

East Valley Chambers of Commerce Alliance - Priority

Arizona Legislative Report - April 25, 2025

Bill	Sponsors	Title	Last Action	Latest Version
HB 2081	Gail Griffin Pamela Carter John Gillette	<p>income tax; subtraction; tipped wages</p> <p>If enacted, this bill would amend section 43-1022 of the Arizona Revised Statutes to introduce a new individual income tax subtraction for tips received by employees. Specifically, for taxable years beginning January 1, 2025, individuals would be allowed to subtract compensation received as tips during the taxable year, provided these tips are reported to the employer and are not already excluded from Arizona gross income under the Internal Revenue Code. This change aims to provide tax relief for employees who rely on tips as part of their income. The bill would not alter the existing provisions of the statute but would add this new language regarding the treatment of tips for tax purposes. The current law remains unchanged, but the insertion of this new provision would create a specific allowance for tip compensation, potentially reducing state General Fund revenues by an estimated \$31 million annually starting in FY 2026. Statutes affected: Introduced Version: 43-1022 House Engrossed Version: 43-1022</p> <p>Mar 11, 2025, Senate</p> <p>- Do Pass - Appropriations (Senate) - Yes: 6, No: 4, NV: 0</p> <p>Mar 03, 2025, Senate</p> <p>- Do Pass - Finance (Senate) - Yes: 4, No: 3, NV: 0</p>	Senate, Mar 11, 2025: Do Pass - Appropriations (Senate) - Yes: 6, No: 4, NV: 0	House Engrossed Version
HB 2103	Gail Griffin	<p>appropriation; Colorado River Compact; defense</p> <p>If enacted, this bill would update current statutes by appropriating \$1,000,000 from the state General Fund for fiscal year 2025-2026 specifically to the Arizona Department of Water Resources (ADWR). This funding is intended to support the initiation or defense of litigation aimed at protecting and enforcing Arizona's allocation of Colorado River water as established under the Colorado River Compact of 1922. The bill introduces new language that specifies the purpose of the appropriation, ensuring that the funds are allocated for legal actions related to Arizona's water rights against claims from upper basin states or the federal government. This addition clarifies the intent of the appropriation and reinforces the state's commitment to safeguarding its water resources. The current statutes remain unchanged except for the insertion of this new appropriation language.</p> <p>Apr 01, 2025, Senate</p> <p>- Do Pass - Appropriations (Senate) - Yes: 9, No: 0, NV: 1</p> <p>Mar 25, 2025, Senate</p> <p>- Do Pass Amended - Natural Resources (Senate) - Yes: 6, No: 0, NV: 2</p>	Senate, Apr 1, 2025: Do Pass - Appropriations (Senate) - Yes: 9, No: 0, NV: 1	House Engrossed Version
HB 2119	Neal Carter	<p>model city tax code; notice</p> <p>This bill proposes several updates to the current statutes regarding the Model City Tax Code (MCTC). Under the new provisions, municipalities must notify all taxpayers in the affected tax classification by mail at least 60 days before the governing body approves or rejects an ordinance to adopt or repeal a model or local option in the MCTC. Additionally, municipalities are required to request a list of all taxpayers in the affected classification from the Arizona Department of Revenue at least 75</p>	House, Apr 16, 2025: House Majority Caucus: Y	Senate Engrossed Version

		<p>days prior to proposing the ordinance. The bill also clarifies that the notification requirement does not apply to ordinances imposing a use tax exemption or a two-tiered tax rate structure for retail sales. Furthermore, the bill amends the existing statutes to include the use of confidential taxpayer information for the purpose of notifying affected taxpayers about proposed ordinances. It specifies that municipalities issuing business licenses must inform applicants of any applicable model or local options in the MCTC at the time of application. The bill also makes technical and conforming changes to ensure clarity and consistency in the law. Overall, these updates aim to enhance transparency and communication between municipalities and taxpayers regarding tax-related ordinances. Statutes affected: Introduced Version: 9-499.15, 9-836, 42-6054, 48-572, 9-463.05, 9-839 House Engrossed Version: 9-499.15, 9-836, 42-6054, 48-572, 9-463.05, 9-839 Senate Engrossed Version: 9-499.15, 9-836,...</p> <p>Apr 16, 2025, House</p> <p>- House Majority Caucus: Y</p> <p>Apr 09, 2025, House</p> <p>- Transmit to House</p>		
