



STATE OF ARIZONA HOUSE OF REPRESENTATIVES

SUMMARY OF LEGISLATION

Forty-Eighth Legislature
Second Regular Session



Prepared by
Majority Research Staff
2008 Edition

PREPARED UNDER THE DIRECTION OF
THE HONORABLE JAMES P. WEIERS
SPEAKER OF THE HOUSE

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SECTION I

STATE GENERAL FUND AND OTHER FUND
APPROPRIATIONS
SUMMARY TABLES OF BILLS

State of Arizona
Forty-Eighth Legislature
Second Regular Session

TABLE 1
SUMMARY OF GENERAL FUND APPROPRIATIONS
FY 2008-09

BUDGET UNITS	Final FY 2008	General Appropriation Act - Individual Agency	FY 2008 Statewide	FY 2009 Statewide	Hiring Freeze	FY 2009 Additional Appropriations	Prior Year Statutory Appropriations	Prior Year Statutory Appropriations Changes	FY 2009 Approp Rpt Total
			Adjustments	Adjustments					
			Biennial Annualizations/ Utilities/Rent	Retirement/ IT Pro Rata Adjustments					
GENERAL GOVERNMENT									
Administration, AZ Department of	\$31,981,500	\$27,071,100	\$42,000	\$64,600	(\$68,100)				\$27,109,600
Administrative Hearings, Office of	1,284,500	1,209,400	80,000	300	(5,000)				1,284,700
Attorney General - Department of Law	24,271,600	20,532,900	2,489,600	27,500	(42,600)		100,000		23,107,400
Capital Postconviction Public Defender Ofc	720,800	856,700	16,200	100	(2,100)				870,900
Commerce, Department of	14,078,400	4,464,300	207,600	1,200	(19,900)		7,532,000	(4,800,000)	7,385,200
Equal Opportunity, Governor's Office of	249,200	232,200	18,000	100	(1,000)				249,300
Equalization, State Board of	656,000	639,500	19,400	200	(2,900)				656,200
Government Information Tech. Agency	1,399,900	3,455,800	0	100	(200)		500,000	(500,000)	3,455,700
Governor, Office of the	7,274,500	6,766,900	393,500	4,500	(28,900)				7,136,000
Gov's Ofc of Strategic Planning & Budgeting	2,244,200	2,094,200	113,200	600	(9,500)				2,198,500
Judiciary									
Supreme Court	17,890,100	17,426,600	0	3,000	(71,200)				17,358,400
Court of Appeals	14,082,800	13,953,800	0	3,600	(32,200)				13,925,200
Superior Court	94,894,700	95,140,000	0	5,400	(104,600)				95,040,800
SUBTOTAL - Judiciary	126,867,600	126,520,400	0	12,000	(208,000)	0	0	0	126,324,400
Legislature									
Auditor General	18,174,200	16,952,300	631,500	4,500	(85,700)				17,502,600
House of Representatives	13,855,200	13,236,700	421,700	46,400	(51,400)				13,653,400
Joint Legislative Budget Committee	2,938,400	2,796,500	92,300	700	(12,500)				2,877,000
Legislative Council	5,528,500	5,290,200	141,000	1,100	(17,600)				5,414,700
Library, Archives & Public Records, AZ	7,533,700	7,146,900	256,000	1,700	(25,700)				7,378,900
Senate	9,183,100	8,766,400	283,300	23,700	(37,200)				9,036,200
SUBTOTAL - Legislature	57,213,100	54,189,000	1,825,800	0	(230,100)	0	0	0	55,862,800
Personnel Board	372,400	357,900	15,200	0	(700)				372,400
Rangers' Pensions, Arizona	13,400	13,700	0	0	0				13,700
Revenue, Department of	74,498,500	71,419,200	2,531,600	15,300	(77,500)		30,000		73,918,600
Secretary of State	7,094,500	6,842,000	143,900	2,900	(8,100)				6,980,700
Tourism, Office of	14,639,300	0	0	700	0		16,622,200	(1,600,000)	15,022,900
Treasurer, State	5,448,700	5,071,500	12,800	2,800	(11,800)				5,075,300
TOTAL GENERAL GOVERNMENT	\$370,308,100	\$331,736,700	\$7,908,800	\$211,000	(\$716,400)	\$0	\$24,784,200	(\$6,900,000)	\$357,024,300
EDUCATION									
Arts, Arizona Commission on the	2,030,700	1,888,100	45,800	100	(3,200)				1,930,800
Charter Schools, State Board for	1,131,800	788,600	42,800	200	(2,900)				828,700
Community Colleges, Arizona	167,744,800	145,735,800	0	0	0		1,944,000		147,679,800
Deaf and the Blind, Schools for the	21,946,600	20,681,300	1,386,600	7,700	(63,900)				22,011,700
Education, Department of	4,027,156,200	3,827,872,300	57,200	6,100	(16,100)	313,281,500			4,141,201,000

BUDGET UNITS	Final FY 2008	General Appropriation Act - Individual Agency	FY 2008 Statewide	FY 2009 Statewide	Hiring Freeze	FY 2009 Additional Appropriations	Prior Year Statutory Appropriations	Prior Year Statutory Appropriations Changes	FY 2009 Approp Rpt Total
			Adjustments	Adjustments					
			Biennial Annualizations/ Utilities/Rent	Retirement/ IT Pro Rata Adjustments					
Historical Society, Arizona	4,430,200	4,318,800	122,500	700	(11,100)				4,430,900
Historical Society, Prescott	762,600	719,000	46,700	200	(3,100)				762,800
Medical Student Loans, Board of	1,500,000	1,121,000	0	0	0				1,121,000
Postsecondary Education, Commission for	3,727,300	4,370,800	6,500	100	0				4,377,400
School Facilities Board	479,101,400	101,212,800	10,300	400	(6,300)				101,217,200
Universities									
Arizona State University - Main Campus	404,668,100	384,092,100	0	81,100	(1,299,500)		13,555,000		396,428,700
Arizona State University - East Campus	25,471,200	29,654,300	0	13,300	(95,400)		917,000		30,489,200
Arizona State University - West Campus	52,739,000	53,396,300	0	26,200	(142,800)		0		53,279,700
Northern Arizona University	158,273,500	156,018,600	0	68,900	(426,600)		5,900,000		161,560,900
Board of Regents	19,717,500	18,980,000	0	0	(5,600)		1,368,000		20,342,400
University of Arizona - Main Campus	350,606,900	326,958,900	0	137,100	(1,032,400)		14,253,000		340,316,600
University of Arizona - Health Sciences	80,304,200	78,240,900	0	0	(244,300)		0		77,996,600
SUBTOTAL - Universities	1,091,780,400	1,047,341,100	0	326,600	(3,246,600)	0	35,993,000	0	1,080,414,100
TOTAL EDUCATION	\$5,801,312,000	\$5,156,049,600	\$1,718,400	\$342,100	(\$3,353,200)	\$313,281,500	\$37,937,000	\$0	\$5,505,975,400
HEALTH & WELFARE									
AHCCCS	1,273,797,000	1,425,338,300	2,500	7,800	(76,300)				1,425,272,300
Biomedical Research Commission, Arizona	0	0	0	0	0		1,000,000	(1,000,000)	0
Economic Security, Department of	796,587,200	808,486,200	14,900	41,500	(214,500)				808,328,100
Environmental Quality, Department of	30,326,900	10,711,300	417,700	3,400	(52,200)		15,000,000	(2,000,000)	24,080,200
Health Services, Department of	578,383,100	611,627,000	90,600	22,500	(232,900)				611,507,200
Indian Affairs, AZ Commission of	234,300	218,300	16,900	100	(900)				234,400
Pioneers' Home, AZ	1,197,000	0	24,000	0	0				24,000
Veterans' Services, Department of	9,284,800	8,220,600	177,300	1,600	0				8,399,500
TOTAL HEALTH & WELFARE	\$2,689,810,300	\$2,864,601,700	\$743,900	\$76,900	(\$576,800)	\$0	\$16,000,000	(\$3,000,000)	\$2,877,845,700
INSPECTION & REGULATION									
Agriculture, AZ Department of	11,915,800	11,017,500	656,900	2,600	(36,600)				11,640,400
Corporation Commission	5,697,900	4,450,500	353,900	10,900	(23,600)				4,791,700
Financial Institutions, State Department of	3,883,300	3,806,800	17,700	1,000	(16,200)				3,809,300
Fire, Building and Life Safety, Department of	3,611,500	3,464,000	132,600	800	(10,600)				3,586,800
Insurance, Department of	7,368,000	6,930,300	466,100	1,700	(28,400)				7,369,700
Liquor Licenses & Control, Department of	3,487,900	3,322,100	112,100	48,900	(8,300)				3,474,800
Mine Inspector, State	1,888,300	1,564,800	6,600	1,800	(4,800)				1,568,400
Nursing, State Board of	167,300	166,000	1,300	0	0				167,300
Racing, Arizona Department of	2,690,400	2,530,300	103,200	600	(10,800)				2,623,300
Radiation Regulatory Agency	2,163,100	1,105,300	63,600	500	(6,600)		612,500		1,775,300
Real Estate Department, State	4,390,300	3,977,500	274,100	1,000	(16,100)				4,236,500
Tax Appeals, State Board of	310,500	298,900	12,700	100	(1,100)				310,600
Weights and Measures, Department of	1,604,700	1,540,200	59,200	300	(6,100)				1,593,600
TOTAL INSPECTION & REGULATION	\$49,179,000	\$44,174,200	\$2,260,000	\$70,200	(\$169,200)	\$0	\$612,500	\$0	\$46,947,700
NATURAL RESOURCES									
Geological Survey, Arizona	1,102,300	1,013,900	92,600	200	(4,200)				1,102,500

BUDGET UNITS	Final FY 2008	General Appropriation Act - Individual Agency	FY 2008 Statewide	FY 2009 Statewide	Hiring Freeze	FY 2009 Additional Appropriations	Prior Year Statutory Appropriations	Prior Year Statutory Appropriations Changes	FY 2009 Approp Rpt Total
			Adjustments	Adjustments					
			Biennial Annualizations/ Utilites/Rent	Retirement/ IT Pro Rata Adjustments					
Land Department, State	26,093,000	19,762,300	631,000	3,700	(36,600)		3,000,000		23,360,400
Mines & Mineral Resources, Department of	962,700	799,900	150,000	100	(2,200)				947,800
Navigable Stream Adjudication Commission	380,800	180,000	800	0	0				180,800
Parks Board, Arizona State	27,866,700	8,150,000	320,900	1,500	(9,200)		20,000,000		28,463,200
Water Resources, Department of	23,013,100	17,267,700	656,100	4,000	(69,700)				17,858,100
TOTAL NATURAL RESOURCES	\$79,418,600	\$47,173,800	\$1,851,400	\$9,500	(\$121,900)	\$0	\$23,000,000	\$0	\$71,912,800
PROTECTION & SAFETY									
Corrections, State Department of	890,813,900	944,204,200	154,300	3,318,600	(201,100)				947,476,000
Criminal Justice Commission, Arizona	1,202,000	1,172,000	0	0	0				1,172,000
Emergency & Military Affairs, Dept of	14,561,800	9,109,500	251,300	1,400	(19,800)		5,077,900	(500,000)	13,920,300
Executive Clemency, Board of	1,097,400	1,027,400	74,100	200	(4,100)				1,097,600
Juvenile Corrections, Department of	80,353,700	74,057,900	50,400	684,600	(92,500)				74,700,400
Law Enforcement Merit System Council	76,900	72,200	5,100	0	(400)				76,900
Public Safety, Department of	134,533,100	59,121,500	0	4,392,100	(53,900)				63,459,700
TOTAL PROTECTION & SAFETY	\$1,122,638,800	\$1,088,764,700	\$535,200	\$8,396,900	(\$371,800)	\$0	\$5,077,900	(\$500,000)	\$1,101,902,900
TRANSPORTATION									
Transportation, Department of	84,600	84,600	0	0	0				84,600
TOTAL TRANSPORTATION	\$84,600	\$84,600	\$0	\$0	\$0	\$0	\$0	\$0	\$84,600
State Employee Health Insurance - FY 09	0	2,291,500	(2,288,900)	0					2,600
State Employer Retirement - FY 09	0	1,025,500	(1,024,600)	0					900
State Employer Retirement Increase - FY 09	0	9,033,400	0	(8,731,600)					301,800
State Employee Pay - FY 09	0	6,584,200	(6,578,100)	0					6,100
Rent - FY 09	0	1,574,000	(1,567,400)	0					6,600
Utilities (Rent Surcharge)	0	1,060,000	(1,057,900)	0					2,100
Lease-Purchase/PLTO - FY 09	0	274,000	(274,000)	0					0
Human Resources Pro Rata - FY 09	0	38,400	(38,300)	0					100
IT Pro Rata Increase	0	375,000	0	(375,000)					0
Risk Mgmt Adjustments - FY 09	0	292,000	(292,000)	0					0
Attorney Gen'l Salary Adjustments - FY 05	0	982,800	(982,700)	0					100
AZNET	0	913,800	(913,800)	0					0
Unallocated FY 08 Appropriations	536,500	0	0	0	0	0	0	0	0
OPERATING BUDGET TOTAL	\$10,113,287,900	\$9,557,029,900	\$0	\$0	(\$5,309,300)	\$313,281,500	\$107,411,600	(\$10,400,000)	\$9,962,013,700
GF Transfer - Arizona 21st Century Fund	25,000,000	22,500,000	0	0	0	0	0	0	22,500,000
Capital	13,434,500	12,000,000	0	0	0	0	1,500,000		13,500,000
Hiring Freeze - General Fund	0	(5,309,300)	0	0	5,309,300	0	0	0	0
Administrative Adjustments	96,000,000	55,200,000	0	0	0	0	0	0	55,200,000
Statutory Reversions	0	0	0	0	0	(50,000,000)	0	0	(50,000,000)
Reversions	(85,000,000)	(97,000,000)	0	0	0	0	0	0	(97,000,000)
GRAND TOTAL	\$10,162,722,400	\$9,544,420,600	\$0	\$0	\$0	\$263,281,500	\$108,911,600	(\$10,400,000)	\$9,906,213,700

TABLE 2
SUMMARY OF OTHER FUND APPROPRIATIONS
FY 2008-09

BUDGET UNITS	Final FY 2008	General Appropriation Act - Individual Agency	FY 2008 Statewide	FY 2009 Statewide	Hiring Freeze	FY 2009 Additional Appropriations	Prior Year Statutory Appropriations	Prior Year Statutory Appropriations Changes	FY 2009 Approp Rpt Total
			Adjustments	Adjustments					
			Biennial Annualizations/ Utilites/Rent	Retirement/ IT Pro Rata/ L-P & PLTO Adjustments					
GENERAL GOVERNMENT									
Administration, AZ Department of	\$178,741,100	\$181,918,200	\$71,100	(\$155,200)	(\$440,800)				\$181,393,300
Administrative Hearings, Office of	14,500	14,500	0	0	0				14,500
Attorney General - Department of Law	40,447,000	39,613,800	2,910,500	118,800	(427,600)				42,215,500
Commerce, Department of	2,934,200	3,617,400	74,900	300	(8,100)				3,684,500
Exposition and State Fair Board, AZ	16,297,700	16,066,100	291,900	2,300	(60,700)				16,299,600
Government Information Tech. Agency	7,009,000	8,628,900	85,200	3,500	(32,200)				8,685,400
Housing, Department of	886,500	909,300	46,100	300	(10,900)				944,800
Judiciary									
Supreme Court	28,328,500	27,460,300	0	2,300	(132,600)	4,056,600			31,386,600
Superior Court	10,939,700	10,977,900	0	200	(38,400)				10,939,700
SUBTOTAL - Judiciary	39,268,200	38,438,200	0	2,500	(171,000)	4,056,600	0	0	42,326,300
Legislature	675,800	662,500	18,100	100	(4,800)				675,900
Lottery Commission, AZ State	69,029,300	70,142,000	285,500	2,000	(84,900)	9,912,700			80,257,300
Retirement System, Arizona State	23,135,500	23,180,400	634,200	4,800	0	227,600			24,047,000
Revenue, Department of	4,482,300	4,439,200	67,500	500	(18,400)				4,488,800
Secretary of State	15,100,200	4,094,800	5,400	0	0				4,100,200
Treasurer, State	33,800	1,300	0	0	0				1,300
TOTAL GENERAL GOVERNMENT	\$398,055,100	\$391,726,600	\$4,490,400	(\$20,100)	(\$1,259,400)	\$14,196,900	\$0	\$0	\$409,134,400
EDUCATION									
Deaf and the Blind, AZ Schools for the	14,317,600	14,695,400	0	0	0				14,695,400
Education, Department of	54,604,200	54,816,000	0	700	(23,200)				54,793,500
Historical Society, Arizona	193,200	193,700	0	500	0				194,200
Medical Student Loans, Board of	309,800	309,800	0	0	0				309,800
Postsecondary Education, Commission for	3,627,600	3,841,100	14,100	100	(2,600)				3,852,700
Private Postsecondary Education, Board for	334,600	318,400	19,700	100	(3,500)				334,700
Universities									
Arizona State University - Main Campus	233,624,000	236,073,700	0	0	0				236,073,700
Arizona State University - East Campus	23,338,400	27,151,200	0	0	0				27,151,200
Arizona State University - West Campus	24,657,400	26,692,500	0	0	0				26,692,500
Northern Arizona University	47,823,200	51,739,600	0	0	0				51,739,600
University of Arizona - Main Campus	128,539,700	129,244,900	0	0	0				129,244,900
University of Arizona - Health Sciences Center	14,158,700	14,063,000	0	0	0				14,063,000
SUBTOTAL - Universities	472,141,400	484,964,900	0	0	0	0	0	0	484,964,900
TOTAL EDUCATION	\$545,528,400	\$559,139,300	\$33,800	\$1,400	(\$29,300)	\$0	\$0	\$0	\$559,145,200

BUDGET UNITS	Final FY 2008	General Appropriation Act - Individual Agency	FY 2008 Statewide	FY 2009 Statewide	Hiring Freeze	FY 2009 Additional Appropriations	Prior Year Statutory Appropriations	Prior Year Statutory Appropriations Changes	FY 2009 Approp Rpt Total
			Adjustments	Adjustments					
			Biennial Annualizations/ Utilites/Rent	Retirement/ IT Pro Rata/ L-P & PLTO Adjustments					
HEALTH & WELFARE									
AHCCCS	257,020,200	292,968,300	0	13,600	0				292,981,900
Biomedical Research Commission, Arizona	500,000	0	0	0	0		500,000		500,000
Deaf and the Hard of Hearing, Comm. for the	5,440,800	5,387,300	68,000	300	(14,500)				5,441,100
Economic Security, Department of	480,095,900	504,487,900	2,000	45,600	(16,800)				504,518,700
Environmental Quality, Department of	70,073,500	76,574,800	676,700	60,300	(202,400)				77,109,400
Health Services, Department of	71,130,700	72,764,800	40,600	49,200	(128,300)				72,726,300
Pioneers' Home, AZ	5,309,400	6,445,800	203,800	1,500	0				6,651,100
Veterans' Services, Department of	14,487,800	14,014,200	473,600	3,500	0				14,491,300
TOTAL HEALTH & WELFARE	\$904,058,300	\$972,643,100	\$1,464,700	\$174,000	(\$362,000)	\$0	\$500,000	\$0	\$974,419,800
INSPECTION & REGULATION									
Accountancy, State Board of	2,346,600	2,290,200	67,400	2,800	(10,300)				2,350,100
Acupuncture Board of Examiners	129,200	125,500	5,000	0	(1,300)				129,200
Agriculture, AZ Department of	3,464,200	3,351,900	135,500	700	(26,400)				3,461,700
Appraisal, State Board of	621,800	593,700	32,600	100	(4,600)				621,800
Automobile Theft Authority	5,548,000	5,812,900	148,900	61,200	(6,300)				6,016,700
Barbers, Board of	344,800	318,100	12,900	100	(2,900)				328,200
Behavioral Health Examiners, Board of	1,382,100	1,324,200	55,100	300	(12,400)				1,367,200
Chiropractic Examiners, State Board of	518,700	506,000	19,100	100	(4,800)				520,400
Contractors, Registrar of	15,466,000	11,908,500	369,300	2,400	(133,200)				12,147,000
Corporation Commission	23,287,500	23,516,600	936,100	5,600	(232,700)				24,225,600
Cosmetology, Board of	1,839,300	1,705,400	58,500	300	(16,400)				1,747,800
Dental Examiners, State Board of	1,136,800	1,072,600	39,000	200	(9,000)				1,102,800
Funeral Directors and Embalmers, Board of	349,900	340,600	13,300	100	(4,000)				350,000
Gaming, Department of	15,561,000	16,255,800	304,700	500	0				16,561,000
Homeopathic Medical Examiners, Board of	96,600	113,900	4,300	0	(900)				117,300
Industrial Commission of AZ	19,869,500	19,416,200	603,900	4,100	(164,500)				19,859,700
Insurance, Department of	200,000	0	0	0	0				0
Medical Board, Arizona	5,821,700	5,567,700	305,800	1,200	(52,100)				5,822,600
Naturopathic Physician Examiners Board	606,800	584,000	26,300	100	(6,100)				604,300
Nursing, State Board of	4,113,800	4,022,800	142,000	800	(30,700)				4,134,900
Nursing Care Institution Administrators Board	377,600	358,700	20,100	100	(1,200)				377,700
Occupational Therapy Examiners, Board of	244,800	239,900	7,100	100	(2,200)				244,900
Opticians, State Board of Dispensing	126,300	120,100	5,300	0	(1,100)				124,300
Optometry, State Board of	202,200	194,400	9,700	0	(1,900)				202,200
Osteopathic Examiners, AZ Board of	692,100	660,600	38,000	100	0				698,700
Pest Management, Office of	2,875,300	2,668,900	131,700	500	(26,800)				2,774,300
Pharmacy, AZ State Board of	2,509,300	1,846,500	74,000	400	0				1,920,900
Physical Therapy Examiners, Board of	390,300	349,600	13,900	100	(3,400)				360,200
Podiatry Examiners, State Board of	143,500	138,800	5,600	0	(800)				143,600
Psychologist Examiners, State Board of	386,700	395,400	17,000	100	(4,600)				407,900
Racing, Arizona Department of	513,700	517,000	0	0	(3,400)				513,600
Radiation Regulatory Agency	288,800	281,900	9,900	100	(3,100)				288,800
Residential Utility Consumer Office	1,299,300	1,273,900	39,200	2,800	(13,900)				1,302,000

BUDGET UNITS	Final FY 2008	General Appropriation Act - Individual Agency	FY 2008 Statewide	FY 2009 Statewide	Hiring Freeze	FY 2009 Additional Appropriations	Prior Year Statutory Appropriations	Prior Year Statutory Appropriations Changes	FY 2009 Approp Rpt Total
			Adjustments	Adjustments					
			Biennial Annualizations/ Utilites/Rent	Retirement/ IT Pro Rata/ L-P & PLTO Adjustments					
Respiratory Care Examiners, Board of	263,200	251,800	12,400	100	(2,700)				261,600
State Boards' Office	284,600	260,000	24,600	100	0				284,700
Technical Registration, State Board of	1,753,200	1,700,200	54,200	4,300	(13,500)				1,745,200
Veterinary Medical Examining Board	477,700	451,000	21,500	100	(4,300)				468,300
Weights and Measures, Department of	1,669,800	1,837,500	39,200	300	(10,100)				1,866,900
TOTAL INSPECTION & REGULATION	\$117,202,700	\$112,372,800	\$3,803,100	\$89,800	(\$811,600)	\$0	\$0	\$0	\$115,454,100
NATURAL RESOURCES									
Game and Fish Department, AZ	37,641,800	34,351,000	765,200	451,700	(25,700)				35,542,200
Land Department, State	760,000	760,000	0	0	0				760,000
Parks Board, Arizona State	9,254,300	8,483,100	354,900	146,000	(84,300)				8,899,700
Water Resources, Department of	1,118,900	8,000,400	24,200	200	(5,700)				8,019,100
TOTAL NATURAL RESOURCES	\$48,775,000	\$51,594,500	\$1,144,300	\$597,900	(\$115,700)	\$0	\$0	\$0	\$53,221,000
PROTECTION & SAFETY									
Corrections, State Department of	52,711,400	52,231,300	0	300	(6,100)				52,225,500
Criminal Justice Commission, Arizona	6,790,900	6,632,300	19,300	1,100	(15,800)				6,636,900
Drug & Gang Prevention Resource Center	638,900	616,400	26,000	100	(3,500)				639,000
Emergency & Military Affairs, Dept of	132,700	132,700	0	0	0				132,700
Juvenile Corrections, Department of	4,467,600	7,670,900	0	2,400	(3,300)				7,670,000
Public Safety, Department of	106,991,900	169,140,900	0	810,800	(14,100)	22,534,300	2,980,000	(2,000,000)	193,451,900
TOTAL PROTECTION & SAFETY	\$171,733,400	\$236,424,500	\$45,300	\$814,700	(\$42,800)	\$22,534,300	\$2,980,000	(\$2,000,000)	\$260,756,000
TRANSPORTATION									
Transportation, Department of	466,935,800	468,637,900	0	80,600	(293,300)				468,425,200
TOTAL TRANSPORTATION	\$466,935,800	\$468,637,900	\$0	\$80,600	(\$293,300)	\$0	\$0	\$0	\$468,425,200
State Employee Health Insurance - FY 09	0	1,711,800	(1,711,800)	0	0				0
State Employer Retirement - FY 09	0	811,000	(811,000)	0	0				0
State Employer Retirement Increase - FY 09	0	1,660,600	0	(1,660,600)	0				0
State Employee Pay - FY 09	0	5,781,000	(5,781,000)	0	0				0
Human Resources Pro Rata - FY 09	0	38,500	(38,500)	0	0				0
IT Pro Rata Increase	0	227,700	0	(227,700)	0				0
Attorney Gen'l Salary Adjustments - FY 09	0	1,923,400	(1,923,400)	0	0				0
Utilities (Rent Surcharge)	0	280,000	(280,000)	0	0				0
State Rent Increase - FY 09	0	435,900	(435,900)	0	0				0
Hiring Freeze - Other Funds 5/	0	(2,914,100)	0	0	2,914,100				0
Lease-Purchase/PLTO - FY 09	0	(150,000)	0	150,000	0				0
Unallocated FY 08 Appropriations	2,191,900	0	0	0	0				0
OPERATING BUDGET TOTAL	\$2,654,480,600	\$2,792,538,700	\$10,981,600	\$1,738,300	(\$2,914,100)	\$36,731,200	\$3,480,000	(\$2,000,000)	\$2,840,555,700
OPERATING GRAND TOTAL	\$2,654,480,600	\$2,792,538,700	\$10,981,600	\$1,738,300	(\$2,914,100)	\$36,731,200	\$3,480,000	(\$2,000,000)	\$2,840,555,700
Capital	326,959,000	360,038,200	0	0	0	0	1,033,000	0	361,071,200
TOTAL APPROPRIATED	\$2,981,439,600	\$3,152,576,900	\$10,981,600	\$1,738,300	(\$2,914,100)	\$36,731,200	\$4,513,000	(\$2,000,000)	\$3,201,626,900

