



DOUGLAS A. DUCEY  
GOVERNOR

STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

May 16, 2018

The Honorable Michele Reagan  
Secretary of State  
1700 W. Washington, 7<sup>th</sup> Floor  
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2<sup>nd</sup> Regular Session, which I signed on May 16, 2018:

- HB 2088 pupils; concussions; parental notification (Carter)
- HB 2197 health professionals; workforce data (Carter)
- HB 2209 internet protocol; corporation commission (Grantham)
- HB 2212 firearm possession; peace officers; definition (Thorpe)
- HB 2235 dental therapy; regulation; licensure (Thorpe)
- HB 2253 schools; exchange teachers; employment duration (Carter)
- HB 2307 scrap vehicles; sales (Campbell)
- HB 2310 underground storage tanks; reimbursement claims (Bowers)
- HB 2324 community health workers; voluntary certification (Carter)
- HB 2356 juvenile court; jurisdiction; age (Bowers)
- HB 2383 HOV lanes; emergency vehicles (Clodfelter)
- HB 2384 unlawful flight; vehicle impoundment (Clodfelter)
- HB 2414 state employee health plan; incentives (Kern)
- HB 2416 appropriation; study; prime contracting classification (Cobb)
- HB 2422 personal delivery devices (Townsend)
- HB 2455 commercial vehicles definition; driver licenses (Cook)
- HB 2510 auto dealers; task force; fund (John)

HB 2520 schools; reading requirement (Coleman)  
HB 2522 traffic violations; penalties (Syms)  
HB 2526 career technical education districts (Clodfelter)  
HB 2527 ticket surcharge; public safety equipment (Clodfelter)  
HB 2529 assisted living; referrals; disclosure (Campbell)  
HB 2532 occupational regulation; municipalities; counties; hearings (Payne)  
HB 2534 teachers; certification requirements (Carter)  
HB 2538 U.S. House vacancy; special election (Coleman)  
HB 2564 court fees; EORP; state contribution (Livingston)  
HB 2589 department of gaming omnibus (Cook)  
HB 2596 property taxes; procedures; abatement (Toma)  
HB 2648 ballot measures; paid circulator definition (Leach)  
HB 2649 public meetings; recordings; posting; definition (Grantham)  
HB 2650 commercial license; defensive driving school (Toma)  
HB 2651 landlord tenant; security deposits (Toma)  
HB 2652 electric bicycles; definition; use (Allen, J.)  
HB 2653 expenditure limitation; waiver of penalties (Cobb)  
HB 2654 illegal substances education; partnership (Thorpe)  
HB 2655 real estate licenses; online classes (Mosley)  
HB 2656 electronic wills and trusts (Leach)  
HB 2657 interscholastic activities; health dangers; information (Carter)  
SB 1039 appropriation; Arizona water protection fund (Griffin)  
SB 1140 certificates of authority; video service (Griffin)  
SB 1167 merit council; law enforcement qualifications (Griffin)  
SB 1181 corporation commission; railway safety inspectors (Griffin)  
SB 1245 appropriation; SNAP; benefit match; produce (Brophy McGee)  
SB 1254 school district consolidation (Allen, S.)  
SB 1271 construction liability; apportionment; study (Fann)  
SB 1273 administrative proceedings; rules; contested cases (Petersen)  
SB 1293 department of revenue; administrative efficiency (Farnsworth, D.)  
SB 1296 government communications; emergency response interpreters (Bowie)  
SB 1398 unemployment; return-to-work program; suitable work (Smith)  
SB 1409 TPT; prime contracting; alteration; replacement (Fann)  
SB 1476 county sheriff; reentry planning; appropriation (Gray)  
SB 1478 employer contributions; EORP (Fann)  
SB 1496 prisoners; drug sentences; out-of-custody treatment (Smith)  
SB 1498 AZPOST; membership; training; AMBER alert (Smith)

SB 1504 developmental disability rates; appropriation (Smith)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive style with a large initial 'D'.