HB 2234	Teresa Martinez Pamela Carter Matt Gress	<p>appropriation; Pinal County transportation study (previously: Interstate 11; environmental; engineering; study)</p> <p>If enacted, this bill would establish the Pinal County Transportation Needs Study Committee, which is tasked with assessing current and projected transportation infrastructure needs in Pinal County, identifying gaps and inefficiencies, providing recommendations for future investments, and engaging with local stakeholders. The committee is required to submit a report of its findings and recommendations to various state officials by June 30, 2026. Additionally, the bill appropriates \$500,000 from the state General Fund for fiscal year 2025-2026 to support the committee's work in collaboration with an institution of higher education. The bill also includes provisions for the repeal of the committee on January 1, 2027, and exempts the appropriation from lapsing, ensuring that the funds remain available for the intended purpose. Overall, the bill updates current statutes by introducing new language that establishes the committee and outlines its responsibilities, while also providing necessary funding to facilitate its operations. Statutes affected: Introduced Version: 28-6902</p> <p>Apr 01, 2025, Senate</p> <p>- Do Pass - Appropriations (Senate) - Yes: 6, No: 4, NV: 0</p> <p>Mar 26, 2025, Senate</p> <p>- Do Pass - Public Safety (Senate) - Yes: 6, No: 0, NV: 1</p>	Senate, Apr 1, 2025: Do Pass - Appropriations (Senate) - Yes: 6, No: 4, NV: 0	House Engrossed Version
HB 2323	Jeff Weninger	<p>business one stop; nonlapsing (previously: technical correction; unordered merchandise)</p> <p>If this bill were to become law, it would amend current statutes regarding the appropriation from the Automation Projects Fund. Specifically, it would update the language to clarify that the amounts appropriated for fiscal year 2023-2024 from this fund are exempt from the lapsing provisions of section 35-190 of the Arizona Revised Statutes. The current statute states that appropriations are exempt until June 30, 2025, but the bill would extend this exemption for the amount appropriated for the Business One Stop project until July 1, 2026. The bill also includes conforming changes to ensure consistency with the new provisions. Overall, the primary update is the extension of the non-lapsing period for the \$7,000,000 appropriation from the Arizona Corporation Commission Subaccount in the Automation Projects Fund, which is intended to support the Business One Stop initiative. Statutes affected: Introduced Version: 44-1222</p> <p>Mar 18, 2025, Senate</p> <p>- Do Pass - Appropriations (Senate) - Yes: 10, No: 0, NV: 0</p>	Senate, Mar 18, 2025: Do Pass - Appropriations (Senate) - Yes: 10, No: 0, NV: 0	House Engrossed Version

		Mar 11, 2025, Senate - Senate Second Reading		
HB 2389	Neal Carter	business personal property; exemption. The proposed bill would update current statutes by expanding the personal property tax exemption to encompass all locally assessed personal property utilized for agricultural purposes or in a trade or business. This change would effectively exempt such properties from taxation, as it would remove them from the applicable property tax classifications. Additionally, the bill would repeal the additional depreciation schedule for certain subclasses of personal property and exempt owners of tax-exempt personal property from the requirement to annually report to the county assessor. Moreover, the bill aims to streamline the legal framework by repealing specific sections related to property tax exemptions and modifying definitions and classifications to ensure clarity and equitable treatment of various property types. New provisions would also require documentation for energy-efficient and renewable energy equipment to qualify for property valuation exemptions, while emphasizing the importance of maintaining accurate records and public access to information regarding property classifications. These updates are designed to simplify the tax process and encourage agricultural and business activities by reducing the tax burden, with the new provisions set to take effect on January 1, 2032. Statutes affected: Introduced Version: 15-445, 15-448, 15-459, 15-481, 42-5075, 42-11054, 42-11127, 42-12001, 42-12002, 42-12004, 42-12006, 42-12007, 42-12054, 42-12058, 42-13054, 42-13055, 42-13056,... Mar 18, 2025, Senate - Do Pass - Appropriations (Senate) - Yes: 7, No: 3, NV: 0 Mar 10, 2025, Senate - Do Pass - Finance (Senate) - Yes: 4, No: 3, NV: 0	Senate, Mar 18, 2025: Do Pass - Appropriations (Senate) - Yes: 7, No: 3, NV: 0	House Engrossed Version
HB 2450	Michael Carbone Julie Willoughby Justin Wilmeth	unemployment insurance; benefit amounts This bill proposes significant changes to the duration of unemployment insurance (UI) benefits based on the unemployment rate (UR) from the previous calendar quarter. Under current law, individuals are entitled to 24 weeks of benefits if the UR is less than 5 percent and 26 weeks if it is 5 percent or more. The bill would amend this to provide a tiered structure where individuals could receive benefits for as few as 12 weeks if the UR is 5 percent or less, and up to 26 weeks if the UR exceeds 8 percent. The proposed changes include specific increments for UR levels, such as 14 weeks for UR between 5 and 5.5 percent, 16 weeks for UR between 5.5 and 6 percent, and so on, up to 26 weeks for UR above 8 percent. This restructuring aims to align the duration of benefits more closely with the economic conditions reflected in the unemployment rate, thereby modifying the existing framework to better respond to fluctuations in unemployment. Statutes affected: Introduced Version: 23-780 House Engrossed Version: 23-780 Senate floor calendar • Senate Third Reading #1 Apr 29, 2025 10:15am Senate Floor Senate Calendar: Third Reading, April 29, 2025 #1, Position: 38 Apr 22, 2025, Senate - Do Pass (Senate) Apr 09, 2025, Senate - Senate Majority Caucus: Y	Senate, Apr 22, 2025: Do Pass (Senate)	House Engrossed Version
