REFERENCE TITLE: state hospital; governing board; governance

State of Arizona Senate Fifty-sixth Legislature Second Regular Session 2024

SB 1103

Introduced by
Senators Miranda: Fernandez, Gonzales, Hernandez, Shope, Wadsack;
Representatives Hernandez C, Schwiebert, Terech

AN ACT

AMENDING SECTIONS 3-607, 8-201, 11-812 AND 23-618.01, ARIZONA REVISED STATUTES; REPEALING SECTION 36-103.01, ARIZONA REVISED STATUTES; AMENDING SECTIONS 36-132, 36-136, 36-137, 36-201, 36-202, 36-202.01, 36-203, 36-204 AND 36-205, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 36-205.01 AND 36-205.02; AMENDING SECTIONS 36-206, 36-208, 36-209, 36-210, 36-212 AND 36-213, ARIZONA REVISED STATUTES; REPEALING SECTION 36-214, ARIZONA REVISED STATUTES; AMENDING SECTIONS 36-216, 36-217 AND 36-218, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-220; AMENDING SECTIONS 36-420.03, 36-501, 36-502.01, 36-503.03, 36-533, 36-541, 36-545.01, 36-545.08, 36-1672, 36-3701, 36-3702, 36-3704, 36-3705, 36-3707, 36-3708, 36-3709, 36-3710, 36-3711, 36-3712, 36-3714, 36-3717, 37-802, 37-803, 41-2752, 41-3803 AND 49-104, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO THE ARIZONA STATE HOSPITAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 3-607, Arizona Revised Statutes, is amended to read:

3-607. <u>Annual licenses; inspections; revocation; fees;</u> exceptions

- A. A person shall not operate a milk distributing plant or a manufacturing milk processing plant, engage in the business of producer-distributor or producer-manufacturer, or engage in the business of selling at wholesale milk or dairy products, or both, without a license. This section does not require:
- 1. An Arizona dairy farm producing raw milk for sale to be processed to secure a license to operate.
- 2. A retailer or wholesaler to secure a license from the division to convert a pasteurized mix into frozen dessert.
- 3. A food establishment regulated by the department of health services to secure a license from the division to manufacture frozen desserts using pasteurized milk or pasteurized milk-based products if the frozen dessert is manufactured and sold at the same food establishment for consumption on the premises and the food establishment has submitted a plan for approval to the regulatory authority under title 36 demonstrating that the manufacturing process complies with the rules adopted pursuant to section 36-136, subsection $\frac{1}{1}$ H, including pasteurization as defined in rule. The division or the regulatory authority under title 36 may require a food establishment that manufactures frozen desserts using pasteurized milk or pasteurized milk-based products to provide samples of the frozen dessert to verify that the frozen dessert is pasteurized.
- B. An application for a license shall be in writing in the form the associate director prescribes and shall be accompanied by the required filing fee. On receipt of an application, the associate director or an authorized representative shall examine the premises in which the applicant proposes to do business, and if it appears that the applicant has complied with all provisions of law, the license shall be issued.
- C. After issuance of the first annual license, a license may be issued on inspection of the premises and payment not later than February 1 of each year of the required fee. The inspection shall be made by the associate director or an authorized representative to determine whether the premises are maintained in compliance with law. A written report of the inspection shall be filed in the division office. An annual license is valid for the period beginning January 1 and ending December 31 of each year, and a license that is not renewed on or before February 1 of each year is void.
- D. An application for a license to produce grade A milk for human consumption shall be made in the manner prescribed by subsections A and B of this section. The license shall be valid until revoked for failure to comply with the provisions of this article relating to the production of

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The associate director may suspend a license pending correction of deficiencies that violate this article. If the identified deficiencies are not corrected within a reasonable time after the licensee is notified, the associate director may proceed to revoke the license. Notice of a pending revocation shall be in writing, stating the cause, and setting a time during which the licensee may correct the cause for revocation. If the cause for revocation is not corrected within the time specified, the associate director, after a hearing and three days' notice of intention, may revoke the license. The director shall review the associate director's action on request of any person adversely affected by the action. A person holding a permit issued by a governmental agency operating outside of this state whose requirements are substantially the same as the requirements of this state shall be deemed to have a license meeting the requirements of this article, provided the facilities have first been inspected and approved also by a resident Arizona inspector, if in the opinion of the associate director such an inspection should be made. Any expense incurred for such an inspection shall be at the expense of the licensee.

- E. Fees shall be paid as follows:
- 1. For a license or renewal of a license to operate a milk distributing plant or business, \$50.
- 2. For a license or renewal of a license to operate a manufacturing milk processing plant, \$50.
- 3. For a license or renewal of a license to engage in the business of producer-distributor or producer-manufacturer, \$25.
- 4. For a license or renewal of a license to engage in the business of selling at wholesale milk or dairy products, or both, \$25.
- F. The associate director or dairy inspectors are authorized to inspect premises affected by this article and located outside of this state, and they shall receive subsistence and travel expenses in the amount provided for state officers, which shall be paid to the inspector by the owner of the premises inspected.
 - G. This section does not apply to a producer of raw milk.
- Sec. 2. Section 8-201, Arizona Revised Statutes, is amended to read:

8-201. <u>Definitions</u>

In this title, unless the context otherwise requires:

1. "Abandoned" means the failure of the parent to provide reasonable support and to maintain regular contact with the child, including providing normal supervision. Abandoned includes a judicial finding that a parent has made only minimal efforts to support and communicate with the child. Failure to maintain a normal parental relationship with the child without just cause for a period of six months constitutes prima facie evidence of abandonment.

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- 2. "Abuse" means the infliction or allowing of physical injury, impairment of bodily function or disfigurement or the infliction of or allowing another person to cause serious emotional damage as evidenced by severe anxiety, depression, withdrawal or untoward aggressive behavior and which emotional damage is diagnosed by a medical doctor or psychologist and is caused by the acts or omissions of an individual who has the care, custody and control of a child. Abuse includes:
- (a) Inflicting or allowing sexual abuse pursuant to section 13-1404, sexual conduct with a minor pursuant to section 13-1405, sexual assault pursuant to section 13-1406, molestation of a child pursuant to section 13-1410, commercial sexual exploitation of a minor pursuant to section 13-3552, sexual exploitation of a minor pursuant to section 13-3553, incest pursuant to section 13-3608 or child sex trafficking pursuant to section 13-3212.
- (b) Physical injury that results from allowing a child to enter or remain in any structure or vehicle in which volatile, toxic or flammable chemicals are found or equipment is possessed by any person for the purpose of manufacturing a dangerous drug as defined in section 13-3401.
 - (c) Unreasonable confinement of a child.
 - 3. "Adult" means a person who is eighteen years of age or older.
- 4. "Adult court" means the appropriate justice court, municipal court or criminal division of the superior court that has jurisdiction to hear proceedings concerning offenses committed by juveniles as provided in sections 8-327 and 13-501.
 - 5. "Award" or "commit" means to assign legal custody.
- 6. "Child", "youth" or "juvenile" means an individual who is under eighteen years of age.
- 7. "Complaint" means a written statement of the essential facts constituting a public offense that is any of the following:
- (a) Made on an oath before a judge or commissioner of the superior court or an authorized juvenile hearing officer.
 - (b) Made pursuant to section 13-3903.
- (c) Accompanied by an affidavit of a law enforcement officer or employee that swears on information and belief to the accuracy of the complaint pursuant to section 13-4261.
- 8. "Criminal conduct allegation" means an allegation of conduct by a parent, guardian or custodian of a child or an adult member of the victim's household that, if true, would constitute any of the following:
 - (a) A violation of section 13-3623 involving child abuse.
- (b) A felony offense that constitutes domestic violence as defined in section 13-3601.
 - (c) A violation of section 13-1404 or 13-1406 involving a minor.
 - (d) A violation of section 13-1405, 13-1410 or 13-1417.
 - (e) Any other act of abuse that is classified as a felony.

