

House Engrossed

smart and safe fund; distribution

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
First Regular Session  
2023

# HOUSE BILL 2446

AN ACT

AMENDING SECTION 36-2856, ARIZONA REVISED STATUTES; RELATING TO THE ADULT  
USE OF MARIJUANA.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Subject to the requirements of article IV, part 1,  
3 section 1, Constitution of Arizona, section 36-2856, Arizona Revised  
4 Statutes, is amended to read:

5 36-2856. Smart and safe Arizona fund; disposition of monies;  
6 exemption

7 A. The smart and safe Arizona fund is established consisting of all  
8 monies deposited pursuant to sections 36-2853, 36-2854, 36-2859, 42-5452  
9 and ~~42-5503~~ 42-5453, private donations and interest earned on those  
10 monies. Monies in the fund are continuously appropriated. Monies in the  
11 fund and its accounts may not be transferred to any other fund except as  
12 provided in this section, do not revert to the state general fund and are  
13 exempt from the provisions of section 35-190 relating to the lapsing of  
14 appropriations. The state treasurer shall administer the fund.

15 B. All monies in the smart and safe Arizona fund must first be  
16 spent, and the state treasurer shall transfer monies from the fund, to  
17 pay:

18 1. The actual reasonable costs incurred by the department to  
19 implement, carry out and enforce this chapter and rules adopted pursuant  
20 to this chapter.

21 2. The actual reasonable costs incurred by the department of  
22 revenue to impose and enforce the tax authorized and levied by section  
23 42-5452.

24 3. The actual reasonable costs incurred by the supreme court and  
25 the department of public safety to process petitions for expungement and  
26 expungement orders pursuant to section 36-2862 and to otherwise implement  
27 section 36-2862.

28 4. The actual reasonable costs incurred by the state treasurer to  
29 administer the fund.

30 5. Any other mandatory expenditure of state revenues required by  
31 this chapter to implement or enforce the provisions of this chapter.

32 C. The state treasurer may prescribe forms necessary to make  
33 transfers from the smart and safe Arizona fund pursuant to subsection B of  
34 this section.

35 D. On or before June 30 and December 31 of each year, the state  
36 treasurer shall transfer all monies in the smart and safe Arizona fund in  
37 excess of the amounts paid pursuant to subsection B of this section as  
38 follows:

39 1. ~~33~~ THIRTY-THREE percent to community college districts and  
40 provisional community college districts, but not to community college  
41 tuition financing districts established pursuant to section 15-1409, for  
42 the purposes of investing in and providing workforce development programs,  
43 job training, career and technical education, and science, technology,  
44 engineering and ~~math~~ MATHEMATICS programs, as follows:

1 (a) ~~15~~ FIFTEEN percent of the ~~33~~ THIRTY-THREE percent divided  
2 equally between each community college district.

3 (b) ~~0.5~~ ONE-HALF OF ONE percent of the ~~33~~ THIRTY-THREE percent  
4 divided equally between each provisional community college district, if  
5 one or more provisional community college districts exist.

6 (c) The remainder to community college districts and provisional  
7 community colleges districts in proportion to each district's full-time  
8 equivalent student enrollment percentage of the total statewide audited  
9 full-time equivalent student enrollment in the preceding fiscal year  
10 prescribed in section 15-1466.01.

11 2. 31.4 percent to municipal police departments, municipal fire  
12 departments, fire districts AND JOINT POWERS AUTHORITIES established  
13 pursuant to title 48, chapter 5 and county sheriffs' departments in  
14 proportion to the number of ~~enrolled~~ members AS DEFINED IN SECTION 38-842  
15 for each such agency in the public safety personnel retirement system  
16 established by title 38, chapter 5, article 4 and the public safety  
17 personnel defined contribution RETIREMENT plan established by PURSUANT TO  
18 title 38, chapter 5, article 4.1, for personnel costs.

19 3. 25.4 percent to the Arizona highway user revenue fund  
20 established by section 28-6533.

21 4. ~~10~~ TEN percent to the justice reinvestment fund established by  
22 section 36-2863.

23 5. 0.2 percent to the attorney general to use to enforce this  
24 chapter, or to grant to localities to enforce this chapter.

25 E. The monies transferred and received pursuant to this section:

26 1. Are in addition to any other appropriation, transfer or other  
27 allocation of monies and may not supplant, replace or cause a reduction in  
28 other funding sources.

29 2. Are not considered local revenues for the purposes of article  
30 IX, sections 20 and 21, Constitution of Arizona.

31 Sec. 2. Retroactivity

32 Section 36-2856, Arizona Revised Statutes, as amended by this act,  
33 applies retroactively to from and after December 31, 2020.

34 Sec. 3. Requirements for enactment; three-fourths vote

35 Pursuant to article IV, part 1, section 1, Constitution of Arizona,  
36 section 36-2856, Arizona Revised Statutes, as amended by this act, is  
37 effective only on the affirmative vote of at least three-fourths of the  
38 members of each house of the legislature.