TABLE 3

SUMMARY OF GENERAL FUND APPROPRIATIONS FY 2008-09

AREA OF GOVERNMENT	GF APPROPRIATION	% OF TOTAL
GENERAL GOVERNMENT	\$357,024,300	3.58%
EDUCATION	\$5,505,975,400	55.27%
HEALTH & WELFARE	\$2,877,845,700	28.89%
INSPECTION & REGULATION	\$46,947,700	0.47%
NATURAL RESOURCES	\$71,912,800	0.72%
PROTECTION & SAFETY	\$1,101,902,900	11.06%
TRANSPORTATION	\$84,600	0.00%
TOTAL	\$9,961,693,400	100.00%

TABLE 4

SUMMARY OF OTHER FUND APPROPRIATIONS FY 2008-09

AREA OF GOVERNMENT	OF APPROPRIATION	% OF TOTAL
GENERAL GOVERNMENT	\$409,134,400	14.40%
EDUCATION	\$559,145,200	19.68%
HEALTH & WELFARE	\$974,419,800	34.30%
INSPECTION & REGULATION	\$115,454,100	4.06%
NATURAL RESOURCES	\$53,221,000	1.87%
PROTECTION & SAFETY	\$260,756,000	9.18%
TRANSPORTATION	\$468,425,200	16.49%
TOTAL	\$2,840,555,700	100.00%

TABLE 5

SUMMARY OF EDUCATION APPROPRIATIONS FY 2008-09

AREA OF EDUCATION	GENERAL FUND	OTHER FUND	TOTAL FUNDS	% OF TOTAL EDUC.	% OF TOTAL STATE
ARTS, COMMISSION ON THE	\$1,930,800	\$0	\$1,930,800	0.03%	0.02%
CHARTER SCHOOLS, STATE BOARD FOR	828,700	0	828,700	0.01%	0.01%
COMMUNITY COLLEGES, STATE BD. OF	147,679,800	0	147,679,800	2.43%	1.16%
DEAF AND THE BLIND, AZ. SCHOOLS FOR THE	22,011,700	14,695,400	36,707,100	0.61%	0.29%
EDUCATION, DEPARTMENT OF	4,141,201,000	54,793,500	4,195,994,500	69.18%	32.92%
HISTORICAL SOCIETY, ARIZONA	4,430,900	194,200	4,625,100	0.08%	0.04%
HISTORICAL SOCIETY, PRESCOTT	762,800	0	762,800	0.01%	0.01%
MEDICAL STUDENT LOANS BOARD	1,121,000	309,800	1,430,800	0.02%	0.01%
POSTSECONDARY EDUCATION, COMM. FOR	4,377,400	3,852,700	8,230,100	0.14%	0.06%
PRIVATE POSTSECONDARY EDUCATION	0	334,700	334,700	0.01%	0.00%
SCHOOL FACILITIES BOARD	101,217,200	0	101,217,200	1.67%	0.79%
BOARD OF REGENTS	20,342,400	0	20,342,400	0.34%	0.16%
ARIZONA STATE UNIVERSITY - MAIN	396,428,700	236,073,700	632,502,400	10.43%	4.96%
ARIZONA STATE UNIVERSITY - EAST	30,489,200	27,151,200	57,640,400	0.95%	0.45%
ARIZONA STATE UNIVERSITY - WEST	53,279,700	26,692,500	79,972,200	1.32%	0.63%
NORTHERN ARIZONA UNIVERSITY	161,560,900	51,739,600	213,300,500	3.52%	1.67%
UNIVERSITY OF ARIZONA - MAIN	340,316,600	129,244,900	469,561,500	7.74%	3.68%
UNIVERSITY OF ARIZONA - HEALTH SCIENCES	77,996,600	14,063,000	92,059,600	1.52%	0.72%
SUBTOTAL- UNIVERSITIES	1,080,414,100	484,964,900	1,565,379,000	25.81%	12.28%
TOTAL	\$5,505,975,400	\$559,145,200	\$6,065,120,600	100.00%	47.58%



SECTION II

SUMMARY OF LEGISLATION *Second Regular Session*

Session Convened: *January 14, 2008*
Adjourned Sine Die: *June 27, 2008*

General Effective Date: *September 26, 2008*

State of Arizona
Forty-Eighth Legislature
Second Regular Session

COMMITTEE ON APPROPRIATIONS

*Representative Russell Pearce, Chairman
 Representative Trish Groe, Vice-Chairman
 Mike Huckins, Legislative Research Analyst
 Barbara Croft, Assistant Research Analyst*



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
 [P 108] Proposition 108 Clause

Bill	Chapter	Short Title	Page
HB 2209	285	*general appropriations act; 2008-2009	3
HB 2210	286	*budget reconciliation; criminal justice	3
HB 2211	287	*budget reconciliation; education.....	5
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HB 2278	289	*capital outlay; fiscal year 2008-2009.....	12
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HB 2620	53	*budget adjustments; fiscal year 2007-2008	16
SB 1096	34	*appropriation; English language learners	25
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SB 1337	313	centennial funding; capitol renovation	25
SB 1407	264 [E]	*ASRS; administration procedures..... <i>(See Committee on Public Institutions and Retirement)</i>	90
SB 1435	315	appropriations; named claimants	25

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HB 2209 – Chapter 285 – *general appropriations act; 2008-2009

Makes state General Fund and other fund appropriations for FY 2008-09 for the operation of state government and makes various budget revisions, transfers and supplemental appropriations. For complete budget details, refer to the FY 2008-09 Joint Legislative Budget Committee Appropriations Report or the Appropriations Summary Section of this book.

HB 2210 – Chapter 286 – *budget reconciliation; criminal justice

Makes changes related to criminal justice necessary to implement the FY 2008-09 state budget.

Judiciary

- Requires all probationers that use global positioning system (GPS) monitoring devices as a condition of their probation to pay a user fee to offset the cost. The fee must be deposited into the Adult Probation Services Fund.
- Requires the Administrative Office of the Courts (AOC) to periodically charge each local probation fees account an amount established annually by the Supreme Court to cover a proportional share of the cost of GPS monitoring devices.
- Raises various Superior Court and Justice of the Peace fees approximately 44%.
- Allows the Supreme Court to increase various appellate court fees.
- Further distributes monies collected from Justice of the Peace filing fees into the Elected Officials' Retirement Plan Fund and proportionately reduces the deposit of Justice of the Peace filing fees into the County General Fund.
- Continues the time payment fee, which would have otherwise been reduced from \$20 to \$12 beginning January 1, 2010.

Arizona Department of Public Safety

- Allows the Department of Public Safety (DPS) to charge law enforcement agencies for any crime laboratory services performed for that agency.
- Continues to redirect monies distributed from the Criminal Justice Enhancement Fund to the Crime Laboratory Assessment Fund.

Photo Enforcement System

- Requires DPS to enter into a contract or contracts with a private vendor or vendors to establish a state Photo Enforcement System consisting of cameras placed throughout the state (as determined by the Director of DPS) to enforce statutes relating to vehicle traffic and speed. Applies retroactively to July 1, 2008.
- Establishes a civil penalty or fine of \$165 for a citation or notice of violation for state photo enforcement. This fine or notice of violation is not subject to any surcharge except for the 10% surcharge for the Citizens Clean Elections Fund. Applies retroactively to July 1, 2008.
- Stipulates that if a person is found responsible for a civil traffic violation or a notice of violation for state photo enforcement, the Arizona Department of Transportation (ADOT) must not consider the violation for the purpose of determining whether to suspend or revoke the person's driver license. Applies retroactively to July 1, 2008.
- Specifies that a court must not transmit abstracts of records of these violations to ADOT. Applies retroactively to July 1, 2008.

- Establishes the Photo Enforcement Fund (applies retroactively to July 1, 2008) which:
 - Consists of monies received from citations or notices of violation;
 - Is subject to legislative appropriation;
 - Monies are appropriated to DPS for administrative and personnel costs of the state;
 - Monies in the fund in excess of \$250,000 at the end of each calendar quarter must be deposited into the state General Fund (GF).
- Stipulates that DPS must not spend more than \$2,173,000 from the Photo Enforcement Fund for personnel and related expenditures in FY 2008-09.
- Appropriates \$4,056,600 from the Photo Enforcement Fund to AOC in FY 2008-09 for the processing of state photo enforcement citations.
- Appropriates \$20,361,300 from the Photo Enforcement Fund to DPS in FY 2008-09 for contract payments to private vendors for the operation of photo enforcement cameras and the processing of citations.

Public Safety Equipment Fund

- Establishes the Public Safety Equipment Fund (PSE), which consists of monies from DUI, OUI and OAUI assessments.
- Requires the monies in the PSE Fund be distributed as follows:
 - The first \$3 million received each fiscal year as a continuing appropriation to DPS for protective armor, electronic stun devices and other safety equipment. Monies are exempt from lapsing.
 - All other monies each fiscal year must be deposited into the state GF.
- Deposits various DUI, OUI and OAUI assessments in the new Public Safety Equipment Fund rather than the state GF.
- Appropriates \$500,000 from first monies received in the PSE Fund to the Arizona Criminal Justice Commission (ACJC) for distribution to state and local law enforcement and other governmental entities for fire suppression kits for Ford Crown Victoria vehicles to aid in the prevention of fires resulting from rear end collisions.
- Specifies ACJC must distribute monies on a first come, first serve basis with a maximum of \$1,000 per vehicle.
- Requires a person or entity that sells or offers to sell fire suppression kits for use in Ford Crown Victoria vehicles must comply with the testing requirements by an independent laboratory or regulatory agency that certifies manufacturer claims with respect to the purpose and warranty of fitness of the product.
- Requires the Division of Occupational Safety and Health within the Industrial Commission of Arizona to monitor the installation of the fire suppression kits.
- Allows DPS to use the remainder of the \$3 million (after distribution to ACJC) for protective armor, electronic stun devices and other safety equipment.

Miscellaneous

- Establishes a \$45 surcharge for individuals that choose to take defensive driving school. These monies must be deposited in the state GF.

- Renames the Arizona Public Safety Communications Commission as the Arizona Public Safety Communications Advisory Commission (Commission) and moves the Commission from DPS to the Government Information Technology Agency.

HB 2211 – Chapter 287 – *budget reconciliation; education

Makes statutory and session law changes related to the FY 2008-09 budget for K-12 and higher education.

Lottery Capital Construction Funding for Universities

- Removes the 4% cap on expenditures for advertising and promotional services.
- Changes the compensation range for licensed sales agents.
- Requires unspecified revenues from the sale of lottery tickets, online games and instant games to be deposited in the State Lottery Fund (SLF).
- Specifies the Director must annually report on or before August 15 to the Joint Legislative Budget Committee and the Office of Strategic Planning and Budgeting on the criteria used in the performance pay program.
- Removes the minimum percentage of SLF to be deposited in Local Transportation Assistance Fund (LTAF) and replaces it with a minimum dollar amount of \$9,000,000 and clarifies the amount deposited in LTAF must increase each year if revenues increase, not to exceed 10% per year.
- Removes allocation caps on SLF relating to distribution to the State General Fund (GF), Heritage Fund, LTAF and the County Assistance Fund.
- Beginning in FY 2009-10, sets forth specified deposits and appropriations from the SLF.

University Capital Lease-to-Own and Bond Fund (Fund)

- Establishes the Fund consisting of monies provided by ABOR, monies deposited from the SLF and monies appropriated by the Legislature and stipulates that ABOR must administer the Fund and authorizes the State Treasurer to invest and divest monies in the Fund with earnings credited to the Fund.
- Requires ABOR to provide at least 20% of the total annual lease-to-own and bond payments.
- Authorizes ABOR to enter into lease-to-own and bond agreements up to \$1,000,000,000 for building renewal projects and new facilities.
- Prohibits lease-to-own and bond agreements entered into under these provisions from exceeding \$285,000,000 in FY 2008-09 and \$500,000,000 in FY 2009-10.
- Specifies various fund deposit amounts and appropriations from the SLF.
- Exempts ABOR from the rule making requirements for one year after the law is effective.
- Exempts the Commission from the rule making requirements until December 31, 2008.
- Stipulates that of the \$1,000,000,000 authorized for lease-to-own and bond agreements, ABOR must allocate \$470,000,000 to the University of Arizona Phoenix Bio-Medical campus.

- Exempts debt service paid from the Fund from being included in the debt service calculation for the state universities.
- Requires each state university to separately report in its capital improvement plan what the debt calculation would be with or without the debt service related to the Fund.

Arizona Commission for Postsecondary Education

- Conforms Arizona statute to federal law regarding the duties and responsibilities of the Arizona Commission for Postsecondary Education (ACPE).
- Clarifies that under the Private Postsecondary Education Student Financial Assistance Program (PFAP) a student is entitled to \$2,000 annually not to exceed 2 years or \$4,000.
- Allows the ACPE to provide extensions for the requirement of obtaining a baccalaureate degree within three years for the PFAP and five years for the Private Postsecondary Education Grant Program (PEG) for good cause shown on receipt of supporting documentation from the student.
- Provides that a student who has a baccalaureate degree from any postsecondary institution is not eligible for PEG.
- Changes the eligibility requirement for PEG to require a student to be either a current Arizona resident who has been an Arizona resident at least the past 12 months or a member of the U.S. Military stationed in Arizona, or their spouse or dependent.
- Requires an eligible student to apply for and receive monies from the PFAP fund before the student is eligible to apply for a grant from the PEG fund.
- Continues the ACPE until July 1, 2010.

Community Colleges

- Suspends capital outlay funding for FY 2008-09.
- Specifies for FY 2008-09, notwithstanding the operating state aid formula, the appropriation for operating state aid must be provided in the General Appropriations Act.
- States that for FY 2008-09, notwithstanding the community colleges' equalization aid formula, the appropriation for equalization aid must be provided in the General Appropriations Act.

Universities

- Suspends for FY 2008-09, the requirement that the state provide a 2:1 ratio of state funding for student fees deposited into the Arizona Financial Aid Trust.

School Facilities Board (SFB) Continuation

- Continues the SFB through July 1, 2018 and specifies procedures for the termination of the SFB and the repeal of corresponding statutes.

Full-day Kindergarten

- Requires the SFB to count kindergarten students as full-time students for the purpose of determining minimum school facility adequacy requirements used to calculate new construction needs and eliminates the requirement for school districts to provide any necessary capital monies needed to implement voluntary full-day kindergarten.

SFB New School Facilities Construction Moratorium

- Prohibits the SFB from authorizing or awarding funding for the design or construction of any new school facility or for school site acquisitions for FY 2008-09, unless the school district qualifies for new space in FY 2008-09 as a result of implementing full-day kindergarten.
- Requires school districts to submit capital plans during FY 2008-09 and allows the SFB to review and award new school facilities, subject to future appropriations.

SFB Building Renewal Grants

- Suspends the Building Renewal Fund for FY 2008-09.
- Establishes the Building Renewal Grant Fund (Grant Fund) to be administered by the SFB for the purpose of maintaining the adequacy of existing school facilities. Monies in the Grant Fund are appropriated by the Legislature and are exempt from lapsing.
- Directs the SFB to distribute monies in the Grant Fund based on requests from school districts. Priority must be given to school districts that have provided routine preventative maintenance on the facility, are able to match the grant monies provided, and have a project that can be completed within 12 months unless similar projects take longer to complete.
- Allows monies granted to a school district to be used for: 1) major renovations and repairs to a building, 2) upgrading systems and areas that will maintain or extend the useful life of a building, or 3) infrastructure costs.

SFB Lease-to-own Transactions

- Permits the SFB to enter into lease-to-own transactions for up to \$593,000,000 in FY 2008-09 and limits the maturity term of the lease-to-own transactions to no more than 15 years from the respective dates of the transaction. \$8,000,000 must be used for full-day kindergarten capital costs and \$12,000,000 for SFB loan agreements.
- Appropriates \$117,000,000 to the SFB from the GF to be used for new construction projects due to an insufficient cash balance before lease-to-own proceeds are received. The appropriation must be repaid from lease-to-own proceeds by the end of FY 2008-09.

SFB Loan Agreement for Corona Del Sol High School

- Allows the SFB to enter into a loan agreement up to \$12,000,000 with Tempe Union High School District (TUHSD) to fund facilities costs. TUHSD must have sufficient Class B bonding capacity to cover the entire loan amount provided by the SFB.
- Outlines the requirements of the loan agreement, including a statement of the loan purpose, list of capital improvements, total amount of the loan, repayment schedule, and conditions under which the SFB is authorized to loan monies to TUHSD.
- Directs TUHSD to request the County School Superintendent call an election within 12 months of the date of the loan agreement to authorize the issuance of Class B bonds to cover the amount of the loan. If the voters of TUHSD authorize the Class B bonds, TUHSD must issue the bonds within three months of the election and expend the bond proceeds to repay the SFB loan. If the voters do not approve the Class B bonds, TUHSD must repay the SFB with building renewal monies or unrestricted capital outlay monies based on the loan agreement's repayment schedule, or if bonds are authorized in a subsequent election, the bond proceeds must be used to repay the remaining loan amount.

K-12 Rollover

- Until July 1, 2009, defers \$602,627,700 in basic state aid and additional state aid payments that would otherwise be apportioned to school districts on May 15, 2009 and June 15, 2009.

- Appropriates \$602,627,700 in FY 2009-10 from the GF to the State Board of Education (SBE) and the Superintendent of Public Instruction (SPI) for basic state aid and additional state aid entitlement for FY 2009-10 for the disbursement to counties in amounts equal to the FY 2008-09 funding deferral.
- Appropriates \$886,200 in FY 2009-10 from the GF to SBE and SPI for costs to school districts associated with the FY 2008-09 funding deferral.
- Allows the governing boards of school districts that incur interest expenses in FY 2008-09 or expect to incur interest expenses in FY 2009-10 to budget an estimated amount for those expenses, which are specifically exempt from the revenue control limit in FY 2009-10.
- Requires school districts to include the monies they will receive on July 1, 2009 for the costs associated with the FY 2008-09 funding deferral in their FY 2008-09 revenue estimates for the purpose of computing their tax rates for FY 2008-09.

Formula Funding for Basic State Aid

- Increases the charter school equalization assistance, base level (per-pupil funding), and transportation support level per route mile formula for FY 2008-09 by 2%.
- Stipulates the qualifying tax rate (QTR) for a high school district or a common school district within a high school district that does not offer instruction in high school subjects at \$1.4622.
- Stipulates the QTR for a unified school district, a common school district not within a high school district, or a common school district within a high school district that offers instruction in high school subjects at \$2.9244.

Teacher Performance Pay

- Asserts that for each year the Legislature appropriates sufficient monies for Teacher Performance Pay (TPP) into the Classroom Site Fund, the amount appropriated is equal to the product of the base level stipulated by statute multiplied by the prior year weighted student count multiplied by the following percentages:
 - Stage one is equal to 1%.
 - Stage two is equal to 2%.
 - Stage three is equal to 3%.
 - Stage four is equal to 4%.
 - Stage five is equal to 5%.
 - Stage six is equal to 5.5% percent by June 30, 2018.
- Allows school districts that currently have Career Ladder or Option Performance Incentive Programs (OPIPs) to continue participating in those programs or choose to receive additional TPP. If the school district chooses to switch to TPP, reduces the funding for school districts that currently receive funding for Career Ladder or OPIPs by the amount appropriated for TPP in each stage.

Utilities

- Allows a school district to budget for actual utilities costs by adjusting its revenue control limit (RCL) by the following amounts:
 - For FY 2009-10, 90% of the difference between the average total utility costs for the two previous fiscal years (FY 2006-07 and FY 2007-08) and the amount expended for utilities as reported in the Maintenance and Operations (M&O) section of the district's budget for the previous fiscal year (FY 2007-08).

- For FY 2010-11, 90% of the difference between the average total utility costs for the two previous fiscal years (FY 2007-08 and FY 2008-09) and the amount expended for utilities as reported in the M&O section of the district's budget for the previous fiscal year (FY 2008-09).
- For FY 2011-12 through FY 2020-21, 90% of the difference between the average total utility costs for the two previous fiscal years and the difference calculated for FY 2010-11, adjusted by the total percentage increase in the RCL between FY 2008-09 and the actual fiscal year.
- Prohibits the increase in the RCL due to adjustments for utilities from being included in the calculation of the maximum override amounts for budget override elections.

Arizona Assessment of Achievements Test Task Force (Task Force)

- Establishes the 7-member Task Force appointed by SBE and directs the Task Force to:
 - Examine the experience and outcomes of other states that have adopted tests required for high school graduation and that incorporate a national college admission and placement examination.
 - Develop methodologies, models and other recommendations for the initial Arizona Assessment of Achievements test (Test).
 - Examine if the Test should be a high-stakes test pupils must pass to graduate high school.
 - Submit a written report of the Task Force's findings and recommendations by June 30, 2009 to SBE, the Governor, and the Legislature.
- Requires Legislative Council to prepare proposed legislation conforming Arizona statutes to the recommendations of the Task Force on the Test for consideration by the 49th Legislature, 2nd Regular Session.
- Prohibits the SBE from entering into contracts longer than a one year period after June 30, 2008 with a publisher of standardized tests for services provided in connection with the design, modification, administration, scoring or evaluation of the Arizona Instrument to Measure Standards test.

Miscellaneous

- Suspends Rapid Decline funding for FY 2008-09.
- Directs ADE, in FY 2008-09, to fund Joint Technological Education Districts (JTEDs) at 91% of the amount of state aid that would otherwise be provided by law.
- Prohibits ADE from correcting state aid for the Technology Assisted Project Based Instruction (TAPBI) Program for FY 2007-08 or prior fiscal years to address issues pertaining to concurrent enrollment identified by the Auditor General (OAG) in the 2007 TAPBI performance audit.
- Permits ADE and the OAG to conduct average daily membership (ADM) audits of school districts and charter schools.
- Caps school district FY 2008-09 desegregation budgets at the FY 2007-08 levels plus the growth in ADM and a 2% inflation adjustment.
- Repeals the non-lapsing \$3,000,000 appropriation to the E-Learning Pilot Program in FY 2006-07 and reverts any unexpended monies to the GF.

HB 2275 – Chapter 288 – *budget reconciliation; health

Includes provisions related to the state budget for health. Affected state agencies include the Arizona Health Care Cost Containment System (AHCCCS), the Department of Health Services (DHS), and the Department of Administration (DOA).

- Establishes a licensure and regulatory framework for behavior analysts under the Board of Psychologist Examiners, including the authority to establish fees and take disciplinary action against licensees.
- Continues the Arizona Pioneers' Home for 10 years, retroactive to July 1, 2008.
- Deposits monies from the Medically Needy Account to establish a fund balance of \$500,000 in the Health Crisis Fund on July 1, 2008.

Arizona Health Care Cost Containment System (AHCCCS)

- Suspends the Temporary Medical Coverage Program for fiscal year (FY) 2008-09.
- Freezes AHCCCS reimbursement rates in effect on September 30, 2008 through the contract year ending September 30, 2009, except AHCCCS shall be required to continue the phase-in of outlier cost-to-charge ratios.
- Requires AHCCCS to determine the continued eligibility of any adult without dependent children every six months if that adult is at least 21 years of age, eligible pursuant to Proposition 204 of 2000, and not otherwise eligible as a mandatory or optionally eligible member by federal law.
- Eliminates language authorizing AHCCCS to contract directly with health care providers in the absence of a willing contractor.
- Allows AHCCCS to continue to contract directly with health care providers in counties with populations of less than 500,000 persons.
- Limits eligibility to those employers with between two and 50 employees.
- Reduces the go-bare period to 90 days.
- Prohibits contractors from reimbursing a noncontracted hospital for services provided to a member, except those provided for an emergency medical condition.
- Allows contractors to use default reimbursement rates for noncontracted hospitals as follows:
 - In counties with populations of more than 500,000 persons, the default rates shall be 114% of the AHCCCS rates.
 - In counties with populations of less than 500,000 persons, the default rates shall be 125% of the AHCCCS rates.
- Requires noncontracting hospitals treating members on an emergency basis to notify contractors when their members are stabilized.
- Requires AHCCCS to increase or decrease premiums based on an independent actuarial review.
- Prohibits AHCCCS from capping the amount of a change in premiums.

