



Arizona Pest Professional Organization Legislative Update January 12, 2018

Dear Supporter:

Welcome back! The 53rd Legislature, 2nd Regular Session officially commenced on Monday. Already since Monday, 575 bills have been introduced by lawmakers. While that number may seem staggering, it likely only represents half of the total bills that will be introduced this year! Over the course of the session, we will be monitoring any new bills introduced that have a direct or indirect impact on AZPPO, and will provide timely status updates on an as needed basis.

On Monday, before a joint session between the House of Representatives and the Senate, Governor Doug Ducey announced his policy priorities for the year during his annual [state-of-the-state address](#). Those policy priorities include:

- Investment in K-12 education
- Combating the opioid crisis
- Protecting Arizona's future water supplies
- Continuing to reduce regulations
- Protecting children's healthcare
- Reducing recidivism rates

Following up on his address, the Governor released his preliminary [budget](#) this afternoon that includes a record \$10.1 billion spending plan, bringing spending to pre-recession levels. Under the governor's plan, spending will grow by 3.2% while maintaining a structural surplus of \$5 million and an ending cash balance of \$67 million.

The budget includes \$159 million in new spending for new initiatives with nearly eighty percent going to K-12 education. The \$100 million in new, permanent per-pupil funding is part of the Governor's plan to restore \$371 million of recession-era cuts to education over five years. Other new spending initiatives include:

K-12 Education

- \$100 million for additional assistance
- \$34 million for teacher salary increase
- \$5.3 million for IT
- \$10 million for other programs

Universities

- \$8 million for additional investment

Child Safety

- \$8.8 million for adoption services

Public Safety

- \$2.9 million for Border Strike Force
- \$1.4 million for wrong way driving patrol

As far as AZPPO, we are currently monitoring [HB2145 \(TPT; services; tuition surcharge\)](#) related to taxation of services introduced by Rep. Mark Cardenas (D-Phoenix). The service tax debate is not a new debate at the legislature, but it continues to be a non-starter. The bill includes a number of service industries, including structural pest control, that would be subject to the new service tax. HB2145 has been introduced by a member of the minority party, and will likely not even receive a committee hearing.

Let me know if you have any questions.

Regards,

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