HB 2679	Gail Griffin Leo Biasiucci Walt Blackman	power; public utilities; UCC; securities The proposed bill aims to modernize the statutes governing the securitization of transition bonds and the management of transition property by public power entities and public service	Senate, Apr 1, 2025: Senate Minority Caucus: Y	House Engrossed Version

		<p>corporations. Key updates include new provisions that require public power entities to provide public notice of their intent to adopt financing resolutions, detailing the process for public engagement and transparency. The bill mandates that financing orders be issued by the Arizona Corporation Commission (ACC) within a specified timeframe and introduces a "Transition Benefit Test" to ensure the lowest financing charges. Additionally, it clarifies that transition property is a vested right and outlines the responsibilities of qualified special purpose entities in relation to transition bonds. Furthermore, the bill establishes that financing charges are nonbypassable and mandatory for all customers, with a true-up mechanism to adjust for revenue discrepancies. It emphasizes that transition bonds do not constitute public debt and protects the validity of actions taken under the current chapter, even if parts are invalidated. The legislation streamlines the judicial review process for financing resolutions, limiting the grounds for challenge and expediting court proceedings. Overall, these updates seek to enhance the regulatory framework, improve financial stability, and ensure clarity in the management of transition bonds and related financial mechanisms. Statutes affected: Introduced Version: 47...</p> <p>Apr 01, 2025, Senate</p> <ul style="list-style-type: none"> - Senate Majority Caucus: Y - Senate Minority Caucus: Y 		
HB 2683	Joseph Chaplik John Gillette Ralph Heap	<p>businesses; requirement to accept cash</p> <p>If enacted, this bill would amend current statutes by requiring retail businesses with a physical location in Arizona to accept cash as a form of payment for goods and services valued at \$100 or less. It would also prohibit these businesses from charging any fees or penalties for cash transactions. Additionally, the bill establishes a cause of action for individuals who are denied the right to use cash or are charged fees for cash payments, allowing them to seek damages of \$1,000 per violation or \$5,000 total, along with reasonable attorney fees. The bill would also introduce provisions for annual adjustments of the damage amounts based on inflation, as well as clarify that the cash acceptance requirement does not apply to written contracts specifying payment methods or online sales. Furthermore, it would redefine the chapter heading of Title 44, Chapter 38 of the Arizona Revised Statutes from "BUSINESSES EXEMPT FROM MASK MANDATE" to "BUSINESSES GENERALLY" and provide a definition for "retail business" based on existing classifications. Statutes affected: Introduced Version: 44-7952 House Engrossed Version: 44-7952</p> <p>Mar 10, 2025, Senate</p> <ul style="list-style-type: none"> - Senate Second Reading <p>Mar 06, 2025, Senate</p> <ul style="list-style-type: none"> - Referred to Regulatory Affairs and Government Efficiency (Senate) 	Senate, Mar 10, 2025: Senate Second Reading	House Engrossed Version
HB 2688	Justin Olson	<p>internal revenue code; conformity.</p> <p>This bill proposes to update Arizona's tax statutes to align with the U.S. Internal Revenue Code (IRC) as of January 1, 2025. The current definition of "Internal revenue code" will be amended to reflect this new date, replacing the previous reference to January 1, 2024. The bill will also clarify that for taxable years beginning after December 31, 2024, the IRC will include provisions effective during 2024, while excluding any changes enacted after January 1, 2025. Additionally, it will extend the definition of the IRC to include retroactive provisions effective during the taxable years from December 31, 2023, through December 31, 2024. Furthermore, the bill will remove outdated language regarding the IRC's applicability for taxable years beginning after December 31, 2013, through December 31, 2014, which included specific federal acts that are no longer relevant. The overall intent is to ensure that Arizona's tax laws remain consistent with federal tax law changes, thereby facilitating the computation of state income tax based on federal taxable income. Statutes affected:</p>	executive, Feb 28, 2025: Signed by Governor	Chaptered Version

