ARIZONA HOUSE OF REPRESENTATIVES Fifty-sixth Legislature - Second Regular Session

CAUCUS AGENDA

April 02, 2024

Bill Number	Short Title	Committee	Date	Action		
Blue Sheet #3						
Blue Sheet #4						
Blue Sheet #5						
	Education verly Pingerelli, LD ase Houser	28	Vice Chairman: Intern:	David Marshall, Ryan Potts	Sr., LD 7	
SB 1039(BSI)		dary education; board; continuation				
SPONSOR:	BENNETT, LD 1	ED	2/27/2024	DP	(10-0-0-0)	
Chairman: Ste	Health & Human eve Montenegro, LD ahna Graham		Vice Chairman: Intern:	Barbara Parker, LD 10 Kayla Thackeray		
<u>SB 1254_(BSI)</u>	nursing care; assis	sted living; cont	tinuation			
SPONSOR:	SHOPE, LD 16	HHS (No: PARKEF	3/18/2024 R B)	DP	(9-1-0-0)	
SB 1255 _(BSI)	physical therapy board; continuation					
SPONSOR:	SHOPE, LD 16	HHS (No: PARKEF	3/18/2024 R B Abs: CONTREI	DP RAS P, WILLOUG	(7-1-0-2) iHBY)	
<u>SB 1256(BSI)</u>	pioneers' home; m	niners' hospital;	continuation			
SPUNSOR:	SHOPE, LD 16	HHS (No: PARKEF	3/18/2024 R B Abs: WILLOUG	DP GHBY)	(8-1-0-1)	
<u>SB 1258(BSI)</u>		board; continuation				
SPONSOR:	SHOPE, LD 16	HHS (No: PARKEF	3/18/2024 R B, PINGERELLI /	DP Abs: BLISS, GRES	(6-2-0-2) SS)	

SPONSOR:		ersight; data; documentation.					
		HHS (Abs: GRESS	3/11/2024 ;)	DP	(9-0-0-1)		
Committee on Land, AgricultureChairman:Lupe Diaz, LD 19Analyst:Emily Bonner		e & Rural Af		Michele Peña, Ll	D 23		
SPONSOR:		otection council; continuation					
		LARA	3/11/2024	DP	(9-0-0-0)		
SPONSOR:		s; electronic means					
		LARA (Abs: COOK I	3/18/2024 Present: GRIFFIN,	DP HERNANDEZ L, S	(5-0-3-1) SANDOVAL)		
Committee on Natural Resources, Energy & WaterChairman:Gail Griffin, LD 19Vice Chairman:Austin Smith, LD 29Analyst:Emily BonnerIntern:							
SPONSOR:	•	thority; continuation					
	NENN, ED 23	NREW (No: MCGAR)	3/5/2024 R, PARKER B, SM	DP ITH)	(7-3-0-0)		



Fifty-sixth Legislature Second Regular Session

Senate: ED DP 7-0-0-0 | 3rd Read 27-2-1-0 House: ED DP 10-0-0-0

<u>SB 1039</u>: private postsecondary education; board; continuation Sponsor: Senator Bennett, LD 1 Caucus & COW

Overview

Continues the State Board for Private Postsecondary Education (Board) for eight years.

History

The Board is responsible for licensing and regulating private postsecondary education institutions that offer vocational and degree programs. Specific powers and duties of the Board include: 1) establishing minimum standards for private vocational program licensure; 2) reviewing applications for private vocational program licenses and licenses to grant degrees; and 3) investigating complaints against license holders. The Board also administers the Student Tuition Recovery Fund to provide relief to individuals who are affected by the closure of a private postsecondary education institution.

The Board consists of seven members: five members who hold an executive or managerial position at private educational institutions that offer vocational programs or degrees as prescribed and two members who are Arizona citizens and have been involved in the commerce industry for at least three years. All Board members are appointed by the Governor and confirmed by the Senate to serve four-year terms (<u>A.R.S. Title</u> <u>32, Chapter 30</u>).

The Board is set to terminate on July 1, 2024 (<u>A.R.S. § 41-3024.24</u>). The House of Representatives Education Committee of Reference (COR) and Senate Education COR met jointly on December 6, 2023 to conduct a review the Board and recommended that the Board be continued for 10 years (<u>House and Senate Education</u> <u>COR Report</u>).