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- (f) An offense that constitutes domestic violence as defined in section 13-3601 and that involves a minor who is a victim of or was in imminent danger during the domestic violence.
- 9. "Custodian" means a person, other than a parent or legal guardian, who stands in loco parentis to the child or a person to whom legal custody of the child has been given by order of the juvenile court.
- 10. "DCS report" means a communication received by the centralized intake hotline that alleges child abuse or neglect and that meets the criteria for a report as prescribed in section 8-455.
- 11. "Delinquency hearing" means a proceeding in the juvenile court to determine whether a juvenile has committed a specific delinquent act as set forth in a petition.
- 12. "Delinquent act" means an act by a juvenile that if committed by an adult would be a criminal offense or a petty offense, a violation of any law of this state, or of another state if the act occurred in that state, or a law of the United States, or a violation of any law that can only be violated by a minor and that has been designated as a delinquent offense, or any ordinance of a city, county or political subdivision of this state defining crime. Delinquent act does not include an offense under section 13-501, subsection A or B if the offense is filed in adult court. Any juvenile who is prosecuted as an adult or who is remanded for prosecution as an adult shall not be adjudicated as a delinquent juvenile for the same offense.
- 13. "Delinquent juvenile" means a child who is adjudicated to have committed a delinquent act.
 - 14. "Department" means the department of child safety.
 - 15. "Dependent child":
 - (a) Means a child who is adjudicated to be:
- (i) In need of proper and effective parental care and control and who has no parent or guardian, or one who has no parent or guardian willing to exercise or capable of exercising such care and control.
- (ii) Destitute or who is not provided with the necessities of life, including adequate food, clothing, shelter or medical care.
- (iii) A child whose home is unfit by reason of abuse, neglect, cruelty or depravity by a parent, a guardian or any other person having custody or care of the child.
- (iv) Under eight years of age and who is found to have committed an act that would result in adjudication as a delinquent juvenile or incorrigible child if committed by an older juvenile or child.
- (v) Incompetent or not restorable to competency and who is alleged to have committed a serious offense as defined in section 13-706.
- (b) Does not include a child who in good faith is being furnished Christian Science treatment by a duly accredited practitioner if none of the circumstances described in subdivision (a) of this paragraph exists.

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- 16. "Detention" means the temporary confinement of a juvenile who requires secure care in a physically restricting facility that is completely surrounded by a locked and physically secure barrier with restricted ingress and egress for the protection of the juvenile or the community pending court disposition or as a condition of probation.
 - 17. "Director" means the director of the department.
- 18. "Health professional" has the same meaning prescribed in section 32-3201.
 - 19. "Incorrigible child" means a child who:
- (a) Is adjudicated as a child who refuses to obey the reasonable and proper orders or directions of a parent, guardian or custodian and who is beyond the control of that person.
- (b) Is habitually truant from school as defined in section 15-803, subsection C.
- (c) Is a runaway from the child's home or parent, guardian or custodian.
- (d) Habitually behaves in such a manner as to injure or endanger the morals or health of self or others.
- (e) Commits any act constituting an offense that can only be committed by a minor and that is not designated as a delinquent act.
- (f) Fails to obey any lawful order of a court of competent jurisdiction given in a noncriminal action.
- 20. "Independent living program" includes a residential program with supervision of less than twenty-four hours a day.
- 21. "Juvenile court" means the juvenile division of the superior court when exercising its jurisdiction over children in any proceeding relating to delinquency, dependency or incorrigibility.
- 22. "Law enforcement officer" means a peace officer, sheriff, deputy sheriff, municipal police officer or constable.
 - 23. "Medical director of a mental health agency":
- (a) Means a psychiatrist, or licensed physician experienced in psychiatric matters, who is designated in writing by the governing body of the agency as the person in charge of the medical services of the agency, or a psychiatrist designated by the governing body to act for the director.
 - (b) Includes the superintendent DIRECTOR of the state hospital.
- 24. "Mental health agency" means any private or public facility that is licensed by this state as a mental health treatment agency, a psychiatric hospital, a psychiatric unit of a general hospital or a residential treatment center for emotionally disturbed children and that uses secure settings or mechanical restraints.
 - 25. "Neglect" or "neglected" means:
- (a) The inability or unwillingness of a parent, guardian or custodian of a child to provide that child with supervision, food, clothing, shelter or medical care if that inability or unwillingness

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causes substantial risk of harm to the child's health or welfare, except if the inability of a parent, guardian or custodian to provide services to meet the needs of a child with a disability or chronic illness is solely the result of the unavailability of reasonable services.

- (b) Allowing a child to enter or remain in any structure or vehicle in which volatile, toxic or flammable chemicals are found or equipment is possessed by any person with the intent and for the purpose of manufacturing a dangerous drug as defined in section 13-3401.
- (c) A determination by a health professional that a newborn infant was exposed prenatally to a drug or substance listed in section 13-3401 and that this exposure was not the result of a medical treatment administered to the mother or the newborn infant by a health professional. This subdivision does not expand a health professional's duty to report neglect based on prenatal exposure to a drug or substance listed in section 13-3401 beyond the requirements prescribed pursuant to section 13-3620, subsection E. The determination by the health professional shall be based on one or more of the following:
- (i) Clinical indicators in the prenatal period including maternal and newborn presentation.
 - (ii) History of substance use or abuse.
 - (iii) Medical history.
- (iv) Results of a toxicology or other laboratory test on the mother or the newborn infant.
- (d) Diagnosis by a health professional of an infant under one year of age with clinical findings consistent with fetal alcohol syndrome or fetal alcohol effects.
- (e) Deliberate exposure of a child by a parent, guardian or custodian to sexual conduct as defined in section 13-3551 or to sexual contact, oral sexual contact or sexual intercourse as defined in section 13-1401, bestiality as prescribed in section 13-1411 or explicit sexual materials as defined in section 13-3507.
- (f) Any of the following acts committed by the child's parent, guardian or custodian with reckless disregard as to whether the child is physically present:
 - (i) Sexual contact as defined in section 13-1401.
 - (ii) Oral sexual contact as defined in section 13-1401.
 - (iii) Sexual intercourse as defined in section 13-1401.
 - (iv) Bestiality as prescribed in section 13-1411.
 - 26. "Newborn infant" means a child who is under thirty days of age.
- 27. "Petition" means a written statement of the essential facts that allege delinquency, incorrigibility or dependency.
- 28. "Prevention" means the creation of conditions, opportunities and experiences that encourage and develop healthy, self-sufficient children and that occur before the onset of problems.

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- 29. "Protective supervision" means supervision that is ordered by the juvenile court of children who are found to be dependent or incorrigible.
- 30. "Qualified young adult" means a former dependent child who is at least eighteen years of age and not over twenty-one years of age, who meets the criteria for an extended foster care program pursuant to section 8-521.02 and who signs a voluntary agreement to participate in the program.
- 31. "Referral" means a report that is submitted to the juvenile court and that alleges that a child is dependent or incorrigible or that a juvenile has committed a delinquent or criminal act.
- 32. "Secure care" means confinement in a facility that is completely surrounded by a locked and physically secure barrier with restricted ingress and egress.
- 33. "Serious emotional injury" means an injury that is diagnosed by a medical doctor or a psychologist and that does any one or a combination of the following:
 - (a) Seriously impairs mental faculties.
- (b) Causes serious anxiety, depression, withdrawal or social dysfunction behavior to the extent that the child suffers dysfunction that requires treatment.
- (c) Is the result of sexual abuse pursuant to section 13-1404, sexual conduct with a minor pursuant to section 13-1405, sexual assault pursuant to section 13-1406, molestation of a child pursuant to section 13-1410, child sex trafficking pursuant to section 13-3212, commercial sexual exploitation of a minor pursuant to section 13-3552, sexual exploitation of a minor pursuant to section 13-3553 or incest pursuant to section 13-3608.
- 34. "Serious physical injury" means an injury that is diagnosed by a medical doctor and that does any one or a combination of the following:
 - (a) Creates a reasonable risk of death.
 - (b) Causes serious or permanent disfigurement.
 - (c) Causes significant physical pain.
 - (d) Causes serious impairment of health.
 - (e) Causes the loss or protracted impairment of an organ or limb.
- (f) Is the result of sexual abuse pursuant to section 13-1404, sexual conduct with a minor pursuant to section 13-1405, sexual assault pursuant to section 13-1406, molestation of a child pursuant to section 13-1410, child sex trafficking pursuant to section 13-3212, commercial sexual exploitation of a minor pursuant to section 13-3552, sexual exploitation of a minor pursuant to section 13-3553 or incest pursuant to section 13-3608.
- 35. "Shelter care" means the temporary care of a child in any public or private facility or home that is licensed by this state and that offers a physically nonsecure environment that is characterized by the

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absence of physically restricting construction or hardware and that provides the child access to the surrounding community.

