

Arizona Pest Professional Organization Legislative Update January 23, 2017

Dear Supporter:

Day 15 – It's hard to believe that we are already two weeks into Session. Since last week, a hundred more bills have been introduced. It's worth noting that given the fact that we are two weeks in, there hasn't been much controversy at the Capitol. Although, as we all know, that can certainly change from one day to the next.

Senator Gail Griffin has officially introduced SB1121 (certified qualified applicators; fingerprinting requirement) on behalf of AZPPO. The bill will require fingerprint clearance cards for all qualified applicators. SB1121 has been referred to the Senate Natural Resources, Energy and Water Committee and will likely be heard next Thursday.

We are also monitoring <u>HB2242 (animal cruelty; domestic animals; classification)</u> introduced by Rep. Eddie Farnsworth that could impact pest applicators as written. We will be discussing the bill at the next AZPPO Legislative Committee. HB2242 will be heard in the House Judiciary Committee this Wednesday.

A week from today will be the last day for Senate bills to be introduced without special permission from the Senate President and we are roughly two weeks away from a similar deadline in the House. In other words, there is still plenty of time for bills to be introduced, and the legislature's average workload of around 1,200 bills per session to be reached.

Many are still focused on the Governor's proposed FY2018 State Budget and the recent budget projections presented by the Joint Legislative Budget Council. It has been reported that the Governor's budget and \$251 million in additional spending priorities were based upon optimistic revenue projections and that the JLBC projections weren't as positive. Last Tuesday, JLBC presented their initial projections compared to the Governor's proposal. While the two offices weren't too far off, JLBC staff did point to a number of unknowns that the state could be facing, including the repeal of the affordable care act that could cost the state an upwards of \$1 billion.

JLBC staff reported that the FY2018 structural balance of \$46 million and \$159 million cash reserves is insufficient to address:

- Proposition 206 minimum wage requirement
- Continuation of "ongoing" one-time initiatives
- Affordable Care Act repeal and other fiscal challenges
- Revenue forecast uncertainties
- \$289 million in Executive spending and tax initiatives

JLBC also noted that federal fiscal and monetary policy could also impact the state's revenue projections including: new tax reductions and infrastructure spending that could stimulate the economy, and whether or not the federal deficit grows causing interest rates to rise and offset the fiscal policy stimulus.

Over the next few weeks, we will continue to get a better sense of the budget negotiations between the legislature and the Governor's office

Let me know if you have any questions.

Have a great week.

Regards,

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