Douglas A. Ducey  
Governor  
State of Arizona

cc: Senate Secretary  
Chief Clerk of the House of Representatives  
Arizona News Service

House Engrossed Senate Bill

**FILED**

**MICHELE REAGAN**

**SECRETARY OF STATE**

State of Arizona  
Senate  
Fifty-third Legislature  
Second Regular Session  
2018

**CHAPTER 340**

# **SENATE BILL 1398**

AN ACT

AMENDING TITLE 23, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 23-771.02; AMENDING SECTION 23-776, ARIZONA REVISED  
STATUTES; RELATING TO EMPLOYMENT SECURITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 23, chapter 4, article 6, Arizona Revised  
3 Statutes, is amended by adding section 23-771.02, to read:

4 23-771.02. Training program

5 A. THE DEPARTMENT SHALL ESTABLISH A TRAINING PROGRAM TO PROVIDE A  
6 STRUCTURED, SUPERVISED TRAINING OPPORTUNITY TO INDIVIDUALS THROUGH  
7 EMPLOYERS THAT VOLUNTEER TO PARTICIPATE IN THE PROGRAM. THE TRAINING  
8 PROGRAM MAY BE A DEPARTMENT-APPROVED OR A UNITED STATES DEPARTMENT OF  
9 LABOR-APPROVED APPRENTICESHIP PROGRAM. THE PROGRAM MAY OFFER COMPENSATED  
10 AND NONCOMPENSATED TRAINING OPPORTUNITIES TO INDIVIDUALS PARTICIPATING IN  
11 THE PROGRAM. AN INDIVIDUAL IN THE PROGRAM SHALL BE AT LEAST EIGHTEEN  
12 YEARS OF AGE AND SHALL REGISTER WITH THE DEPARTMENT.

13 B. INDIVIDUALS MAY PARTICIPATE IN THE PROGRAM ON A VOLUNTARY BASIS.  
14 INDIVIDUALS WHO PARTICIPATE IN THE PROGRAM AND WHO ARE NOT RECEIVING  
15 COMPENSATION MAY CONTINUE TO RECEIVE UNEMPLOYMENT COMPENSATION BENEFITS,  
16 IF ELIGIBLE, PURSUANT TO SECTION 23-771.01, SUBSECTION A, PARAGRAPH 2.

17 C. AN EMPLOYER THAT PARTICIPATES IN THE PROGRAM MUST:

18 1. HAVE EMPLOYEES IN THIS STATE.

19 2. HAVE AT LEAST ONE FULL-TIME EMPLOYMENT POSITION AVAILABLE IN  
20 THIS STATE.

21 3. PROVIDE TRAINING OPPORTUNITIES THAT BENEFIT AN INDIVIDUAL WHO  
22 PARTICIPATES IN THE PROGRAM AND NOTIFY THE DEPARTMENT WHEN THE EMPLOYER  
23 OFFERS AN INDIVIDUAL A TRAINING OPPORTUNITY UNDER THE PROGRAM.

24 4. SIGN A WRITTEN AGREEMENT WITH EACH INDIVIDUAL WHO PARTICIPATES  
25 IN THE PROGRAM THAT SETS FORTH THE TERMS OF THE TRAINING.

26 5. AGREE THAT THE EMPLOYER'S CURRENT EMPLOYEES WILL NOT BE  
27 DISPLACED OR LOSE ANY PROMOTION RIGHTS DUE TO AN INDIVIDUAL'S  
28 PARTICIPATION IN THE PROGRAM.

29 6. PROVIDE ANY ADDITIONAL INFORMATION THAT RELATES TO THE JOB  
30 TRAINING THAT THE DEPARTMENT REQUESTS.

31 D. AN INDIVIDUAL WHO PARTICIPATES IN THE PROGRAM MUST:

32 1. BE CURRENTLY RECEIVING OR BE ELIGIBLE TO RECEIVE UNEMPLOYMENT  
33 COMPENSATION BENEFITS, PURSUANT TO SECTION 23-771.01, SUBSECTION A,  
34 PARAGRAPH 2.

35 2. BE WILLING TO DEVELOP NEW SKILLS OR WORK EXPERIENCE.

36 3. CONTINUE TO SEEK WORK UNLESS OTHERWISE EXEMPT, PURSUANT TO  
37 SECTION 23-771.01, SUBSECTION A, PARAGRAPH 2.

38 4. CERTIFY TO THE DEPARTMENT THAT THE INDIVIDUAL UNDERSTANDS THAT  
39 PARTICIPATING IN THE PROGRAM DOES NOT GUARANTEE THE INDIVIDUAL ANY FUTURE  
40 EMPLOYMENT OR EXPECTATIONS OF BEING HIRED BY THE EMPLOYER.

41 5. ATTEND A MANDATORY PROGRAM ORIENTATION THAT THE DEPARTMENT  
42 CONDUCTS.

43 6. PROVIDE ANY INFORMATION THAT THE DEPARTMENT REQUESTS.