36. "Young adult administrative review" means an administrative review of a voluntary extended foster care case plan with the qualified young adult, the department's case specialist or designee, an independent party who is not responsible for the case management of or the delivery of services to the qualified young adult and any other individual the young adult invites.

Sec. 3. Section 11-812, Arizona Revised Statutes, is amended to read:

11-812. <u>Restriction on regulation; exceptions; aggregate</u> mining regulation; definitions

- A. Nothing contained in Any ordinance authorized by this chapter shall NOT:
- 1. Affect existing uses of property or the right to its continued use or the reasonable repair or alteration of the property for the purpose for which used at the time the ordinance affecting the property takes effect.
- 2. Prevent, restrict or otherwise regulate the use or occupation of land or improvements for railroad, mining, metallurgical, grazing or general agricultural purposes, if the tract concerned is five or more contiguous commercial acres. For the purposes of this paragraph:
- (a) "General agricultural purposes" includes agritourism as defined in section 3-111, but does not include any of the following:
- (i) Food establishments THAT ARE under the authority of the department of health services pursuant to section 36-136, subsection $\frac{1}{1}$ H AND that are associated with an agritourism business.
- (ii) Rodeo events that are open to the general public and that sell tickets for admission. For the purposes of this item, rodeo events do not include generally accepted agricultural practices associated with livestock and equine operations.
- (iii) The cultivation of cannabis as defined in section 13-3401 or marijuana as defined in section 13-3401 or 36-2801.
 - (b) "Mining" has the same meaning prescribed in section 27-301.
- 3. Prevent, restrict or otherwise regulate the use or occupation of land or improvements for agricultural composting, if the tract is five or more contiguous commercial acres. An agricultural composting operation shall notify in writing the board of supervisors and the nearest fire department of the location of the composting operation. If the nearest fire department is located in a city, town or fire district where the agricultural composting is not located, the agricultural composting operation shall also notify in writing the fire district in which the operation is located. Agricultural composting is subject to sections 3-112 and 49-141. For the purposes of this paragraph, "agricultural

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- 4. Prevent, restrict or otherwise regulate the otherwise lawful discharge of a firearm or air gun or use of archery equipment on a private lot or parcel of land that is not open to the public on a commercial or membership basis.
- B. A nonconforming business use within a district may expand if the expansion does not exceed one hundred $\frac{1}{1}$ PERCENT of the area of the original business.
- C. For the purposes of subsection A, paragraph 2 of this section, mining does not include aggregate mining operations in an aggregate mining operations zoning district established pursuant to this section. The board of supervisors of any county with a population of more than two million persons shall designate and establish the boundaries of an aggregate mining operations zoning district on the petition of at least one hundred persons who reside within one-half mile of an existing aggregate mining operation. In addition, the board of supervisors of any county may establish, in its discretion and on the board's initiative, one or more aggregate mining operations zoning districts. Aggregate mining operations zoning districts may only be located in areas that are inventoried and mapped as areas of known reserves or in areas with existing aggregate mining operations. Subject to subsections E and F of this section, a county and the state mine inspector may jointly adopt, as administrative regulations, reasonable aggregate operations zoning district standards limited to permitted uses, procedures for approval of property development plans and site development standards for dust control, height regulations, setbacks, days and hours of operation, off-street parking, screening, noise, vibration and air pollution control, signs, roadway access lanes, arterial protection and property reclamation for which aggregate mining operations are not otherwise subject to federal, state or local regulation or a governmental contractual obligation. Regulations THAT ARE jointly adopted pursuant to this subsection by the county and the state mine inspector shall not prohibit the activities included in the definition of mine pursuant to section 27-301, paragraph 8 or duplicate, conflict with or be more stringent than applicable federal, state or local laws.
- D. The board of supervisors of any county that establishes an aggregate mining operations zoning district shall appoint an aggregate mining operations recommendation committee for the district. The committee consists of not more than seven operators, or representatives of operators, of active aggregate mining operations in any district within the county and an equal number of private citizens, who are not operators, who are not employed by operators and who do not represent operators, residing within three miles of the boundaries of aggregate mining operations or a proposed aggregate mining operation in the district for

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which the committee is established. The initial members appointed to the committee shall be deemed the primary members, and the board of supervisors shall appoint not more than five alternate members who represent operators and shall appoint not more than five alternate members who are private citizens. Alternate members may serve at meetings of the committee when a primary member is unable to attend. An aggregate mining operator may serve on more than one committee in the same county. board of supervisors shall determine the length of terms of members of the committee and shall stagger the initial appointments so that not all members' terms expire at the same time. Members of the committee who no longer qualify for membership as provided by this subsection are subject to removal and replacement by the board of supervisors. The committee shall elect a member who is an aggregate mining operator to serve as chairperson for the first year in which the committee is created. For each year thereafter, the chairperson shall be elected by the members of the committee with a member who is a private citizen and a member who is an aggregate mining operator serving as chairperson in alternate years. The committee is subject to the open meeting requirements of title 38, chapter 3, article 3.1.

- E. Within ninety days after an aggregate mining operations recommendation committee is established, the committee shall notify all existing aggregate mining operators in the district of the application of this section and title 27, chapter 3, article 6 to the aggregate mining operation. In addition, the committee shall:
- 1. By a majority vote of all members, make recommendations to the board of supervisors for aggregate mining zoning districts and administrative regulations as provided in this section. The board of supervisors may adopt or reject the recommendations but may not make any modifications to the recommendations unless the modification is approved by a majority of the members of the recommendation committee.
- 2. Serve as a forum for mediation of disputes between members of the public and aggregate mining owners or operators. If the committee is unable to resolve a dispute, the committee shall transmit the matter to the state mine inspector, with written findings and recommendations, for further action.
- 3. Hear written complaints filed with the state mine inspector regarding alleged material deviations from approved community notices for aggregate mining operations and make written recommendations to the state mine inspector pursuant to section 27-446.
- F. Any administrative regulations adopted by a board of supervisors pursuant to this section are not effective until the regulations are approved by the state mine inspector. The STATE MINE inspector may disapprove the administrative regulations adopted by the board of supervisors only if they duplicate, conflict with or are more stringent than applicable federal, state or local laws, rules or regulations. If

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the STATE MINE inspector disapproves the administrative regulations, the STATE MINE inspector must provide written reasons for the disapproval. The STATE MINE inspector shall not make any modification to the administrative regulations as adopted by the board of supervisors unless the modification is approved by a majority of the members of the board of supervisors.

- G. A person or entity is subject to this chapter if the use or occupation of land or improvements by the person or entity consists of or includes changing, remanufacturing or treating human sewage or sludge for distribution or resale. These activities are not exempt from this chapter under subsection A, paragraph 2 of this section.
- H. A county shall not require as a condition for a permit or for any approval, or otherwise cause, an owner or possessor of property to waive the right to continue an existing nonconforming outdoor advertising use or structure without acquiring the use or structure by purchase or condemnation and paying just compensation unless the county, at its option, allows the use or structure to be relocated to a comparable site in the county with the same or a similar zoning classification, or to another site in the county acceptable to both the county and the owner of the use or structure, and the use or structure is relocated to the other site. The county shall pay for relocating the outdoor advertising use or structure, including the cost of removing and constructing the new use or structure that is at least the same size and height. This subsection does not apply to county rezoning of property at the request of the property owner to a more intensive zoning district.
 - I. For the purposes of this section:
 - 1. "Aggregate" has the same meaning prescribed in section 27-441.
- 2. "Aggregate mining" has the same meaning prescribed in section 27-441.
- 3. "Aggregate mining operation" means property that is owned, operated or managed by the same person for aggregate mining.
- 4. "Operators" means persons who are actively engaged in aggregate mining operations within the zoning district or proposed zoning district and who have given notice to the state mine inspector pursuant to section 27-303.
- Sec. 4. Section 23-618.01, Arizona Revised Statutes, is amended to read:

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23-618.01. <u>Definition of hospital</u>
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"Hospital" means an institution which THAT has been licensed, certified, or approved by the $\frac{Arizona\ state}{Arizona\ state}$ department of health SERVICES as a hospital.

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Sec. 5. Repeal
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Section 36-103.01, Arizona Revised Statutes, is repealed.