		<p>Introduced Version: 42-1001, 43-105House Engrossed Version: 42-1001, 43-105 Chaptered Version: 42-1001, 43-105</p> <p>Feb 28, 2025, executive</p> <ul style="list-style-type: none"> - Signed by Governor <p>Feb 25, 2025, executive</p> <ul style="list-style-type: none"> - Transmit to Governor 		
HB 2722	<p>Neal Carter Walt Blackman Nick Kupper</p>	<p>public resources; expenditures; prohibition</p> <p>If enacted, this bill would amend current statutes by introducing new definitions and regulations regarding the use of public resources by public entities. Specifically, it would change the chapter heading of title 1, chapter 5 of the Arizona Revised Statutes from "PUBLIC PROGRAMS" to "PUBLIC RESOURCES" and add a new article that outlines the conditions under which public entities can spend, loan, or allow the use of public resources. The bill would define key terms such as "consideration," "control," "public entity," "public purpose," and "public resources," establishing clear criteria for what constitutes acceptable use of public funds. Additionally, the bill would empower the Attorney General or any taxpayer to challenge expenditures that do not meet the specified criteria in a court of general jurisdiction. It would require plaintiffs to prove by a preponderance of evidence that the challenged actions do not advance a public purpose, lack proper consideration, or fail to maintain control over the resources used. The legislation would be known as the "Taxpayer Protection Act" and would take effect on the general effective date.</p> <p>Mar 24, 2025, Senate</p> <ul style="list-style-type: none"> - Proper for Consideration - Rules (Senate) - Senate Consent Calendar 	<p>Senate, Mar 24, 2025: Senate Consent Calendar</p>	<p>House Engrossed Version</p>
HCR 2003	<p>Matt Gress</p>	<p>expenditure limit; school districts; authorization</p> <p>The resolution HCR2003 seeks to authorize Arizona school districts to exceed the aggregate expenditure limitation (AEL) for the fiscal year 2025-2026. This AEL, established by Arizona voters in 1980 through Proposition 109, serves as a constitutional cap on the total spending of school districts, calculated based on local revenue expenditures adjusted for changes in student population and cost of living. The resolution stipulates that any expenditure beyond this limit requires the approval of at least two-thirds of the members in both the House of Representatives and the Senate. If passed, this resolution would allow school districts greater flexibility in their budgeting and spending, particularly in response to increased needs or costs that may arise in the upcoming fiscal year. The measure reflects an effort to address potential financial constraints faced by school districts while ensuring that any increase in spending is subject to legislative oversight and approval.</p> <p>Feb 25, 2025, House</p> <ul style="list-style-type: none"> - House Majority Caucus: Y - House Minority Caucus: Y 	<p>House, Feb 25, 2025: House Minority Caucus: Y</p>	<p>Introduced Version</p>
HCR 2038	<p>Alexander Kolodin</p>	<p>rulemaking; legislative ratification; regulatory costs</p> <p>The resolution HCR2038 proposes a measure that allows the Arizona Legislature to eliminate any agency rule that imposes costs exceeding \$1,000,000 per year on taxpayers through a concurrent resolution. It also establishes a process for citizens or businesses affected by such rules to request an assessment from the Office of Economic Opportunity (OEO) regarding the rule's financial impact. The OEO is required to complete this assessment and notify the Administrative Rules Oversight Committee, the public, and the Legislature of its findings within six months. If approved by voters in the upcoming general election on November 3, 2026, this measure will amend the Arizona Revised Statutes to include provisions for legislative rule removal and assessment. The resolution includes a severability clause, ensuring that if any part of the act is deemed invalid, the remaining provisions will still be enforceable. The Secretary of</p>	<p>House, Feb 19, 2025: Do Pass Amended (House)</p>	<p>House Engrossed Version</p>

		<p>State is tasked with submitting this proposition to the voters, thereby allowing the public to have a say in the legislative process concerning regulatory costs. Statutes affected: Introduced Version: 41-1049, 41-1049.01 House Engrossed Version: 41-1049.01</p> <p>Feb 19, 2025, House</p> <ul style="list-style-type: none"> - Do Pass Amended (House) <p>Feb 11, 2025, House</p> <ul style="list-style-type: none"> - House Minority Caucus: Y 		
