



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature  
First Regular Session

Senate: COM DP 9-0-0-0 | 3<sup>rd</sup> Read 29-0-1-0

House: COM DP 8-1-0-1 | 3<sup>rd</sup> Read 59-1-0-0

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## **SB 1218: nonhealth professions; occupations; regulations.**

**Sponsor: Senator Pace, LD 25**

**Transmitted to the Governor**

### **Overview**

Modifies the factors to be considered by a legislative committee of reference (COR) during both initial consideration of occupational regulations and sunset reviews of agencies which administer occupational regulations.

### **History**

A profession or occupation may only be regulated to protect the public interest. Nonhealth professions may only be regulated if all the following apply to that profession:

- 1) An unregulated practice can clearly harm the public health, safety or welfare;
- 2) The public benefit clearly exceeds the costs imposed on consumers, businesses and individuals; and
- 3) The public needs and can be expected to benefit from assuring professional ability and cannot be protected by private certification or other alternatives ([A.R.S. § 32-4401](#)).

Each standing committee of the House of Representatives and Senate makes up a COR, which is empowered to review sunset reports of state agencies ([A.R.S. § 41-2954](#)).

### **Provisions**

1. Requires a COR to consider, in determining the need for continuation or termination of an agency, the agency's ability to timely investigate and resolve complaints under its jurisdiction. (Sec. 1)
2. Directs each COR that reviews an agency that administers occupational regulations to consider, in determining the need for continuing or terminating the agency, the extent to which:
  - a) The occupational regulation meets specified requirements; and
  - b) Failure to regulate a profession or an occupation will result in:
    - i. Loss of insurance;
    - ii. An impact to the ability to practice in other states or as required by federal law;
    - iii. An impact to required licensure or registration with the federal government; and
    - iv. The loss of constitutionally afforded practices. (Sec. 1)
3. Stipulates if a COR reviews a state agency that administers an occupation regulation the COR must recommend the Legislature:
  - a) Repeal the occupational license;
  - b) Convert the occupational license to a less restrictive regulation; or
  - c) Instruct the state agency to seek legislation or adopt rules that reflect the COR's recommendation. (Sec. 1)
4. Prohibits occupational regulation from being imposed for the exclusive purpose of protecting a profession from economic competition. (Sec. 5)

5. Extends, from all *proposed legislation* to all *regulation*, the applicability of first-time reviews for occupational regulations. (Sec. 5)
6. Modifies the criteria that must be met during first-time reviews in determining if a profession or occupation must be regulated to include:
  - a) Credible evidence of harm that an unregulated practice threatens public health, safety or welfare in Arizona;
  - b) Need and reasonable expectation to benefit from government regulation; and
  - c) Inability of the public to be effectively protected by less restrictive regulations. (Sec. 5)
7. Removes the requirement that a COR must examine data evidencing actual harm to the public resulting from the industry being considered for regulation. (Sec. 5)
8. Allows a COR to consider information from state agencies and others with knowledge of the occupation or labor-market economics when evaluating criteria for occupational regulation. (Sec. 5)
9. Directs the COR to provide findings and recommendations to the relevant standing committee, which must address the appropriate type of regulation, scope of practice, and the impacts of a failure to regulate the occupation. (Sec. 5)
10. Specifies the criteria for evaluating the need for occupational regulations do not preempt federal regulations or require a private organization to grant or deny private certifications. (Sec. 5)
11. Defines *government certification, government registration, lawful occupation, less restrictive regulation, occupational or professional license, occupational regulation, personal qualifications* and *private certification*. (Sec. 4)
12. Transfers statute relating to regulation of nonhealth professions and occupations from Title 32 Professions and Occupations to Title 41 State Government. (Sec. 2, 3)
13. Makes technical and conforming changes. (Sec. 1, 5, 6)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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