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Sec. 6. Section 36-132, Arizona Revised Statutes, is amended to read:

36-132. Department of health services; functions; contracts

- A. The department, in addition to other powers and duties vested in it by law, shall:
 - 1. Protect the health of the people of the state.
- 2. Promote the development, maintenance, efficiency and effectiveness of local health departments or districts of sufficient population and area that they can be sustained with reasonable economy and efficient administration, provide technical consultation and assistance to local health departments or districts, provide financial assistance to local health departments or districts and services that meet minimum standards of personnel and performance and in accordance with a plan and budget submitted by the local health department or districts to the department for approval, and recommend the qualifications of all personnel.
- 3. Collect, preserve, tabulate and interpret all information required by law in reference to births, deaths and all vital facts, and obtain, collect and preserve information relating to the health of the people of this state and the prevention of diseases as may be useful in the discharge of functions of the department not in conflict with chapter 3 of this title and sections 36-693, 36-694 and 39-122.
- 4. Operate sanitariums, hospitals or other facilities assigned to the department by law or by the governor.
- 5. Conduct a statewide program of health education relevant to the powers and duties of the department, prepare educational materials and disseminate information as to conditions affecting health, including basic information to promote good health on the part of individuals and communities, and prepare and disseminate technical information concerning public health to the health professions, local health officials and hospitals. In cooperation with the department of education, the department of health services shall prepare and disseminate materials and give technical assistance for the purpose of educating children in hygiene, sanitation and personal and public health, and provide consultation and assistance in community organization to counties, communities and groups of people.
- 6. Administer or supervise a program of public health nursing, prescribe the minimum qualifications of all public health nurses engaged in official public health work, and encourage and aid in coordinating local public health nursing services.
- 7. Encourage and aid in coordinating local programs concerning control of preventable diseases in accordance with statewide plans that shall be formulated by the department.
- 8. Encourage and aid in coordinating local programs concerning maternal and child health, including midwifery, antepartum and postpartum

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care, infant and preschool health and the health of schoolchildren, including special fields such as the prevention of blindness and conservation of sight and hearing.

- 9. Encourage and aid in coordinating local programs concerning nutrition of the people of this state.
- 10. Encourage, administer and provide dental health care services and aid in coordinating local programs concerning dental public health, in cooperation with the Arizona dental association. The department may bill and receive payment for costs associated with providing dental health care services and shall deposit the monies in the oral health fund established by section 36-138.
- 11. Establish and maintain adequate serological, bacteriological, parasitological, entomological and chemical laboratories with qualified assistants and facilities necessary for routine examinations and analyses and for investigations and research in matters affecting public health.
- 12. Supervise, inspect and enforce the rules concerning the operation of public bathing places and public and semipublic swimming pools adopted pursuant to section 36-136, subsection $\frac{1}{100}$ H, paragraph 10.
- 13. Take all actions necessary or appropriate to ensure that bottled water sold to the public and water used to process, store, handle, serve and transport food and drink are free from filth, disease-causing substances and organisms and unwholesome, poisonous, deleterious or other foreign substances. All state agencies and local health agencies involved with water quality shall provide to the department any assistance requested by the director to ensure that this paragraph is effectuated.
- 14. Enforce the state food, caustic alkali and acid laws in accordance with chapter 2, article 2 of this title, chapter 8, article 1 of this title and chapter 9, article 4 of this title, and collaborate in enforcing the federal food, drug, and cosmetic act (52 Stat. 1040; 21 United States Code sections 1 through 905).
- 15. Recruit and train personnel for state, local and district health departments.
- 16. Conduct continuing evaluations of state, local and district public health programs, study and appraise state health problems and develop broad plans for use by the department and for recommendation to other agencies, professions and local health departments for the best solution of these problems.
- 17. License and regulate health care institutions according to chapter 4 of this title.
- 18. Issue or direct the issuance of licenses and permits required by law.
- 19. Participate in the state civil defense program and develop the necessary organization and facilities to meet wartime or other disasters.

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- 20. Subject to the availability of monies, develop and administer programs in perinatal health care, including:
- (a) Screening in early pregnancy for detecting high-risk conditions.
 - (b) Comprehensive prenatal health care.
 - (c) Maternity, delivery and postpartum care.
- (d) Perinatal consultation, including transportation of the pregnant woman to a perinatal care center when medically indicated.
- (e) Perinatal education oriented toward professionals and consumers, focusing on early detection and adequate intervention to avert premature labor and delivery.
- 21. License and regulate the health and safety of group homes and behavioral-supported group homes AS DEFINED IN SECTION 36-551 for persons with developmental disabilities. The department shall issue a license to an accredited facility for a period of the accreditation, except that a licensing period shall not be longer than three years. The department is authorized to conduct an inspection of an accredited facility to ensure that the facility meets health and safety licensure standards. The results of the accreditation survey shall be public information. A copy of the final accreditation report shall be filed with the department of health services. For the purposes of this paragraph, "accredited" means accredited by a nationally recognized accreditation organization.
- B. The department may accept from the state or federal government, or any agency of the state or federal government, and from private donors, trusts, foundations or eleemosynary corporations or organizations grants or donations for or in aid of the construction or maintenance of any program, project, research or facility authorized by this title, or in aid of the extension or enforcement of any program, project or facility authorized, regulated or prohibited by this title, and enter into contracts with the federal government, or an agency of the federal government, and with private donors, trusts, foundations or eleemosynary corporations or organizations, to carry out such purposes. All monies made available under this section are special project grants. The department may also expend these monies to further applicable scientific research within this state.
- C. The department, in establishing fees authorized by this section, shall comply with title 41, chapter 6. The department shall not set a fee at more than the department's cost of providing the service for which the fee is charged. State agencies are exempt from all fees imposed pursuant to this section.
- D. The department may enter into contracts with organizations that perform nonrenal organ transplant operations and organizations that primarily assist in the management of end-stage renal disease and related problems to provide, as payors of last resort, prescription medications necessary to supplement treatment and transportation to and from treatment

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facilities. The contracts may provide for department payment of administrative costs it specifically authorizes.

Sec. 7. Section 36-136, Arizona Revised Statutes, is amended to read:

36-136. <u>Powers and duties of director; compensation of personnel; rules; definitions</u>

- A. The director shall:
- 1. Be the executive officer of the department of health services and the state registrar of vital statistics but shall not receive compensation for services as registrar.
- 2. Perform all duties necessary to carry out the functions and responsibilities of the department.
- 3. Prescribe the organization of the department. The director shall appoint or remove personnel as necessary for the efficient work of the department and shall prescribe the duties of all personnel. The director may abolish any office or position in the department that the director believes is unnecessary.
- 4. Administer and enforce the laws relating to health and sanitation and the rules of the department.
- 5. Provide for the examination of any premises if the director has reasonable cause to believe that on the premises there exists a violation of any health law or rule of this state.
- 6. Exercise general supervision over all matters relating to sanitation and health throughout this state. When in the opinion of the director it is necessary or advisable, a sanitary survey of the whole or of any part of this state shall be made. The director may enter, examine and survey any source and means of water supply, sewage disposal plant, sewerage system, prison, public or private place of detention, asylum, hospital, school, public building, private institution, factory, workshop, tenement, public washroom, public restroom, public toilet and toilet facility, public eating room and restaurant, dairy, milk plant or food manufacturing or processing plant, and any premises in which the director has reason to believe there exists a violation of any health law or rule of this state that the director has the duty to administer.
 - 7. Prepare sanitary and public health rules.
 - 8. Perform other duties prescribed by law.
- B. If the director has reasonable cause to believe that there exists a violation of any health law or rule of this state, the director may inspect any person or property in transportation through this state, and any car, boat, train, trailer, airplane or other vehicle in which that person or property is transported, and may enforce detention or disinfection as reasonably necessary for the public health if there exists a violation of any health law or rule.
- C. The director, after consultation with the department of administration, may take all necessary steps to enhance the highest and

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best use of the state hospital property, including contracting with third parties to provide services, entering into short-term lease agreements with third parties to occupy or renovate existing buildings and entering into long-term lease agreements to develop the land and buildings. The director shall deposit any monies collected from contracts and lease agreements entered into pursuant to this subsection in the Arizona state hospital charitable trust fund established by section 36-218. At least thirty days before issuing a request for proposals pursuant to this subsection, the department of health services shall hold a public hearing to receive community and provider input regarding the highest and best use of the state hospital property related to the request for proposals. The department shall report to the joint committee on capital review on the terms, conditions and purpose of any lease or sublease agreement entered into pursuant to this subsection relating to state hospital lands or buildings or the disposition of real property pursuant to this subsection, including state hospital lands or buildings, and the fiscal impact on the department and any revenues generated by the agreement. Any lease or sublease agreement entered into pursuant to this subsection relating to state hospital lands or buildings or the disposition of real property pursuant to this subsection, including state hospital lands or buildings, must be reviewed by the joint committee on capital review.