- 1. Continues, retroactive to July 1, 2024, the Board until July 1, 2032. (Sec 2, 4)
- 2. Repeals the Board on January 1, 2033. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)
- 4. Makes a conforming change. (Sec. 1)



Fifty-sixth Legislature Second Regular Session Senate: HHS DP 7-0-0-0 | 3rd Read 24-5-1-0 House: HHS DP 9-1-0-0

<u>SB 1254</u>: nursing care; assisted living; continuation Sponsor: Senator Shope, LD 16 Caucus & COW

Overview

Continues the Arizona State Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers (NCIA Board) for 8 years. Tasks the NCIA Board, the Arizona Department of Health Services (DHS) and the Arizona Health Care Cost Containment System (AHCCCS) with collaborating on updating training standards and programs for caregivers, assisted living facility managers and nursing care institution administrators by June 15, 2026.

<u>History</u>

The NCIA Board was created to regulate nursing care institution administrators and assisted living facility managers in Arizona. Responsibilities of the NCIA Board include: 1) adopting rules for licensing and certifying qualified applicants; 2) conducting examinations to determine applicant qualification; 3) adopting application, certification and examination fees; 4) conducting investigations or administrative hearings in response to complaints; 5) prescribing standards for assisted living facility training programs; and 6) reporting to the Legislature (A.R.S. § 36-446.03).

The NCIA Board consists of 11 members appointed by the Governor including: 1) one administrator who holds an active license in nursing care institution administration; 2) one manager who holds an active license in assisted living facility management; 3) one administrator of a nonprofit or faith-based skilled nursing facility; 4) one administrator of a proprietary skilled nursing facility; 5) two managers of an assisted living center; 6) one manager of an assisted living facility; 8) one public members who are not affiliated with a nursing care institution or an assisted living facility; 8) one public member who represents an organization that advocates for the elderly; and 9) one person who is a family member of a resident in either a skilled nursing facility or an assisted living facility at the time the person is appointed to the NCIA Board. Members are appointed to two-year terms for members not affiliated with a nursing care institution or an assisted living facility. Members may not serve more than two consecutive terms (A.R.S. § 36-446.02).

The Senate Health and Human Services and House Health & Human Services Committees of Reference met jointly on January 11, 2024, to conduct a review of the NCIA Board. Both Committees of Reference recommended the NCIA Board be continued for eight years (<u>COR Report</u>).

- 1. Continues, retroactive to July 1, 2024, the NCIA Board until July 1, 2032. (Sec. 2, 5)
- 2. Repeals the NCIA Board on January 1, 2033. (Sec. 2)
- 3. Directs the NCIA Board, DHS and AHCCCS by June 15, 2026, to:
 - a) collaborate to update the caregiver, assisted living facility manager and nursing care institution administrator training standards, training programs and training program oversight;
 - b) form an advisory workgroup to inform the NCIA Board and agencies' efforts; and

- c) recommend the appropriate board or agency to oversee the training standards, training program approval, training program oversight and a date for the implementation. (Sec. 3)
- 4. Contains a purpose statement. (Sec. 4)
- 5. Makes a conforming change. (Sec. 1)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note



Fifty-sixth Legislature Second Regular Session Senate: HHS DP 7-0-0-0 | 3rd Read 24-6-0-0 House: HHS DP 7-1-0-2

<u>SB 1255</u>: physical therapy board; continuation Sponsor: Senator Shope, LD 16 Caucus & COW

<u>Overview</u>

Continues the Arizona Board of Physical Therapy (Board) for 8 years.

<u>History</u>

Laws 1952, Chapter 36 created the Board to regulate the practice of physical therapy in Arizona, certify qualified applicants and take enforcement action and disciplinary action as necessary. Board responsibilities include: 1) evaluating, licensing and certifying qualified applicants; 2) providing national examinations and determining passing scores for physical therapists and physical therapist assistants; 3) establishing mechanisms to assess continued professional competence of physical therapists and physical therapists and physical therapist assistants; 4) maintaining a current list of all persons regulated by the board; 5) publishing final disciplinary actions taken against a licensee or certificate holder; 6) entering into contracts for services as necessary to carry out the Board's duties; and 7) providing information to the public regarding the board, its processes and consumer rights (A.R.S. § 32-2003).

The Board consists of seven members appointed by the Governor to staggered four-year terms. Members may not serve more than two successive terms or for more than ten consecutive years. The Board is required to meet at least once per quarter (A.R.S. §§ <u>32-2002</u> and <u>32-2003</u>).

