**LEGISLATURE IN FINAL SPRINT TO ADJOURN**

**APRIL 3RD, 2014**

Members of the Arizona State Legislature are grinding their way to final adjournment of the 2014 Legislative session. As always, next year’s state budget is the driving force of the schedule. About 300 bills are stacked in an intentional logjam created in both chambers. The intentional delay of those bills creates negotiating items that often facilitate the final agreement on the budget.

One hotly debated issue remaining is the possible takeover of construction inspections by Federal OSHA. The Feds have threatened this action since Arizona passed a residential fall protection law in 2012. That law raised the fall protection threshold from 6 feet up to 15 feet on single-family residential projects. The standard for full fall protection in commercial and industrial construction has been 6 feet for several years. This change was done at the request of the Central Arizona Homebuilders Association.

On March 28th Federal OSHA delivered a “show cause” letter to the Industrial Commission of Arizona advising the State that Arizona’s fall protection standard is “not as effective” and asking for written response from the State by April 28th. This is the first step of the process that ends with a Federal takeover.

ABA has been aggressively pursuing amendment to the existing law while trying to broker discussion and agreement among all the effected parties. As of early April, legislators and other members of the business community were beginning to grasp the issue and push for the necessary changes.

Other issues still under consideration include:

* HB 2288 – allows for reduced TPT reporting for firms/individuals with minimal reportable volumes.
* HB 2487 – allow voluntary of reporting by insurance companies discovering improper classification of employees as independent contractors.
* SB 1103 – Continues the existence of the Registrar of Contractors.
* SB 1160 – Prohibits the Registrar of investigating the tax history of license applicants.

In the City of Tempe, ABA has stepped in to oppose a “best value” procurement proposal from the Arizona Building Trades unions. The proposal would require the City to consider a number of issues in the award of public works construction contracts. The Building Trades proposal range from questionable to blatantly illegal and include items such as:

* Price as part of the qualification for CMAR awards.
* Scoring worker wages and benefits for subcontracts that have not yet been contracted.
* The City approving apprenticeship programs in addition to the State and Federal agencies. The language assures only union apprenticeship programs could be approved.
* 10% apprenticeship requirement and an additional mandatory 1% fee on payroll.

Thanks to all the ABA members who have helped with various issues during the session. Many members have written their legislators and spent time in meetings at the Capital and the ABA offices. Those efforts will help us succeed on these issues and other in the future.