- D. C. The director may deputize, in writing, any qualified officer or employee in the department to do or perform on the director's behalf any act the director is by law empowered to do or charged with the responsibility of doing.
- E. D. The director may delegate to a local health department, county environmental department or public health services district any functions, powers or duties that the director believes can be competently, efficiently and properly performed by the local health department, county environmental department or public health services district if:
- 1. The director or superintendent of the local health agency DEPARTMENT, environmental agency DEPARTMENT or public health services district is willing to accept the delegation and agrees to perform or exercise the functions, powers and duties conferred in accordance with the standards of performance established by the director of the department of health services.
- 2. Monies appropriated or otherwise made available to the department for distribution to or division among counties or public health services districts for local health work may be allocated or reallocated in a manner designed to ensure the accomplishment of recognized local public health activities and delegated functions, powers and duties in accordance with applicable standards of performance. If in the director's opinion there is cause, the director may terminate all or a part of any delegation and may reallocate all or a part of any funds MONIES that may

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44 45 have been conditioned on the further performance of the functions, powers or duties conferred.

- \digamma . E. The compensation of all personnel shall be as determined pursuant to section 38-611.
- ${\it G.}$ F. The director may make and amend rules necessary for the proper administration and enforcement of the laws relating to the public health.
- H. G. Notwithstanding subsection F H, paragraph 1 of this section, the director may define and prescribe emergency measures for detecting, reporting, preventing and controlling communicable or infectious diseases or conditions if the director has reasonable cause to believe that a serious threat to public health and welfare exists. Emergency measures are effective for not longer than eighteen months.
 - T. H. The director, by rule, shall:
- Define and prescribe reasonably necessary for detecting, reporting, preventing and controlling communicable and rules shall preventable diseases. The declare certain reportable. The rules shall prescribe measures, including isolation or quarantine, that are reasonably required to prevent the occurrence of, or to seek early detection and alleviation of, disability, insofar as possible, from communicable or preventable diseases. The rules shall include reasonably necessary measures to control animal diseases THAT ARE transmittable to humans.
- 2. Define and prescribe reasonably necessary measures, in addition to those prescribed by law, regarding the preparation, embalming, cremation, interment, disinterment and transportation of dead human bodies and the conduct of funerals, relating to and restricted to communicable diseases and regarding the removal, transportation, cremation, interment or disinterment of any dead human body.
- 3. Define and prescribe reasonably necessary procedures that are not inconsistent with law in regard to the use and accessibility of vital records, delayed birth registration and the completion, change and amendment of vital records.
- 4. Except as relating to the beneficial use of wildlife meat by public institutions and charitable organizations pursuant to title 17, prescribe reasonably necessary measures to ensure that all food or drink, including meat and meat products and milk and milk products sold at the retail level, provided for human consumption is free from unwholesome, or other foreign substances and filth, insects disease-causing organisms. The rules shall prescribe reasonably necessary governing the production, processing, labeling, handling, serving and transportation of these products. The rules shall prescribe minimum standards for the sanitary facilities and conditions that shall be maintained in any warehouse, restaurant or other premises, except a meat packing MEATPACKING plant, slaughterhouse, wholesale meat

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processing plant, dairy product manufacturing plant or trade product manufacturing plant. The rules shall prescribe minimum standards for any truck or other vehicle in which food or drink is produced, processed, stored, handled, served or transported. The rules shall provide for the inspection and licensing of premises and vehicles so used, and for abatement as public nuisances of any premises or vehicles that do not comply with the rules and minimum standards. The rules shall provide an exemption relating to food or drink that is:

- (a) Served at a noncommercial social event such as a potluck.
- (b) Prepared at a cooking school that is conducted in an owner-occupied home.
- (c) Not potentially hazardous and prepared in a kitchen of a private home for occasional sale or distribution for noncommercial purposes.
- (d) Prepared or served at an employee-conducted function that lasts less than four hours and is not regularly scheduled, such as an employee recognition, an employee fundraising or an employee social event.
- (e) Offered at a child care facility and limited to commercially prepackaged food that is not potentially hazardous and whole fruits and vegetables that are washed and cut on-site for immediate consumption.
- (f) Offered at locations that sell only commercially prepackaged food or drink that is not potentially hazardous.
- (g) A cottage food product that is not potentially hazardous or a time or temperature control for safety food and that is prepared in a kitchen of a private home for commercial purposes, including fruit jams and jellies, dry mixes made with ingredients from approved sources, honey, dry pasta and roasted nuts. Cottage food products must be packaged at home with an attached label that clearly states the name and registration number of the food preparer, lists all the ingredients in the product and the product's production date and includes the following statement: "This product was produced in a home kitchen that may process common food allergens and is not subject to public health inspection." If the product was made in a facility for individuals with developmental disabilities, the label must also disclose that fact. The person preparing the food or supervising the food preparation must complete a food handler training course from an accredited program and maintain active certification. The food preparer must register with an online registry established by the department pursuant to paragraph 13 of this subsection. The food preparer must display the preparer's certificate of registration when operating as a temporary food establishment. For the purposes of this subdivision, "not potentially hazardous" means cottage food products that meet the requirements of the food code published by the United States food and drug administration, as modified and incorporated by reference department by rule.

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- (h) A whole fruit or vegetable grown in a public school garden that is washed and cut on-site for immediate consumption.
- (i) Produce in a packing or holding facility that is subject to the United States food and drug administration produce safety rule (21 Code of Federal Regulations part 112) as administered by the Arizona department of agriculture pursuant to title 3, chapter 3, article 4.1. For the purposes of this subdivision, "holding", "packing" and "produce" have the same meanings prescribed in section 3-525.
- (j) Spirituous liquor produced on the premises licensed by the department of liquor licenses and control. This exemption includes both of the following:
- (i) The area in which production and manufacturing of spirituous liquor occurs, as defined in an active basic permit on file with the United States alcohol and tobacco tax and trade bureau.
- (ii) The area licensed by the department of liquor licenses and control as a microbrewery, farm winery or craft distiller that is open to the public and serves spirituous liquor and commercially prepackaged food, crackers or pretzels for consumption on the premises. A producer of spirituous liquor may not provide, allow or expose for common use any cup, glass or other receptacle used for drinking purposes. For the purposes of this item, "common use" means the use of a drinking receptacle for drinking purposes by or for more than one person without the receptacle being thoroughly cleansed and sanitized between consecutive uses by methods prescribed by or acceptable to the department.
- 5. Prescribe reasonably necessary measures to ensure that all meat and meat products for human consumption handled at the retail level are delivered in a manner and from sources approved by the Arizona department of agriculture and are free from unwholesome, poisonous or other foreign substances and filth, insects or disease-causing organisms. The rules shall prescribe standards for sanitary facilities to be used in identity, storage IDENTIFYING, STORING, handling and sale of SELLING all meat and meat products sold at the retail level.
- Prescribe reasonably necessary measures regarding production, processing, labeling, handling, serving and transportation of bottled water to ensure that all bottled drinking water distributed for human consumption is free from unwholesome, poisonous, deleterious or other foreign substances and filth or disease-causing organisms. The rules shall prescribe minimum standards for the sanitary facilities conditions that shall be maintained at any source of water, bottling plant and truck or vehicle in which bottled water is produced, processed, stored or transported and shall provide for inspection and certification of bottled drinking water sources, plants, processes and transportation and for abatement as a public nuisance of any water supply, label, premises, equipment, process or vehicle that does not comply with the minimum standards. The rules shall prescribe minimum for standards

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bacteriological, physical and chemical quality for bottled water and for the submission of SUBMITTING samples at intervals prescribed in the standards.

