSURANCE</p>	<p>Various changes relating to credit for reinsurance. A domestic ceding insurer must be allowed credit for reinsurance as either an asset or a reduction from liability only when the reinsurer meets a list of specified requirements, including that the reinsurance is ceded to an assuming insurer that is licensed in Arizona and accredited by the Department of Insurance as a reinsurer. Credit for reinsurance cannot be granted unless the form of the trust and any amendments have been approved by the director or commissioner of the state where the trust is domiciled or of another state that has accepted principal regulatory oversight of the trust. Establishes various regulations for the trust, including requirements for reinsurance agreements, trustee surplus requirements, and reporting requirements. Certified reinsurers are required to secure obligations assumed from U.S. ceding insurers at a level consistent with its ratings, and various other requirements for certified reinsurers are established. If the trust fund is inadequate or if the grantor of the trust has been declared insolvent or placed into receivership or similar proceedings, the trustee must comply with an order of the Dept with regulatory oversight or with a court order directing the trustee to transfer to the Dept all assets of the trust fund, and the assets must be distributed by the Dept in accordance with the applicable state laws for liquidation. If an accredited or certified reinsurer ceases to meet the requirements for accreditation or certification, the Dept is authorized to suspend or revoke it after notice and an opportunity for a hearing. The Dept is authorized to adopt rules relating to credit for reinsurance. More. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Fann</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/12 from Senate fin ins do pass.</p>
<p>H2440: TAX; INSURANCE; RETALIATION</p>	<p>Statute imposing retaliatory taxes on insurers of another state or foreign country that impose such taxes on Arizona insurers does not apply to insurers that do business in Arizona and that are domiciled in another state or foreign country that does not impose retaliatory taxes or whose laws, on a reciprocal basis, exempt from retaliatory taxes similar insurers domiciled in Arizona that do business or might seek to do business in that state or foreign country. Effective January 1, 2018. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Livingston</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/4 from Senate fin with amend <u>#4646</u>.</p>
<p>H2568: INSURANCE PREMIUM TAX REDUCTION</p>	<p>The insurance premium tax rate for insurance other than fire, disability, and health care service and disability insurance is annually reduced from the current rate of 2 percent to specified lower rates in calendar years 2016 through 2025 and to 1.70 percent in calendar year 2026 and beyond. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Livingston</p>	<p>Hearing: Senate Appropriations (Tuesday 03/17/15 at 2:00 PM, Senate Rm. 109)</p>	<p>3/11 from Senate fin do pass.</p>

# Lobbying

<p>H2067: IND EXPENDITURE DISCLOSURES; AGGREGATE PERCENTAGE</p>	<p>Campaign literature or advertisements done by a political committee that are independent expenditures must include the name of each political committee that made contributions that in the aggregate constitute 25 percent or more of the total amount of contributions to the political committee making the independent expenditure, instead of the names of the three political committees making the largest contributions. If not political committee has contributed the requisite percentage, the names of the three political committees that have made the largest amount of aggregate contributions must be disclosed. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Mesnard</p>		<p>3/12 from Senate gov do pass.</p>
<p>H2529: OFFICEHOLDER ACCOUNTS; CREATION; CONTRIBUTIONS</p>	<p>A person who has received a certificate of election to an elected statewide public office or legislative office is eligible to maintain an officeholder expense account, subject to all of the requirements, limitations and duties prescribed for an officeholder in statute. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Thorpe</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/12 from Senate jud do pass.</p>
<p>H2613: POLITICAL ACTIVITY; PUBLIC RESOURCES; LIMITATION</p>	<p>The prohibition on the use of public resources to influence the outcome of tax-related elections includes the use of county-focused, municipality-focused, school district-focused, community college district-focused or special taxing district-focused promotional expenditures that occur after an election is called and through election day. This prohibition does not include "routine communications" (defined).</p>	<p>First sponsor: Rep. Petersen</p>		<p>3/12 referred to Senate gov.</p>
<p>S1243: REPORTS; POSTING; LEGISLATIVE WEBSITE</p>	<p>The Legislature is required to post on its website all reports and audits submitted due to a statutory requirement.</p>	<p>First sponsor: Sen. Dial</p>		<p>2/12 from Senate gov with amend <u>#4150</u>.</p>
<p>S1407: LOBBYING; COUNTIES, CITIES, SCHOOL DISTRICTS</p>	<p>Any person with a financial interest in a procurement or potential award of a contract by a county, municipality or school district for construction materials and/or construction services for a project that costs \$500,000 or more is required to register with the clerk of the elective body of the applicable jurisdiction and report any gift or anything of value that is provided to a person holding elected office in that jurisdiction. AS PASSED SENATE.</p>	<p>First sponsor: Sen. Yee</p>		<p>3/12 referred to House county-muni.</p>
<p>SCR1009: LEGISLATURE; FOUR-YEAR TERMS</p>	<p>The 2016 general election ballot is to carry the question of whether to amend the state Constitution to change the terms of office for state legislators to four-year terms and limit the number of terms a legislator may serve to two, beginning with the 53rd Legislature in 2017. Specifies application of the new term limits for current legislators.</p>	<p>First sponsor: Sen. Kavanagh</p>		<p>2/10 from Senate rules okay.</p>