- Stipulates that for each contract period, AHCCCS must set premiums that in the aggregate cover projected medical and administrative costs for that contract period.
- Requires premiums be determined by an independent actuary based on generally accepted actuarial principles and practices.
- Directs AHCCCS to consider age, sex, health status-related factors, group size, geographic area, and community rating when establishing premiums.
- Prohibits a health benefit plan from providing or offering any service, benefit, or coverage that is not a part of the health benefit plan contract.
- Requires AHCCCS submit the following to the Joint Legislative Budget Committee (JLBC): quarterly reports regarding the financial condition of HCG, including the number of persons and employer groups enrolled and medical loss information, including projections; annual fiscal audit; and the analysis used to determine premiums.
- Requires HCG to limit employer group enrollment to not more than 5% more than the number of employer groups enrolled at the end of the prior fiscal year beginning July 1, 2009, and stipulates uninsured groups must be given enrollment priority.
- Directs AHCCCS to establish utilization management control standards for plans participating in HCG that meet nationally recognized standards for managed care utilization, and stipulates contractors that do not meet the standards are not eligible for stop-loss coverage.
- Grandfathers *groups of one* already enrolled in HCG before the 2008 general effective date, if they continue to meet all applicable requirements.
- Stipulates HCG must limit employer group enrollment to not more than 5% more than the number of employer groups enrolled as of July 31, 2008 between August 1, 2008 and June 30, 2009, and requires uninsured groups be given enrollment priority.
- Allows parents of children enrolled in AHCCCS or SCHIP to apply for eligibility in SCHIP for parents (KidsCare Parents) if their income does not exceed 200% of the federal poverty level.
- Stipulates eligibility for and continuation of KidsCare Parents is dependent on the continuation of an enhanced federal matching rate for state monies, and KidsCare Parents will end on expiration of the enhanced federal matching rate.
- Creates guidelines for AHCCCS to adopt rules for tiered monthly premiums as follows:
 - For households with incomes between 100-150% of the federal poverty guidelines, the premium is equal to 3% of net household income.
 - For households with incomes between 150-175% of the federal poverty guidelines, the premium is equal to 4% of net household income.
 - For households with incomes between 175-200% of the federal poverty guidelines, the premium is equal to 5% of net household income.
- Clarifies premiums paid for KidsCare Parents apply to the entire household unit regardless of the number of parents or children participating.

- Specifies Disproportionate Share Hospital (DSH) payments for FY 2008-09 include \$89,877,700 for a qualifying nonstate operated public hospital, \$28,614,300 for the Arizona State Hospital (ASH), and \$26,147,700 for private qualifying DSHs.
- Stipulates the Maricopa County Special Health Care District (MIHS) and ASH shall provide certified public expense forms for the amount of qualifying DSH expenditures made on behalf of the state to the AHCCCS by June 1, 2009 and March 31, 2009 respectively.
- Indicates how the funds MIHS qualifies for shall be distributed depending on the accuracy of the certification as follows:
 - If the certification is accurate, \$4,202,300 to MIHS and the remainder in the GF.
 - If the certification is for an amount less than \$89,877,700, and is found by the AHCCCS to be inaccurate, then all funds are to be deposited in the GF.
- States that all DSH funds ASH qualifies for are to be deposited in the GF.
- Specifies the amounts the counties shall contribute for the provision of hospitalization and medical care for FY 2008-09 totaling \$49,583,000.
- Specifies amounts the counties shall contribute for the provision of long-term care for FY 2008-09 totaling \$257,987,800.
- Requires counties with two million or more persons to transfer \$24,168,400 to AHCCCS for deposit in the Budget Neutrality Compliance Fund (BNCF) in FY 2008-09.
- Requires counties between 800,000 and two million persons to transfer \$3,794,400 to AHCCCS for deposit in BNCF in FY 2008-09.
- Directs AHCCCS not to transfer \$17,830,500 to counties for refunds of long-term care costs for FYs 2006-07 and 2007-08 and instead deposit the funds in BNCF.
- Requires the State Treasurer to withhold transaction privilege tax revenues in specified amounts from each county other than Maricopa, totaling \$2,646,200, for the provision of hospitalization and medical care services, and excludes these withholdings from county expenditure limitations retroactive to June 30, 2004.

Department of Health Services (DHS)

- Requires counties with a population of 800,000 or more persons and all cities to reimburse DHS for 86% of the costs the state incurred for defendants' inpatient competency restoration treatment.

Arizona Department of Administration (ADOA)

- Stipulates ADOA shall not implement a differentiated health insurance premium based on the integrated or nonintegrated status of a health insurance provider available through State Employee Health Insurance Program beginning October 1, 2008.

Office of the Auditor General (OAG)

- Directs the OAG to conduct a financial and performance audit of MIHS, and outlines audit requirements. The OAG must submit a report to the Governor and the Legislature by March 15, 2009.

HB 2278 – Chapter 289 – *capital outlay; fiscal year 2008-2009

Makes appropriations for maintenance and repair of state buildings and capital projects and makes revisions to previously approved capital projects.

Building Renewal

- Appropriates amounts for major maintenance and repair activities for state buildings in FY 2008-09:
 - **Department of Administration (ADOA)**
 - \$6,100,000 from the Capital Outlay Stabilization Fund (COSF)
 - **Department of Transportation (ADOT)**
 - \$4,052,000 from the State Highway Fund
 - \$156,900 from the State Aviation Fund
 - **Arizona Exposition and State Fair Board**
 - \$1,794,300 from Arizona Exposition and State Fair Fund
 - **Game and Fish Department**
 - \$531,000 from the Game and Fish Fund
 - **Arizona Lottery Commission**
 - \$68,000 from the State Lottery Fund

Capital Projects

Department	Project	Fund Sources	Amount
Arizona Department of Administration	Capitol Mall fire systems replacement	COSF	491,000
Total ADOA			\$491,000
Game and Fish Department	Boat Shade Canopies	Watercraft Licensing Fund	120,000
	Boat Registration Kiosks	Watercraft Licensing Fund	240,000
	Shooting Range Access Improvements	Game & Fish Capital Improvement Fund	150,000
	Statewide Preventative Maintenance	Game & Fish Fund	30,000
	Headquarters Construction	Watercraft Licensing Fund	80,000
	Yuma Office Remodel	Game & Fish Capital Improvement Fund	954,000
	Mesa Office Paving Project	Game & Fish Capital Improvement Fund	250,000
Total (G & F)			\$1,854,000
Arizona Department of Transportation	State Highway Construction	State Highway Fund	305,582,000
	Airport Planning and Development	State Aviation Fund	31,200,000
	Far Southeast Valley Maintenance Yard	State Highway Fund	2,350,000
	De-icer Buildings	State Highway Fund	1,825,000
	Oil and Asphalt Storage Tanks	State Highway Fund	1,389,000
	Vehicle Wash Systems	State Highway Fund	2,075,000
Total (ADOT)			\$344,421,000

- Eliminates the appropriation of \$2,207,000 in FY 2008-09 from the state General Fund to ADOA for renovation of the old health laboratory.
- Authorizes the Director of ADOA to enter into a lease-purchase agreement not to exceed \$7,500,000 for the design and construction of a State Emergency Operations Center to be operated by the Department of Emergency and Military Affairs. Mandates the first debt service payment not be made until FY 2010-11.
- Appropriates \$600,000 from the Safety Enforcement and Transportation Infrastructure Fund in FY 2008-09 to ADOT to enter into agreements and provide funding to the Arizona-Mexico Commission, the Department of Homeland Security and the Arizona International Development Authority to improve traffic safety, border security and infrastructure planning.

General Provisions

- Requires ADOA to report on the status of project specific FTE positions for capital projects in its annual capital budget request and allows ADOA to allocate FTE positions authorized for specific projects to other projects provided that the funding is cost allocated.
- Stipulates the monies appropriated shall not be used for personal services or employee-related expenditures of state employees, excluding services provided as part of the inmate construction program for correctional facilities.
- Specifies that, unless otherwise specified, the appropriations do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or an encumbrance.

HB 2391 – Chapter 290 – *budget reconciliation; general revenues

Makes changes related to state revenues necessary to implement the FY 2008-09 state budget.

- Establishes a minimum annual distribution of Urban Revenue Sharing funds to incorporated cities and towns to at least equal the amount a city or town with a population of 1,500 or more receives.
- Suspends the Highway User Revenue Fund (HURF) and State Highway Fund statutory spending caps for monies used to fund DPS highway patrol costs.
- Requires the Department of Revenue (DOR) to submit to the Joint Legislative Budget Committee for its review any proposed Business Reengineering/Integrated Tax System contract extensions or modifications that increase the contractor's share of gain-sharing proceeds from state revenues during FY 2008-09. Retroactive from and after June 30, 2008.
- Allows DOR to utilize up to \$1,570,000 of General Fund revenue deposits to pay data center charges after review of an expenditure plan by JLBC.
- Increases, for tax year (TY) 2010, both the corporate and individual income research tax credits from 20 percent to 22 percent of qualified expenses up to \$2.5 million.
- Increases, for TY 2010, both the corporate and individual income research tax credits from \$500,000 plus 11 percent, to \$550,000, plus 13 percent of the excess of \$2.5 million.
- Increases, beginning TY 2011, the corporate and individual income tax credits to 24 percent of qualified expenses up to \$2.5 million.
- Increases, beginning TY 2011, the corporate and individual income tax credits to \$750,000, plus 15 percent of the excess of \$2.5 million.

- Repeals the changes to the research and development tax credits beginning on January 1, 2018, and restores current credit evaluation methodology.

HB 2445 – Chapter 253 – *MVD; authorized third party fees

Modifies the current fees a third party can retain for services provided for the Arizona Department of Transportation (ADOT).

- Requires ADOT to reimburse a third party or third party electronic service provider for services as follows:
 - An amount equal to 2% of each aircraft tax license payment the third party collects and submits or \$4.00 for each registration year or part of registration year, whichever is more.
 - One dollar for each replacement plate or tab.
- Modifies the cap that the third party or electronic third party service provider may retain in electronic filing of fuel tax report fees from the current cap of \$360,000 to \$1.5 million for FY 2008-09 through 2012-13 and \$480,000 for each year thereafter.

HB 2462 – Chapter 291 – *budget reconciliation; budget procedures

Makes various changes related to budget procedures within state government necessary to implement the FY 2008-09 state budget.

Twenty-First Century Competitive Initiative Fund

- Reduces the appropriation from the state General Fund in FY 2008-09 from \$25 million to \$22.5 million for deposit into the 21st Century Competitive Initiative Fund.
- Increases the appropriation from the state General Fund from \$25 million to \$27.5 million in FY 2010-11 for deposit into the 21st Century Competitive Initiative Fund.
- Authorizes non-state cash or auditable cash equivalent governmental investments, in addition to private or philanthropic cash or auditable cash equivalent investments, to be used to meet the match requirement to expend Fund monies.
- Provides matching investments may be in auditable cash equivalent contributions to the nonprofit organization.

Motion Picture Production

- Increases the amount allocated to the Department of Commerce in FY 2008-09 from \$180,000 to \$337,700 for the administration of the Motion Picture Tax Incentive Program and authorizes the expenditure of such monies to raise the number of FTEs from two to six.

Department of Emergency and Military Affairs

- Reduces the aggregate amount of all liabilities incurred during a declaration of emergency by the Executive from \$4 million to \$3.5 million in FY 2008-09.

Government Information and Technology Agency

- Increases the pro rata share of technology costs charged to agencies from .15 percent to .20 percent. Retroactive from and after June 30, 2008.

Arizona State Retirement System

- Extends the lapsing date of the Information Technology Plan for the Arizona State Retirement System from June 30, 2008 to June 30, 2009. Retroactive from and after June 30, 2008.

- Changes the date that member contributions for the Correction Officers' Retirement Plan increases, from 7.96% to 8.41%, to the general effective date.

Secretary of State

- Suspends the requirement that professional employer organizations register with the Secretary of State until July 1, 2010. Retroactive from and after February 29, 2008.

Department of Weights and Measures (DWM)

- Exempts DWM from rule making requirements for the purpose of raising civil penalties for a period of one year from the effective date.
 - Increases, from \$500 to \$1,000, the maximum civil penalty that may be assessed against a person by the DWM for violating any licensing requirement.
 - Increases, from \$5,000 to \$10,000, the aggregate amount of civil penalties that may be assessed by DWM for any 30-day period at any business location.

Other

- Allows county Vehicle License Tax (VLT) monies to be used for any purpose related to transportation as determined by the Board of Supervisors instead of limiting the use of VLT monies to the same use as Highway User Revenue Fund monies.
- Requires unrestricted federal monies received from May 1, 2008 through June 30, 2009 to be deposited in the General Fund for the payment of essential government services. Retroactive from and after April 30, 2008.
- Allows specified agency directors to raise fees in FY 2008-09 for services provided. Intends fees not to exceed certain amounts. Exempts the agencies from rule making requirements for a period of one year from the effective date.
- Requires any non-lapsing monies appropriated from the state General Fund that remain unexpended and unencumbered at the close of FY 2008-09 to be counted as part of the closing balance.
- Enables a county to meet any statutory funding requirements relating to fees for providing services from any source of county revenue designated by the county, including funds of any countywide special taxing district in which the board of supervisors serves as the board of directors.

HB 2620 – Chapter 53 – *budget adjustments; fiscal year 2007-2008

Makes various budget revisions, transfers, reversions, capital spending changes, and supplemental appropriations in order to balance the FY 2007-08 state budget.

Appropriations Reductions

- Reduces state budget units' state General Fund amounts in FY 2007-08 as follows:

FY 2007-08 General Fund Budget Reductions	
Arizona Department of Administration	(\$1,484,800)
Department of Agriculture	(600,000)
Office of Administrative Hearings	(4,500)
Commission on the Arts	(100,000)
Attorney General	(500,000)
Biomedical Research Commission	(1,000,000)

State Capitol Postconviction Defender Office	(15,000)
Department of Commerce	(1,850,000)
Corporation Commission	(175,000)
Department of Corrections	(19,416,900)
Arizona Criminal Justice Commission	(1,000,000)
Department of Economic Security	(12,550,000)
Arizona Department of Education	(50,050,000)
Department of Environmental Quality	(600,000)
Governor's Office of Equal Opportunity	(13,000)
State Board of Equalization	(14,000)
Board of Executive Clemency	(60,000)
Department of Financial Institutions	(200,000)
Department of Fire, Building and Life Safety	(300,000)
Arizona Geological Survey	(60,000)
Government Information Technology Agency	(600,000)
Office of the Governor	(225,000)
Governor's Office of Strategic Planning and Budgeting (OSP)	(69,400)
Department of Health Services	(4,907,300)
Arizona Historical Society	(80,000)
Prescott Historical Society	(15,000)
Arizona Commission of Indian Affairs	(5,000)
Department of Insurance	(435,500)
Judiciary – Supreme Court	(447,800)
Judiciary – Court of Appeals	(45,000)
Judiciary – Superior Court	(653,500)
Department of Juvenile Corrections	(1,054,200)
State Land Department	(1,200,000)
Law Enforcement Merit System Council	(2,000)
Legislature – Auditor General	(563,700)
Legislature – House of Representatives	(370,000)
Legislature – Joint Legislative Budget Committee	(90,000)
Legislature – Legislative Council	(171,000)
Legislature – Arizona State Library, Archives and Public Records	(233,000)
Legislature – Senate	(256,000)
Department of Liquor Licenses and Control	(150,000)
Department of Mines and Mineral Resources	(25,000)
Arizona State Parks Board	(345,000)
Arizona Pioneers' Home	(63,000)
Department for Postsecondary Education	(3,700,000)
Department of Public Safety	(1,121,100)
Arizona Department of Racing	(150,000)

Radiation Regulatory Agency	(80,000)
State Real Estate Department	(230,800)
Department of Revenue	(2,393,300)
School Facilities Board	(8,000,000)
Secretary of State	(138,000)
State Board of Tax Appeals	(6,300)
Office of Tourism	(1,000,000)
Department of Transportation	(2,000)
State Treasurer	(169,000)
Arizona Board of Regents	(875,000)
Universities – All Campuses	(14,700,000)
Arizona State University – Main Campus	(5,250,000)
University of Arizona – Main Campus	(5,250,000)
Department of Weights and Measures	(100,000)

- Limits the State Board of Education's share of the Department of Education's appropriation reduction to \$500,000.
- Permits the Department of Economic Security to shift existing full-time equivalent positions from other divisions to the division of benefits and medical eligibility.
- Allows the Department of Education to use monies appropriated in fiscal years prior to FY 2007-08 to offset appropriations reductions.
- States that the appropriation reduction made to the Department of Public Safety may not be taken against the appropriations made for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM).
- Prohibits the Department of Health Services (DHS) appropriation limitation to be taken against the appropriation for abstinence funding.
- For the remainder of FY 2007-08, allows DHS to make SLI transfers related to the FY 2007-08 behavioral health supplemental upon approval of Governor's Office of Strategic Planning and Budgeting. Requires DHS to notify JLBC of transfers.

Transfers of Fund Monies

- Transfers funding from state budget units to the General Fund in FY 2007-08 as follows:

FY 2007-08 Fund Transfers	
Accountancy Board Fund	\$2,056,000
Acupuncture Board Fund	100,000
Certificate of Participation Fund	1,266,700
Construction Insurance Fund	4,170,200
Motor Vehicle Pool Revolving Fund	3,237,500
Retiree Accumulated Sick Leave Fund	3,483,900
Department of Administration – Risk Management Revolving Fund	6,614,400
State Employee Suggestion Program Award Fund	63,100

Management Services Division Plan Deposits Fund	44,400
Arizona Grain Research Fund	80,000
Arizona Citrus Research Council Fund	40,000
Seed Law Fund	25,000
Aquaculture Fund	20,000
Arizona Iceberg Lettuce Research Council Fund	41,400
Commodity Promotion Fund	30,000
Pesticide Fund	15,000
Fertilizer Materials Fund	300,000
Children's Health Insurance Program Fund	1,506,200
Board of Appraisal Fund	537,900
Anti-Racketeering Revolving Fund	500,000
Prosecuting Attorney Council Fund	1,000,000
Board of Barbers Fund	400,000
Chiropractic Board Fund	100,000
Job Training Fund	13,000,000
Military Installation Fund	300,000
Registrar of Contractors' Fund	2,066,300
Utility Regulation Revolving Fund	1,680,300
Department of Corrections – Revolving Transition Fund	800,000
Department of Corrections – Transition Office Fund	800,000
Department of Corrections – Transition Program Drug Treatment Fund	1,300,000
Department of Corrections – CJEF Distributions Fund	1,000,000
Board of Cosmetology Fund	3,091,800
Arizona Criminal Justice Commission – DUI Abatement Fund	1,200,000
Arizona Criminal Justice Commission – Victims Compensation Fund	2,000,000
Telecommunication Fund for the Deaf	5,553,600
Dental Board Fund	4,200,000
Spinal and Head Injuries Trust Fund	2,000,000
Arizona Training Program – Phoenix Fund	1,600,000
Department of Economic Security – Mesa Land Fund	400,000
Special Education Fund	15,500,000
Department of Education – Internal Services Fund	525,100
English Learner Class Personnel Bonus Fund	200,000
State Armory Property Fund	100,000
Department of Environmental Quality – Recycling Fund	1,097,100
Clean Air In-Lieu Fee Account and Arizona Clean Air Fund Balance Fund	5,088,700
Underground Storage Tank Revolving Fund	28,419,700
Water Quality Assurance Revolving Fund	3,000,000
Arizona Escrow Guaranty Fund	1,000,000
Funeral Directors & Embalmers Fund	100,000
Game and Fish Watercraft License Fund	4,732,700

Game and Fish Department – Off-Highway Vehicle Recreation Fund	395,000
Game and Fish Fund	2,827,600
Livestock/Breeders Award Fund	2,000,000
Department of Health Services – Intergovernmental Agreements	17,189,900
Emergency Medical Services Operating Fund	6,200,000
Department of Health Services – Indirect Cost Fund	6,100,000
Substance Abuse Treatment Fund	1,500,000
Department of Health Services – Indirect Cost Recovery Fund	10,500
Serious Mental Illness Fund	43,400
Department of Health Services – Internal Services Fund	107,800
Vital Records Electronic Systems Fund	500,000
Hearing and Speech Professionals Fund	400,000
Medical Services Stabilization Fund	138,700
Tobacco Tax and Health Care Fund – Health Education Account	2,000,000
Housing Program Fund	2,775,900
Housing Trust Fund	10,244,000
Housing Development Fund	364,000
Industrial Commission Administrative Fund	3,530,900
Juvenile Delinquent Reduction Fund	1,552,900
Judicial Collection Enhancement Fund	1,500,000
Supreme Court CJEF Disbursement Fund	1,500,000
Arizona Lengthy Trial Fund	1,000,000
Criminal Justice Enhancement Fund	300,000
State Education System for Committed Youth	500,000
Liquor License Special Collections Fund	500,000
State Lottery Fund	5,996,400
Arizona Medical Board Fund	1,350,000
Medical Student Loan Fund	179,000
Naturopathic Physician Examiners Board Fund	1,000,000
Nursing Board Fund	75,000
Osteopathic Board Fund	250,000
Drug Treatment and Education Fund	2,000,000
Off-Highway Vehicle Recreation Fund	1,500,000
State Lake Improvement Fund	4,100,000
Board of Pharmacy Fund	2,500,000
Physical Therapy Board Fund	100,000
Auto-Fingerprint Identification Fund	300,000
DNA Identification System Fund	600,000
Department of Public Safety Licensing Fund	500,000
Highway Patrol Fund	700,000
County Fair Racing Fund	125,000
Breeders Award Fund	150,000

Condominium Recovery Fund	5,000
Real Estate Recovery Fund	225,000
Estate and Unclaimed Property Fund	1,132,800
Liability Set-off Fund	1,000,000
School Improvement Revenue Bond Debt Service Fund	1,000,000
Economic Strength Project Fund	2,000,000
Motor Vehicle Liability Insurance Enforcement Fund	5,400,000
State Aviation Fund	18,100,000
Transportation Department Equipment Fund	3,100,000
Vehicle Inspection and Title Enforcement Fund	1,100,000
Funding Given to Department of Environmental Quality for State Trust Land Settlement	2,025,500
Budget Stabilization Fund	487,000,000

- Limits the transfer from the Game and Fish Fund to monies deposited in the fund pursuant to legal settlements, and prohibits the transfer of monies associated with license fees.

Fund Reversions

- Reverts the unexpended and unencumbered balances of various appropriations to the state General Fund as outlined:

FY 2007-08 Fund Reversions	
Veteran's Nursing Home	\$35,823.73
Environmental Assessment – Phoenix Area	8,849.29
Occupational Safety and Health Review Board	127.67
Department of Economic Security Statewide Building Renewal	20.24
Arizona Office in Sonora	7,782.62
Border Volunteer Corps	34,704.67
Department of Juvenile Corrections Statewide Building Renewal	3,793.72
Department of Commerce – NAFTA CANAMEX Corridor	19,874.45
Department of Commerce – NAFTA Coordination	37,776.78
Governor's Telecommunications Policy Office	504.12
Building Renewal – Mesa Armory	1,325.20
State Hospital Condensate Receiver	4,700.00
Building Renewal – Cholla Facility	11,655.00
Building Renewal – Coolidge Impact Study	4,948.26
Department of Health Services – Building Renewal	30.00
Department of Education – Family Literacy Program	1,373.25
State Board of Nursing – Fingerprinting Costs	90,197.96
Department of Economic Security – Summer Youth Program	32,446.40
Department of Education School Safety Program	2,043.81
Department of Education Accountability Measures	50.00
Governor's Arizona-Sonora Study	5,200.00
Department of Economic Security – Hopi Senior Center	22,096.88
Governor's Executive Order for September Terrorism Incident Emergency	106,916.95

Occupational Safety and Health Review Board Lump Sum Appropriation	6,947.00
State Treasurer Property Tax Refund	0.20
AHCCCS Emergency Services	73.06
English Learner FTE	2,388.84
English Learner FTE	2,634.01
English Learner Pilot	342.40
Department of Commerce – Military Installation	24,830.46
Department of Liquor Licenses and Control – Data Processing	1,250,000.00
Department of Health Services Nonrenal Disease Management	100,000.00

Supplemental Appropriations and Additional Provisions

- Grants an additional \$25,257,400 in expenditure authority by Department of Health Services.
- Appropriates \$675,000 from the Postsecondary Education Fund in FY 2007-08 to the Commission for Postsecondary Education for increases in the leveraging educational assistance partnership.
- Appropriates \$267,700 from the State Retirement System Administration Account in FY 2007-08 to the Arizona State Retirement System for increases in employee related expenditures.
- Appropriates \$4,734,700 from the state General Fund in FY 2007-08 to the Arizona Health Care Cost Containment System (AHCCCS), and provides AHCCCS an additional expenditure authority of up to \$44,929,800.
- Reduces FY 2007-08 appropriation to AHCCCS from the Tobacco Tax and Health Care Fund – Medically Needy Account by (\$13,152,200) and (\$4,163,800) from the Tobacco Products Tax Fund – Emergency Health Services Account due to a shortfall in tobacco tax revenues.
- Requires the transfer of \$5,500,800 from counties with populations of than two million or more persons and \$1,526,000 from counties with populations of less than two million persons in FY 2007-08 to AHCCCS Administration for deposit into the Budget Neutrality Compliance Fund.
- Appropriates \$7,026,800 from the Budget Neutrality Compliance Fund in FY 2007-08 to AHCCCS.
- Appropriates \$200,000 to the Arizona Navigable Stream Adjudication Commission from the state GF in FY 2007-08 for operating expenses. The appropriation is exempt from lapsing.
- Appropriates \$40,000 to the State Land Department from the Environment Special Plate Fund in FY 2007-08 for the natural resources conservation districts special line item.
- Appropriates \$328,200 to the State Board of Nursing from the Board of Nursing Fund in FY 2007-08 to investigate certified nursing assistants.
- Appropriates \$17,500,000 from the federal Temporary Assistance for Needy Families (TANF) block grant to the Department of Economic Security for supplemental funding for Child Protective Services staff, adoption services, eligibility workers, and children services.

