

## 2012 LEGISLATIVE REPORT

As of this writing the Arizona Legislature is nearing the completion point of its 2012 session. During this session the Arizona Builders' Alliance tracked about 25 bills that have impact on the commercial construction industry. The ABA is a trade association representing the commercial construction industry. Our members include general contractors, subcontractors, suppliers and service firms. The ABA's Legislative Committee reviews each of these bills, evaluates the impact on the industry and makes a recommendation to our Board of Directors regarding a position on each bill. Most of these bills have already fallen by the wayside. Here is a list of bills that are still moving through the process, a short synopsis of each and the ABA's position on that bill.

HB 2830 - energy and water savings accounts - ABA asked for this bill's introduction and strongly supports its passage. It would extend the current law allowing K-12 schools to engage in energy efficiency contracts. It would also extend this ability to the rest of state and local government. Passage of HB 2830 would conserve natural resources, reduce the utility bills of public agencies and create private sector jobs. This bill has passed the Legislature and been signed into law by the Governor.

HB 2123 - transaction privilege tax reform committee - We are watching this bill without taking a position. If passed it would create a transaction privilege tax review committee. That committee may look at the TPT on prime contracting. Should that occur the ABA will intervene to be sure members of the committee have an historic understanding of the tax's history and how it's implemented in contracting. HB 2123 passed the Legislature and was signed into law by the Governor.

HB 2405 - schools; bonded indebtedness; temporary increase - ABA supports this measure which would allow school districts to temporarily raise the rate on property taxes. This would offset the lack of state funding for new school construction and the impact of declining residential property values. HB 2405 is awaiting final vote on the floor of the Senate.

SB 1442 - prime contracting; manufacturing facilities; infrastructure - ABA supports this legislation which would divert sales tax dollars from the construction of large manufacturing facilities to pay for the off-site improvements created by those facilities. Awaiting final vote on the floor of the House.

HB 2495 - Local County Preferences - This bill would allow local counties to give a preference in bidding to businesses that have a home office in that county. The Arizona Builders' Alliance opposing local contractor preference laws as being fundamentally anti-free enterprise, not solving any problem and open to abuse and inconsistency.