HCR 2047	Matt Gress J.D. Mesnard	<p>state land trust; permanent funds</p> <p>The resolution HCR2047 seeks to amend the Arizona Constitution to establish a minimum annual distribution rate of 6.9% from the Permanent State School Fund, based on the preceding five-year average monthly market values, until fiscal year 2036. This measure aims to provide stable funding for educational programs and services, with any reductions below this threshold requiring a three-fourths majority approval from both legislative chambers. Additionally, the resolution mandates the creation of a statewide classroom teacher compensation program, funded by any earnings exceeding a 2.5% distribution rate, to enhance teacher salaries and ensure accountability through performance-based criteria. Furthermore, the resolution outlines the management of the Permanent State School Fund, including notification requirements for potential distribution rate reductions to protect the fund's capital. It establishes a framework for separate permanent funds for various state grants, prohibits inter-fund transfers, and mandates investment in safe, interest-bearing securities overseen by a designated board. The amendment also specifies distribution rates for different fiscal years, allowing for adjustments based on market performance and the allocation of excess earnings to support state aid and teacher salary increases, pending voter approval in a special election scheduled for 2025.</p> <p>Feb 25, 2025, House</p> <ul style="list-style-type: none"> - House Majority Caucus: Y - House Minority Caucus: Y 	House, Feb 25, 2025: House Minority Caucus: Y	Introduced Version
SB 1009	John Kavanagh	<p>appropriations; nuclear emergency management fund</p> <p>The proposed bill, if enacted, would amend current statutes related to the Nuclear Emergency Management Fund by appropriating specific amounts for fiscal years 2026 and 2027. It would allocate \$2,617,991 in FY 2026 and \$2,711,339 in FY 2027 from the Fund to various agencies, including the Division of Emergency Management and the Arizona Department of Agriculture, for the implementation of off-site nuclear emergency response plans. The bill specifies the distribution of funds, including the provision of full-time equivalent positions for these agencies, and outlines the amounts designated for disbursement to Maricopa County and Buckeye departments responsible for emergency response. Additionally, the bill introduces a new assessment against public service and municipal corporations involved in operating commercial nuclear generating stations, amounting to the same appropriated figures plus any applicable interest. This assessment is intended to support the funding of the emergency response plans. The act is classified as an emergency measure, allowing it to take effect immediately upon the Governor's signature, thereby ensuring prompt action in preserving public safety related to nuclear emergencies.</p> <p>Apr 18, 2025, executive</p> <ul style="list-style-type: none"> - Signed by Governor <p>Apr 15, 2025, executive</p> <ul style="list-style-type: none"> - Transmit to Governor 	executive, Apr 18, 2025: Signed by Governor	Chaptered Version
SB 1069	J.D. Mesnard	<p>personal property exemption; increase</p> <p>If this bill were to become law, it would amend current statutes regarding the business personal property tax exemption in</p>	House, Mar 5, 2025: Do Pass - Ways &	Senate Engrossed Version

		<p>Arizona. Specifically, it would increase the exemption limit from the current maximum of \$207,366 to \$500,000 for personal property used in trade or business or for agricultural purposes. This change is significant as it raises the threshold for tax exemption, potentially benefiting businesses by reducing their tax liabilities. Additionally, the bill includes a provision that mandates the Arizona Department of Revenue to adjust the exemption amount annually based on the employment cost index, ensuring that the exemption keeps pace with inflation. The effective date for this increase would be January 1, 2026, and the bill also makes technical changes to the existing language in the statutes. Overall, the proposed updates aim to provide greater financial relief to businesses through a higher personal property tax exemption. Statutes affected: Introduced Version: 42-11127 Senate Engrossed Version: 42-11127</p> <p>Mar 05, 2025, House</p> <p>- Do Pass - Ways & Means (House) - Yes: 5, No: 4, NV: 0</p> <p>Feb 27, 2025, House</p> <p>- House Second Reading</p>	Means (House) - Yes: 5, No: 4, NV: 0	