The Senate Health and Human Services and House Health & Human Services Committees of Reference met jointly on January 11, 2024, to conduct a review of the Board. Both Committees of Reference recommended the Board be continued for eight years (<u>COR Report</u>).

- 1. Continues, retroactive to July 1, 2024, the Board until July 1, 2032. (Sec. 2, 4)
- 2. Repeals the Board on January 1, 2033. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)
- 4. Makes a conforming change. (Sec. 1)



Fifty-sixth Legislature Second Regular Session

Senate: HHS DP 7-0-0-0 | 3rd Read 23-5-2-0 House: HHS DP 8-1-0-1

<u>SB 1256</u>: pioneers' home; miners' hospital; continuation Sponsor: Senator Shope, LD 16 Caucus & COW

<u>Overview</u>

Continues the Arizona Pioneers' Home and the State Hospital for Miners with Disabilities (Pioneers' Home) for 8 years.

<u>History</u>

<u>The Pioneers' Home</u> was established in 1909 by the territorial government of Arizona. The mission of the Pioneers' Home is to deliver physical, emotional and spiritual care in a homelike and compassionate environment through the following strategic priorities: 1) providing quality care and resident services that exceed the best practice standards for assisted living facilities; 2) building a culture of highly engaged employees; 3) optimizing communication and marketing to increase awareness, partnerships and admission; 4) increasing efficiency and effectiveness of operations; and 5) ensuring restoration and preservation of the Pioneers' Home. Statute requires that the Pioneers' Home be maintained at or near Prescott, Arizona and that it be overseen by a superintendent, appointed by the Governor (A.R.S. §§ <u>41-921</u> and <u>41-922</u>).

The Senate Health and Human Services and House Health & Human Services Committees of Reference met jointly on January 11, 2024, to conduct a review of the Home. Both Committees of Reference recommended the Pioneers' Home be continued for eight years (<u>COR Report</u>).

- 1. Continues, retroactive to July 1, 2024, the Pioneers' Home until July 1, 2032. (Sec. 2, 4)
- 2. Repeals the Pioneers' Home on January 1, 2033. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)
- 4. Makes a conforming change. (Sec. 1)



Fifty-sixth Legislature Second Regular Session

Senate: HHS DP 6-0-1-0 | 3rd Read 24-4-2-0 House: HHS DP 6-2-0-2

<u>SB 1258</u>: foster care review board; continuation Sponsor: Senator Shope, LD 16 Caucus & COW

<u>Overview</u>

Continues the Arizona Foster Care Review Board (FCRB) for 4 years and establishes reporting requirements.

<u>History</u>

Established in the Arizona Supreme Court, FCRB was created in 1978 to advise the juvenile court on progress toward achieving a permanent home for children involved in a dependency case and in out-of-home care. FCRB consists of more than 123 local foster care review boards (local boards). FCRB is required to: 1) meet at least twice per year; 2) review and coordinate the activities of local boards; and 3) establish training programs for local board members which must include periodic in-service training. The board provides recommendations to the Arizona Supreme Court, Governor and Legislature regarding foster care statutes, policies and procedures.

A local board is established in each county for every 100 children placed in out-of-home care. The local boards are required to review the case of each child involved in a dependency action and in out-of-home care within six months of placement and every six months thereafter. (A.R.S. §§ <u>8-515.01</u>; <u>8-515.03</u>; <u>8-515.04</u>; and <u>AOC</u>).

The Senate Health and Human Services and House Health & Human Services Committees of Reference met jointly on January 19, 2024, to conduct a review of FCRB. Both Committees of Reference recommended that FCRB be continued for four years (<u>COR Report</u>).