## Property & Casualty

H2003: FIRE SPRINKLERS; PERMITS	Counties and municipalities are required to include on fire sprinkler permit applications a paragraph of statute that prohibits them from adopting a code or ordinance that prohibits a person or entity from installing or not installing or imposes a fine or penalty for installing or not installing fire sprinklers in a single family detached residence or any residential building with two dwelling units or less. Also, fire sprinkler permit applications may be in either print or electronic format. AS PASSED HOUSE.	First sponsor: Rep. Petersen	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	2/26 from Senate gov do pass.
H2016: CORP COMM FILINGS; DATABASE	Minor change in Title 20 (Insurance) related to mortgage guaranty insurance. Apparent striker bus.	First sponsor: Rep. Mitchell		3/11 FAILED to pass House <u>26-33</u> .
H2135: TRANSPORTATION NETWORK COMPANIES	Minor change in Title 20 (Insurance) related to existing actions. Apparent striker bus.	First sponsor: Rep. Fann		3/11 House COW approved with amend <u>#4032</u> and floor amend <u>#4836</u> . NOTE SHORT TITLE CHANGE. Passed House <u>55-0</u> ; ready for Senate.
H2335: INSURANCE COMPLIANCE AUDIT PRIVILEGE	Insurance compliance audit privilege is extended to any insurance compliance audit document, instead of only self-evaluative audit documents. Insurance companies are no longer required to notify the Department of Insurance prior to the initiation of an insurance compliance audit and at the conclusion of the audit. AS PASSED HOUSE.	First sponsor: Rep. Fann		3/4 from Senate rules okay. To Senate consent calendar.
H2342: INSURANCE; SURPLUS LINES; HOME STATE	A voluntary domestic organization of surplus lines brokers that contracts with the Department of Insurance is required to be incorporated in Arizona as a nonprofit corporation, and licensed surplus lines broker may be a member in the organization by paying membership fees. The organization is required to hold an annual meeting and is authorized to collect stamping fees from licensed surplus lines brokers. AS PASSED HOUSE.	First sponsor: Rep. Fann	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	3/4 from Senate fin ins do pass.
H2350: LIMITED LINE INSURANCE; EXAMINATION EXEMPTION	The list of insurance license applicants who are exempt from examination requirements is modified to include any applicant for an insurance producer license with authority for limited line insurance, instead of only specified limited lines insurance applicants.	First sponsor: Rep. Fann		3/4 from Senate rules okay. To Senate consent calendar.
H2352: CREDIT FOR REINSURANCE	Various changes relating to credit for reinsurance. A domestic ceding insurer must be allowed credit for reinsurance as either an asset or a reduction from liability only when the reinsurer meets a list of specified requirements, including that the reinsurance is ceded to an assuming insurer that is licensed in Arizona and accredited by the Department of Insurance as a reinsurer. Credit for reinsurance cannot be granted unless the form of the trust and any amendments have been approved by the director or commissioner of the state where the trust is domiciled or of another state that has accepted principal regulatory oversight of the trust. Establishes various regulations for the trust, including requirements for reinsurance agreements, trustee surplus	First sponsor: Rep. Fann	Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)	3/12 from Senate fin ins do pass.