- Appropriates \$15,000,000 from the state GF in FY 2007-08 to the Department of Economic Security Division of Developmental Disabilities for supplemental funding for long-term care.
- Grants \$30,000,000 in expenditure authority of federal monies in FY 2007-08 to the Department of Economic Security Division of Developmental Disabilities for supplemental funding for long-term care.
- Transfers \$25,000,000 from the Long-Term Care System Fund to the state General Fund before the end of FY 2007-08.
- Extends the lapsing date on ASRS technology appropriations made in FY 2005-06 through June 30, 2009.
- Appropriates \$500,000 from the Information Technology Fund in FY 2007-08 to GITA for the Statewide Information Security and Privacy Office.
- Reverts to the state GF \$2,000,000 of the \$5,200,000 appropriation from the state GF in FY 2007-08 to the Department of Administration for prison cell locks and door replacement.
- Reverts to the state GF the \$1,000,000 appropriation for the Arizona Welcome Center.
- Reverts to the state General Fund \$100,000 of the \$1,000,000 appropriation from the state General Fund in FY 2006-07 for the hospital residency loan program line item.
- Reverts to the state General Fund \$2,456,000 in appropriations from the state General Fund to the Building Renewal Fund in fiscal years prior to FY 2007-08.
- Reduces the appropriation from the state GF to the Building Renewal Fund in FY 2007-08 by \$43,141,700.
- Reduces the appropriation from the state General Fund to the Arizona Water Protection Fund in FY 2007-08 by \$1,000,000.
- Limits the appropriation from the state General Fund to the Water Quality Assurance Fund in FY 2007-08 to \$13,000,000.
- Suspends the limit on State Highway Fund monies available to fund Department of Public Highway Patrol costs for FY 2007-08.
- Transfers the \$42,000,000 appropriated from the State Highway Fund to the Arizona Department of Transportation for the Statewide Transportation Acceleration Needs Account to the Department of Public Safety for Highway Patrol Costs in FY 2007-08.
- Prohibits the expenditure or encumbrance of the \$42,000,000 appropriation from the state General Fund to the Department of Public Safety for highway patrol costs in FY 2007-08.
- Appropriates \$1,060,000 from the state General Fund and \$280,000 from applicable other appropriated funds (as determined by JLBC) to increase rental rates for state-owned office and storage space. The cost of office space changed from \$19.50 per square foot to \$21.02 per square foot. The cost of storage space changed from \$7.00 per square foot to \$7.62 per square foot. Revenue from the new rental rates shall be collected by the Department of Administration and deposited in the Capital Outlay Stabilization Fund.

- Appropriates \$1,466,100 from the Capital Outlay Stabilization Fund to the Department of Administration in FY 2007-08 for utility costs.
- Prohibits the appropriations of \$5,309,300 from the state GF and \$4,690,700 from other state funds in FY 2007-08 and from nonfederal nonappropriated funds for hiring state employees from being expended or encumbered in hiring state employees. Requires these monies to remain in, be reverted to, or be transferred to the state General Fund.
- Defers until August 1, 2008, \$272,000,000 in basic state aid and additional state aid payment that would be otherwise apportioned to school districts on June 15, 2008. This deferral does not apply to charter schools.
- Appropriates \$272,000,000 in FY 2008-09 from the state GF to the State Board of Education and Superintendent of Public Instruction for basic state aid and additional state aid entitlement for FY 2008-09 for disbursement to counties in amounts equal to FY 2007-08 funding deferral.
- Appropriates \$627,700 in FY 2008-09 from the state General Fund to the State Board of Education and the Superintendent of Public Instruction for costs to school districts associated with the FY 2007-08 funding deferral.
- Allows the governing boards of school districts that incur interest expenses in FY 2007-08 or expect to in FY 2008-09 to budget an estimated amount for those expenses, which will be specifically exempt from the FY 2008-09 revenue control limit.
- If the staff directors of JLBC and OSPB determine the preliminary FY 2007-08 state GF ending balance is less than \$0, requires the State Treasurer to transfer an additional amount equal to the negative ending balance of the GF, plus \$1,000,000 from the Budget Stabilization Fund to the state GF.
- Requires the staff directors of JLBC and OSPB to notify the Governor, the President of the Senate, and the Speaker of the House of Representatives on or before July 29, 2008, whether the preliminary FY 2007-08 state GF ending balance is less than \$0 or greater than \$1,000,000 and if so, the total ending balance amount.
- If the staff directors of JLBC and OSPB determine the preliminary FY 2007-08 state GF ending balance is greater than \$1,000,000, requires the State Treasurer to appropriate the balance above \$1,000,000 to the Department of Education for basic state aid and additional state aid entitlement for FY 2008-09.
- Reverts to the state GF \$1,500,000 from the FY 2006-07 appropriation of \$2,000,000 from the state GF to the Office of Tourism for the Arizona Welcome Center.
- Changes the amount of the FY 2007-08 appropriation from the state General Fund to the Department of Public Safety for the design, construction, and implementation of a microwave communications system upgrade from \$1,500,000 to \$1,000,000.
- Reverts to the state GF \$2,000,000 from the FY 2007-08 appropriation of \$8,000,000 from the state GF to Legislative Council for the Polly Rosenbaum State Archives and History Building.
- Changes the date of the \$10,000,000 appropriation from the state General Fund to the Department of Veterans' Services for construction and establishment of a Veterans' Home

facility in Tucson from FY 2006-07 to FY 2008-09. Reverts any amount of this appropriation that is unexpended and unencumbered on June 30, 2010 to the state General Fund.

- Exempts \$100,000 of the amount appropriated for Project Challenge in the Department of Emergency and Military Affairs for FY 2007-08 from lapsing.
- Changes the appropriation from the state General Fund to the Department of Administration for renovation of the old health laboratory from two appropriations of \$2,207,000 in each of FY 2007-08 and FY 2008-09 to a single \$1,207,000 appropriation in FY 2007-08.
- Appropriates \$2,207,000 from the state General Fund to the Department of Administration for renovation of the old health laboratory in FY 2008-09.

SB 1096 – Chapter 34 – *appropriation; English language learners

Appropriates \$40,653,833.30 in FY 2008-09 to the Arizona Structured English Immersion Fund for English Language Learner instruction. Of this \$40,653,833.30, \$26,353,833.30 is appropriated from the state General Fund, and \$14,300,000 is transferred from the remaining unexpended and unencumbered balance for ELL weight funding as prescribed in Laws 2007, Chapter 255, and Section 29. Stipulates that monies in the Structured English Immersion Fund are State Aid and shall be apportioned in the same manner as Basic State Aid.

SB 1235 – Chapter 312 – state expenditures; searchable database; transparency

Requires the Department of Administration to establish and maintain an official state internet website that contains a comprehensive database of receipts and expenditures of state monies.

SB 1337 – Chapter 313 – centennial funding; capitol renovation

Reverts and reallocates monies previously appropriated to the Arizona Historical Advisory Commission (AHAC) and Legislative Council in FY 2006-07 and makes changes to the conditions AHAC must meet in order to expend appropriated monies.

- Reverts \$2,000,000 of the FY 2006-07 appropriation to the AHAC to the state General Fund, reducing the total appropriation from \$2,500,000 to \$500,000.
- Reallocates the remaining \$500,000 appropriation as follows:
 - \$50,000 to AHAC to develop and coordinate a statewide plan regarding the state's centennial, for deposit in the Arizona Centennial Account.
 - \$450,000 to Legislative Council for the costs concerning the renovation of the state capital building in commemoration of the centennial.
- Removes the requirement that AHAC receive and account for \$5,000,000 in matching funds through gifts, grants, and donations before the appropriation may be spent.
- Removes the requirement for AHAC expenditures receive an affirmative vote of Legislative Council.
- Repeals the transfer of \$50,000 in FY 2006-07 to AHAC.

SB 1435 – Chapter 315 – appropriations; named claimants

Appropriates \$179,821.19 to the Arizona Department of Administration for payment of various claims made against state agencies during FY 2004-05 and FY 2005-06. Appropriates \$1,739.01 from the state General Fund in FY 2007-08 to the State Mine Inspector for payment of a claim.

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COMMITTEE ON COMMERCE

*Representative Michele Reagan, Chairman
 Representative Rich Crandall, Vice-Chairman
 Diana Clay O'Dell, Legislative Research Analyst
 Tony DeMarco, Assistant Research Analyst*



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
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HB 2077 – Chapter 48 – home inspectors; rules; standards committee

Decreases to 40, the required number of home inspector organization members eligible to submit names for positions on the Home Inspector Rules and Standards Committee.

HB 2123 – Chapter 96 – *landlord charges; utilities

Allows an RV Park landlord or a Mobile Home Park landlord to charge separately for gas, water, or electrical utility services using either a *sub-metering billing system* or the *ratio utility billing system*. Prescribes the landlord's requirements for using those methods. Allows a landlord to charge separately for the removal of waste, refuse, or trash.

HB 2317 – Chapter 38 – luxury tax; tobacco tax stamps

Codifies administrative rule pertaining to Department of Revenue's (DOR) oversight of cigarette tax stamps. Under certain conditions, allows DOR to deem improperly stamped packages of cigarettes as properly stamped in the course of inspections.

HB 2474 – Chapter 112 – materialmen's liens; surety bonds

Ensures a construction owner who posts one surety bond for a construction project releases a *mechanic's lien* and satisfies a *stop notice*, when filed with respect to the same claim. Requires a surety bond to equal 150 percent of the notice and claim of lien. Promptly releases monies previously withheld upon serving and recording the bond.

HB 2483 – Chapter 159 [P 108] – ignition strength of cigarettes; regulation

Effective August 1, 2009, creates a new standard for cigarette ignition propensity, with associated testing and manufacturer certification requirements, civil penalties for violations, and designates the State Fire Marshal (SFM) to approve and oversee the program. Directs the SFM to implement the provisions pursuant to the New York fire safety standards for cigarettes and to adopt pertinent rules.

HB 2643 – Chapter 226 – liquor; restaurant licenses; continued operation

Effective January 1, 2009, extends the Modified Restaurant License (MRL) program an additional 5 years, and requires the State Treasurer to deposit five percent of the MRL fees into the DUI Abatement Fund. Adds some provisions of HB 2395 (driving; boating; under the influence), which was vetoed by the Governor. Makes various changes to DUI and OUI law, including the establishment of two separate violations for extreme DUI and OUI.

DUI Provisions (Motor Vehicle)

- Increases the Ignition Interlock Device (IID) time requirement from 12 to 24 months for an aggravated DUI conviction, and requires MVD to extend the IID driver license and period under certain circumstances.
- Prescribes MVD's administrative procedures and authorities regarding the reinstatement of a person's driving privilege through alcohol or other drug screening or education and treatment programs.
- Outlines the court's process for assessing the completion of screening, education, and treatment programs, and provides for additional remedial courses of action.
- Allows the court to suspend jail sentences based on BAC levels and number of offenses.
- Increases the look-back period, from 60 to 84 months, for determining if a juvenile has committed a second time DUI offense.

Operating Under the Influence (Motorized Watercraft)

- Requires a person convicted of first time OUI to serve not less than 10 consecutive days in jail, with exceptions.

- Increases the look-back period, from 60 to 84 months, for determining prior OUI offenses.
- Allows the court discretion in suspending jail sentences for a second time OUI offender with conditions.
- Eliminates the class 2 misdemeanor classification for not immediately stopping a watercraft to allow a peace officer to come aboard, and instead designates “*willfully fleeing or attempting to elude a pursuing officer who is ordering the operator ashore to correct any unlawful condition*” as a class 5 felony.

Extreme Operating Under the Influence (EOUI)

- Establishes two separate violations of EOUI consisting of a BAC of at least 0.15 to 0.20; and a BAC of 0.20 or higher.
- Prescribes minimum jail sentences for offenders convicted of EOUI with a BAC of 0.20 or more, and prohibits the court from reducing the jail sentence.
- Requires a person convicted of an EOUI with a BAC of 0.20 or more to pay a minimum fine of \$500 for the first offense and \$1000 for a second EOUI offense.
- Requires a person convicted of an EOUI to pay an additional assessment of \$250 and requires the monies to be transmitted to the county or city treasurer.

Aggravated Operating Under the Influence (AOUI)

- Specifies the qualifications of an AOUI offense when a person under 15 years of age is aboard the motorized watercraft.
- Classifies AOUI as a class 4 felony; a class 6 felony, with a minor under 15 years of age aboard the motorized watercraft.

HB 2822 – Chapter 309 [E] – pest control; department of agriculture

Adopts the formal recommendation of the interim *Committee of Reference* by terminating the Structural Pest Control Commission. Establishes an *Office of Pest Management* to remain in existing office space and appoints an acting director through the Arizona Department of Administration. Creates an advisory committee. Requires an auditor general’s performance audit and report by November 2010 regarding specific recommendations to best regulate the industry and protect the public. Contains an Emergency clause.

HB 2826 – Chapter 226 – liquor wholesalers; promotional items

Allows wholesalers of spirituous liquor to furnish free *promotional items* to on-sale liquor retailers, limited to \$500 per year.

HB 2828 – Chapter 169 – workers’ compensation; claims

Clarifies a reopened claim for workers’ compensation benefits must have been previously accepted by the Industrial Commission of Arizona as a valid claim. Asserts a claim cannot be reopened if the initial claim was previously denied or deemed final and the exception for late filing does not apply. Requires a claim for temporary partial disability benefits to be filed within two years after the date of the claim or within two years after the final benefits award.

HB 2834 – Chapter 120 – boxing commission; unarmed combat; rules

Requires the Arizona Boxing Commission (Commission) to begin using rules consistent with the unified rules for mixed martial arts promulgated by the New Jersey State Athletic Control Board (NJSACB) within 90 days of the general effective date to regulate the *unarmed combat* contests in Arizona. Allows the Commission to establish a fee for unarmed combat events. Specifies that no admission fee be charged for amateur competitions held by private martial arts schools.

SB 1038 – Chapter 121 – counterfeit marks; intellectual property

Conforms the threshold levels for the number of *sound* recording articles constituting a felony or misdemeanor to those of *audiovisual* recordings. Requires the court, upon conviction of a defendant, to order restitution to the owner based on the *aggregate wholesale value*. Clarifies a counterfeit mark violation includes any component of a good or service by defining *item*.

SB 1050 – Chapter 54 – court reporter certification

Removes the termination date of the Court Reporter Certification Program from statute, as well as the expiration date for renewal of certificates. Further, authorizes the Arizona Supreme Court to determine the duration of court reporter certificates through administrative rule.

SB 1125 – Chapter 187 – occupational safety; employee death; penalties

Permits the *estate* of the employee who becomes permanently disabled or deceased to receive the \$25,000 additional penalty assessed against the employer for willful or repeat violations of occupational health and safety laws.

SB 1133 – Chapter 79 – AHCCCS; DES; new hires directory

Conforms state law to federal law by permitting the Arizona Department of Economic Security and the Arizona Health Care Cost Containment System Administration to use the state directory for new hires to determine Medicaid eligibility.

SB 1176 – Chapter 229 – *purchaser dwelling actions; definitions

Modifies the definition of *seller* within the section of law pertaining to purchaser dwelling actions to exclude an Arizona Department of Real Estate licensee, firm, partnership, corporation, association or organization from the definition. Excludes real estate brokers and salespersons that provide services in the *resale* of a dwelling within the definition.

SB 1227 – Chapter 295 – certified public accountants; reciprocity privilege

Revises the requirements for out-of-state certified public accountants (CPA) to qualify and exercise the *limited reciprocity privilege* in Arizona. Allows the State Board of Accountancy to grant the privilege to individuals who are certified or licensed as a CPA or PA in another state or foreign country, without the following: notification to the Board; affidavit affirming good standing with the licensing jurisdiction; or, payment of an application fee.

- Removes the 12-month cap provision on CPAs who are licensed by the Board to practice in Arizona under limited reciprocity, as well as the six-month extension. In addition, removes the 60-day limitation on out-of-state CPAs to practice in Arizona without notification to the Board (incidental practice).
- Stipulates that an individual who exercises the privilege is subject to the personal and subject matter jurisdiction of the Board.
- Requires one of the Board's public members be appointed to a three-year term, beginning July 3, 2009.

SB 1228 – Chapter 30 – charitable funds; management

Repeals statutes relating to *Investments for Eleemosynary Purposes* and replaces the statutory language with a new chapter titled *Management of Charitable Funds* consistent with the national Uniform Management of Institutional Funds Act. Revises accordingly, the statutes to regulate the management and use of investments held by charitable institutions and funds.

SB 1232 – Chapter 231 – real estate department; designation removal

Removes the ability for licensees or applicants to obtain a special designation for *sales of businesses* from the Arizona Department of Real Estate. Retroactive to January 1, 2008, clarifies the personal identifying information of licensees is confidential and cannot be released to anyone, except in limited circumstances. Maintains the validity of all existing licenses.

SB 1258 – Chapter 260 – timeshares; trustee’s sales; foreclosures

Establishes a process for a Timeshare Association (Association) or other managing entity to cause a trustee’s sale of a timeshare estate when the owner is delinquent in the payment of assessments for one year. Outlines the requirements of the Association initiating a trustee’s sale, and affords the owner a process for curing the delinquency.

SB 1410 – Chapter 314 – corporations and LLCs

Removes the requirement for domestic and foreign corporations, nonprofit corporations, and limited liability companies (LLCs) to file affidavits evidencing publication of certain documents to the Arizona Corporation Commission. Additionally, conforms statutes that regulate corporations and LLCs.

SB 1417 – Chapter 261 – contractor regulation

Revises complaint procedures and citations issued against licensed contractors, and outlines additional regulatory requirements for remodel and repair contractors. Provides an exception for an *owner-occupant*, to the current provisions of statute regarding the one-year limitation on the sale or rent of the property. Mandates suspension of work and prohibits acceptance of new projects for a licensee with five or more unresolved and substantiated *abandonment* complaints within a 12-month period.

SB 1450 – Chapter 297 – regional attraction districts

Permits the formation of a Regional Attraction District in a city with a population of at least 10,000 but fewer than 20,000 persons located in a county with at least 300,000 but fewer than 400,000 persons (i.e. Eloy, Ariz.). Outlines the respective duties and authorities of the District’s Board of Directors with regard to formation, operations, and finances of the District.

- Adds Title 48, Chapter 38, Arizona Revised Statutes, titled Regional Attraction Districts.
- Creates the District as a corporate and political body having the rights, powers and immunities of a municipal corporation.
- Permits the governing body of the District to establish the District upon petition of the owners of at least 200 acres of real property in the proposed district
- Allows the District to issue up to \$750 million in negotiable revenue bonds, but requires an initial minimum of \$100 million in legally enforceable financial commitments from private, nongovernmental entities before the Board may issue any bonds. Further, allows the District to levy up to 10 percent excise tax on gross proceeds on sales or gross income derived from certain business activity in the District to pay for the bonds.
- Terminates the District and repeals the provisions if the board fails to issue any bonds by January 1, 2016.

COMMITTEE ON COUNTIES, MUNICIPALITIES AND MILITARY AFFAIRS

*Representative John Nelson, Chairman
Representative Jerry Weiers, Vice-Chairman
Thomas Adkins, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2032 – Chapter 35 – county treasurers; procedures

Amends the procedures for county treasurers for entering money received, disbursement of county monies, receipt of paid warrants and foreclosures of paid liens.

HB 2113 – Chapter 95 – municipal annexation; finality

Requires a municipal clerk to provide a copy of an adopted annexation ordinance to the clerk of the board of supervisors of each county that has jurisdiction over the annexed area.

HB 2154 – Chapter 164 – county plans; major amendments

Allows, rather than requires, the board of supervisors of a county to refer major amendments, including amendments to existing zoning regulations, to the county's Comprehensive Plan to the county's Planning and Zoning Commission.

HB 2155 – Chapter 145 – transfer of development rights

Allows counties to transfer development rights from unincorporated areas of a county to a municipality through an Intergovernmental Agreement and removes the repeal of statutes related to county transfers of development rights.

HB 2156 – Chapter 284 – *railroad projects; review

Requires railroads that have identified potential sites for a major rail project since January 1, 2008 to provide specified information to the Department of Transportation (ADOT) and requires ADOT to review the existing or proposed major rail project and hold at least one public hearing to record public comments. Railroads are prohibited from commencing any eminent domain proceeding with respect to a major rail project until after the review process is completed.

HB 2193 – Chapter 214 – *publication; county minutes

Allows counties to publish the full minutes of every meeting of the board of supervisors on the county website rather than in a newspaper of general circulation in the county and removes requirements for newspapers to provide free copies of the minutes to public libraries.

HB 2194 – Chapter 300 [E] – *military facility; reservations; security

Establishes a class 6 felony for committing a criminal trespass on a military reservation or facility, allows the Department of Emergency and Military Affairs (DEMA) to adopt security methods consistent with U.S. Department of Defense directives and requires DEMA employees to obtain and submit a fingerprint clearance card.

HB 2219 – Chapter 266 – county buildings; sale; nonprofit entities

Allows counties with 100,000 people or less to sell real and personal property to a nonprofit organization. Property reverts back to the county if the nonprofit disposes of the property or materially changes the service it provides.

HB 2378 – Chapter 245 – counties; debit card acceptance

Allows counties to accept debit and credit card payments.

HB 2406 – Chapter 105 – county auctions; easement exemption

Allows a county, with unanimous consent of the board of supervisors, to grant an easement on county property to a utility for public purposes without public auction.

HB 2420 – Chapter 107 – flood control districts; property

Allows a flood control district to sell property to the state or a county.

HB 2466 – Chapter 68 – critical infrastructure information; disclosure

Exempts critical infrastructure information provided to any local government from public disclosure.

HB 2615 – Chapter 241 – *solar construction permits

Specifies the standards municipalities and counties must adopt regarding permits for solar energy devices and creates the 18-member Local Government Solar Equipment Permit Process Improvement Study Committee.

HB 2701 – Chapter 307 – county graffiti abatement; procedures

Allows the courts to order a juvenile's parent or guardian to help the juvenile perform community restitution if the juvenile is guilty of a second graffiti offense and certain conditions are met, and allows a retail business to determine how to restrict the retail display of potential graffiti tools. Requires counties to deny kennel permits to people convicted of certain animal welfare laws.

SB 1006 – Chapter 183 – professional license extensions; military members

Provides an automatic limited extension of various professional and occupational licenses, certificates and registrations issued to members of the U.S. military while they are serving on federal active duty.

SB 1024 – Chapter 184 – cities; campaign finance; website

Requires the Secretary of State and certain counties and municipalities that operate websites to post campaign finance information online but exempts all reports where less than \$500 is spent.

SB 1174 – Chapter 80 [P 108] – notary public; registration

Transfers all of the powers and duties relating to notaries public, including the receipt of fees, from the Clerk of the Superior Court and county recorders to the Secretary of State and specifies the disbursement of all monies received from such fees to various funds and accounts.

SB 1180 – Chapter 81 – state land department; sunset continuation

Continues the State Land Department until June 30, 2018.

SB 1238 – Chapter 275 – *outdoor fires; counties

Expands the authority of counties to adopt and enforce ordinances prohibiting open fires and campfires on designated lands in unincorporated areas when the county emergency management officer issues a determination of emergency and the board of supervisors deems it necessary to protect public health and safety on those lands.

SB 1288 – Chapter 192 – *local stormwater pollution prevention

Allows certain counties to adopt ordinances and fees related to the implementation of a local stormwater quality program.

SB 1385 – Chapter 72 – municipal plans; neighborhood element

Requires cities of 50,000 or more persons to include a neighborhood preservation and revitalization element in their general plans.

SB 1387 – Chapter 196 – real estate disclosure; training ranges

Requires municipalities and counties to notify the military installation commander of a military electronics range (MER) when certain land use applications are deemed complete. Additionally, land sellers must disclose whether or not the property up for sale is located in a MER.