SB 1144	Kevin Payne	<p>jail facilities excise tax; extension</p> <p>This bill proposes to amend current statutes regarding the jail facilities excise tax in Arizona, specifically allowing the Maricopa County Board of Supervisors to extend the existing tax for up to 20 years, contingent upon voter approval before January 1, 2028. The new provisions will enable the Board to call for a countywide election to authorize the levy of this tax, which would be collected at a rate of up to one-fifth of a cent. The bill also stipulates that the resolution for the tax extension must include detailed financial projections and be included in the ballot pamphlet sent to voters. Additionally, the bill introduces specific requirements for the use of the tax revenues, mandating that they be allocated for the construction, renovation, maintenance, and operation of adult and juvenile jail facilities, as well as programs aimed at reducing operational costs. It defines "jail facility" and "GDP price deflator" for clarity in implementation. The new section will be repealed if the tax is not approved by voters by the specified date, ensuring that the authority to levy the tax is time-bound and contingent on public support. Statutes affected: Introduced Version: 16-193, 42-6109.02, 11-133, 16-322, 16-341, 45-415, 45-433, 48-4433, 48-4832, 11-137, 15-905.01, 16-245, 16-412, 16-461, 16-510, 19-123, 19-141, 35-454, 41-563.02, 42-6109.01, 42-17057, 42-17107, 48-620, 48-4021, 48-4236, 48-5314, 48-6432, 48-6433, 16-508, 48-685, 16-244, 16-804, 16-821, 16-823 Senate Engros...</p> <p>Apr 16, 2025, House</p> <p>- House Majority Caucus: Y</p> <p>- House Minority Caucus: Y</p>	House, Apr 16, 2025: House Minority Caucus: Y	Senate Engrossed Version
SB 1215	Venden "Vince" Leach	<p>litigation; financing; consumer protection; enforcement</p> <p>The proposed bill would update current statutes by introducing new consumer protection measures and disclosure requirements for litigation financing agreements. Specifically, it would mandate that all parties involved in such agreements disclose their existence and the identity of the litigation financier to other parties in the action. Additionally, the bill would prohibit litigation financiers from influencing litigation strategy, choice of counsel, or expert witnesses, ensuring that control remains with the named party and their legal representation. The bill also requires courts to consider potential conflicts of interest in class actions and multidistrict litigation arising from these financing arrangements. Moreover, the bill would amend the definition of "litigation financing agreement" by removing certain exemptions, particularly those related to nonprofit organizations seeking relief beyond compensatory damages of \$100,000. It would classify violations of the new requirements as unlawful practices under the Arizona Consumer Fraud Act, allowing for enforcement by the Attorney General. Any litigation financing agreement entered into in violation of the law would be deemed voidable. The bill is set to</p>	House, Mar 26, 2025: Do Pass Amended - Judiciary (House) - Yes: 8, No: 0, NV: 0	Senate Engrossed Version

		<p>take effect on January 1, 2026, and will apply to all civil actions initiated on or after that date.</p> <p>Mar 26, 2025, House</p> <p>- Do Pass Amended - Judiciary (House) - Yes: 8, No: 0, NV: 0</p> <p>Mar 19, 2025, House</p> <p>- House Second Reading</p>		
SB 1222	J.D. Mesnard	<p>internal revenue code; conformity</p> <p>This bill proposes to update Arizona's tax statutes to align with the U.S. Internal Revenue Code (IRC) as of January 1, 2025. Specifically, it modifies the definition of "Internal Revenue Code" to reflect this new date, replacing the previous reference to January 1, 2024, and includes provisions that became effective during 2024 while adopting their retroactive effective dates. The bill also clarifies that any changes to the IRC enacted after January 1, 2025, will be excluded from Arizona's tax calculations. Additionally, the bill makes technical and conforming changes to ensure consistency within the tax code. It removes outdated references to prior years and provisions that are no longer applicable, streamlining the language for clarity. Overall, the updates aim to maintain conformity with federal tax law, which is essential for the computation of both corporate and individual income tax in Arizona. Statutes affected: Introduced Version: 42-1001, 43-105 Senate Engrossed Version: 42-1001, 43-105</p> <p>Feb 11, 2025, Senate</p> <p>- Senate Majority Caucus: Y</p> <p>- Senate Minority Caucus: Y</p>	Senate, Feb 11, 2025: Senate Minority Caucus: Y	Senate Engrossed Version
SB 1331	J.D. Mesnard	<p>income tax subtraction; capital gains</p> <p>If enacted, this bill would amend section 43-1022 of the Arizona Revised Statutes to expand the current individual income tax subtraction for net long-term capital gains. Under current law, only gains from assets acquired after December 31, 2011, are eligible for a 25 percent subtraction starting from taxable years after December 31, 2014. The bill would remove the limitation on the acquisition date, allowing all net long-term capital gains included in federal adjusted gross income to qualify for the 25 percent subtraction, effective for taxable years beginning January 1, 2026. Additionally, the bill would make technical and conforming changes to the existing statute, including updating the effective date for the 25 percent subtraction from 2014 to 2025. The proposed changes aim to simplify the tax code and provide broader tax relief for individuals realizing long-term capital gains, which is expected to reduce state General Fund revenue by an estimated \$40 million to \$60 million starting in fiscal year 2027. Statutes affected: Introduced Version: 43-1022 Senate Engrossed Version: 43-1022</p> <p>Mar 12, 2025, House</p> <p>- Do Pass - Ways & Means (House) - Yes: 5, No: 4, NV: 0</p> <p>Mar 10, 2025, House</p> <p>- House Second Reading</p>	House, Mar 12, 2025: Do Pass - Ways & Means (House) - Yes: 5, No: 4, NV: 0	Senate Engrossed Version