	<p>requirements, and reporting requirements. Certified reinsurers are required to secure obligations assumed from U.S. ceding insurers at a level consistent with its ratings, and various other requirements for certified reinsurers are established. If the trust fund is inadequate or if the grantor of the trust has been declared insolvent or placed into receivership or similar proceedings, the trustee must comply with an order of the Dept with regulatory oversight or with a court order directing the trustee to transfer to the Dept all assets of the trust fund, and the assets must be distributed by the Dept in accordance with the applicable state laws for liquidation. If an accredited or certified reinsurer ceases to meet the requirements for accreditation or certification, the Dept is authorized to suspend or revoke it after notice and an opportunity for a hearing. The Dept is authorized to adopt rules relating to credit for reinsurance. More. AS PASSED HOUSE.</p>			
H2440: TAX; INSURANCE; RETALIATION	<p>Statute imposing retaliatory taxes on insurers of another state or foreign country that impose such taxes on Arizona insurers does not apply to insurers that do business in Arizona and that are domiciled in another state or foreign country that does not impose retaliatory taxes or whose laws, on a reciprocal basis, exempt from retaliatory taxes similar insurers domiciled in Arizona that do business or might seek to do business in that state or foreign country. Effective January 1, 2018. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Livingston</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/4 from Senate fin with amend <u>#4646</u>.</p>
H2560: COMMUNICATIONS NETWORK FACILITATORS; REGULATION	<p>"Communications network facilitators" (defined) may only be regulated or required to obtain licensure or certification in the role of an operator of a communications network. The regulation of communications network facilitators is of statewide concern and is not subject to further regulation by counties or municipalities. Communications network facilitators and the Attorney General are authorized to bring an action in superior court to enjoin any unlawful regulation by the state or political subdivisions.</p>	<p>First sponsor: Rep. Petersen</p>		<p>3/12 House COW approved with floor amend <u>#4871</u>, a substitute for amend 4311. Passed House <u>34-24</u>; ready for Senate.</p>
H2568: INSURANCE PREMIUM TAX REDUCTION	<p>The insurance premium tax rate for insurance other than fire, disability, and health care service and disability insurance is annually reduced from the current rate of 2 percent to specified lower rates in calendar years 2016 through 2025 and to 1.70 percent in calendar year 2026 and beyond. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Livingston</p>	<p>Hearing: Senate Appropriations (Tuesday 03/17/15 at 2:00 PM, Senate Rm. 109)</p>	<p>3/11 from Senate fin do pass.</p>
H2578: REAL PROPERTY; PURCHASER DWELLING ACTIONS	<p>Various changes to statutes regulating purchaser dwelling actions. A seller who receives a written notice of claim has a right to repair or replace any alleged construction defects after providing written notice to the purchaser of the seller's intent to do so, and a purchaser cannot file a dwelling action until the seller has completed all intended repairs and replacements. Establishes a process for the purchaser to allow the seller a reasonable opportunity to repair or replace the defects. During the notice and repair or replacement process, and for 30 days after substantial completion of the repair or replacement, the statute of limitations and statute of repose applicable to the purchaser are tolled as to the seller. Both parties' conduct during the repair or replacement process may be introduced in any subsequent dwelling action. Sellers are authorized to offer cash or other consideration instead of or in addition to a repair or replacement. The purchaser is permitted to accept or reject an offer of monetary compensation or other consideration, other than repair or replacement. Severability clause. AS PASSED HOUSE.</p>	<p>First sponsor: Rep. Mitchell</p>	<p>Hearing: Senate Rules (Monday 03/16/15 at 1:00 PM, Senate Caucus Rm.)</p>	<p>3/10 from Senate com-work dev do pass.</p>
H2603: PERSONAL	<p>Establishes various requirements and processes for</p>	<p>First</p>	<p>Hearing:</p>	<p>3/11</p>