COMMITTEE ON EDUCATION (K-12)

Representative Mark Anderson, Chairman
Representative Andrew M. Tobin, Vice-Chairman
Jennifer Anderson, Legislative Research Analyst



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
 [P 108] Proposition 108 Clause

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HB 2008 – Chapter 202 – school pupils; alternative graduation requirements

Reinstates, retroactive to January 1, 2008, alternative high school graduation requirements for pupils who have not passed the Arizona Instrument to Measure Standards (AIMS) test. Directs the State Board of Education (SBE) to provide for the augmentation of AIMS test scores with additional credit, and phases down the augmentation from 25% to 5% over the next three years.

HB 2042 – Chapter 212 – *school employees; arrests; reporting

Requires a public school employee or applicant who is arrested for or convicted of an offense that would preclude them from receiving a fingerprint clearance card to immediately notify their current or prospective employer. Instructs the SBE to adopt rules revoking a teaching certificate for at least ten years of an employee or applicant who fails to properly notify the school or fails to surrender a certificate or fingerprint clearance card if convicted.

HB 2064 – Chapter 265 – e-learning task force

Expands the duties of the Arizona E-Learning Task Force (Task Force) and requires the Education K-12 Committee of Reference to review the progress of the Task Force.

HB 2167 – Chapter 61 – charter schools; academic contests fund

Allows charter schools to receive monies from the Academic Contests Fund in order to send a pupil who won an academic contest at the state level to the national level of the contest.

HB 2234 – Chapter 302 – JTEDs; bonding

Expands the Class B bonding authority of Joint Technological Education Districts (JTEDs). Prohibits space leased to a JTED by a school district from being included in a school district's square footage calculations for building renewal funding, but allows the space to be included in square footage calculations for new school construction.

HB 2368 – Chapter 267 – school pupils; admission; absences

Changes the time period in which a school must notify the parent of a child in kindergarten through eighth grade when the child is absent from class and allows a school to prohibit a child who has already graduated high school from enrolling in classes.

HB 2369 – Chapter 206 – school districts; notices; electronic publication

Permits school districts to electronically publish their annual financial report and removes the requirement for the report to be submitted on a school-by-school basis.

HB 2441 – Chapter 108 – school textbooks; alternative media producers

Requires the SBE to designate a list of alternative media producers to produce human-voiced audio, large-print, and Braille textbooks for pupils with disabilities.

HB 2469 – Chapter 111 [E] – *schools; overexpenditures; crisis teams; receivership

Delays and extends the repayment period for overexpenditures committed by Saddle Mountain Unified, Union Elementary and Peach Springs Unified school districts and makes several changes regarding receivership and school district financial accountability.

Receivership

- Permanently authorizes the SBE to appoint a receiver to a school district and requires the SBE to review the expenses and costs of the receiver.
- Prohibits a receiver from providing a severance or buy-out package to the superintendent or chief financial officer of a school district if the district was placed into receivership by the SBE.

Overexpenditures

- Prohibits a county school superintendent from drawing a warrant for a school district expenditure that is in excess of the amount budgeted for that school district.

- Requires a county school superintendent, within two business days, to provide written notice to the Arizona Department of Education (ADE) if a school district has committed an overexpenditure. Establishes consequences for county school superintendents who fail to comply with notification requirements.
- Directs the ADE, upon notice from a county school superintendent, to monitor and provide technical assistance to a school district that has committed an overexpenditure.
- Instructs the ADE to request a meeting of the SBE if a school district has failed to resolve an overexpenditure or if the overexpenditure exceeds the school district's budget limits by the lesser of \$50,000 or 0.05%. The SBE must decide to instruct the ADE to monitor the school district, direct the ADE to contract with a fiscal crisis team, or appoint a receiver.

Fiscal Crisis Teams

- Requires the fiscal crisis team or receiver to review the school district's financial affairs and submit a report to the SBE within 120 days of being appointed and subsequently submit quarterly progress reports to the SBE.
- Authorizes a level one fiscal crisis team to provide on-site supervision and off-site monitoring of a school district for twelve months or less and authorizes a level two fiscal crisis team to provide on-site supervision and off-site monitoring of a school district for twenty-four months or less and override any financial act or decision.

School District Professional Development Training

- Mandates governing board members and administrative personnel of a school district that has been assigned a level two fiscal crisis team or a receiver to complete twelve hours of professional development training. Stipulates consequences for failure to complete training.

Saddle Mountain, Union, and Peach Springs

- Requires Saddle Mountain Unified, Union Elementary, and Peach Springs Unified school districts to begin making repayments to the state during FY 2008-09 and extends the payments over a nine-year period through FY 2016-17.

Miscellaneous

- Instructs ADE to notify the Attorney General if a superintendent or chief financial officer who was previously employed at a school district when it was placed into receivership is currently employed by another school district or charter school in the state.
- Requires SBE to withhold 10% of the state monies due to a school district for each violation of noncompliance with the uniform system of financial records.

HB 2495 – Chapter 207 [E] – *military reservations; board; accommodation schools

Establishes a five-member military reservation accommodation school board and modifies the general budget limit and revenue control limit for an accommodation school located on a military reservation by the amount of federal impact aid received for classification as heavily-impacted.

HB 2563 – Chapter 2 – *transfer credits; notice; examination

Directs school districts and charter schools to accept all transfer credits earned by a pupil at another school district or charter school in Arizona. Requires a school district or charter school to provide a transfer pupil with a list indicating whether a transfer credits was accepted as an elective or core credit. Allows a pupil to dispute the assignment of a credit by taking and passing a test in each particular course where core credit has been denied.

HB 2566 – Chapter 115 [E] – schools; student teachers; tutors; fingerprinting

Stipulates that a person who participates in an approved student teacher program or who is contracted to provide tutoring services must obtain a fingerprint clearance card prior to participating in any field experience where services will be provided directly to pupils.

HB 2694 – Chapter 222 – schools; fingerprinting; contract employees

Requires school districts to fingerprint or obtain a full set of fingerprints from a contractor, subcontractor, or vendor, or any of their employees, who is contracted to work on school grounds at least five times per month.

HB 2711 – Chapter 139 [E] – school districts; educational mismanagement; intervention

Authorizes the SBE to intervene in a school district with systemic educational mismanagement by appointing a new superintendent and allows the SBE to grant additional powers to the superintendent, including the ability to override decisions made by the school district governing board.

Systemic Educational Mismanagement

- Instructs the ADE to investigate a school district with at least six schools for systemic educational mismanagement if at least 50% of the district's schools are classified as underperforming or failing and at least one school is classified as failing, and then notify the SBE if the school district meets the circumstances of systemic educational mismanagement.

Appointment of Superintendent

- Stipulates that if the SBE determines, by a preponderance of the evidence, that a school district has systemic educational mismanagement, then the SBE must decide whether to appoint a new superintendent. ADE must recommend three persons for superintendent.

Powers and Duties of Appointed Superintendent

- Directs a superintendent appointed by the SBE to review and investigate the school district's educational affairs and submit a report, including an educational improvement plan, to the SBE within 120 days of being appointed and subsequently submit quarterly progress reports.
- States that the educational improvement plan approved by the SBE may authorize the superintendent to override certain decisions of the school district governing board, initiate decisions concerning management and operation, hire and terminate personnel, cancel existing employment contracts, and refuse to reemploy any teacher who has not been employed by the district for more than three consecutive years.
- Directs the superintendent to appoint a 15-member Community Advisory Committee (Committee) and specifies that the Committee is allowed to attend all meetings of the school district's governing board and have access to the governing board's public records. Input from the Committee must be included in the superintendent's quarterly progress reports.

Powers and Duties of the SBE

- Instructs the SBE to conduct a formal review of the superintendent's progress every six months to determine if the operation of the school district should be returned to the governing board.

HB 2747 – Chapter 208 – charter schools; ASDB; transportation

Permits a school district that transports pupils to a campus of the Arizona State Schools for the Deaf and Blind (ASDB) to transport or contract to transport sensory-impaired pupils to a charter school. Specifies a two-year probationary employment period for new teachers at ASDB, and changes the status of ASDB as an uncovered agency to a covered agency.

SB 1081 – Chapter 155 – TAPBI program; administrative salaries

Specifies that the salaries of any administrator employed by a Technology Assisted Project Based Instruction Program (TAPBI) school must be included in the TAPBI school's annual report.

SB 1172 – Chapter 27 [E] – unorganized territories; adjacent school districts

Removes the requirement for an unorganized territory to join only an adjacent unified school district when the territory has more than 150 pupils with certificates of educational convenience.

SB 1215 – Chapter 56 – charter schools; approved plans; renewal

Instructs the sponsor of a charter school, at least 18 months prior to the expiration of a charter, to notify the charter school that they may apply for renewal. Stipulates that a charter school seeking renewal must apply at least fifteen months before expiration of their approved charter.

SB 1216 – Chapter 189 – schools; biometric information; prohibition

Prohibits school districts and charter schools from collecting a pupil's biometric information without written parental permission. Each school must provide written notice to the parents of pupils stating their intent to collect biometric information 30 days prior to the collection.

SB 1218 – Chapter 28 – *education database; pupil privacy

Requires the ADE to comply with specific security measures and the Family Educational and Privacy Rights Act when maintaining an education database.

SB 1229 – Chapter 31 – *diabetes; treatment; schools

Authorizes the governing board of a school district or charter school to adopt policies and procedures for pupils who have been diagnosed with diabetes by a licensed health professional, to manage their diabetes in the classroom, on school grounds, and at school-sponsored activities.

SB 1230 – Chapter 127 [E] – school safety; school misconduct

Permits a school district to apply to participate in the School Safety Program (Program) for up to three fiscal years at a time. Specifies that a school district must comply with Program requirements in order to receive Program monies.

SB 1334 – Chapter 86 – compact; educational opportunity; military children

Establishes the Interstate Compact on Educational Opportunity for Military Children (Compact) and the Interstate Commission on Educational Opportunity for Military Children to address issues of educational transition for children of military families. Stipulates that the Compact is effective and binding on the enactment of the Compact by at least 10 states.

SB 1401 – Chapter 74 – school safety program; reserve officers

Allows the ADE to permit a law enforcement agency to assign a full-authority reserve peace officer certified by the Arizona Peace Officer Standards and Training Board to participate in the School Safety Program.

SB 1443 – Chapter 200 – SDRC; small school district adjustment

Pushes back the effective operational date for a school district that has unified as a result of the School District Redistricting Commission (SDRC) plan by one fiscal year. Allows a school district that unified under the SDRC plan to use the small school district adjustment for four years if at least one of the school districts in the newly unified district was eligible for the adjustment prior to unification.

COMMITTEE ON ENVIRONMENT

*Representative Ray Barnes, Chairman
Representative Bob Robson, Vice-Chairman
Justin Riches, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2066 – Chapter 5 – sign walkers; municipal regulation

Requires municipalities to allow the posting, display and use of sign walkers.

HB 2280 – Chapter 64 – emissions testing; motorcycles; area A

Establishes a vehicle emissions inspection exemption for motorcycles in Area A. Contains a conditional enactment provision, which states the amendments will not take effect unless the Environmental Protection Agency (EPA) issues an emissions testing exemption for motorcycles before or on July 1, 2010 in Area A.

HB 2425 – Chapter 218 – underground storage tanks; energy act

As required by the federal Energy Policy Act of 2005, makes various changes to Arizona's underground storage tank regulations to conform to federal law.

HB 2426 – Chapter 45 – waste tire collection sites

Establishes waste tire storage site registration and regulations for storing and disposing of vehicle tires and also requires waste tire collection sites to submit a Solid Waste Facility Plan to the Arizona Department of Environmental Quality (DEQ).

HB 2621 – Chapter 254 – *standards; biofuel

Establishes standards for biofuels relating to labeling, product transfer documents, registration and reporting requirements. Defines *biodiesel*, *biofuel*, *biofuel blend*, *biomass*, *diesel fuel*, *E85* and *misfuel*.

SB 1095 – Chapter 77 – air quality; clean burning gas

Changes the date that clean burning gasoline is to be used in Area C to May 1, 2009, from June 1, 2009. Conditions the enactment on the EPA's approval of the State Implementation Plan revision.

SB 1384 – Chapter 130 – Arizona emissions bank

Removes the repeal date for the Arizona Emissions Bank program within the DEQ and sets a sunset date of July 1, 2019.

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COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE

*Representative Bill Konopnicki, Chairman
Representative Kirk Adams, Vice-Chairman
Stacy Weltsch, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2031 – Chapter 163 – insurance; technical changes; definitions

Removes the requirement that before issuing an insurance producer license the Director of the Department of Insurance (DOI) must find that the individual applying for the license does not intend to use the license to secure insurance for the applicant or the applicant's family members, and adds that requirement as grounds for denial, suspension, revocation or non-renewal of an insurance producer license.

HB 2081 – Chapter 213 – captive insurers; authority

Allows captive insurers to cover employment practices liability risk and removes the requirement that at least one incorporator be a resident of the state.

HB 2224 – Chapter 172 – service company contracts

Exempts manufactures, builders or sellers from procuring a permit to issue warranties and service contracts on items they manufacture, construct or sell.

HB 2228 – Chapter 215 – *boiler inspectors; immunity

Exempts insurers, their agents, and their employees from liability for damages that arise out of any act or omission that occurs in the course of boiler and machinery insurance services.

HB 2282 – Chapter 236 – *insurance transactions; false disclosures

States that a producer, consultant or third party administrator shall not falsely disclose the method or amount of compensation associated with a health benefits plan.

HB 2507 – Chapter 136 – political subdivisions; state endowment investments

Allows the Arizona State Treasurer to invest and reinvest monies of the state, state agencies, political subdivisions, and tribal nations, in a long-term endowment in equity securities.

HB 2513 – Chapter 240 – *stranger originated life insurance

Prohibits the practice of stranger originated life insurance. Specifically stipulates that initiating, or planning to initiate, a life insurance policy for the benefit of a third party investor who has no insurable interest in the insured is a violation of A.R.S. §20-1104, which states that no person shall procure an insurance contract on another without an insurable interest in the insured.

HB 2587 – Chapter 46 – extension of credit; identity theft

Requires lenders to take reasonable steps to verify a consumer's identity before lending money or extending credit.

HB 2658 – Chapter 118 – insurance contracts; small employer coverage

Modifies the circumstances under which a health care insurer or accountable health plan (AHP) may nonrenew, discontinue or terminate an individual's coverage or a health benefits plan. Stipulates the premium tax exemption for AHPs applies to coverage of voluntary small employer risk pools. Classifies a group disability policy issued in-state or out-of-state as a health benefits plan subject to AHP statutes.

HB 2806 – Chapter 247 – Arizona trust code

Repeals and rewrites the Arizona trust code.

HB 2847 – Chapter 4 – *autism; covered benefit denial prohibition

States that hospital service corporations, medical service corporations, health care service organizations, group disability insurers, blanket disability insurers, and contractors that offer coverage shall not exclude or deny coverage for a treatment or impose dollar limits, deductibles and coinsurance provisions based solely on a diagnosis of Autism Spectrum Disorder. Coverage cannot be denied for medically necessary behavioral therapy services; services shall be provided by a licensed or certified provider.

SB 1028 – Chapter 310 – *loan origination licensing

Establishes a loan originator licensing program requiring mortgage loan originators to be licensed by, and subject to the rules and enforcement of, the Department of Financial Institutions.

SB 1029 – Chapter 311 – *license renewals; bankers; mortgage brokers

Changes the license renewal dates for mortgage bankers, mortgage brokers and commercial mortgage bankers to December 31 of each year to allow Arizona licensees to participate in the Nationwide Mortgage Licensing System.

SB 1086 – Chapter 122 – insurance producers; examinations; applicability

Changes the time insurance producer license applicants have to pass the examination from 120 days to one year. Repeals the application filing deadline exemption for applicants prior to August 12, 2005.

SB 1163 – Chapter 160 – replacement policies; application of law

Removes the requirement that an insurer provide new disclosures for policies and contracts for existing policyholders when a term conversion privilege is exercised among corporate affiliates.

SB 1185 – Chapter 43 – credit report; score; security freeze

Establishes procedures and requirements for a consumer to request and a credit reporting agency to place or lift a security freeze on the consumer's credit report.

SB 1285 – Chapter 84 – cease and desist orders; disclosure

Requires cease and desist orders issued by the Department of Financial Institutions and related to unlicensed activity to be open to public inspection.

COMMITTEE ON GOVERNMENT

*Representative Kirk Adams, Chairman
Representative Jonathan Paton, Vice-Chairman
Michelle Hindman, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2021 – Chapter 92 [E] – enduring freedom memorial; extension.

Extends the time for completion of the Enduring Freedom Memorial and the Bill of Rights Commemorative Monument.

HB 2159 – Chapter 277 – *disciplinary records; open to inspection

Stipulates that a public body shall maintain all records that are reasonably necessary or appropriate to maintain an accurate knowledge of the disciplinary actions (including employee responses) involving public officers or employees of that public body. Mandates that the records shall be open to inspection and copying pursuant to statute, except where protected from disclosure by law. Clarifies that disclosure of the personal identifying information of peace officers and eligible persons pursuant to A.R.S. § 39-123 & 124 is not required, and states that it is the duty of a public officer to make public records open to inspection pursuant to law.

HB 2163 – Chapter 243 – reviser’s technical corrections; 2008

Makes non-substantive technical changes to conflicting statutes.

HB 2410 – Chapter 135 – open meetings; public opinions

Specifies that if a member of a public body expresses an opinion or discusses an issue with the public personally, through public broadcast or at a venue other than an actual meeting of the public body, the member is not in violation of Arizona open meeting laws if the opinion is not directed at another public official and/or there is no plan to engage in collective deliberation to take legal action.

HB 2453 – Chapter 278 – children; open court proceedings

Mandates that court proceedings regarding dependent children, permanent guardianship and termination of parental rights be open to the public. Allows the court to close proceedings for good cause, requiring the consideration of several factors including privacy rights and any physical or emotional harm that may be caused by an open hearing.

HB 2454 – Chapter 279 – *public records; CPS information

Makes several changes to the statutes governing the release of Child Protective Services (CPS) information.

- Requires the prompt release of CPS information regarding a case of child abuse or neglect that resulted in a fatality or near fatality to the public or to any person who requests access to that CPS information.
- Allows a person who has been denied access to CPS information to bring special action in Superior Court to order release of the CPS information.
- Clarifies that the Department of Economic Security (DES) is not required to disclose CPS information if DES, a law enforcement agency or the County Attorney demonstrates that disclosure would cause a specific, material harm to a CPS or criminal investigation.

HB2455 – Chapter 280 – *child protective services; records; duties

Makes several changes to the child welfare statutes, including the release of records and the establishment of joint protocols. Contains mirror language to provisions in HB 2454 (see above).

- Changes the definition of *extremely serious conduct* to *criminal conduct*.
- Makes changes to the investigation protocols established pursuant to A.R.S. § 8-817.

- Requires CPS and the County Attorney of each county to independently prepare and transmit a public, annual report to the Governor and the Legislature within 45 days after the end of each fiscal year that contains the number of criminal conduct allegations investigated and how many were conducted jointly in accordance with the protocols.
- States that in instances of criminal conduct against a child, CPS shall protect the victim's rights of the children within their custody (as applicable) pursuant to the Arizona Constitution.

HB 2478 – Chapter 113 – redaction orders; expiration; notice; funds

Requires specific persons to be notified six months prior to the expiration of a court ordered redaction of their personal information. Expands use of the Anti-Racketeering Revolving Fund.

HB 2485 – Chapter 305 – unlawful public sale of animals

Establishes a civil penalty of not more than \$50 for the unlawful public sale of animals by knowingly selling an animal on any public highway, street, park or adjacent public property; or any commercial private property without the consent of the property owner or lessee. Restricts the unlawful public sale of animals to those counties with a population of 800,000 persons or more (Maricopa and Pima Counties) and provides certain exemptions. Defines *animal* and *pet store*.

HB 2524 – Chapter 137 – agricultural improvement districts; amendments

Modifies the election procedures that apply to an Agricultural Improvement District (District) by allowing a holder of a revocable family trust to: serve on the district council or the board of directors, serve as president or vice-president of the District and sign nominating petitions. Outlines the procedure for an alternative election process, including notice of the election, how to obtain a ballot, deadlines for returning the ballot and the make-up of the election board. Repeals the requirement to establish an imprest fund, used for the payment of accounts and expenses acquired in the ordinary course of business. Includes a conditional enactment clause stating that the Salt River Valley Water Users' Association must vote to amend their articles of incorporation to include the changes outlined in HB 2524 by December 31, 2008. Written notification of the results of the vote must be provided to the Arizona Legislative Council.

HB 2594 – Chapter 182 – CPS; court orders

Requires a CPS worker to make a good faith effort to promptly obtain and abide by court orders that restrict or deny custody or visitation by a parent (or other person) in the home with the child. Further requires that as part of their good faith effort, a CPS worker must ask the parent, guardian or custodian under investigation if a current court order exists.

HB 2599 – Chapter 165 – *missing children; notification; procedure

Requires CPS to notify and provide information to a law enforcement agency if it is reported that the child is at risk of serious harm and is missing; the information must be entered into state and national missing person databases. Allows a peace officer or a CPS worker to take a child into temporary custody if CPS reports that the child is missing and at risk of serious harm.

SB 1456 – Chapter 75 – public records; storage

Allows each state agency or any of the state's political subdivisions to implement a program for the production or reproduction of records on microfiche, digital imaging or other electronic media.

SB 1502 – Chapter 132 – professions; occupations; initial regulation

Creates and outlines the requirements of a sunrise process for the new regulation of any non-health profession or occupation.

COMMITTEE ON HEALTH

Representative Bob Stump, Chairman
Representative Rick Murphy, Vice-Chairman
Dan Brown, Legislative Research Analyst



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
 [P 108] Proposition 108 Clause

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HB 2019 – Chapter 19 – acupuncture board; continuation

Continues the Arizona Acupuncture Board of Examiners until July 1, 2018.

HB 2020 – Chapter 20 – pharmacy board; omnibus

Allows the manufacturing of drugs by non-pharmacists, and eliminates the requirement that licensees of the Board of Pharmacy display their licenses in public view.

HB 2036 – Chapter 203 – state hospital employees; disease testing

Allows the Department of Health Services and employees of the Arizona State Hospital (ASH) to petition the court for an order authorizing testing of a patient's blood for diseases, if the patient may have assaulted an employee of ASH.

HB 2208 – Chapter 158 – *graduate medical education; federal match

Allows local, county, and tribal governments to draw down federal funds for costs incurred pursuant to contracts between the Arizona Health Care Cost Containment System (AHCCCS) and its providers to provide graduate medical education services as an administrative activity, and requires this to be approved by AHCCCS and the Centers for Medicare and Medicaid Services.

HB 2268 – Chapter 100 – osteopathic board; omnibus

Includes a variety of provisions related to the Board of Osteopathic Examiners in Medicine and Surgery (Board). Changes statutes regarding the Board's powers and duties, the maintenance of records, the Executive Director's duties, the issuance of training permits, the regulation of retired physicians, and the dispensing of drugs. Additionally, adds, strikes, and modifies several definitions.

HB 2274 – Chapter 44 – nursing care administrators; disciplinary actions

Requires the Board of Nursing Care Institution Administrators and Assisted Living Facility Managers (Board) to consider a non-response to a complaint and notice of hearing by a licensee or certificate holder as an admission to the allegations, and allows the Board to take formal disciplinary action against the licensee or certificate holder without conducting a formal hearing. However, it also establishes a procedure for the Board to set aside a default admission for good cause within 180 days of the default admission.

HB 2325 – Chapter 134 [P 108] – behavioral health examiners; omnibus

Allows the Board of Behavioral Health Examiners to establish a confidential monitoring program for licensees enrolled in chemical dependency rehabilitation programs. Raises the limit on licensure fees and modifies license reciprocity requirements.

HB 2365 – Chapter 103 [E] – emergency medical services; protocols

Requires the Medical Director of Emergency Medical Services (EMS) and the EMS Council to make recommendations for standards to allow an ambulance to transport patients to licensed specialty hospitals that are physically attached to an emergency receiving facility. Allows the Department of Health Services to authorize persons and organizations to use Arizona State Trauma Registry data for specified purposes.

HB 2366 – Chapter 66 [E] – DHS; licensing; electronic licensing

Allows electronic licensing for the purpose of health care institution, child care facility, and child care group home licensure. Specifies new time periods for the validity of initial and renewal licenses.

HB 2367 – Chapter 270 – health care institutions; definitions

Eliminates and modifies several definitions related to health care institutions.

HB 2408 – Chapter 106 – stretcher vans; transport of patients

Clarifies which persons a stretcher van or wheelchair van may or may not transport.

HB 2409 – Chapter 67 – ambulance rates; adjustments

Changes the methodology by which an ambulance service may increase its rates without a hearing.

HB 2481 – Chapter 304 – *special health care districts; terms

Stagger the terms of office for the board of directors of the special health care district.

HB 2503 – Chapter 180 – durable medical equipment; report

Requires the Arizona Health Care Cost Containment System to report on durable medical equipment utilization and related issues.

HB 2521 – Chapter 52 – birth defects; folic acid supplements

Allows the Department of Health Services (DHS) and the Department of Economic Security to use Chronic Disease Surveillance System data to notify families of children with birth defects of services available to them, and requires DHS to authorize other entities to distribute folic acid supplements and provide other related services.