1           Sec. 2. Section 23-776, Arizona Revised Statutes, is amended to  
2 read:

3           23-776. Disqualification from benefits for failure to accept  
4                   suitable work or actively seek work; exceptions

5           A. An individual shall be disqualified for benefits if the  
6 department finds the individual has failed without cause either to apply  
7 for available, suitable work, when so directed by the employment office or  
8 the department, to actively engage in seeking work, to accept suitable  
9 work when offered, or to return to the individual's customary  
10 self-employment when so directed by the department. The disqualification  
11 shall begin with the week in which the failure occurred and shall continue  
12 for the duration of the individual's unemployment and until the individual  
13 has earned wages in an amount equivalent to eight times the individual's  
14 weekly benefit amount otherwise payable.

15           B. In determining whether or not work is suitable for an  
16 individual: —

17           1. DURING THE FIRST FOUR WEEKS OF A BENEFIT PERIOD, the department  
18 shall consider the degree of risk involved to the individual's health,  
19 safety and morals, the individual's physical fitness and prior training,  
20 the individual's experience and prior earnings, the individual's length of  
21 unemployment and prospects for securing local work in the individual's  
22 customary occupation and the distance of the available work from the  
23 individual's residence.

24           2. AFTER THE FIRST FOUR WEEKS OF A BENEFIT PERIOD, THE DEPARTMENT  
25 SHALL CONSIDER ANY EMPLOYMENT OFFER THAT PAYS ONE HUNDRED TWENTY PERCENT  
26 OF THE INDIVIDUAL'S WEEKLY BENEFIT AMOUNT TO BE SUITABLE WORK.

27           C. Notwithstanding any other provisions of this chapter, work shall  
28 not be deemed suitable and benefits shall not be denied under this chapter  
29 to an otherwise eligible individual for refusing to accept new work under  
30 any of the following conditions:

31           1. The position offered is vacant due directly to a strike, lockout  
32 or other labor dispute.

33           2. The wages, hours or other conditions of the work offered are  
34 substantially less favorable to the individual than those prevailing for  
35 similar work in the locality.

36           3. As a condition of being employed the individual would be  
37 required to join a company union or to resign from or refrain from joining  
38 a bona fide labor organization.

39           D. An individual is considered to have refused an offer of suitable  
40 work under subsection A of this section if an offer of work is withdrawn  
41 by an employer after an individual either:

42           1. Tests positive for drugs after a drug test given pursuant to  
43 chapter 2, article 14 of this title by or on behalf of a prospective  
44 employer as a condition of an offer of employment.

1           2. Refuses, without good cause, to submit to a drug test that is  
2 required by a prospective employer as a condition of an offer of  
3 employment.

4           Sec. 3. Department of economic security; exemption from  
5                                   rulemaking

6           For the purposes of implementing section 23-771.02, Arizona Revised  
7 Statutes, as added by this act, the department of economic security is  
8 exempt from the rulemaking requirements of title 41, chapter 6, Arizona  
9 Revised Statutes, for one year after the effective date of this act.

**APPROVED BY THE GOVERNOR MAY 16, 2018**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 16, 2018**

Passed the House April 11, 20 18,

Passed the Senate March 1, 20 18,

by the following vote: 34 Ayes,

by the following vote: 21 Ayes,

24 Nays, 2 Not Voting

9 Nays, 0 Not Voting

[Signature]  
Speaker of the House  
*Pro Tempore*

[Signature]  
President of the Senate

[Signature]  
Chief Clerk of the House

[Signature]  
Secretary of the Senate

~~EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR~~

~~This Bill was received by the Governor this~~

~~\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary to the Governor~~

~~Approved this \_\_\_\_\_ day of~~

~~\_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Governor of Arizona~~

~~EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE~~

~~This Bill was received by the Secretary of State~~

~~this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary of State~~

S.B. 1398

SENATE CONCURS IN HOUSE  
AMENDMENTS AND FINAL PASSAGE

Passed the Senate May 2, 20 18

by the following vote: 17 Ayes,

13 Nays, 0 Not Voting

[Signature]  
President of the Senate

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

2<sup>nd</sup> day of May, 20 18

at 1:00 o'clock P. M.

[Signature]  
Secretary to the Governor

Approved this 16<sup>th</sup> day of

May 2018

at 9:34 o'clock A. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 16 day of May, 20 18

at 4:34 o'clock P. M.

[Signature]  
Secretary of State

S.B. 1398