

NFIB/Arizona
2017/2018 Bill Summaries for Voting Record

1. **ADA “DRIVE-BY” LAWSUIT ABUSE REFORM (SB 1406):** ends the abuse of the state’s ADA law by limiting who may file an enforcement lawsuit. It also establishes a 30- to 60-day notice and cure period to allow a business to come into compliance before a lawsuit can be filed; and, institutes tough new legal sanctions on the lawyers who abuses the ADA as a settlement scheme. SB 1406 will help protect Arizona small businesses from these “shakedown” lawsuits. A “YES” vote supported the NFIB position. The bill passed the House 38-20-2 and passed the Senate 18-11-1. Signed by Governor on 4/18/2017.
2. **ADA IMPROVEMENTS IMMEDIATE WRITE-OFF (HB 2214) -** NFIB authored this new law that allows small businesses to immediately write-off the costs of complying with the Americans With Disability Act on their state income taxes in the tax year they are incurred rather than over the normal 39-years allowed for amortization under the IRS tax code. A “YES” vote supported the NFIB position. The bill passed the House 58-1-1 and passed the Senate 30-0. Signed by Governor on 5/10/2017.
3. **ARTICLE V FEDERAL BALANCED BUDGET AMENDMENT RESOLUTION (HCR 2013):** NFIB partnered with the Balanced Budget Amendment Task Force to make Arizona the 28th state (34 are required) to pass the necessary resolution calling for a convention of the states to draft an amendment to the United States Constitution requiring a balanced federal budget. NFIB members have long supported a federal balanced budget amendment requiring the federal government to balance its books just like small businesses do every day. A “YES” vote supports the NFIB position. The resolution passed the House 33-25-2 and passed the Senate 17-12-1. Governor signature not required for enactment.
4. **FRANCHISEE PROTECTIONS AGAINST CO-EMPLOYMENT DESIGNATION (HB 2322):** clarifies the definition of joint employment relationships for franchises and their franchisees. The legislation was in response to an Obama-era National Labor Relations Board ruling that could make a franchiser have control over a franchisee’s employment decisions, and a business hiring a subcontractor could essentially be taking on all the subcontractors’ employees as their own. A “YES” vote supports the NFIB position. The bill passed the House 34-24-2 and passed the Senate 17-13-0. Signed by Governor on 3/21/2017.
5. **PROPERTY TAX EQUITY REFORM (House Bill 2213) –** includes various changes relating to government property lease excise tax (GPLET). The bill has the effect of limiting the power of cities to shift the property tax burden to small businesses through the abatement of taxes for redevelopment projects. A “YES” vote supports the NFIB position. The bill passed the House 56-0-4 and passed the Senate 29-0-1. Signed by Governor on 3/30/2017.
6. **PROHIBITION ON LOCAL GOVERNMENTS REQUIRING EMPLOYERS TO PROVIDE HEALTH INSURANCE TO EMPLOYEES (SB 1247):** is a pre-emption bill that prohibits local governments from mandating employers to provide health insurance to their employees. If left unchecked, it

could have resulted in a patch-work of laws throughout the state that would have posed a hardship for many Arizona small businesses. A “YES” vote supports the NFIB position. The bill passed the Senate 17-13-0 and passed the House 34-24-2. Signed by Governor on 4/10/2018.

7. **UNEMPLOYMENT INSURANCE/INDEPENDENT CONTRACTOR (SB 1500):** provides for a series of clarifications to unemployment insurance procedures to ensure proper implementation of the Declaration of Independent Contractor Status rebuttable presumption that an independent contractor relationship exists. These clarifications will help ensure that small business that contract with independent contractors for their services will not be liable to pay unemployment insurance claims. A “YES” vote supports the NFIB position. The bill passed the Senate 19-11 and passed the House 34-22-4. Signed by Governor on 4/10/2018.
8. **GOVERNOR’S REGULATORY REVIEW COUNCIL (SB 1273):** provides an additional avenue for small businesses to petition the Governor’s Regulatory Review Council to review an existing state agency practice, substantive policy statement, final rule or regulatory licensing requirement not specifically authorized by law based on a person’s belief that it is unduly burdensome or not demonstrated to be necessary to specifically fulfill a public health, safety or welfare concern. Senate Bill 1273 can help small businesses fight back against unnecessary and burdensome regulations. A “YES” vote supports the NFIB position. The bill passed the House 33-27 and passed the Senate 21-9. Signed by Governor on 5/16/2018.
9. **UNEMPLOYMENT INSURANCE (Senate Bill 1398):** discontinues unemployment benefits for individuals who do not accept an offer of employment after the first 4 weeks of receiving unemployment compensation benefits as long as the job pays at least 120 percent of the individual's weekly unemployment benefit. SB 1398 also includes a “return-to-work” program that provides a supervised training opportunity to individuals for 20 to 32 hours per week for up to 6 weeks through employers that volunteer to participate in the program. Individuals participating in the program continue to receive unemployment compensation. SB 1398 should ultimately help get unemployed individuals back to work thus reducing the length and time of unemployment insurance claims and hopefully reducing UI rates paid by small businesses. A “YES” vote supports the NFIB position. The bill passed the House 34-22-2 and passed the Senate 17-13. Signed by Governor on 5/16/2018.
10. **BUSINESS PERSONAL PROPERTY TAX EXEMPTION (HCR 2029):** known as the Small Business Job Creation Act, this resolution proposed to place a referendum on the 2018 ballot asking voters to amend the state constitution to prohibit taxes from being levied on the first \$2 million of full cash value of personal property that is initially acquired during or after 2019 and that is used for agricultural purposes or in trade or business. Under current law, personal property used for agriculture, trade or business, which is adjusted for inflation and is currently valued at \$167,130 in Tax Year 2018. Arizona small businesses suffer under this law not only because they are taxed on business equipment but also because the tax is a paper-work burden that is complex and time-consuming. A “YES” vote supports the NFIB position. The bill passed the House 34-22-2 but died in the Senate.

11. **Limited Liability for Hiring Ex-Offenders** (HB 2311): limits liability for employers that hire an employee or contract with an independent contractor “who has previously been convicted of a criminal offense.” However, “criminal offense” is specifically defined *not* to include “violent offenses and sexual offenses.” The new law also prohibits claimants from introducing “the fact that the employee or independent contractor was previously convicted of a criminal offense before the employee's employment or independent contractor's contractual obligation began with the employer” into evidence. The new law also puts limits on claims that an employer failed to provide adequate supervision. HB 2311 will help protect Arizona small businesses from potential lawsuits should they hire employees with prior criminal records. A “YES” vote supports the NFIB position. The bill passed the House 58-0-1 and passed the Senate 30-0. Signed by Governor on 4/5/2018.