- 7. Define and prescribe reasonably necessary measures governing ice production, handling, storing and distribution to ensure that all ice sold or distributed for human consumption or for preserving or storing food for human consumption is free from unwholesome, poisonous, deleterious or other foreign substances and filth or disease-causing organisms. The rules shall prescribe minimum standards for the sanitary facilities and conditions and the quality of ice that shall be maintained at any ice plant, storage and truck or vehicle in which ice is produced, stored, handled or transported and shall provide for inspection and licensing of the premises and vehicles, and for abatement as public nuisances of ice, premises, equipment, processes or vehicles that do not comply with the minimum standards.
- 8. Define and prescribe reasonably necessary measures concerning sewage and excreta disposal, garbage and trash collection, storage and disposal, and water supply for recreational and summer camps, campgrounds, motels, tourist courts, trailer coach parks and hotels. The rules shall prescribe minimum standards for preparing food in community kitchens, adequacy of excreta disposal, garbage and trash collection, storage and disposal and water supply for recreational and summer camps, campgrounds, motels, tourist courts, trailer coach parks and hotels and shall provide for inspection of these premises and for abatement as public nuisances of any premises or facilities that do not comply with the rules. camp and picnic grounds offered by this state or a political subdivision of this state are exempt from rules adopted pursuant to this paragraph but are subject to approval by a county health department under sanitary regulations adopted pursuant to section 36-183.02. Rules adopted pursuant to this paragraph do not apply to two or fewer recreational vehicles as defined in section 33-2102 that are not park models or park trailers, that are parked on owner-occupied residential property for less than sixty days and for which no rent or other compensation is paid. For the purposes of this paragraph, "primitive camp and picnic grounds" means camp and picnic grounds that are remote in nature and without accessibility to public infrastructure such as water, electricity and sewer.
- 9. Define and prescribe reasonably necessary measures concerning the sewage and excreta disposal, garbage and trash collection, storage and disposal, water supply and food preparation of all public schools. The rules shall prescribe minimum standards for sanitary conditions that shall be maintained in any public school and shall provide for inspection of these premises and facilities and for abatement as public nuisances of any premises that do not comply with the minimum standards.
- 10. Prescribe reasonably necessary measures to prevent pollution of water used in public or semipublic swimming pools and bathing places and

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to prevent deleterious health conditions at these places. The rules shall prescribe minimum standards for sanitary conditions that shall maintained at any public or semipublic swimming pool or bathing place and shall provide for inspection of these premises and for abatement as public nuisances of any premises and facilities that do not comply with the minimum standards. The rules shall be developed in cooperation with the director of the department of environmental quality and shall consistent with the rules adopted by the director of the department of section 49-104, environmental quality pursuant to В. paragraph 12.

- 11. Prescribe reasonably necessary measures to keep confidential information relating to diagnostic findings and treatment of patients, as well as information relating to contacts, suspects and associates of communicable disease patients. In no event shall Confidential information MAY NOT be made available for political or commercial purposes.
- 12. Prescribe reasonably necessary measures regarding human immunodeficiency virus testing as a means to control the transmission of that virus, including the designation of anonymous test sites as dictated by current epidemiologic and scientific evidence.
- 13. Establish an online registry of food preparers that are authorized to prepare cottage food products for commercial purposes pursuant to paragraph 4 of this subsection. A registered food preparer shall renew the registration every three years and shall provide to the department updated registration information within thirty days after any change.
- 14. Prescribe an exclusion for fetal demise cases from the standardized survey known as "the hospital consumer assessment of healthcare providers and systems".
- J. I. The rules adopted under the authority conferred by this section shall be observed throughout the THIS state and shall be enforced by each local board of health or public health services district, but this section does not limit the right of any local board of health or county board of supervisors to adopt ordinances and rules as authorized by law within its jurisdiction, provided that IF the ordinances and rules do not conflict with state law and are equal to or more restrictive than the rules of the director.
- K. J. The powers and duties prescribed by this section do not apply in instances in which regulatory powers and duties relating to public health are vested by the legislature in any other state board, commission, agency or instrumentality, except that with regard to the regulation of meat and meat products, the department of health services and the Arizona department of agriculture within the area delegated to each shall adopt rules that are not in conflict.

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 t. K. The director, in establishing fees authorized by this section, shall comply with title 41, chapter 6. The department shall not set a fee at more than the department's cost of providing the service for which the fee is charged. State agencies are exempt from all fees imposed pursuant to this section.

M. L. After consultation with the state superintendent of public instruction, the director shall prescribe the criteria the department shall use in deciding whether or not to notify a local school district that a pupil in the district has tested positive for the human immunodeficiency virus antibody. The director shall prescribe the procedure by which the department shall notify a school district if, pursuant to these criteria, the department determines that notification is warranted in a particular situation. This procedure shall include a requirement that before notification the department shall determine to its satisfaction that the district has an appropriate policy relating to nondiscrimination of the infected pupil and confidentiality of test results and that proper educational counseling has been or will be provided to staff and pupils.

N. M. Until the department adopts exemptions by rule as required by subsection $\frac{1}{1}$ H, paragraph 4, subdivision (f) of this section, food and drink are exempt from the rules prescribed in subsection $\frac{1}{1}$ H of this section if offered at locations that sell only commercially prepackaged food or drink that is not potentially hazardous, without a limitation on its display area.

 θ . N. Until the department adopts exemptions by rule as required by subsection $\frac{1}{1}$ H, paragraph 4, subdivision (h) of this section, a whole fruit or vegetable grown in a public school garden that is washed and cut on-site for immediate consumption is exempt from the rules prescribed in subsection $\frac{1}{1}$ H of this section.

P. O. Until the department adopts an exclusion by rule as required by subsection T H, paragraph 14 of this section, the standardized survey known as "the hospital consumer assessment of healthcare providers and systems" may not include patients who experience a fetal demise.

 $rac{d.}{L}$ P. Until the department adopts exemptions by rule as required by subsection $rac{L}{L}$ H, paragraph 4, subdivision (j) of this section, spirituous liquor and commercially prepackaged food, crackers or pretzels that meet the requirements of subsection $rac{L}{L}$ H, paragraph 4, subdivision (j) of this section are exempt from the rules prescribed in subsection $rac{L}{L}$ H of this section.

 \mathbb{R} . Q. For the purposes of this section:

- 1. "Cottage food product":
- (a) Means a food that is not potentially hazardous or a time or temperature control for safety food as defined by the department in rule and that is prepared in a home kitchen by an individual who is registered with the department.

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- (b) Does not include foods that require refrigeration, perishable baked goods, salsas, sauces, fermented and pickled foods, meat, fish and shellfish products, beverages, acidified food products, nut butters or other reduced-oxygen packaged products.
- 2. "Fetal demise" means a fetal death that occurs or is confirmed in a licensed hospital. Fetal demise does not include an abortion as defined in section 36-2151.
- Sec. 8. Section 36-137, Arizona Revised Statutes, is amended to read:

36-137. Annual report of director

The director shall submit annually to the governor, the president of the senate and the speaker of the house of representatives a copy of the annual report setting forth:

- 1. The condition of public health in the THIS state.
- 2. The activities of the department during the preceding fiscal year.
 - 3. The work done in each county.
 - 4. The character and extent of all diseases reported.
- 5. The expenditures of the department and of each county or district health department.
- 6. Recommendations the director deems advisable for protection of the public health.
- 7. The financial statement of the affairs of the Arizona state hospital.
- 8. 7. The operations and administration of the program of service for children with a physical disability or who are suffering from conditions that lead to a physical disability.
- Sec. 9. Section 36-201, Arizona Revised Statutes, is amended to read:

36-201. <u>Definitions</u>

In this article, unless the context otherwise requires:

- 1. "Chief medical officer" means the chief medical officer of the state hospital.
 - 2. "Department" means the department of health services.
- 3. 2. "Director" means the director of the department of health services STATE HOSPITAL.
- 4. 3. "Employee" means an officer or employee of the state hospital.
 - 4. "GOVERNING BOARD" MEANS THE STATE HOSPITAL GOVERNING BOARD.
 - 5. "State hospital":
 - (a) Means THE Arizona state hospital.
 - (b) INCLUDES THE ARIZONA COMMUNITY PROTECTION AND TREATMENT CENTER.
 - 6. "Superintendent" means the superintendent of the state hospital.