SB 1463	J.D. Mesnard	<p>initiatives; existing laws; impact statement</p> <p>If enacted, this bill would amend section 19-102 of the Arizona Revised Statutes to require initiative descriptions to include a separate listing of statutes that may conflict with or be impacted by the proposed measure, along with a brief summary of how these statutes might conflict or be affected. This addition aims to enhance transparency and inform voters about potential legal implications of the initiatives they are considering. Additionally, the bill would remove certain existing language from the statute, specifically the prohibition against signing a petition before it has a serial number and the designations for paid circulators and volunteers. These deletions would streamline the language of the law while the new insertion would ensure that voters are better</p>	House, Apr 9, 2025: Do Pass (House)	Senate Engrossed Version

		<p>informed about the legal context of initiatives. Statutes affected: Introduced Version: 19-102 Senate Engrossed Version: 19-102</p> <p>Apr 09, 2025, House</p> <ul style="list-style-type: none"> - Do Pass (House) <p>Apr 02, 2025, House</p> <ul style="list-style-type: none"> - House Minority Caucus: Y 		
SB 1504	David C. Farnsworth	<p>community colleges; baccalaureate degrees; reports</p> <p>If enacted, this bill would update current statutes regarding community college districts (CCDs) that offer baccalaureate degree programs. Specifically, it would require these CCDs to include projected enrollment figures for each baccalaureate degree program in their annual reports. Additionally, the total number of students pursuing and completing baccalaureate degrees would need to be disaggregated by program, enhancing the granularity of data provided in these reports. The bill also proposes a change to the article heading of title 15, chapter 12, article 2 of the Arizona Revised Statutes, shifting it from "STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES" to "ANNUAL REPORT." Furthermore, it makes conforming changes to the numbering of items in the report requirements, ensuring clarity and consistency in the information that must be reported by CCDs. Overall, these updates aim to improve transparency and accountability in the reporting of baccalaureate degree programs offered by community colleges. Statutes affected: Introduced Version: 15-1444.01 Senate Engrossed Version: 15-1444.01</p> <p>Apr 16, 2025, Senate</p> <ul style="list-style-type: none"> - Transmit to Senate <p>Apr 16, 2025, House</p> <ul style="list-style-type: none"> - Third Read and passed - Yes: 58, No: 0, NV: 2 (House) 	Senate, Apr 16, 2025: Transmit to Senate	Senate Engrossed Version
SB 1627	Shawwna Bolick	<p>agencies; interpretations; directives; rules</p> <p>If enacted, this bill would amend current statutes by adding a new section to title 41, chapter 49 of the Arizona Revised Statutes, specifically addressing the submission and posting of federal agency guidance, interpretations, and directives. The chapter heading would be updated from "FEDERAL MONIES" to "FEDERAL MONIES AND FEDERAL RULE IMPLEMENTATION," reflecting the expanded focus of the legislation. Each state agency would be required to submit any relevant guidance from federal agencies to key legislative leaders within thirty days of receipt, ensuring timely communication of federal directives. Additionally, the bill mandates that all guidance, interpretations, and directives received by state agencies must be posted on the respective agency's website. This requirement aims to enhance transparency and accessibility of federal guidance to the public and stakeholders. The bill removes the previous specification that such guidance must come from a "relevant" federal agency, broadening the scope of what must be reported and posted. Statutes affected: Introduced Version: 41-4902 Senate Engrossed Version: 41-4902</p> <p>Mar 13, 2025, House</p> <ul style="list-style-type: none"> - House Second Reading <p>Mar 12, 2025, House</p> <ul style="list-style-type: none"> - House First Reading. 	House, Mar 13, 2025: House Second Reading	Senate Engrossed Version