Provisions

- 1. Continues, retroactive to July 1, 2024, the FCRB until July 1, 2028. (Sec. 3, 5)
- 2. Repeals the FCRB on January 1, 2029. (Sec. 3)
- 3. Requires FCRB to create an annual report that includes:
 - a) the number of times FCRB failed to submit reports to the juvenile court within a time frame that allows sufficient time for judicial review before a dependency hearing;
 - b) FCRB's progress in facilitating and increasing parent and foster parent attendance at local board reviews; and
 - c) the number of times FCRB failed to timely and accurately enter data about child dependency cases and local board reviews into the data system. (Sec. 1)
- 4. Requires FCRB to submit the annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives and the chairpersons of the Senate and House of Representatives Health and Human Services Committees, or their successor committees by November 1 of each year. (Sec. 1)
- 5. Requires FCRB to submit a copy of the annual report to the Secretary of State. (Sec. 1)
- 6. Contains a purpose statement. (Sec. 4)
- 7. Makes technical and conforming changes. (Sec. 1, 2)

 \Box Prop 105 (45 votes) \Box Prop 108 (40 votes) \Box Emergency (40 votes) \Box Fiscal Note



Fifty-sixth Legislature Second Regular Session Senate: HHS DPA 7-0-0-0 | 3rd Read 27-2-1-0 House: HHS DP 9-0-0-1

<u>SB 1311</u>: mental health; oversight; data; documentation. Sponsor: Senator Miranda, LD 11 Caucus & COW

Overview

Designates the Arizona Health Care Cost Containment System (AHCCCS) as the agency responsible for monitoring, overseeing and evaluating the regional behavioral health authorities (RBHAs) and contracted agencies that provide mental health services. Makes modifications to requirements and procedures regarding mental health prepetition screenings and court-ordered evaluations.

History

Established in 1981, AHCCCS is Arizona's Medicaid program that oversees contracted health plans for the delivery of health care to individuals and families who qualify for Medicaid and other medical assistance programs. Through contracted health plans across the state, AHCCCS delivers health care to qualifying individuals including low-income adults, their children or people with certain disabilities. Additionally, AHCCCS contracts with RHBAs to coordinate the delivery of mental health services in a geographically specific service area of the state for eligible individuals. Current statute outlines covered health and medical services offered to AHCCCS members (A.R.S. §§ <u>36-3401</u>, <u>36-3412</u>, and <u>36-2907</u>).

Any responsible individual may apply for a court-ordered evaluation of a person alleged to be, as a result of a mental disorder, a danger to self or to others or a person with a persistent or acute disability or a grave disability and who is unwilling or unable to undergo a voluntary evaluation. If the application is not acted on because it has been determined that the proposed patient does not need an evaluation, the agency after a period of six months must destroy the application and any other evidence of the application (A.R.S. § 36-520).

On receiving the application for evaluation, the screening agency, before filing a petition for court-ordered evaluation to provide prepetition screening within 48 hours when possible must determine: 1) whether there is reasonable cause to believe the allegations of the applicant for the court-ordered evaluation; 2) where the person will voluntarily receive evaluation at a scheduled time and place; and 3) whether the person has a persistent or acute disability or a grave disability or is likely to present a danger to self or others until the voluntary evaluation.

After the prepetition screening is completed the screening agency must prepare a report of its opinions and conclusions. If the prepetition screening report indicates that there exists no reasonable cause to believe the allegations of the applicant for court-ordered evaluation, it must be reviewed by the medical director of the screening agency or their designee $(A.R.S. \S 36-521)$.

Provisions

AHCCCS Mental Health Data and Reporting Requirements

- 1. Deems AHCCCS as the agency responsible for monitoring, overseeing and evaluating its contractors and contracted agencies that provide mental health services to ensure that services are provided in a timely, clinically effective and efficient manner. (Sec. 1)
- 2. Requires AHCCCS and its contractors to monitor the performance of agencies providing mental health services and to take corrective action, which may include technical assistance, imposing civil penalties, suspending and terminating contracts, if appropriate, for agencies found to:

- a. not be in compliance with county, state, or federal law or rule; or
- b. not be performing the services in a timely, effective and efficient manner. (Sec. 1)
- 3. Requires the AHCCCS Director to adopt rules, if necessary, and prescribe reporting requirements and standards for contractors and contracted agencies to collect, report and analyze information and data for the purpose of understanding the clinical effectiveness of mental health services provided by the various agencies. (Sec. 1)
- 4. Instructs AHCCCS to analyze the information and data collected semiannually and report annually to the Governor, President of the Senate and Speaker of the House of Representatives beginning December 31, 2025. (Sec. 1)
- 5. Specifies that the information and data must identify and measure clinical outcomes in the past year of members who have received a serious mental illness (SMI) designation, including all of the following:
 - a. the number of hospitalizations and rehospitalizations, the facilities where admissions occurred and the average length of stay by admitting diagnosis, for members for whom AHCCCS or its contractor is the primary payor;
 - b. the number and percentage of members with a mental health disorder and co-occurring substance use disorder diagnosis who were admitted, discharged and subsequently readmitted to an inpatient psychiatric facility within the preceding year, for members for whom AHCCCS or its contractor is the primary payor;
 - c. the number and percentage of members whose Title XIX enrollment is placed in a no-pay status in a given year due to the member's incarceration status, stratified by the number of times enrollment is suspended;
 - d. the number of members for whom AHCCCS or its contractor is notified of a release from incarceration or conducts reach-in services;
 - e. the number of member deaths, death rate and cause of death in the preceding year;
 - f. the number of members who are homeless, unsheltered or inadequately housed and for what period of time, as identified through homeless management information system data or other available sources identified by AHCCCS;
 - g. the number and percentage of members who have received court-ordered treatment, have requested and received the removal of an SMI designation, have received and are adherent to court-ordered treatment and did not receive a single behavioral health service;
 - h. the number of patients who have been discharged from the Arizona State Hospital and admitted to a contracted psychiatric hospital within the preceding year;
 - i. the number of members who have been evaluated for SMI eligibility determination, resulted in receiving a SMI designation and whose eligibility determination resulted in not receiving a SMI designation; and
 - j. the number of members who are also enrolled in Medicare and when the member's Medicare enrollment became known to AHCCCS separately reported by Title XIX and non-Title XIX members. (Sec. 1)
- 6. Adds that the information and data collected by AHCCCS must identify and measure clinical outcomes in the past year of members who have received a SMI, including the number of:
 - a. responses by the contracted crisis system that identify members with a SMI designation, including the number of:
 - i. crisis phone line calls received;
 - ii. mobile teams dispatched;
 - iii. members seen at psychiatric urgent care centers; and
 - iv. members with two or more distinct crisis system episodes; and
 - b. Title XIX members or non-Title XIX grant-funded members, separately delineated, who are:
 - i. admitted to a behavioral health residential facility (BHRF);
 - ii. discharged from a BHRF; or
 - iii. admitted to an inpatient psychiatric hospital within one year of discharge from a BHRF, for members for whom AHCCCS or its contractor is the primary payor. (Sec. 1)

- 7. Mandates that the AHCCCS mental health data collection and reporting be implemented by October 1, 2025. (Sec. 1)
- 8. Requires AHCCCS to file, with the Governor, President of the Senate and Speaker of the House of Representatives the following reports:
 - a. by December 31, 2024, an interim report that describes AHCCCS's plan to complete requirements associated with mental health data collection and reporting; and
 - b. by December 31, 2025, a final report confirming the implementation of all requirements. (Sec. 1)

AHCCCS and Stakeholder Recommendations Session Law Provisions

- 9. Tasks the AHCCCS Director with developing recommendations regarding opportunities to improve the availability and transparency of information related to members with a SMI designation, including how to facilitate the extraction of data in clinical records for reporting, including:
 - a. court-ordered screening, evaluation and treatment, including information about members whose court-ordered treatment is not renewed after completion, members receiving amendments to court-ordered treatment and members who were determined to be adherent or not adherent to court-ordered treatment;
 - b. the reasons that members with an SMI designation receiving services from AHCCCS or its contractors are discharged from inpatient psychiatric or residential services;
 - c. deaths in an incarcerated setting of individuals with a SMI designation, by manner of death; and
 - d. employment status of members with a SMI designation, by supported or not supported employment. (Sec. 8)
- 10. Requires the AHCCCS Director when developing recommendations to convene and seek the advice of a representative group of stakeholders. (Sec. 8)
- 11. Lists the type of stakeholders to be included in the development of these recommendations. (Sec. 8)
- 12. Requires AHCCCS, by October 1, 2025, to report to the Governor, the President of the Senate and the Speaker of the House of Representatives on the stakeholder recommendations, including any statutory changes necessary to improve the availability of information. (Sec. 8)
- 13. Repeals the AHCCCS and stakeholder recommendation session law provisions on July 1, 2026. (Sec. 8)