HB 2582 – Chapter 149 – food safety regulation

Makes changes to the exemptions that exist for food and drink safety regulation.

HB 2682 – Chapter 167 – *physician assistants; qualifications

Provides the Board of Physician Assistants greater discretion in considering applications for licensure when the applicant has been the subject of disciplinary action in another jurisdiction or has surrendered a license in another jurisdiction.

HB 2802 – Chapter 225 – newborns; testing; confidentiality

Requires the State Laboratory to be the only testing facility for the Newborn Screening Program and requires test results be kept confidential except as allowed by statute.

HB 2823 – Chapter 281 – patient care; presumptions

Moves the location in statute of language that prohibits surrogate decision makers from withdrawing the artificial administration of food or fluid, and requires the Superior Court to issue a temporary order directing compliance with that statute. Modifies the conditions under which a patient's domestic partner would be deemed the surrogate when a health care directive and court appointed guardian do not exist.

SB 1078 – Chapter 12 – infectious diseases; expedited therapy

Adds an exception to the definition of *unprofessional conduct* for certain health professionals allowing them to expedite therapy for persons exposed to other persons who have communicable diseases.

SB 1091 – Chapter 123 – Arizona medical board

Requires medical licensure applicants to complete a training unit on the Arizona Medical Board's (Board) statutes and rules, and prohibits persons who in good faith examine physicians pursuant to Board investigations from being the subjects of causes of action based on their examinations.

SB 1113 – Chapter 13 – HIV-related testing

Modifies the informed consent requirements for HIV-related testing.

SB 1116 – Chapter 14 – physician assistants board; continuation

Continues the Arizona Regulatory Board of Physician Assistants until July 1, 2018.

SB 1117 – Chapter 292 [E] – hospitals; single group licenses

Expands the number of satellite facilities for which a hospital may receive a single group license, and increases the distance from the main hospital building that satellite facilities under a single group license may be located in rural counties. Allows a hospital for which operations have not been terminated for more than 120 days to be relicensed pursuant to the standards applicable under its most recent license, if relicensed by October 1, 2008.

SB 1123 – Chapter 186 – *homeopathic and integrated medical examiners

Continues the Board of Homeopathic Medical Examiners until July 1, 2010.

SB 1128 – Chapter 293 – *omnibus; occupational therapy board

Makes a variety of changes to the Board of Occupational Therapy Examiners' statutes including in the sections related to licensure, the Executive Director's duties, and disciplinary action.

SB 1129 – Chapter 15 – occupational therapy board; continuation

Continues the Board of Occupational Therapy Examiners until July 1, 2018.

SB 1134 – Chapter 16 – naturopathic physicians board

Allows the Naturopathic Physicians Board of Medical Examiners (Board) to investigate persons unlawfully practicing naturopathic medicine and refer them for prosecution. Changes the name of the Board and makes various other changes to the Board's statutes.

SB 1141 – Chapter 55 – defibrillators; good Samaritans

Exempts from civil liability good Samaritans who use an automated external defibrillator to render emergency care.

SB 1150 – Chapter 228 – *radiologist assistants; certification

Creates certification requirements for radiologist assistants under the Medical Radiologic Technology Board of Examiners.

SB 1223 – Chapter 230 – insurance; long-term care

Modifies the preexisting condition limitation periods for long-term care insurance policies, and creates training requirements for licensed insurance producers related to long-term care insurance.

SB 1236 – Chapter 57 – homeopathic board; omnibus

Makes a variety of changes to the Board of Homeopathic Medical Examiners' (Board) statutes including changing the definitions of minor surgery and unprofessional conduct, exempting certain persons from the Board's regulation, eliminating the Board's ability to waive examination requirements, and adding requirements regarding maintenance of patients' records.

SB 1286 – Chapter 70 – behavioral health board; continuation

Continues the Board of Behavioral Health Examiners until July 1, 2013.

SB 1287 – Chapter 191 – dental board; omnibus

Makes a variety of changes to the Board of Dental Examiners' statutes including provisions related to the regulation of business entities, retired, disabled, or deceased licensees, the definition of unprofessional conduct, and the maintenance of patients' records.

SB 1329 – Chapter 58 – AHCCCS; self-directed care services

Allows members of the Arizona Long Term Care System to employ persons to provide self-directed attendant care services if they meet certain requirements.

SB 1356 – Chapter 87 – infection prevention; advisory committee

Creates an Infection Prevention and Control Advisory Committee to examine and make recommendations related to community and health care related infections.

SB 1418 – Chapter 131 – *tobacco cessation medication; coverage; AHCCCS

Allows the Arizona Health Care Cost Containment System to expend monies, other than those originating from the State General Fund, on tobacco use medications for members.

SB 1419 – Chapter 232 – cosmetic procedures; lasers; injections; regulation

Establishes regulatory requirements for aestheticians and laser technicians who wish to perform cosmetic laser procedures and procedures using IPL devices.

SB 1449 – Chapter 17 – *minors; blood donors

Establishes that an adult who is competent may consent to the donation of blood, and a minor who is at least 16 years old may donate blood only with the written consent of the minor's parent or guardian.

COMMITTEE ON HIGHER EDUCATION

Representative Jennifer Burns, Chairman
Representative Nancy McLain, Vice-Chairman
Ingrid Garvey, Legislative Research Analyst



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
 [P 108] Proposition 108 Clause

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HB 2075 – Chapter 141 – WICHE; continuation

Continues the Western Interstate Commission for Higher Education program for 10 years.

HB 2230 – Chapter 146 – *information; college textbooks

Requires the publishers of college textbooks or supplemental materials to provide specified written information to faculty members and other persons in charge of selecting course materials for universities and community colleges in Arizona.

HB 2736 – Chapter 140 – early graduation scholarships; academic year

Specifies that information on early graduates must be transmitted by the Arizona Department of Education to the Commission for Postsecondary Education, clarifies eligibility requirements for the Early Graduation Scholarship Program and sets forth certain requirements for a student to reimburse the Early Graduation Scholarship Fund.

SB 1277 – Chapter 128 – task force; retraining disabled veterans

Establishes the Task Force for Retraining Disabled Military Veterans (Task Force) under the Arizona Board of Regents and sets forth requirements for the Task Force and its members.

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COMMITTEE ON HOMELAND SECURITY AND PROPERTY RIGHTS

*Representative Warde V. Nichols, Chairman
Representative Doug Clark, Vice-Chairman
René Guillen, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2371 – Chapter 262 – critical infrastructure; pipelines; review

Requires the Director of Arizona Department of Homeland Security to evaluate and report on the security of critical infrastructure in Arizona used for the transmission of aviation fuel, petroleum or natural gas.

HB 2440 – Chapter 238 – condominiums; planned communities; political petitions

Prohibits homeowners' associations from disallowing the circulation of political petitions but allows for the adoption of reasonable regulation.

HB 2659 – Chapter 119 – deed restrictions; private covenants

Validates a private covenant regarding real property if all of the following apply:

- The private covenant is not prohibited by any other existing private covenant, declaration or state statute that was enacted prior to the bill's effective date.
- The affected real property owner and any person imposed with any liability or obligation in the private covenant have consented.
- All consent requirements contained in existing private covenants or declarations affecting the property have been met.

HB2677 – Chapter 272 – REAL ID act; implementation prohibited

Prohibits Arizona from participating in the Federal REAL ID Act of 2005.

HB 2726 – Chapter 223 – *condominium statutes; applicability

Applies the Condominium statutes to all condominiums after January 1, 2009.

HB 2745 – Chapter 152 [E] – employer sanctions

Makes numerous changes to the Legal Arizona Workers Act, modifies the crimes of *taking identity of another person or entity* and *trafficking in the identity of another person or entity*, creates the Enhanced Employer Compliance Program, addresses employees paid in cash, the use of E-Verify in regard to government contracts and economic development incentives and prohibits the issuing of business licenses in Arizona before certain documents have been presented.

HB 2842 – Chapter 170 – forgery; drop house property transactions

Modifies the definition of the *smuggling of human beings* to include the use of property or real property by a person or entity, defines *drop house* and assigns a Class 4 felony to persons or companies that own, sell, lease or broker a transaction involving property or real property that the person or company knows will be used as a drop house.

SB 1121 – Chapter 156 – emergency response commission; continuation.

Continues the Arizona Emergency Response Commission for ten years.

SB 1491 –Chapter 271 [E] – subdivision reports; notice

Requires the Arizona Department of Real Estate to record a public notice when land has been unlawfully subdivided and permits the Real Estate Commissioner to impose civil penalties against persons that subdivide lands without a public report.

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COMMITTEE ON HUMAN SERVICES

Representative J. Peter Hershberger, Chairman
Representative Nancy Barto, Vice-Chairman
Eden Rolland, Legislative Research Analyst



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
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HB 2204 – Chapter 98 – DES; notice; documents; electronic service

Authorizes electronic transmission of documents in the Department of Economic Security (DES) Office of Appeals.

- Allows DES to electronically serve or deliver any notice, decision, order or other document rendered by the Department's appeal tribunals or the DES Appeals Board. The party being served must consent in writing or on the record to electronic service before DES is able to utilize this method. Electronic service is deemed complete on transmission.
- Allows interested parties to electronically file affidavits for change of appeal tribunal, petitions for review, appeals or requests to reopen hearings.

HB 2206 – Chapter 36 – unemployment insurance; liability; liens; service

Modifies DES authority to administer state unemployment insurance (UI) programs, authorizes DES to transmit UI documents electronically and allows DES to administratively release, subordinate or withdraw a lien.

- Implements a statutory time limit of six years for DES to collect delinquent UI contributions, payments in lieu of contributions, interest or penalties and extinguishes the uncollected payment obligations and liens after six years have elapsed.
- Suspends the six-year limit for collections if DES has already initiated civil action to collect the debt, the taxpayer agrees in writing to extend the collections period, or Federal or state law halts enforced collection action.
- Stipulates that state UI contributions, interest or penalties that count as credit toward federal UI contributions remain due regardless of the date the payment became delinquent.
- Allows DES to serve liability determinations, reconsidered determinations, and annual or quarterly notices to employers electronically.
- Permits electronic service of other UI documents, including revised determinations or refusals to grant relief if the party being served has consented in writing to electronic service before DES may utilize this method and states that electronic service is deemed complete on transmission.
- Directs DES to issue a release of a recorded lien when the lien has been satisfied, and to record the release of lien in any county where the original lien was recorded and with the Secretary of State, if applicable.
- Allows DES to release property subject to a lien, subordinate a lien to other liens, or withdraw a recorded notice of a lien when certain conditions apply.
- Specifies DES is not required to record a release of lien in cases of compromised contributions claims or extinguished contributions debts, unless a written request is made by the taxpayer.

HB 2276 – Chapter 63 – child support; arrearages

Eliminates the practice of charging interest on past child support and allows recipients of child support to waive child support arrearages.

- Specifies that orders of past child support do not accrue interest if the order is entered after September 26, 2008. Past support orders entered before September 26, 2008 will continue to accrue interest at the annual rate of 10 percent. Interest accrues only on the principal, not interest.

- Allows an obligee to assign credit to the account of an obligor's arrearage payments by filing a signed waiver with the Clerk of the Court. The waiver of support arrearages does not reduce the amount owed to DES in Title IV-D cases.
- Allows affidavits of direct payment or waivers of arrearages to be signed by only the obligee and applies credits toward support arrearages based on the dates contained in the affidavit.

HB 2277 – Chapter 101 – child support; presumptions

Requires the court to presume the noncustodial parent is capable of full-time employment at least at the applicable state or federal minimum wage, whichever is higher, when a child support order is calculated using a minimum wage income.

HB 2390 – Chapter 104 – department of economic security; continuation

Continues DES until July 1, 2018.

HB 2439 – Chapter 148 – procurement; government set aside program

Eliminates the termination date of the state government Set Aside Program.

HB 2505 – Chapter 181 – *child support; medical insurance

Outlines requirements and procedures for the court to address medical insurance or cash medical support in a child support order.

- Requires the court to consider a child's medical support plan when determining the appropriate amount of child support in a child support order.
- Recommends the medical support plan include the child's medical support needs, the availability of medical insurance or services and whether a cash medical order is necessary. Directs each parent to provide the court with such pertinent information.
- Establishes terms for the court to address medical insurance or medical support in a child support order if the court finds that neither parent has medical insurance accessible and available at a reasonable cost. The court is required to:
 1. Establish a monthly cash medical support amount to be paid by the obligor.
 2. Assign cash medical support to the state if the child is receiving care through the Arizona Health Care Cost Containment System or another medical assistance program under Title XIX of the Social Security Act.
 3. Order one parent to provide medical insurance when it becomes accessible and available at a reasonable cost.
 4. Order the parties to share medical costs in excess of the cash medical support amount, according to the assigned responsibility for uninsured costs.
- Requires the court to stipulate to establish an alternative cash medical support amount to be paid by the obligated parent if the child is not covered by a medical insurance plan within 90 days after the entry of the order or if there is a lapse in insurance coverage.
- Clarifies the parent responsible for providing medical insurance in Title IV-D cases must notify the state Division of Child Support Enforcement instead of the state support payment clearinghouse if insurance has been obtained or if the child is no longer covered under an insurance plan.
- Requires the Director of the Department of Insurance (DOI) to annually provide a list of authorized insurers who transact insurance in Arizona and who offer individual health insurance plans. The list must be made available to the public as early as possible in and with respect to the current calendar year.

- Allows the director of DES to disseminate the information provided by DOI regarding medical insurance plans and enter into agreements with a consortium of other states to increase the availability of medical insurance coverage to children in Title IV-D cases.

HB 2601 – Chapter 166 – *short-term caregivers; foster children

Outlines oversight and notification requirements if circumstances require a foster parent to leave a foster child in the short-term care of another person.

- Requires the foster parent to use reasonable judgment in the choice of an adult to provide care and notify the DES case manager within 24 hours in a nonemergency situation, or within 72 hours in an emergency situation.
- Specifies that the foster parent of a developmentally disabled child, a child needing special treatment or a medically fragile child must implement the alternate care plan approved by DES if the foster parent must leave the child in the care of another person.

HB 2602 – Chapter 117 – criminal history records; DES

Permits the Department of Public Safety (DPS) to exchange criminal history records with DES for the purpose of safety and risk assessment during a Child Protective Services (CPS) investigation.

- Requires the director of DPS to authorize the exchange of criminal records history in the Central State Repository with CPS pursuant to the federal Adam Walsh Child Protection and Safety Act. Identifies the sources of criminal history information as the National Crime Information Center, the Interstate Identification Index, and the Arizona Criminal Justice Information System.
- Stipulates the information must be provided after CPS submits to DPS the fingerprints of the person being investigated or the person's name, birth date and social security number.

HB 2633 – Chapter 268 – *children school activities; noninterference

Requires child welfare agencies or Child Protective Services to make all reasonable attempts not to withdraw a foster child from school for visitations, appointments or non-school activities.

HB 2764 – Chapter 168 – dependent children; successor permanent guardianships

Establishes procedures for a court to appoint a successor permanent guardian when the current permanent guardian is unable or unwilling to continue to serve in that capacity.

HB 2836 – Chapter 248 – guardians and conservators

Establishes compensation guidelines for the payment of a lawyer representing a guardian or conservator in their official duties, revises a conservator's requirements to provide accounts of an estate to the court, and enacts procedures allowing the conservator to continue acting on behalf of a protected person's estate after the protected person's death.

SB 1011 – Chapter 6 – residency restrictions; schools; child care

Applies the 1,000-foot residency restriction to individuals convicted of an offense in another jurisdiction if the offense would be classified as a Dangerous Crime Against Children if committed in Arizona. Clarifies that the distance is a straight line in all directions from the nearest point on a school's or child care facility's property to the nearest point on the individual's property.

SB 1049 – Chapter 22 – *safe haven providers; notices

Instructs designated safe haven locations to post identifying notices outside every entrance.

SB 1100 – Chapter 78 – *CPS services; court order

Revises language to allow the court to request or order services from the Division of Children and Family Services if the court believes a child may be the victim of abuse or neglect.

SB 1112 – Chapter 124 – divorce; disposition of property

Affirms the status of preexisting community property. Allows the court to consider the exempt status of certain property as well as debt and obligations that occur when community property is divided. The court must enter findings of fact if any part of the division is in the nature of support.

SB 1219 – Chapter 190 – *developmental disability providers

Prescribes notification and disclosure requirements and establishes procedures for the Division of Developmental Disabilities (DDD) and developmental disability service providers. Requires contract amendments to be included in the annual review of reimbursement rates to developmental disability providers.

- Requires DDD to disclose to a service provider the necessary historical and behavioral information of a client in all meetings in response to a vendor call in addition to the current requirement to disclose information in the individual program plan.
- Authorizes service providers to engage in the outlined activities in accordance with a client's individual program plan.
- Allows DES to adopt rules establishing procedures for service providers to engage in the prescribed activities involving medications.
- Requires a provider to notify DDD within 24 hours when an emergency situation exists in which the service provider is unable to meet the health and safety needs of a client.
- Upon notification of an emergency situation, directs DES to convene an individual program plan meeting within 15 days after notification in order to recommend any changes, including whether there is a need for temporary additional staffing and develop a plan within 30 days after notification to resolve the situation.
- Requires an independent consulting firm to include costs resulting from contract amendments in its recommendation for annual inflationary costs, unless the contracts were modified in response to federal or state law.

SB 1253 – Chapter 259 – state employees; living donor leave.

Entitles state employees to a leave of absence of five work days with base pay to serve as a bone marrow donor or 30 work days to serve as an organ donor.

SB 1282 – Chapter 162 – adult adoption

Allows an adult to adopt another adult who is at least 18 but no more than 21 years of age if the adult being adopted gives consent.

SB 1440 – Chapter 197 – child dependency cases; performance standards

Mandates Administrative Office of the Courts (AOC) to develop judicial performance standards by December 31, 2008 for courts that handle child dependency cases, review the implementation of the standards and their impact on the management of child dependency cases by December 31, 2009, and submit a report of its findings and recommendations to the Governor and Legislature by February 1, 2010.

SB 1441 – Chapter 198 – foster care; expedited permanency

Expedites permanency for children less than three years of age who have been removed from the home and modifies court procedures in child dependency and permanency hearings.

- Increases the age of a child for whom the court must hold a final adoption hearing within ninety days after an adoption petition is received, from less than six months of age to less than three years of age.
- Establishes the following set of circumstances as grounds for termination of parental rights:
 - A child under the age of three has been in out-of-home placement for a cumulative period of six months or more.
 - The agency responsible for the child's care has made a diligent effort to provide appropriate reunification services.
 - The parent has substantially neglected or willfully refused to remedy the circumstances causing the child to be in out-of-home care, including refusing to participate in reunification services offered by DES.
- Requires the court to inform a parent of these grounds for termination at a preliminary protective hearing in all cases.
- Modifies permanency timelines for children who are less than three years of age by requiring the court to do the following:
 - Determine within six months after the child is removed from the home whether reasonable efforts have been made to provide reunification services to the parent.
 - Consider at the first periodic review hearing whether the parent has substantially neglected or willfully refused to participate in reunification services offered by DES.
 - Conduct a permanency hearing within six months after the child is removed from the home.
- Specifies additional information the court must provide at a preliminary protective hearing in all cases. The court is required to:
 - Inform a foster parent, pre-adoptive parent or an extended family member with whom the child has been placed of their right to be heard in any proceeding relating to the child.
 - Notify a relative identified as a possible placement for the child of their right to be heard in any proceeding relating to the child.
- Requires the court, if it determines at any permanency hearing that termination of parental rights is in a child's best interests, to order DES to make reasonable efforts to place the child in a timely manner in accordance with the child's permanency plan and to complete any steps necessary to finalize the child's permanent placement.

SB 1442 – Chapter 199 – dependent children; placement; hearings

Requires the court to inform a foster parent, pre-adoptive parent, or an extended family member with whom the child has been placed of their right to be heard in any proceeding relating to the child, and to notify a relative identified as a possible placement for the child of their right to be heard in any proceeding relating to the child.

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COMMITTEE ON JUDICIARY

*Representative Eddie Farnsworth, Chairman
Representative Adam Driggs, Vice-Chairman
Kristine Stoddard, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2109 – Chapter 251 – interstate compact; annual assessment

Removes the \$25,500 cap on Arizona’s annual assessment paid as a compacting state to the Interstate Commission for Adult Offender Supervision and requires the Arizona State Council to notify JLBC of any increase in the assessment.

HB 2129 – Chapter 97 – internet age misrepresentation

Stipulates that a person commits *unlawful age misrepresentation* if the person is at least 18 years of age and, knowing or having reason to know that the recipient of a communication is a minor, uses an electronic communication device to knowingly misrepresent the person’s age for the purpose of committing an offense that would require registration as a sex offender.

HB 2190 – Chapter 171 – constable ethics; board; membership

Stipulates that one of the voting members of the Constable Ethics Standards and Training Board (CESTB) must be a board member of the Arizona Multihousing Association at the time of appointment to the CESTB.

HB 2207 – Chapter 301 – sentencing; reorganization

Reorganizes the criminal sentencing statutes contained throughout Title 13 of the Arizona Revised Statutes.

HB 2213 – Chapter 62 – uniformed overseas voters; electronic transmittal

Allows the county recorder or other officer in charge of elections to receive completed early ballot forms from absent uniformed services and overseas voters via electronic formats other than fax.

HB 2248 – Chapter 205 – electronic communications; harassment; order; protection

Requires the court to review any evidence of harassment by electronic contact or communication that is submitted to the court by plaintiffs who are filing petitions for injunctions prohibiting harassment or for orders of protection.

HB 2257 – Chapter 50 – precinct registers; information; fee

Reduces the price of official electronic copies of precinct lists from \$.10 to \$.01 per name.

HB 2288 – Chapter 244 [E] – initiative and referendum amendments

Modifies deadlines and procedures relating to initiatives and referendums, affecting the solicitation, verification, and counting of signatures. Further, outlines the notification duties of the Secretary of State pertaining to political committees.

HB 2321 – Chapter 237 – *factual innocence; judicial determination; procedure

Outlines procedures relating to judicial determinations of factual innocence and factual improper party status.

HB 2443 – Chapter 109 – constables; ethics; training

Increases the minimum amount of annual training that constables are required to attend from eight hours to 16 hours and allows monies from the Constable Ethics Standards and Training Fund to be used to pay for constable training.

HB 2444 – Chapter 179 – aggravated assault; constables.

Adds constables or persons summoned and directed by a constable while engaged in the execution of any official duties to the list of persons against whom assault is classified as aggravated assault if the offender knows or has reason to know that the victim is such.

HB 2451 – Chapter 110 – election security provisions

Makes numerous changes relating to election security.

- Specifies that for any primary or general election in which the votes are cast on an electronic voting machine or tabulator, the election judge must compare the number of votes cast as indicated on the electronic voting machine or tabulator with the number of votes cast as indicated on the poll list and the number of provisional ballots cast; and the information compiled by the election judge must be noted in a written report and submitted to the officer in charge of elections along with other tally reports.
- Requires the county recorder or other officer in charge of elections to maintain a record of the chain of custody for all ballots and election equipment used during early voting through the completion of provisional voting tabulation.

HB 2480 – Chapter 219 – aggravated luring; minors; sexual exploitation

Classifies *aggravated luring a minor for sexual exploitation* as a Class 2 felony and as a Dangerous Crime Against Children if the victim is under the age of 15.

HB 2486 – Chapter 3 – prohibited possessors; undocumented aliens

Changes the definition of *prohibited possessor* relating to undocumented or nonimmigrant aliens.

HB 2554 – Chapter 138 – justice courts; criminal actions; jurisdiction

Prohibits time payment fees and any penalties or other added assessments levied from being considered as part of the fine for a misdemeanor or criminal offense for the purposes of determining justice of the peace court jurisdiction.

HB 2634 – Chapter 269 – concealed weapons permit; felony convictions

Expands the list of conditions that applicants convicted of a felony must meet for a permit to carry a concealed weapon.

- Allows DPS to issue a permit to an applicant who, among other requirements, has a felony conviction that has been expunged, set aside or vacated; or the applicant's rights have been restored and the applicant is currently not a prohibited possessor under state or federal law.
- Allows persons with a concealed weapons permit from another state whose rights have been restored and the conviction expunged to carry a concealed weapon.

HB 2793 – Chapter 154 – census; precinct line fees

Prohibits county boards of supervisors from changing election precinct lines after July 31, 2008 until January 1, 2011.

HB 2813 – Chapter 308 – *civil action; affirmative defense

Allows the finder of fact in any civil action to find the defendant not liable for harm that the claimant incurred as a result of attempting to commit, committing or fleeing from a felony or misdemeanor act, provided the defendant proves certain facts.

SB 1013 – Chapter 7 – arrest warrants; child support; fiduciary

Removes the statement that facsimiles of judicial officers' signatures that are applied to fiduciary or child support arrest warrants under the supervision of the judicial officers are deemed to be the authorized signatures.

SB 1016 – Chapter 209 – unlawful sexual conduct; correctional facilities

Clarifies that a person commits unlawful sexual conduct by *intentionally* or *knowingly* engaging in any act of a sexual nature with an offender.

SB 1018 – Chapter 8 – writ of restitution; judgment

Clarifies that a court issues a writ of restitution if the defendant is found *guilty of forcible entry and detainer or forcible detainer*.