SCR 1002	Wendy Rogers	<p>photo enforcement systems; prohibition</p> <p>The resolution SCR1002 aims to prohibit local authorities and state agencies in Arizona from utilizing photo enforcement systems for identifying traffic law violators, pending voter approval. This initiative seeks to eliminate automated systems that capture images of vehicles for traffic violations, advocating for a return to traditional law enforcement methods. It also proposes the repeal of existing statutes governing the use and placement of these systems, including the removal of certain exemptions and requirements. The resolution expands the</p>	House, Mar 19, 2025: Do Pass - Transportation & Infrastructure (House) - Yes: 4, No: 1, NV: 0	Senate Engrossed Version

		<p>definition of photo enforcement systems to encompass devices used for identifying violations of local ordinances related to excessive speed and traffic control. Furthermore, the resolution emphasizes the importance of maintaining law enforcement responsibilities with trained officers rather than delegating these duties to private entities, thereby safeguarding citizens from potential abuses linked to profit-driven enforcement. If the measure is approved by voters during the next general election, it will take effect upon proclamation by the Governor. The resolution does not foresee any fiscal impact on the state General Fund, reinforcing the legislative intent to prioritize public safety over revenue generation in traffic law enforcement. Statutes affected: Introduced Version: 28-601, 28-627, 28-1201, 28-1202, 28-1203, 28-1204, 28-1205, 28-1206, 28-1602, 28-5201, 28-5432, 11-441, 28-1106, 28-1171, 28-101, 28-667, 28-1092 Senate Engr...</p> <p>Mar 19, 2025, House</p> <p>- Do Pass - Transportation & Infrastructure (House) - Yes: 4, No: 1, NV: 0</p> <p>Mar 13, 2025, House</p> <p>- House Second Reading</p>		
SCR 1015	J.D. Mesnard Matt Gress	<p>state land trust; permanent funds.</p> <p>The resolution SCR1015 proposes an amendment to the Arizona Constitution that aims to protect the annual distribution rate from the Permanent State School Fund. Specifically, it seeks to constitutionally prohibit the state or any state officer from reducing this distribution rate below 6.9% of the average monthly market valuation of the fund for the previous five years until fiscal year 2036, unless certain conditions are met. Starting in FY 2036, any increase in expendable earnings from the fund must be appropriated for a statewide classroom teacher compensation program, which is intended to enhance the base salary and salary schedule for eligible teachers. Additionally, the resolution outlines the process for potential reductions in the distribution rate, which can only occur with a three-fourths majority vote from both houses of the legislature and under specific circumstances, such as a decline in the fund's average monthly market values. The resolution mandates that the Secretary of State submit this proposition to voters in a special election in 2025, and it will take effect only if approved by the voters and proclaimed by the Governor. Overall, the resolution emphasizes the importance of maintaining funding for education and ensuring that teachers receive adequate compensation.</p> <p>Feb 24, 2025, Senate</p> <p>- Proper for Consideration - Rules (Senate)</p> <p>Feb 19, 2025, Senate</p> <p>- Do Pass Amended/Strike-Everything - Education-Archived and Renamed Education and Transportation as of 04/01/2025 (Senate) - Yes: 4, No: 3, NV: 0</p>	Senate, Feb 24, 2025: Proper for Consideration - Rules (Senate)	Introduced Version
SCR 1032	J.D. Mesnard	<p>permanent school fund; distribution; uses</p> <p>The resolution SCR1032 proposes a significant amendment to the management of the Permanent State School Fund in Arizona, which is designed to enhance funding for common schools. If approved by voters, starting in fiscal year 2027, the State Treasurer and the Arizona State Land Department will be required to prioritize the transfer of funds from the Permanent School Fund to guarantee financing for common schools. This financing will cover the acquisition, construction, refinancing, or improvement of capital facilities, ensuring that these obligations are met before any other authorized uses of the fund. Additionally, the resolution outlines that the Permanent School Fund will continue to support various educational initiatives, including debt obligations for school districts and charter schools. It mandates that any remaining funds after fulfilling these obligations may be appropriated for other educational purposes, such as the New School Facilities Fund or Basic State Aid. The resolution also includes provisions for technical changes and</p>	House, Mar 20, 2025: House Second Reading	Senate Engrossed Version

		<p>requires the Secretary of State to present this measure to voters in the next general election, with implementation contingent upon voter approval and the Governor's proclamation. Statutes affected: Introduced Version: 37-521 Senate Engrossed Version: 37-521</p> <p>Mar 20, 2025, House</p> <ul style="list-style-type: none"> - House Second Reading <p>Mar 19, 2025, House</p> <ul style="list-style-type: none"> - House First Reading. 		
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