Mental Health Screening and Evaluation

- 14. Repeals the requirement that a screening agency destroy an application for a court-ordered evaluation that has not been acted on for six months. (Sec. 2)
- 15. Requires, if it is determined that a proposed patient does not need evaluation, a medical director of a screening agency or their designee to:
 - a. make a written statement of the reasons why the proposed patient does not need an evaluation; and
 - b. retain the application together with the medical director's statement and any records or report concerning prepetition screening. (Sec. 2)
- 16. Repeals the requirement that a screening agency consider whether there is reasonable cause to believe the allegations of the applicant for the court-ordered evaluation and instead requires the agency to consider whether the person is a danger to self or others as a result of a mental disorder. (Sec. 3)
- 17. Instructs a screening agency that denies an evaluation to state the denial in writing on the application form and include confirmation by the medical director of the agency or a designee. (Sec. 3)
- 18. Directs a screening agency to assist a proposed patient with finding specific evaluation or treatment services available, including direct referrals, if the person:
 - a. does not currently meet the criteria for court-ordered evaluation;
 - b. has reasonable grounds to believe that the person has a mental disorder;
 - c. is in need of further evaluation or treatment; and
 - d. is able and willing to pursue private or public evaluation or treatment services available to the person in the community. (Sec. 3)

- 19. Directs the medical director of a screening agency who determined that a person no longer needs an evaluation after a petition has already been prepared to:
 - a. make a written statement of the reasons why the evaluation was determined to be no longer necessary; and
 - b. retain the petition together with the medical director's statement. (Sec. 4)
- 20. Requires, if an application for emergency admission is denied, to be retained by the evaluation agency together with a written statement by the medical director of the evaluation agency or their designee stating the specific reasons why the application was denied. (Sec. 5)
- 21. Stipulates that an application for emergency admission must be retained after the admitted person has been released, together with a written statement by the medical director of the evaluation agency stating why the release was appropriate. (Sec. 6)
- 22. Directs the medical director of an evaluation agency, if a person being evaluated on an inpatient basis is released, to make a written statement on a form explaining why further evaluation was not appropriate and why release was appropriate. (Sec. 7)
- 23. Requires copies of written statements by evaluation agency medical directors explaining the release of a patient to be:
 - a. filed with the court that entered the order for evaluation;
 - b. filed as part of the court record; and
 - c. made a part of the patient's medical record. (Sec. 7)
- 24. Defines member. (Sec. 1 and 8)
- 25. Makes technical and conforming changes. (Sec. 1, 2 and 5)



Fifty-sixth Legislature Second Regular Session

Senate: NREW DP 6-0-1-0 | 3rd Read 22-7-1-0 House: LARA DP 9-0-0-0

<u>SB 1065</u>: cotton research protection council; continuation Sponsor: Senator Kerr, LD 25 Caucus & COW

Overview

Continues the Cotton Research and Protection Council (Council) for eight years.

<u>History</u>

The Council was established in 1984 to provide, maintain and monitor innovative technology and programs for the Arizona cotton industry (Council). The Council consists of nine active cotton producers appointed by the Governor and is tasked with accepting and awarding grants for research programs related to cotton protection and production. The Council can collaborate with various organizations, acquire and protect patents and work jointly with the state and federal governments for the benefit of the cotton industry (A.R.S. §§ 45-1082, 45-1083).

The Senate Natural Resources, Energy and Water and the House Land, Agriculture & Rural Affairs Committee of Reference held a public meeting on January 11, 2024, and recommended that the Council be continued for eight years. The Council terminates on July 1, 2024, unless continued by the Legislature (A.R.S. § 41-3024.07).

- 1. Continues the Council, retroactive to July 1, 2024, until July 1, 2032. (Sec. 2, 4)
- 2. Repeals the Council on July 1, 2033. (Sec. 2)
- 3. Contains a legislative intent clause. (Sec. 3)
- 4. Makes a conforming change. (Sec. 1)



Fifty-sixth Legislature Second Regular Session Senate: NREW DPA 5-1-1-0 | 3rd Read 27-1-2-0 House: LARA DP 5-0-3-1

<u>SB 1079</u>: state land auctions; electronic means Sponsor: Senator Kerr, LD 25 Caucus & COW

Overview

Allows the Arizona State Land Department (ASLD) to accept bids offered through electronic means during a public auction.

<u>History</u>

Current law outlines the process and conditions for the ASLD to sell state trust land. ASLD must give notice of the sale by advertisement, stating the time, place and terms of the sale and a full description of the land (A.R.S. \S 37-236).