SB 1021 – Chapter 9 – community notification.

References the court's ability to continue, defer or terminate community notification after an annual probation hearing for a registered sex offender under 22 years of age in the statute pertaining to community notification.

SB 1022 – Chapter 76 – jury fees; technical correction

Corrects a statutory cross-reference relating to compensation given to persons serving on a state grand jury by replacing the reference to A.R.S. § 21-211 with a reference to A.R.S. § 21-221.

SB 1053 – Chapter 273 [E] – *elections; observation; counting center

Makes numerous changes to election statutes including, but not limited to, provisions related to security, congressional vacancies and political committees.

SB 1055 – Chapter 23 – civil rights advisory board; continuation

Continues the Arizona Civil Right Advisory Board for ten years. Applies retroactive to July 1, 2008.

SB 1059 – Chapter 41 – elections; counting center video; multiple

Repeals A.R.S. § 16-621, as amended by Laws 2007, Ch. 259, § 1, relating to live video recordings of the proceedings at ballot counting centers.

SB 1067 – Chapter 24 – escape; definition

Excludes time spent on escape status when calculating whether a prior offense occurred within the requisite time period to be considered a *historical prior felony conviction* for sentencing purposes. Merges conflicting versions of A.R.S. § 13-604 relating to the sentencing of criminal street gang activity and the definition of *serious offense*.

SB 1068 – Chapter 25 – criminal appeals

Prohibits a defendant from appealing a final judgment of conviction or verdict of guilty except insane or from appealing an order denying a motion for a new trial if the defendant's absence prevents sentencing from occurring within 90 days after conviction and the defendant fails to prove the absence was involuntary.

SB 1071 – Chapter 11 [E] – sample ballot stripe; primary elections

Allows official sample primary election ballots to be printed on white paper with a colored stripe for each party represented on the ballot.

SB 1186 – Chapter 82 – judicial performance reviews; court commissioners

Requires the Arizona Supreme Court to adopt and administer a process for evaluating Superior Court Commissioners in counties with a population of 250,000 persons or more.

SB 1274 – Chapter 69 – ACJC; cold case investigation protocol

Requires the Arizona Criminal Justice Commission to gather and disseminate information pertaining to best practices for cold case investigations, including effective victim communication procedures. Defines *cold case*.

SB 1332 – Chapter 276 – DNA testing; arrest

Exempts certain agencies from securing samples for DNA testing if DPS is currently maintaining a sample.

SB 1336 – Chapter 210 – sexual conduct; minor; school teacher

Adds teachers, clergymen, and priests to the list of persons for whom sexual conduct with a minor who is at least 15 years of age is a Class 2 felony.

SB 1354 – Chapter 296 – accomplice liability

Expands accomplice liability to include any offense that is a natural and probable or reasonably foreseeable consequence of the offense for which the person was an accomplice.

SB 1355 – Chapter 195 – attempted dangerous crimes against children

Adds certain preparatory offenses committed against minors who are under 12 years of age to the list of Dangerous Crimes Against Children in the second degree that are classified as Class 3 felonies with enhanced sentencing.

SB 1412 – Chapter 282 – biological evidence; retention; preservation

Requires governmental agencies to retain biological evidence in a condition that is suitable for DNA testing for the duration of the convicted person's incarceration or supervised release or for 55 years in a cold case.

SB 1486 – Chapter 91 – notary public; name change.

Expands the procedures relating to surname changes of notaries due to marriage to apply to all surname changes of notaries.

COMMITTEE ON NATURAL RESOURCES AND PUBLIC SAFETY

Representative Jerry Weiers, Chair
Representative Judy Burges, Vice-Chair
Ralene Whitmer, Legislative Research Analyst



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
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HB 2249 – Chapter 99 – *right-of-way; military procession

Provides regulations for those participating in and directing a military procession. Requires the sheriff to approve the markings on funeral escort vehicles and the drivers' uniforms to ensure that the markings do not resemble those of law enforcement.

HB 2251 – Chapter 37 – game and fish omnibus

Modifies hunting, fishing and guide licenses and creates the Apprentice Hunting License, which is valid for two days when the apprentice is accompanied in the field by a mentor.

HB 2254 – Chapter 173 – fingerprinting board; good cause exceptions

Requires the members and staff of the Arizona Board of Fingerprinting (Board) to have valid fingerprint clearance cards and stipulates the Board's hearing officers are to make recommendations, instead of determining, whether to grant or deny good cause exceptions. Continues the Board for five years.

HB 2332 – Chapter 217– falconry; captive bred exotic raptors

Allows the possession and transportation of raptors for sport falconry by qualified persons without a sport falconry license if the raptors are not listed in the Migratory Bird Treaty Act.

HB 2511– Chapter 239 – oil and gas; shut-in royalty.

Provides regulations that must be met in order for an owner of an oil and gas lease from the State Land Department to be able to obtain a shut-in extension. Provides criteria for determining royalty payments and outlines a process for competitive bidding when simultaneous bids are offered for oil and gas leases.

HB 2574 – Chapter 116 – airports; designated security areas; weapons

Makes it a Class 1 misdemeanor to intentionally carry, possess or exercise control over a deadly weapon in a secured area of an airport.

HB 2623 – Chapter 150 – constables; peace officers status

Includes constables in the Title 13 definition of a *peace officer*. Specifies that a constable who is elected or appointed by the county board of supervisors has the authority of a peace officer only in the performance of the constable's official duties and prescribes that deputies appointed by constables must meet minimum peace officer qualifications.

SB 1056 – Chapter 10 – law enforcement merit system; continuation

Continues the Law Enforcement Merit System Council for seven years.

SB 1057 – Chapter 40 – law enforcement officer; definition; representation

Excludes a detention, correction, probation or surveillance officer who is a probationary employee from provisions relating to interviews that may lead to their dismissal, demotion or suspension or from provisions relating to evidence during an appeal of a disciplinary action.

SB 1070 – Chapter 263 – concealed weapons permit; qualifications; instructors

Modifies training requirements for applicants seeking a concealed weapons permit and for instructors providing firearms safety training.

SB 1153 – Chapter 274 – improvised explosive device; definition

- Reformats the definition of *prohibited weapon* and modifies it to include an improvised explosive device and any combination of parts or materials designed and intended for use in making or converting a device into an improvised explosive device. Specifies that a chemical or combination of chemicals, compounds or materials, including dry ice, that is possessed or manufactured for the purpose of generating a gas to cause a mechanical failure, rupture or bursting or an explosion or detonation of the chemical or combination of chemicals, compounds or materials is a *prohibited weapon*.

- Provides that if a misconduct involving prohibited weapons violation involves dry ice, a person only commits a violation if the person knowingly possesses the dry ice with the intent to cause injury to or death of another person or to cause damage to the property of another person.

SB 1167 – Chapter 294 – *user fee; off-highway vehicles

Requires off-highway vehicle (OHV) indicia for all-terrain vehicles and OHVs that are designed for travel on unimproved terrain and which have an unladen weight of 1800 pounds or less. Reduces the vehicle license tax to \$3 for vehicles meeting the indicia criteria and are street legal. Establishes operating restrictions and equipment requirements for OHVs. Divides the monies in the Off-Highway Vehicle Recreation Fund between the Arizona State Parks Board, Arizona Game and Fish Department and the Arizona State Land Department, for purposes such as trail building and maintenance, education, law enforcement, mitigation and maps.

SB 1338 – Chapter 129 – state forester; wildfire suppression funding

Prescribes that the State Forester cannot expend over \$3 million from the General Fund for costs associated with suppression of wildland fires to prepare for periods of extreme fire danger and pre-positioning of equipment and other fire suppression resources to provide for an enhanced initial attack on wildfires.

SB 1339 – Chapter 193 – law enforcement; probation; officers; investigations

Allows law enforcement officers and probation officers to be subject to a polygraph test during the course of an investigation of the officer that may lead to dismissal, demotion or suspension if differing statements made by the officer need to be reconciled with information known by the officer's employer. Modifies procedures for appeals of disciplinary actions by law enforcement officers and probation officers.

SB 1438 – Chapter 89 – *mine inspector; abandoned mines; donations

Allows the State Mine Inspector to accept in-kind donations of material, equipment and services to eliminate the public safety hazard of abandoned mines and to fill abandoned mines with inert materials.

SB 1476 – Chapter 298 – probation; facilities; safe communities act

- Allows the court to adjust a person's length of probation if the person has qualified for earned time credit. Earned time credit equals 20 days for every 30 days a defendant exhibits positive progression toward the goals and treatment of the defendant's case plan, is current on payments for court ordered restitution and other obligations, and is current in completing community restitution.
- Requires and provides a process for JLBC staff to annually calculate any costs that have been avoided by reducing the percentage of people on supervised probation from each county whose probation is revoked and who are sentenced to serve a term of imprisonment in the Arizona Department of Corrections (ADOC) as well as the percentage of people on supervised probation from each county who are admitted to the ADOC after a conviction for a new felony offense.
- Beginning in FY 2010-11, requires the Legislature to annually appropriate to the Administrative Office of the Courts up to 40% of any cost savings calculated by JLBC. The funds are deposited in the adult probation services fund of each county if there is a reduction in the percentage of people from that county who are on supervised probation and who are convicted of a new felony offense. The appropriated monies must be used for probation programs.

COMMITTEE ON PUBLIC INSTITUTIONS AND RETIREMENT

*Representative Marian McClure, Chairman
Representative Sam Crump, Vice-Chairman
Magdalena Jorquez, Legislative Research Analyst*



* Strike-everything Amendment
[E] Emergency Clause
[P 105] Proposition 105 Clause
[P 108] Proposition 108 Clause

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HB 2053 – Chapter 176 – *state treasurer; employees; background checks

Authorizes the State Treasurer to conduct federal criminal background checks as well as review credit standings on any prospective and current employee.

HB 2058 – Chapter 59 – PSPRS; local boards; procedures

Requires local boards of the Public Service Personnel Retirement System (PSPRS) to commence a hearing to determine any benefit right within 90 days.

HB 2059 – Chapter 233 [E] – PSPRS; health insurance subsidy; employer

Repeals a section of session law (scheduled to take effect on July 1, 2008) that requires PSPRS employers to pay a \$25 subsidy to retired members who have elected to purchase private health insurance.

HB 2061 – Chapter 133 – ASRS; global security risk report

Updates the legislative standing committees to whom the Arizona State Retirement System (ASRS) submits its Global Security Risk Report.

HB 2116 – Chapter 242 – CORP; joinders; credited service

Requires a state defined benefit plan to transfer all service credit earned in a Corrections Officer Retirement Plan (CORP) designated position and held by those who are designated as dispatchers at the time of the joinder, to CORP.

HB 2117 – Chapter 234 – *CORP; member contributions; disability

Repeals the requirement that CORP be 100% funded in order for the ordinary disability retirement provision to be applicable to non-dispatcher CORP members. Narrows the class of members eligible to receive ordinary disability retirement benefits under the conditional enactment and raises the employee contribution rate to 8.41% until the fund is 100% funded.

HB 2120 – Chapter 144 – CORP; DPS detention officers

Allows detention officers employed by the Department of Public Safety to participate in CORP.

HB 2151 – Chapter 235 [E] – *Iran; public fund divestment

Requires ASRS, PSPRS, Elected Officials' Retirement Plan (EORP), CORP, and the Arizona State Treasurer to divest publicly traded securities from scrutinized companies connected to the government of Iran.

HB 2705 – Chapter 1 – Sudan; investments; business operations; prohibition

Requires ASRS, PSPRS, EORP, CORP, and the Arizona State Treasurer to divest publicly traded securities from scrutinized companies connected to the government of Sudan and prohibits state government contracts with scrutinized companies.

SB 1030 – Chapter 227 – *PSPRS; medical personnel; service definition

Expands the definition of qualified service to include part or all of the period in which a fulltime firefighter was employed by a corporation that contracted with a PSPRS employer to provide firefighting services, on the condition that the employer so specifies in its joinder agreement with PSPRS and allows a PSPRS member to purchase any part of that service.

SB 1043 – Chapter 185 – *CORP; judiciary; other designated position

Allows the local board of the judiciary to designate a position with the Administrative Office of the Courts as a CORP position and limits the designation of CORP positions to those that provide training or technical expertise to probation, surveillance or juvenile detention officers.

SB 1151 – Chapter 125 [E] – *PSPRS; investments; management

Authorizes the Fund Manager of PSPRS to retain professional outside money managers to make certain investments. Allows the Fund Manager to comingle the assets of the three systems that it administers.

SB 1225 – Chapter 29 – ASRS; federal conforming changes

Conforms statutes pertaining to ASRS to changes in the federal tax laws made by Congress in the Economic Growth and Tax Relief Reconciliation Act of 2001 and various subsequent legislative acts.

SB 1407 – Chapter 264 [E] – *ASRS; administration procedures

Exempts ASRS from the Revised Arizona Unclaimed Property Act, establishes guidelines to declare unclaimed monies abandoned, and appropriates \$137,607 from the ASRS fund to implement the act. Modifies the definition of *current annual compensation*, as it pertains to the purchase of credited service.

SB 1489 – Chapter 201 – *divestments; terrorism countries; contract prohibition

Repeals statute pertaining to the required annual submission of global security risk report by Public Funds to the State Legislature and requires the State Board of Investment, ASRS, and the Fund Manager of PSPRS to divest from all companies in violation of the Export Administration Act of 1979. Establishes procedures for reporting any divestments.

COMMITTEE ON TRANSPORTATION

Representative Andy Biggs, Chairman
Representative Marian McClure, Vice-Chairman
John Halikowski, Legislative Research Analyst



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
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HB 2003 – Chapter 18 – traffic survival school; maximum enrollment

Limits enrollment at a Traffic Survival School to the lawful fire safety capacity of the facility.

HB 2046 – Chapter 93 – Arizona highways special plates

Creates the *Arizona Highways* special plate and the *In God We Trust* special license plate.

HB 2048 – Chapter 175 – aviation; aircraft registration; dealer bond

Eliminates the requirement of state registration for federal aircraft and removes the responsibility of contracting for air search and rescue services from the Arizona Department of Transportation.

HB 2088 – Chapter 142 – motor carrier safety; vehicle equipment

Repeals the state statute related to truck driver's hours of operation and makes a number of federally required motor vehicle equipment changes.

HB 2093 – Chapter 143 – school crossings

Clarifies when civil penalties are doubled for school crossing violations.

HB 2094 – Chapter 299 – highway project advancement notes

Allows a county to issue Highway Project Advancement Notes (HPANs) and increases the total amount of HPANs a city, town or county may issue from \$100 million to \$300 million. In addition, redefines *highway project* to include a highway project that is included in the transportation improvement plan of a regional association of governments. Allows the transfer of monies from the STAN I account (construction) to the STAN II account (interest reimbursement) to pay interest costs resulting from bonds, loans notes or advances issued to or on behalf of a city or county.

HB 2133 – Chapter 157 – transportation districts

Establishes a population minimum to become a single-county transportation district.

HB 2169 – Chapter 177 – vehicle title; registration; electronic signatures

Requires the Department of Transportation Motor Vehicle Division (MVD) to establish a schedule to develop a pilot program to use electronic or digital signatures for any title and registration transaction in lieu of paper documents no later than January 1, 2009. Allows MVD to determine and require reimbursement from pilot participants for costs related to establishing the program.

HB 2355 – Chapter 147 – commercial motor vehicles; trailers

Conforms the statutory definition of *Commercial Motor Vehicle* (CMV) to the definition contained in the Arizona Administrative Code. Requires the Department of Public Safety and the Arizona Department of Transportation to develop easily understandable publications of the laws, rules and policies relating to commercial and non-commercial vehicle weight and equipment requirements for website publication no later than January 1, 2009. Adds references to *furtherance of a commercial enterprise* to ensure that CMV definitions do not impact operators of large recreational vehicles, retains CMV violations as misdemeanors unless the violation is an equipment violation severe enough to place the vehicle in an *out of service* mode as defined in statute and removes references to lightweight motor vehicles whose statutory weight limits conflicted with federal rule.

HB 2357 – Chapter 51 – historic trucks; use fuel taxes

Clarifies that trucks at least 25 years old, not used commercially but issued a Historic Vehicle license plate, are subject to the light class use fuel tax of \$.18 per gallon.

HB 2403 – Chapter 249 – *towing advisory council; repeal

Repeals the Motor Vehicle Towing Advisory Council.

HB 2488 – Chapter 39 – *certified defensive driving schools; notice

As of January 1, 2009, permits an eligible person to attend any Defensive Driving School certified by the Arizona Supreme Court if the school complies with automation and reporting requirements.

HB 2671 – Chapter 250 [E] – driver licenses; document of gift

Defines *document of gift* for driver license purposes and clarifies an indication on the driver license application that the applicant wishes to be an organ donor is considered to be a *document of gift*. Establishes procedures for the transfer of information from the MVD to an Organ Procurement Organization.

HB 2680 – Chapter 47 – vehicle equipment; splash guards

Exempts tandem or triple axle trailers with fenders wide enough to cover the tire tread and not more than 14 inches from the ground, from being equipped with rear fender splash guards.

HB 2732 – Chapter 246 – vehicles; nonresident purchasers; tax liability

Clarifies the requirements for obtaining a special 90-day nonresident registration permit and language allowing motor vehicle dealers who comply with statutory requirements to receive sales tax deductions for the vehicle sales to nonresident purchasers. Requires the Department of Revenue to prescribe forms that must be completed by the dealer to qualify for the deductions.

SB 1083 – Chapter 257 – *special license plates

Creates the *Gold Star Family* special license plate and the *Arizona Professional Basketball Club* special plate.

SB 1156 – Chapter 188 – automobile theft authority; public records

Provides that all personal or vehicle information voluntarily submitted to the Arizona Automobile Theft Authority, for the purposes of reducing auto theft, be confidential and not available for public disclosure. Changes the statutory reference from Title 39 to Title 41 of Arizona Revised Statutes.

SB 1165 – Chapter 258 – salvage title; stolen vehicle title

Allows insurers to obtain salvage titles more quickly in cases where the vehicle owner has been paid for the loss, but the paperwork cannot be obtained and establishes a stolen vehicle certificate of title.

SB 1431 – Chapter 211 – *exemption; nursing assistant programs

Exempts schools that solely provide an instructional program for certified nursing assistants and is licensed by the Board of Nursing and professional drivers training schools licensed by the Arizona Department of Transportation from licensure by the State Board of Private Postsecondary Education.

SB 1466 – Chapter 283 – rest area privatization; state highways

Authorizes the Arizona Department of Transportation to privatize rest areas constructed on or adjacent to state highways. Prohibits persons privatizing a rest area from charging a fee for lavatory use.

SB 1468 – Chapter 90 – ADOT continuation; five years

Continues the Arizona Department of Transportation for eight years, until July 1, 2016.

SB 1473 – Chapter 33 – logo sign programs; ADOT

Permits 24-hour pharmacy services to participate in the Arizona Department of Transportation's (ADOT's) "Logo Sign Program." Allows ADOT to enter into revenue sharing agreements with the contracted third party that installs, maintains and leases advertising space for logo signs.

COMMITTEE ON WATER AND AGRICULTURE

*Representative Lucy Mason, Chairman
 Representative John Kavanagh, Vice-Chairman
 Kathi Knox, Legislative Research Analyst
 Liz Dunfee, Assistant Research Analyst*



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
 [P 108] Proposition 108 Clause

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HB 2270 – Chapter 216 – *water supply; disclosure

Requires the Department of Real Estate and the Department of Water Resources to post specific information relating to water supplies on their websites. Requires a city, town or private water company that is located outside an Active Management Area to provide information on water supplies to any person who makes such a request. The information must be provided within three days of the request. Contains a delayed effective date of January 1, 2009.

HB 2334 – Chapter 102 – sale of beef by producer

Modifies the definition of *food product* to include: beef and beef products; pork products; poultry products; egg products; milk products; and lamb and sheep products.

HB 2771 – Chapter 153 – interstate water transfers

Authorizes the Director of the Department of Water Resources to establish an application fee to transport water from Arizona for use in another state. The Director may consider various factors when establishing the application fee including the amount of time that will be required to process the application, the quantity of pre-existing hydrological information available and the intricacy of the application. The fee must be established by rule.

HB 2772 – Chapter 224 – *Coconino plateau groundwater basin; withdrawal

Allows a city or town that is located in the Coconino Plateau groundwater basin and has a population of no more than 8,000 persons to transfer groundwater from an adjacent basin to its service area if specific conditions and limitations are met.

SB 1120 – Chapter 42 – navigable stream adjudication commission; continuation

Continues the Arizona Navigable Stream Adjudication Commission until July 1, 2012. Includes a retroactive effective date of July 1, 2008.

SB 1158 – Chapter 26 – continuation; veterinary medical examining board

Continues the Arizona State Veterinary Medical Examining Board until July 1, 2018. Includes a retroactive effective date of July 1, 2008.

SB 1168 – Chapter 161 – department of agriculture omnibus act

- Allows commercial fertilizer inspection fees to be used for grants to conduct research and education projects related to the use and handling of fertilizer material. Grants awarded for fertilizer research are not subject to the competitive grant solicitation requirements outlined in A.R.S. § 41-2701 et seq.
- Modifies the hearing requirements related to the suspension, revocation or termination of a license issued by the Animal Services Division of the Department of Agriculture (Department).
- Removes the requirement for the Department to keep seized livestock for 15 days and allows the Department to recover the expenses for the animal's care. Notice of sale for seized livestock must be posted 5 days prior to the sale rather than 10 days after the livestock has been seized. Allows a person who finds a stray animal to attempt to locate and notify the owner. If the owner cannot be located or the person chooses not to locate the owner, the person must notify the Department. The amount of time the Department is required to hold a stray animal is reduced from 14 days to 7 days.

SB 1181 – Chapter 126 – Arizona beef council; sunset continuation

Continues the Arizona Beef Council until July 1, 2018. Adds a retroactive effective date of July 1, 2008.

SB 1289 – Chapter 85 – flood protection districts; financing

Establishes financial mechanisms for a Flood Protection District (District) to construct, reconstruct, replace, renovate, repair or acquire a flood protection facility. The financial mechanisms include property assessments and the authority to issue improvement bonds. The bill outlines the process to establish areas subject to an assessment; describes the Board's authority with respect to construction contracts, hearings on objections, delinquent assessments, procedures for bonding, and addresses various other issues related to managing the District.

SB 1326 – Chapter 71 – exempt wells; internal reference corrections

Corrects statutory references regarding exempt groundwater wells.

SB 1373 – Chapter 32 – poultry husbandry

Requires the Arizona Department of Agriculture (Department) to adopt rules for poultry husbandry and egg production in Arizona that would apply to egg producers with at least 20,000 egg laying hens. The Department is also authorized to adopt standards, by rule, for egg processing plants and shell egg sanitation. The Director of the Department must also approve any chemicals, sanitizers, egg soaps, egg oils and other substances used for processing shell eggs. States that poultry husbandry practices are a statewide matter and are not subject to further regulation by a county, city, town or political subdivision in Arizona. Defines *candling*, *egg products*, *eggs* and *processed*.

SB 1380 – Chapter 88 – drought emergency groundwater transfers

Allows groundwater to be transported away from a groundwater basin that is outside an Active Management Area if special emergency circumstances exist. Specific requirements must be met in order for the Director of the Department of Water Resources to approve a request to transfer the water. Contains a retroactive effective date of May 1, 2008 and includes a delayed repeal date of May 1, 2009.

SB 1394 – Chapter 73 – racing; commission; department; continuation

Continues the Arizona Racing Commission and the Arizona Department of Racing until July 1, 2016. Establishes the Racing Investigation Fund (Fund) to facilitate payments for the costs associated with the application review of racetrack permittees. The Fund will be administered by the Arizona Department of Administration based on instructions from the Director of the Department of Racing. Establishes a retroactive effective date of July 1, 2008.

COMMITTEE ON WAYS AND MEANS

Representative Steve Yarbrough, Chairman
Representative Rick Murphy, Vice-Chairman
Kitty Decker, Legislative Research Analyst



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
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HB 2103 – Chapter 60 – 2008 tax corrections act

The annual bill that corrects technical errors, obsolete language and blending problems in the tax statutes of Arizona Revised Statutes.

HB 2104 – Chapter 94 – internal revenue code conformity

The annual bill that updates the Arizona definition of *internal revenue code* to conform with changes made at the federal level. The conforming changes include the 2007 Small Business and Work Opportunity Tax Act, the Energy Independence and Security Act, the Mortgage Forgiveness Debt Relief Act and the 2007 Technical Corrections Act.

HB 2106 – Chapter 21 – sales tax; electronic payment delinquency

Effective January 1, 2009, establishes a delinquency date for monthly on-line transaction privilege tax (TPT) payments. The payments will be delinquent if not received on or before the last business day of the month.

HB 2107 – Chapter 204 – delinquent information tax returns; penalty

Beginning January 1, 2009, provides the penalty for delinquent information returns is prorated by:

- Adjusting the penalty for a taxpayer who fails to file an information return, or provide the required materials, from a lump sum penalty of \$500 to \$100 for each month the return is late.
- The total penalty cannot exceed \$500.