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 Sec. 10. Section 36-202, Arizona Revised Statutes, is amended to read:

36-202. Arizona state hospital; purpose; facilities and equipment

- A. A state hospital shall be maintained for the care and treatment of persons with mental disorders and persons with other personality disorders or emotional conditions who will benefit from care and treatment. Admissions to the state hospital shall be in accordance with law. The hospital shall be called the Arizona state hospital.
- B. Subject to legislative appropriation, the state hospital may provide services to persons suffering from alcoholism and to persons suffering from drug abuse.
- C. The state hospital shall have adequate facilities and equipment for enlightened and scientific treatment of nervous and mental diseases in accordance with approved methods of mental therapeutics. The facilities shall include, among other things:
- 1. Facilities for medical and psychiatric treatment with special attention to occupational therapy and other special therapies.
 - 2. Facilities for proper segregation and care of child patients.
 - 3. Facilities for recreation and physical training.
 - 4. An institutional library for the use of patients.
 - 5. A properly equipped dental department.
 - 6. A properly equipped laboratory and x-ray department.
- 7. A patient tracking system approved by the director that monitors individual progress on an inpatient basis and ensures suitable aftercare placement.
- D. The state hospital shall be under the charge and control of the ${\tt GOVERNING}$ BOARD AND THE director ${\tt of}$ the department of health services, pursuant to this article.
- Sec. 11. Section 36-202.01, Arizona Revised Statutes, is amended to read:

36-202.01. Admission of juveniles to state hospital

The Arizona state hospital shall collect census data for juvenile treatment programs to establish maximum capacity and the allocation formula required pursuant to section 36-206, subsection D. The Arizona state hospital is not required to provide services to juveniles that exceed the funded capacity. If the Arizona state hospital reaches its funded capacity for juveniles, the superintendent of the state hospital DIRECTOR shall establish a waiting list for admission based on the date of the commitment or treatment order.

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 Sec. 12. Section 36-203, Arizona Revised Statutes, is amended to read:

36-203. Persons with intellectual disabilities; admission to state hospital; governing board duties

- A. The department of health services GOVERNING BOARD shall develop and provide, in coordination with the department of economic security, specialized treatment programs for persons with an intellectual disability who have been admitted to the state hospital. The department of health services GOVERNING BOARD may contract with the department of economic security in providing these programs.
- B. The department GOVERNING BOARD, to the extent practicable, shall provide separate areas at the state hospital for persons WHO ARE diagnosed with intellectual disabilities and, to the extent practicable, shall provide that treatment programs developed pursuant to subsection A of this section are separate from treatment programs for other patients and for separate use of facilities by persons WHO ARE diagnosed with intellectual disabilities.
- C. The department of health services GOVERNING BOARD, on request of a parent or guardian of a minor with an intellectual disability or the guardian of an adult with an intellectual disability or on the request of an adult with an intellectual disability, shall notify the department of economic security before the release of that person from the state hospital and request that the department of economic security provide placement evaluation and case management services for that person. The evaluation shall consider the person's needs for housing, day programs, employment training, employment and support services.
- D. The department GOVERNING BOARD, on the application of a parent or guardian of a minor with an intellectual disability or the guardian of an adult with an intellectual disability or on the request of an adult with an intellectual disability, when the person has been authorized for discharge from the state hospital, may provide interim care and custody for that person pending the availability of intellectual disability programs and services in accordance with section 36-556.
- Sec. 13. Section 36-204, Arizona Revised Statutes, is amended to read:

36-204. <u>Duties of director</u>

The director shall:

- 1. Adopt rules for inpatient services that ensure proper review of treatment and discharge plans, arrangement for aftercare placements, transfer of medical records and assistance with medications.
- 2. If deemed advisable, establish a nurses' training school in connection with the state hospital, which shall be under the supervision of the superintendent.
- ${\tt 3.}$ Prescribe forms of complaints, certificates of mental illness and commitments.

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- 4. Adopt rules for the commitment of COMMITTING mentally ill persons that are not inconsistent with provisions of law.
- 5. Adopt rules for the administration of ADMINISTERING the state hospital and to carry out the purposes of this article.
- Sec. 14. Section 36-205, Arizona Revised Statutes, is amended to read:

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36-205. <u>Director of state hospital; appointment;</u> <u>compensation; qualifications; chief medical officer</u>
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- A. There shall be a superintendent THE DIRECTOR of the state hospital who shall be appointed by and under the supervision of the director GOVERNING BOARD. THE DIRECTOR IS THE CHIEF ADMINISTRATIVE OFFICER OF THE STATE HOSPITAL.
- B. The compensation to be paid to the superintendent DIRECTOR shall be determined pursuant to section 38-611.
 - C. The superintendent shall be removed only for cause.
 - C. THE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE GOVERNING BOARD.
- D. The <u>superintendent</u> <u>DIRECTOR</u> shall have the following qualifications:
 - 1. Administrative experience in the private sector.
- 2. An educational background that prepares the superintendent DIRECTOR for the administrative responsibilities assigned to the position.
- 3. Mental health-related experience in both an institutional and community setting.
- E. The superintendent DIRECTOR, with the approval of the director GOVERNING BOARD, shall appoint a chief medical officer of the state hospital who is a physician and who is licensed pursuant to title 32, chapter 13 or 17. The chief medical officer shall have not less than AT LEAST three years' experience in the treatment of TREATING psychiatric disorders and shall be board-certified in psychiatry by the board of psychiatry and neurology. The chief medical officer is eligible for compensation pursuant to section 38-611. The chief medical officer is responsible for the clinical administration of the hospital and shall report directly to the superintendent DIRECTOR.

Sec. 15. Title 36, chapter 2, article 1, Arizona Revised Statutes, is amended by adding sections 36-205.01 and 36-205.02, to read:

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36-205.01. <u>State hospital governing board; membership; appointments; duties; compensation</u>
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- A. THE STATE HOSPITAL GOVERNING BOARD IS ESTABLISHED CONSISTING OF SEVEN MEMBERS WHO ARE APPOINTED AS FOLLOWS:
 - 1. FIVE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR.
 - 2. ONE MEMBER WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE.
- 3. ONE MEMBER WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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- B. NOT MORE THAN THREE MEMBERS OF THE GOVERNING BOARD MAY BE OF THE SAME POLITICAL PARTY, AND NOT MORE THAN THREE MEMBERS MAY BE RESIDENTS OF THE SAME COUNTY. MEMBERS OF THE GOVERNING BOARD SHALL:
 - 1. HAVE AT LEAST ONE OF THE FOLLOWING QUALIFICATIONS:
- (a) HELD AN EXECUTIVE LEVEL POSITION AT A PSYCHIATRIC OR ACUTE CARE HOSPITAL.
 - (b) ADMINISTRATIVE EXPERIENCE IN A BEHAVIORAL HEALTH FACILITY.
- (c) HELD A CLINICAL LEADERSHIP POSITION FOR A BEHAVIORAL HEALTH SERVICES PROVIDER.
- (d) ADMINISTRATIVE EXPERIENCE AT A HEALTH PLAN THAT PROVIDES BEHAVIORAL HEALTH SERVICES.
- 2. BEFORE APPOINTMENT, SUBMIT A FULL SET OF FINGERPRINTS TO THE APPOINTING ENTITY FOR THE PURPOSE OF OBTAINING A STATE AND FEDERAL CRIMINAL RECORDS CHECK PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE DEPARTMENT OF PUBLIC SAFETY MAY EXCHANGE THIS FINGERPRINT DATA WITH THE FEDERAL BUREAU OF INVESTIGATION.
- 3. NOT HAVE ANY FAMILIAL RELATIONSHIP WITH A PATIENT IN ANY OF THE FACILITIES LOCATED ON THE GROUNDS OF THE STATE HOSPITAL.
- 4. NOT BE A PARTY TO OR REPRESENT ANY PARTY IN ANY CURRENT PENDING LITIGATION AGAINST THE STATE HOSPITAL OR ANY OF ITS EMPLOYEES.
- 5. NOT BE ON EITHER THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES OFFICE OF INSPECTOR GENERAL'S LIST OF EXCLUDED INDIVIDUALS AND ENTITIES OR THE UNITED STATES GENERAL SERVICES ADMINISTRATION'S SYSTEM FOR AWARD MANAGEMENT DATABASE.
- 6. NOT BE CURRENTLY EMPLOYED BY, OR OTHERWISE ASSOCIATED WITH, ANOTHER PSYCHIATRIC OR BEHAVIORAL ENTITY THAT MAY REFER PATIENTS FOR ADMISSION TO THE STATE HOSPITAL.
- 7. NOT HAVE HAD A LICENSE OR CERTIFICATION REVOKED OR SUSPENDED BY ANY HEALTH PROFESSION LICENSING BOARD.
- C. GOVERNING BOARD APPOINTMENTS ARE FOR A TERM OF FIVE YEARS AND EXPIRE ON THE THIRD MONDAY IN JANUARY OF THE APPROPRIATE YEAR. THE CHAIRPERSON OF THE INDEPENDENT OVERSIGHT COMMITTEE AT THE ARIZONA STATE HOSPITAL ESTABLISHED PURSUANT TO SECTION 41-3803 SHALL SERVE AS A NONVOTING MEMBER OF THE GOVERNING BOARD AND IS NOT COUNTED FOR THE PURPOSE OF DETERMINING IF A QUORUM IS PRESENT. THE GOVERNING BOARD SHALL MEET AT LEAST ONCE EVERY THREE MONTHS.
 - D. EACH GOVERNING BOARD MEMBER:
- 1. SHALL SIGN AN AGREEMENT TO COMPLY WITH ALL CONFIDENTIALITY REQUIREMENTS OF MATTERS THAT COME BEFORE THE GOVERNING BOARD.
- 2. MAY NOT HAVE ANY OFFICIAL COMMUNICATION WITH STATE HOSPITAL PATIENTS OR THE PATIENTS' FAMILIES OUTSIDE OF MEETINGS OF THE GOVERNING BOARD, UNLESS AUTHORIZED BY THE GOVERNING BOARD.
- 3. IS SUBJECT TO THE PROVISIONS OF TITLE 38, CHAPTER 3, ARTICLE 8 RELATING TO CONFLICT OF INTEREST, SHALL ANNUALLY SIGN A CONFLICT OF INTEREST STATEMENT THAT IDENTIFIES AND DISCLOSES ANY POTENTIAL CONFLICT OF