A public auction must be held at the county seat of the county in which the land is located and a representative of ASLD must attend at the time and place fixed for the sale. Prospective bidders attend the auction in person and are required to show the ASLD representative a cashier's check made payable to the ASLD in the amount specified under the terms of sale agreement published for each auction. The representative proceeds by first announcing information relevant to the sale to begin the bidding process, then calling for bids and selling the lands for the highest and best bid (A.R.S. § 37-238).

Sales, leases or subleases of state lands must be made only to corporations or associations qualified to transact business in the state (A.R.S. § 37-240).

- 1. Allows ASLD to accept bids offered through electronic means during a public auction. (Sec. 1)
- 2. States that if ASLD accepts bids offered through electronic means, ASLD is not liable for the failure of: a. a person's electronic means that prevents the person from participating in the auction; or
 - b. the electronic means that is caused by an act of god or nature, a superior or overpowering force or an event or effect that cannot be reasonably anticipated or controlled during or directly preceding the public auction that prevents a person from participating in the public auction. (Sec. 1)
- 3. Prevents a person from filing an appeal based on an electronic means failure for which ASLD is not liable. (Sec. 1)
- 4. Requires ASLD, if it chooses to accept bids through electronic means, to include in a notice of sales of state lands a link or other instructions to access the electronic means through which a person can offer bids during the public auction. (Sec. 2)
- 5. Requires ASLD to adopt rules to prescribe the procedure, method and means for the sale of state lands, including rules for:
 - a. the sale of state lands through electronic means;
 - b. a requirement that any location where state lands are auctioned online includes internet access;
 - c. a method for persons to prove the person has sufficient monies to bid for a parcel before a public auction; and
 - d. ensuring a person is legally eligible to bid. (Sec. 3)
- 6. Requires ASLD to post a written report of a sale on the Department website. (Sec. 3)

- 7. Allows ASLD to conduct online auctions for the sale or lease of state lands or natural product only after rules are adopted. (Sec. 4)
- 8. Makes technical and conforming changes. (Sec. 1-3)

 \Box Prop 105 (45 votes) \Box Prop 108 (40 votes) \Box Emergency (40 votes) \Box Fiscal Note



Fifty-sixth Legislature Second Regular Session

Senate: NREW DP 5-0-2-0 | 3rd Read 24-5-1-0 House: NREW DP 7-3-0-0

<u>SB 1345</u>: Arizona power authority; continuation Sponsor: Senator Kerr, LD 25 Caucus & COW

Overview

Continues the Arizona Power Authority (APA) for eight years.

History

APA

In 1944, the Arizona Legislature established the APA as a result of the Boulder Canyon Project Act of 1928 that allocated a portion of power produced from the Boulder Canyon Project (Hoover Dam and Power Plant). In order to receive and distribute Arizona's share of hydroelectric power from the Hoover Dam, the APA may acquire or construct and operate electric transmission systems, standby or auxiliary plants and facilities and generate, store, produce, sell at wholesale, transmit and deliver such electric power to qualified purchasers (A.R.S. §§ <u>30-102</u>, <u>30-121</u>).

Sunset Review Process

The sunset review process provides a system for the Legislature to evaluate the need to continue the existence of state agencies which are reviewed by a legislative committee of reference (COR). The COR is required to hold a public hearing, receive testimony from agency officials and the public and consider certain sunset factors in determining whether to recommend continuing, consolidating or terminating the agency (A.R.S. § 41-2954).

The Senate Natural Resources, Energy and Water and the House Land, Agriculture & Rural Affairs COR held a public meeting on January 11, 2024 and recommended that the Legislature continue the APA for eight years. The APA terminates on July 1, 2024, unless continued by the Legislature (<u>A.R.S. § 41-3024.16</u>).

- 1. Continues, retroactive to July 1, 2024, the APA until July 1, 2032. (Sec. 1, 2, 4)
- 2. Repeals the APA on January 1, 2033, if the APA:
 - a. has no outstanding contractual obligations with the United States or any United States agency;
 - b. has no debts or obligations that were issued to finance the cost of the Hoover Power Plant Modifications Project, the Hoover Power Plant Uprating Project or other facilities related to the Boulder Canyon Project; and
 - c. has otherwise provided for paying or retiring these debts or obligations. (Sec 2)
- 3. Requires the APA continue until any existing contractual debt or obligation is fully satisfied. (Sec. 2)
- 4. Contains a purpose statement. (Sec. 3)