HB 2130 – Chapter 49 – residential property tax; homesite area

Beginning January 1, 2009, establishes criteria for the determination of a homesite for the purpose of assessing owner-occupied residential property for property tax purposes with a 10% assessment ratio:

- Allows a homesite that is class 3 property to contain up to 10 acres on a single parcel of real property on which the residential improvement is located.
- Allows no more than 40 acres on a single parcel of real property if it is zoned exclusively for residential purposes, contains legal restrictions or contains physical conditions that prevent the division of the parcel.
- Defines *physical conditions* as topography, mountains, washes, rivers, roads or any other configuration that limits the residential usable land area.

HB 2191 – Chapter 178 – property classification; bed and breakfast

For property classification purposes, increases the number of rooms, from four to six, a bed and breakfast inn is allowed to have for transient lodging and still qualify as class four property with a 10% assessment ratio.

HB 2330 – Chapter 252 – property tax exemption; charter schools

Clarifies that property owned by a nonprofit organization and used for educational purposes is exempt from property tax beginning on the date the nonprofit organization acquires the property.

- Requires the nonprofit organization to file an initial affidavit for an exemption with the county assessor and provides an exemption from the annual affidavit requirements.
- Requires the county assessor, upon request from the nonprofit organization, to issue a receipt for the initial affidavit within 10 days.

- If the nonprofit organization fails to file the initial affidavit, they may petition the county board of supervisors to grant the exemption and direct the county treasurer to refund any property taxes paid.
- Requires the county treasurer to pay the claim within 30 days after it is submitted and to forgive any property taxes, interest and penalties that have not been paid.
- Allows leases from one nonprofit educational organization to another nonprofit educational organization to be exempt from property tax if the property is not used for profit and is being used for education purposes.

HB 2351 – Chapter 65 – property tax lien interest calculation

Clarifies that interest begins to accrue on tax liens on the first day of the month following the purchase of an initial tax lien or any subsequent tax liens.

HB 2356 – Chapter 303 – *prime contracting TPT; deduction

Clarifies the TPT deduction under the prime contracting classification to exempt any amounts attributable to development fees that are incurred for construction, development or improvement of property and paid by the contractor or subcontractor. Provides for the following:

- The exempt amount for the project must not exceed the actual value of the development fee.
- The property must be subject to a development fee and the attributable amount is equal to the total amount of development fees paid by the prime contractor or subcontractor and is the amount credited in exchange for the construction or dedication of real property for public infrastructure, public safety or other public services that are necessary.
- Defines *development fees* to mean fees imposed to offset capital costs of providing public infrastructure, public safety or other public services to a development authorized by a city, county or special district.
- Modifies the prohibition for municipalities to impose a tax on development fees to mirror the state TPT exemption.
- Contains a retroactivity clause to September 1, 2006 and contains language stating the change is intended to be clarifying and not expand the scope of the current exemption.

HB 2514 – Chapter 114[E] – reservation telecommunications legislative study committee

Reestablishes the Reservation Telecommunications Legislative Study Committee (Committee) until September 30, 2010.

- Provides that the Committee consists of six members; three members appointed from the House of Representatives by the Speaker of the House of Representatives and three members appointed from the Senate by the President of the Senate.
- Requires the Committee to identify methods to track tribal contributions to the state TPT and identify an appropriate distribution formula for tribal governments.
- Submit a report of its findings by December 1, 2009 and recommend tribal telecommunications legislation incorporating the state TPT.

HB 2523 – Chapter 174 [E] – *tax lien sale; regulation

Permits the county board of supervisors to sell delinquent property tax deeds held by the state to the owner of adjoining property if:

- As determined by the county assessor, the tax lien property and the adjoining property were once under common ownership or the tax lien property is in a HOA common area.
- The property cannot be separately used for residential purposes.
- Requires the board of supervisors to remove the tax lien property from the auction if the property fits within the criteria and the adjoining property owner has made an offer to purchase the property.
- Prohibits the sale of the tax lien property to the adjoining owner if there is more than one adjoining parcel of property.

HB 2589 – Chapter 220 – income tax credits; other states

Clarifies what constitutes *entire income* for the purpose of the individual income tax credit for income taxes paid to other states. Specifically, the bill:

- Defines *entire income on which the tax is imposed by this chapter* as Arizona adjusted gross income, excluding the exemption for blind and over 65 years of age.
- Defines *tax payable under this chapter* as income tax imposed by Arizona on the taxpayer's taxable income minus all credits except for the credit for the taxes paid to other states.
- Defines the terms *entire income on which the other state's or country's tax is imposed and income subject to tax in the other state or country and also taxable under this title*.
- Contains a retroactive date for taxable years beginning from and after December 31, 2007.

HB 2614 – Chapter 306 – renewable energy valuation; expiration extension

Provides for the valuation of renewable energy equipment and systems, for property tax purposes, as follows:

- Extends the sunset date for the valuation method of renewable energy equipment from December 31, 2011 to December 31, 2040. Eliminates the sunset date as part of session law.
- For class 3 (homeowner residential) and class 4 (leased residential) properties, any renewable energy system that is part of the property and generates electricity primarily for on-site consumption is considered to add no value to the property.

HB 2622 – Chapter 255 – *exemption; preconstruction services

Clarifies the TPT exemption for design phase services and professional services related to prime contracting activities. Specifically:

- Provides a TPT exemption for a contract for design phase services or a professional services contract.
- *Design phase services* contract is defined to mean services for developing and completing a design for a project that are not construction phase services. Stipulates activities that can be included in the design phase.

- Defines *construction phase services* as services for the execution and completion of any modification, including the administration or supervision of various modifications and preparation of any reports and updates.
- Defines *professional services* as services of an architect, assayer, engineer, geologist, land surveyor or landscape architect for which the gross proceeds of sales or gross income has not otherwise been deducted under the prime contracting classification under an existing exemption.
- Contains a retroactivity clause to January 1, 2001, however, a taxpayer may not claim a refund based on the retroactivity clause.

HB 2638 – Chapter 151 – municipal tax incentive penalty; application

Applies the current penalty for municipalities that provide TPT incentives for retail projects to only those cities that have at least 65% of their land area within a Metropolitan Statistical Area (MSA) with more than two million persons (Phoenix-Mesa MSA).

HB 2692 – Chapter 221 – taxpayer information ruling

Allows taxpayers to request information rulings from the Department of Revenue (DOR) anonymously through their representative.

- Provides that a Taxpayer Information Ruling is a written determination of the interpretation of tax statutes by DOR that is issued after the effective date of this act and is similar to the information provided in a private taxpayer ruling.
- Establishes that the difference between a Taxpayer Information Ruling and a Private Taxpayer Ruling is that a taxpayer may request the advice from DOR through a taxpayer representative without disclosing any identifying information of the taxpayer.
- Requires DOR to notify the taxpayer's representative when a Taxpayer Information Ruling is modified or revoked.
- Allows the taxpayer to disclose their identity to DOR regarding a particular Taxpayer Information Letter for purposes of compliance with existing tax laws when the Taxpayer Information Letter is modified or revoked by DOR. This will allow the taxpayer to avoid penalties or back tax when it relied on the previous information in the Taxpayer Information Letter.
- If a taxpayer does not disclose their identifying information, the information contained in the Taxpayer Information Ruling is not binding on DOR for the purpose of abating tax, penalties and interest.
- Allows taxpayers for both the Taxpayer Information Ruling and the Private Taxpayer Ruling to request that the ruling be kept confidential instead of a redacted version being published if they feel their identity can be determined. If DOR agrees, the ruling will be kept confidential. If DOR does not agree, the taxpayer can withdraw their request for a ruling. The decision of DOR to publish is not an appealable agency action.

SB 1189 – Chapter 83 – private historic cemeteries; historic preservation

Creates requirements for the State Historic Preservation Officer concerning historic private burial sites and historic private cemeteries as follows:

- Clarifies the exemption for such burial sites and cemeteries from property tax assessments.
- Requires the State Historic Preservation Officer to survey and maintain inventories, make information available concerning preservation, make recommendations on certification, classification and eligibility for property tax and investment tax incentives for historic private burial sites and historic private cemeteries.

SB 1340 – Chapter 194 – tax exemption; internet applications

Clarifies the assessment of student testing or curriculum design is exempt from TPT and use tax:

- Provides an exemption for assessment application services designed to test student learning or promote curriculum design that are purchased by any school district, charter school, community college or state university from the use tax and the following activities under TPT:
 - Retail classification
 - Telecommunications classification
 - Rental property classification
- Defines *application services* as remotely provided software applications that use hypertext transfer or other network protocols.
- Defines *curriculum design or enhancement* as the planning, implementing or reporting on study or learning activities.
- Contains a retroactive clause to taxable periods beginning January 1, 2000. Refunds are limited to an aggregate amount of \$10,000 and to claim a refund, the taxpayer must submit a claim before December 31, 2008 and provide documents to DOR that any amount of tax and interest collected from other persons by the taxpayer will be returned to those persons.
- Contains a nonseverability clause.

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SECTION III

MEMORIALS AND RESOLUTIONS VETOED BILLS

Session Convened: *January 14, 2008*

Adjourned Sine Die: *June 27, 2008*

General Effective Date: *September 26, 2008*

State of Arizona
Forty-Eighth Legislature
Second Regular Session

MEMORIALS AND RESOLUTIONS



* Strike-everything Amendment
 [E] Emergency Clause
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HCM 2003 – *North American Union; opposing

Asks the President and Congress of the United States to reevaluate existing treaties and agreements publicly and thoroughly to ensure compliance with certain principles and not enter into a North American Union.

HCM 2007 – tribal lands; adequate school facilities

Urges the United States Congress to replace two deficient schools with one new school in the Third Mesa area of the Hopi Reservation.

HCM 2009 – Turkish government; Greek Orthodox Christians

Urges the Turkish Government to give appropriate recognition to the Ecumenical Patriarch and to respect the human and property rights of the Ecumenical Patriarchate by terminating discriminatory policies.

HCR 2005 – school district expenditures; authorization

Allows school district expenditures to exceed the Constitutional aggregate expenditure limitation of local revenues by \$146,596,568 for FY 2007-08.

HCR 2015 – Cal Holman; death resolution

Honors the accomplishments of former State Representative Calvin M. Holman, expresses regret at his unexpected and untimely death, and extends deepest condolences to his family and many friends.

HCR 2059 – go red for women.

Proclaims the month of February 2008 as Go Red for Women Month in the State of Arizona and recognizes the importance of the ongoing fight against heart disease and stroke.

HCR 2067 – George Brooks; death resolution

Honors the accomplishments of former State Representative Rev. Dr. George Brooks, Sr. and extends deepest sympathies to his surviving family members.

HCR 2070 – William F. Buckley, Jr.

Expresses sincere regret at the passing of an American icon, William F. Buckley, Jr., and extends condolences to his son, Christopher, and other surviving family members.

HCR 2071 – death resolution; John F. Long

Expresses sincere regret at the passing of John F. Long and extends deepest condolences to his surviving family members.

HR 2001 – John Scott Alexander; death resolution

Honors the accomplishments of former State Legislator John Scott Alexander, expresses regret at his passing, and extends condolences to his surviving family members.

HR 2002 – Louis Rhodes; death resolution

Expresses regret at the passing of Louis Rhodes, former Executive Director of ACLU of Arizona, and extends deepest condolences to his surviving family members.

HR 2003 – death resolution; Opal Tenney Allen

Sincerely regrets the passing of Opal Tenney Goodman Allen and extends deepest appreciation for her life's work and condolences to her surviving family members.

HR 2004 – death resolution; Senator Boyd Tenney

Honors the accomplishments of former State Legislator the Honorable Nathan Boyd Tenney, regrets his passing, and extends deepest sympathies to his surviving family members.

HR 2005 – Brent Brown; death resolution

Expresses regret at the passing of Brent Whiting Brown and extends deepest condolences to his surviving family members.

HR 2006 – Rich Genser; death resolution

Expresses sincere regret at the death of Rich Genser and extends deepest sympathies to his family and many friends.

HJR 1001 – statutory hall; Barry Goldwater

Encourages the replacement of the statue John Campbell Greenway with a statue of Barry Goldwater at the National Statuary Hall in Washington D.C.

SCM 1004 – federal tax intercept proposal

Requests that the United States Congress enact legislation enabling the United States Department of Treasury to intercept federal tax refunds to pay overdue victim restitution and other financial obligations ordered by state and local courts.

SCR 1035 – Dr. Augusto Ortiz; death resolution

Expresses sincere regret at the passing of Dr. Augusto "Gus" Ortiz and extends deepest sympathies to his wife, Martha, daughters, Judith and Betty Jane, sons, Carl and Quintin, six grandchildren and other surviving family members.

SCR 1039 – honoring the Afghanistan delegation

Extends a warm welcome to the members of the distinguished delegation from the Islamic Republic of Afghanistan during their stay in Arizona and encourages all citizens of Arizona to strive to promote mutual respect, understanding and friendship.

SCR 1041 – death resolution; Governor Evan Mecham

Honors the accomplishments of former Arizona Governor the Honorable Evan Mecham, expresses regret at his death, and extends deepest condolences to his surviving family members.

SCR 1042 – *marriage; one man; one woman

Amends the Arizona Constitution to state that only a union of one man and one woman shall be valid or recognized as a marriage in this state.

SCR 1043 – Polly Getzwiller; death resolution

Honors the accomplishments of former State Legislator Polly Getzwiller, expresses regret for her passing and extends deepest sympathies to her surviving family members.

SCR 1044 – Highland high school

Recognizes and pays tribute to the selfless and dedicated efforts of the students of Highland High School and their devoted teacher, Mr. Glen Frakes, in preserving and portraying United States military history.

SCR 1045 – sixtieth anniversary of Israel

- Recognizes the historic significance of the sixtieth anniversary of the reestablishment of the sovereign and independent State of Israel as a homeland for the Jewish people.
- Commends the people of Israel for their remarkable achievements in building a new state and a pluralistic, democratic society in the face of terrorism, hostility, ostracism and belligerence from many of their neighbors.
- Extends the warmest congratulations and best wishes to the State of Israel and the Israeli people for a peaceful, prosperous and successful future.

SCR 1046 – national day of the cowboy.

Expresses support for the designation of a "National Day of the Cowboy" and encourages the people of the United States to observe the day with appropriate ceremonies and activities.

SM 1005 – Taiwan; World Health Organization membership

Urges the President and Congress of the United States to take action to endorse and obtain, at a minimum, observer status for Taiwan at the World Health Assembly and more appropriately, membership in the World Health Organization.

SR 1001 – Brent Brown; death resolution

Expresses regret at the passing of Brent Whiting Brown and extends deepest condolences to his surviving family members.

SR 1002 – death resolution; Albert Wallace Denny

Expresses regret at the passing of Albert Wallace Denny and extends deepest condolences to his surviving family members.

SJR 1001 – Hashknife pony express memorial trail

Recognizes portions of certain state roadways as the route used by the Hashknife Pony Express in honor of the Hashknife Posse's fiftieth annual ride from Holbrook to Scottsdale and directs the Arizona Department of Transportation to work with the Hashknife Pony Express Posse on the design and placement of signs identifying the Hashknife Pony Express post route.

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VETOED BILLS



* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
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HB 2017 – VETOED – *greenhouse emissions; regulations; fuel economy

Prohibited a state agency from adopting or enforcing programs to regulate the emission of greenhouse gas or motor vehicle fuel economy without express legislative authorization.

HB 2039 – VETOED – schools; multiple birth siblings; classrooms

Required a school district or charter school, at the request of a parent, to place multiple birth siblings in the same or separate classrooms. After the first grading period, allowed a school principal to ask the school district governing board or charter school governing body to determine the placement of multiple birth siblings if the requested placement was disruptive.

HB 2043 – VETOED – *FY 2007-2008 state hiring; moratorium

Prevented hiring or promoting of employees by state budget units for the remainder of FY 2007-08. Allowed exemptions for positions necessary for the protection of public health and safety, for agencies related to the collection or investment of state revenues, and for critical positions for the Judiciary, state universities, the Legislature, and statewide elected officials.

HB 2220 – VETOED – state equalization property tax repeal.

Permanently repealed the state equalization property tax rate. Currently, this rate is suspended until 2009.

HB 2235 – VETOED – administrative rules oversight committee

Established the Administrative Rules Oversight Committee (Committee) and clarified that a party contesting the legality of a rule, agency practice, or substantive policy statement would not have to file a complaint with the Committee in order to exhaust its administrative remedies.

HB 2263 – VETOED – parental consent; abortion

Required a pregnant minor to prove to a superior court judge by clear and convincing evidence that she is sufficiently mature to give informed consent to an abortion without consulting her parent or guardian.

HB 2359 – VETOED – border officers; state laws; enforcement

Authorized county sheriffs to enter into certain agreements with Customs and Border Protection without approval from their respective county board of supervisors.

HB 2389 – VETOED – misconduct involving weapons; means; transportation

Removed persons who, without a permit, knowingly carry a deadly weapon concealed within the immediate control of a person in or on a means of transportation from the list of persons who commit misconduct involving weapons.

- Defined *ammunition* and classified the knowing possession of ammunition by a prohibited possessor as misconduct involving weapons.
- Allowed a deadly weapon to be carried by a person in a manner where any portion of the weapon or weapon in a holster, scabbard or case is visible.
- Expanded a defense to prosecution for sexual conduct with a minor who is at least 15 years of age from a defendant that is:
 - Under 19 years of age to under 20 years of age; and
 - Not more than 2 years older than the victim to not more than 3 years older than the victim.

HB 2395 – VETOED – *driving; boating; under the influence

Required the Motor Vehicle Division (MVD) to reduce the one-year ignition interlock device (IID) mandate for first-time non-extreme/non-aggravated driving under the influence (DUI) offenders to six months, provided the offender completed mandated alcohol treatment and was in compliance with other IID requirements. Added death to the list of reasons MVD would be required to impose a 90 day driver license suspension following an administrative determination that the person was operating a motor vehicle with a blood alcohol concentration of 0.08 or more. Required MVD to order administrative alcohol or other drug screening and required completion of treatment as a condition of driver license reinstatement following an administrative DUI suspension. Removed judicial discretion in reducing jail time for Extreme DUI offenders, and increased penalties for certain operating under the influence offenses.

HB 2470 – VETOED – board of behavior analysts

Established the Behavior Analyst Board to license and regulate behavior analysts.

HB 2557 – VETOED – schools; standards; PE; art; music

Restricted school districts from eliminating or reducing instruction in physical education, the arts, music, or vocational education unless the elimination or reduction was due to budgetary reasons or was approved by a vote of the school district's governing board at a public meeting.

HB 2560 – VETOED – school districts; compliance; withholding monies

Allowed the Arizona Department of Education (ADE), the Office of the Auditor General, or the Attorney General to determine if a school district was deliberately or substantially out of compliance with certain statutes relating to school district governing boards, employment of school personnel, and school instruction. Authorized the State Board of Education to direct the ADE to withhold up to ten percent of a school district's funding if the school district failed to correct the noncompliance within 90 days.

HB 2585 – VETOED – general bond obligation requirements

Updated the information that is provided in the publicity pamphlet on government general obligation bonds and would have modified the refinancing requirements as follows:

- If the bond issue before the voters would have exceeded the political subdivision's constitutional debt limit when combined with current debt and if all debt were issued at the same time, then a statement in bold faced type would have been placed in the publicity pamphlet.
- Current statute requires the political subdivision to show in the publicity pamphlet the estimated valuation growth of the aggregate secondary assessed value and its effect on the estimated tax rate. This bill would have required that the examples in the publicity pamphlet show the estimated impact of the bonds on the average residential and commercial properties using a valuation growth factor that is fifty percent of the rate used for the growth of aggregate secondary assessed value instead of a constant value.
- When asking for voter approval of bonds, the political subdivision would have stated not only the maximum number of years the bonds issue may run but also the minimum number of years the bond issue may run from their issuance date.
- Current statute does not require an election for refinancing bonds that have already been approved by the voters. This bill would have modified the requirement that no election is required if the weighted average maturity of the refunding bonds are at least 75% of the weighted average maturity of the all the bonds being refinanced.

HB 2626 – VETOED – weapons; peace officers; posse; reserves

Allowed a sheriff to authorize a member of their volunteer posse to carry a deadly weapon without a concealed carry weapon permit (CCW) and a retired peace officer to carry a concealed weapon without a CCW.

HB 2629 – VETOED – justification; defensive display of firearm

Defined *defensive display of a firearm*. and justified the defensive display of a firearm when and to the extent a reasonable person would believe that physical force is immediately necessary to protect himself against use or attempted use of unlawful physical force or deadly physical force.

HB 2630 – VETOED – concealed weapons; petty offense

- Changed the classification of *misconduct involving weapons* in which the person carries a deadly weapon, except a pocket knife, concealed on his person without a permit or in which the person carries a deadly weapon concealed within immediate control of any person in or on a means of transportation to a petty offense unless:
 - The violation occurred in the commission or attempted commission of a serious offense or a violent crime, in which the offense is a Class 6 felony.
 - The violation occurred in the commission or attempted commission of any other felony, in which the offense is a Class 1 misdemeanor.
- Prohibited the court from ordering the forfeiture of the deadly weapon involved in the misconduct involving weapons if the person was convicted of a petty offense.

HB 2769 – VETOED – partial-birth abortion; definition

Made clarifying and substantive changes to partial-birth abortion statutes, including changing the classification of the crime to a class 5 felony and the definition of *partial-birth abortion*.

HB 2807 – VETOED – immigration; local enforcement

Prohibited officials, agencies or personnel of counties, cities and towns from being prevented or restricted from sending, receiving or maintaining information relating to the immigration status of individuals for specified official purposes.

HB 2857 – VETOED – fiscal year 2007-2008; budget adjustments

Limited state budget units from expending or encumbering various amounts in previous year appropriations and fund balances and made supplemental appropriations in order to balance the FY 2007-08 state budget.

SB 1012 – VETOED – postsecondary education programs; PEG; PFAP

Conformed Arizona statute with federal law regarding the duties and responsibilities of the Arizona Commission for Postsecondary Education (ACPE). Allowed the ACPE to extend the time a student has to complete a baccalaureate degree under the Private Postsecondary Education Student Financial Assistance Program or the Private Postsecondary Education Grant Program. Removed language related to qualified and non-qualified withdrawals made under the Arizona Family College Savings Plan (529 Program) and continued the ACPE until July 1, 2018.

SB 1025 – VETOED – scholarships; disabled pupils; good cause

Allowed the Arizona Department of Education to provide good cause exceptions to the eligibility requirements for the Arizona Scholarships for Pupils with Disabilities Program for pupils who were removed from a school district or charter school due to certain medical or mental crisis's or if a school district could not provide the services required by a pupil's Individualized Education Program in the pupil's district of residence.

SB 1048 – VETOED – *definition; partial birth abortion

Made clarifying and substantive changes to partial-birth abortion statutes, including specifying that a physician guilty of performing a partial-birth abortion must pay a fine or serve no more than two years in jail, or both, allowing defendants to appear before the Arizona Medical Board or the Arizona Board of Osteopathic Examiners in Medicine and Surgery for an assessment of the medical necessity of the procedure, and changing the definition of *partial-birth abortion*.

SB 1097 – VETOED – GITA; state treasurer’s office exemption

Prohibited Government Information Technology Agency employees from direct access to and/or suspension of the banking and investment systems of the State Treasurer’s Office.

SB 1106 – VETOED – concealed weapons permit; renewal option

Allowed concealed weapon permit holders to obtain a permit that is valid for the holder’s lifetime unless the permit is suspended or revoked.

SB 1255 – VETOED – administrative rules oversight committee.

Established the Administrative Rules Oversight Committee (Committee) and clarified that a party contesting the legality of a rule, agency practice, or substantive policy statement would not have to file a complaint with the Committee in order to exhaust its administrative remedies.

SB 1264 – VETOED – *public rights-of-way; claims

Provided for the retention of Revised Statute 2477 rights-of-way that were acquired before October 21, 1976.

SB 1279 – VETOED – review committee; Arizona national rankings

Established the Executive Review Committee on Arizona National Rankings to collect, evaluate, and assess existing studies on the overall quality of schools in Arizona, school funding in Arizona, and the average weekly wages earned in Arizona compared to other states.

SB 1297 – VETOED – state telecommunications program; exemption

Exempted the Cotton Research and Protection Council from the state’s telecommunication service contract requirements.

SB 1341 – VETOED – schools; employee code of conduct

Required the State Board of Education to recommend an employee code of conduct to each school district governing board or charter school governing body.

SB 1406 – VETOED – *municipal development fees; procedure

Amended procedures for the implementation of municipal and county development fees. Prohibited new municipal development fees for 24 months after final approval of the development and further prohibited counties from assessing development fees to schools, except for street, water and sewer utilities improvements.

SB 1452 – VETOED – homeowners’ associations; foreclosure; voting rights

Limited the right of a declarant in a planned community to hold a majority of votes for purposes of voting for the community board of directors in certain circumstances.

SB 1484 – VETOED – prime contracting deduction; university improvements

Diverted state transaction privilege tax revenues derived from prime contracting activities associated with the construction of public university buildings to the municipality where the university building is located in order to pay for infrastructure improvements.



SECTION IV

BILL INDEX
CHAPTER INDEX

ARIZONA REVISED STATUTES
TITLE INDEX

Session Convened: *January 14, 2008*
Adjourned Sine Die: *June 27, 2008*

General Effective Date: *September 26, 2008*

State of Arizona
Forty-Eighth Legislature
Second Regular Session

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