INJURY ACTION; ASBESTOS; REQS	asbestos exposure related personal injury claims. Within 45 days after the filing of the defendant's answer in a lawsuit involving "personal injury claims" (defined), the plaintiff is required to provide to all parties a sworn statement identifying each personal injury claim that the plaintiff has filed or reasonably anticipates filing against an "asbestos trust" (defined). The statement must include specified information. Within 60 days after the filing of the defendant's answer, the plaintiff is required to provide to all parties a copy of the final executed proof of claim and a list of related trust documents. A court cannot schedule a trial in a personal injury claim action until at least 180 days after the plaintiff makes these required disclosures. Trust claims materials and trust governance documents are admissible in evidence to the extent permitted by court rule. A defendant in a personal injury claim is permitted to seek discovery against an asbestos trust. Establishes penalties for failure to timely provide the required information. Severability clause. Applies retroactively to actions involving personal injury claims that are pending or filed on or after the effective date of this legislation. AS PASSED HOUSE.	Sponsor: Rep. Borrelli	Senate Judiciary (Thursday 03/19/15 at 9:00 AM, Senate Rm. 109)	referred to Senate jud.
H2636: UNDERGROUND STORAGE TANK PROGRAM	Minor change in Title 49 (Environment) related to underground storage tanks. Apparent striker bus.	First sponsor: Rep. Bowers	Hearing: Senate Rural Affairs & Environment (Tuesday 03/17/15 at 9:00 AM, Senate Rm. 109)	3/12 referred to Senate rural-env.
S1075: INSURANCE; UNFAIR CLAIM SETTLEMENT PRACTICES	The Director of the Department of Insurance is required to take enforcement action whenever there is a violation of unfair claim settlement practices statutes.	First sponsor: Sen. Barto		2/18 Senate hel-hu ser held.
S1165: TECH CORRECTION; INSURANCE PREMIUM TRANSMITTERS	Minor change in Title 6 (Financial Institutions) related to insurance premium transmitters. Apparent striker bus.	First sponsor: Sen. D. Farnsworth		1/26 referred to Senate rules only.
S1290: INDEPENDENT MEDICAL EXAM; BOARD COMPLAINTS	A physician is not subject to a complaint for unprofessional conduct to the physician's licensing board if the complaint is based on a disagreement with the findings and opinions expressed by the physician as a result of a medical examination for the purpose of unemployment insurance compensation or an independent medical examination pursuant to a court order.	First sponsor: Sen. Ward		3/11 from House hel do pass.
S1335: FIRE ACCESS ROADS; LIMITATIONS; ENFORCEMENT	Statute prohibiting counties and municipalities from adopting a fire code or other legal requirement for an approved fire apparatus access road that requires the installation of fire sprinklers may be enforced in a private civil action, and relief may be awarded against the county or municipality, including an injunction, reasonable attorney fees, and other specified costs. The Legislature determines that property rights are a matter of statewide concern, and this statutory prohibition preempts any regulation adopted by a county or municipality regarding an approved fire apparatus access road.	First sponsor: Sen. D. Farnsworth		2/26 substituted in House for identical H2005 and passed <u>34-25</u> ; ready for governor.
S1387: RECREATIONAL USER IMMUNITY; ACCESS	For the purpose of a property owner or occupant being immune from liability except in cases of negligence for injury to a "recreational user" of the property (defined as a person to whom permission has been granted or implied without the payment of an admission fee to travel across or enter for various recreational pursuits), payment by a state agency to an owner or lessee for public recreational access to the premises is not considered payment	First sponsor: Sen. Pierce		3/12 referred to House mil-pub.

or an admission fee.

S1403: CONSUMER  
LAWSUIT LOANS;  
PROHIBITION

A consumer lawsuit loan company is prohibited from entering into a "consumer lawsuit loan transaction" (defined) with a consumer with respect to "legal action" (defined) in which the consumer is a party if the company imposes an annual rate of interest that exceeds 36 percent. A loan contract entered into in violation is void. Violations are an unlawful practice and subject to enforcement through private action and prosecution by the Attorney General. Severability clause.

First  
sponsor:  
Sen. Yee

3/5  
passed  
Senate 26-4;  
ready for  
House.