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INTEREST AND MAY NOT PARTICIPATE, IN ANY MANNER, IN ANY MATTER IN WHICH THE GOVERNING BOARD MEMBER HAS A CONFLICT OF INTEREST. FOR THE PURPOSES OF THIS PARAGRAPH, "CONFLICT OF INTEREST" MEANS THE OWNERSHIP AND CONTROL OF ANY HEALTH CARE DELIVERY ORGANIZATION THAT IS CORPORATELY AND FUNCTIONALLY RELATED TO THE STATE HOSPITAL.

- 4. SHALL RECEIVE ANNUAL TRAINING IN FIDUCIARY OVERSIGHT AND CONFLICT OF INTEREST AND SHALL ATTEST TO RECEIVING THE TRAINING.
- 5. MAY NOT VOTE ON ANY MEASURE IN WHICH THE GOVERNING BOARD MEMBER OR A FAMILY MEMBER OR PARTNER OF THE GOVERNING BOARD MEMBER HAS A PECUNIARY INTEREST.
 - 6. MAY NOT MISS MORE THAN ONE MEETING WITHIN A SIX-MONTH PERIOD.
- E. THE APPOINTING ENTITY MAY REMOVE A GOVERNING BOARD MEMBER ONLY FOR CAUSE. A BOARD MEMBER WHO IS REMOVED FOR CAUSE MUST BE PROVIDED WRITTEN NOTICE AND AN OPPORTUNITY TO RESPOND. THE APPOINTING ENTITY MAY REMOVE A GOVERNING BOARD MEMBER BASED ON WRITTEN FINDINGS THAT SPECIFY THE REASON FOR REMOVAL.
- F. THE APPOINTING ENTITY SHALL MAKE AN APPOINTMENT TO FILL ANY VACANCY ON THE GOVERNING BOARD WITHIN SIXTY DAYS AFTER A VACANCY ON THE GOVERNING BOARD OCCURS.
- G. THE GOVERNING BOARD SHALL ADMINISTER THE LAWS OF THIS STATE RELATING TO THE STATE HOSPITAL.
- H. THE MEMBERS OF THE GOVERNING BOARD ARE ELIGIBLE TO RECEIVE COMPENSATION OF NOT MORE THAN \$200 PER DAY FOR EACH DAY SPENT IN THE DISCHARGE OF THEIR DUTIES AND ALL EXPENSES NECESSARILY AND PROPERLY INCURRED IN ATTENDING MEETINGS.
 - 36-205.02. Governing board; duties
- IN ACCORDANCE WITH STATE LICENSING RULES, THE REGULATIONS OF THE CENTERS FOR MEDICARE AND MEDICAID SERVICES AND THE JOINT COMMISSION'S ACCREDITATION STANDARDS, THE GOVERNING BOARD SHALL:
- 1. REVIEW, MODIFY AS NECESSARY AND ADOPT THE ARIZONA STATE HOSPITAL GOVERNING BOARD BYLAWS AT LEAST EVERY TWO YEARS.
- 2. IN CONSULTATION WITH THE DIRECTOR, SET GOALS FOR THE STATE HOSPITAL AND FOR ACHIEVING THOSE GOALS.
- 3. ADVISE THE DIRECTOR REGARDING STATE HOSPITAL FACILITIES, MAINTENANCE, STAFFING, PROGRAMS, SERVICES AND POLICIES.
- 4. ENSURE COMPLIANCE WITH STANDARDS FOR STATE HOSPITAL PATIENTS' RIGHTS.
- 5. REVIEW AND APPROVE BUDGET REQUESTS FOR THE STATE HOSPITAL'S ANNUAL BUDGET.
- 6. ASSIST IN EDUCATING THE COMMUNITY CONCERNING THE ROLE OF THE STATE HOSPITAL.
- 7. ENSURE THAT THE STATE HOSPITAL COORDINATES SERVICES, PROGRAMS AND POLICIES BETWEEN THE STATE HOSPITAL AND COMMUNITY MENTAL HEALTH CARE PROGRAMS AND FACILITIES, INCLUDING ADMISSION, DISCHARGE AND AFTERCARE.

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- 8. REVIEW AND APPROVE CONTRACTS FOR THE USE OF STATE HOSPITAL FACILITIES FOR OTHER PROGRAMS, SERVICES AND AGENCIES.
- 9. ENSURE THAT ALL GOVERNING BOARD MEMBERS ARE PROVIDED WITH AN ORIENTATION TO THE STATE HOSPITAL.
- 10. PROVIDE FOR ONGOING, EFFECTIVE COMMUNICATION BETWEEN THE GOVERNING BOARD, THE STATE HOSPITAL ADMINISTRATION AND THE STATE HOSPITAL MEDICAL STAFF.
- 11. ENSURE FULL DISCLOSURE OF OWNERSHIP AND CONTROL OF THE STATE HOSPITAL AS REQUIRED BY STATUTE AND RELATED ACCREDITING AND OVERSIGHT AGENCIES.
- 12. PARTICIPATE IN ACCREDITATION, CERTIFICATION AND LICENSURE PROCESSES, AND BE AVAILABLE TO ATTEND SUMMATION AND EXIT CONFERENCES.
- 13. EVALUATE THE STATE HOSPITAL'S PERFORMANCE ANNUALLY IN RELATION TO ITS VISION, MISSION AND GOALS.
- 14. REVIEW AND APPROVE THE STATE HOSPITAL'S QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT PLAN AND INSTITUTIONAL PLAN AND BUDGET AT LEAST ANNUALLY.
- 15. EVALUATE AND MODIFY, AS NECESSARY, THE STATE HOSPITAL'S STAFFING ACUITY PLAN AT LEAST ANNUALLY.
- 16. ENSURE FULL IMPLEMENTATION OF THE STATE HOSPITAL'S QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT PLAN AND PROVIDE FEEDBACK TO THE STATE HOSPITAL'S DEPARTMENTS AND TEAMS REGARDING IMPROVEMENT ACTIVITIES.
- 17. REQUEST INFORMATION AS NEEDED TO MONITOR THE STATUS OF INDIVIDUAL PROJECTS OF THE STATE HOSPITAL.
 - 18. REVIEW ALL STATE HOSPITAL REPORTS.
- 19. REVIEW AND APPROVE THE STATE HOSPITAL MEDICAL STAFF BYLAWS AND THE MEDICAL STAFF RULES AND REGULATIONS TO ADDRESS SELF-GOVERNANCE AND ENSURE THAT THE MEDICAL STAFF IS ACCOUNTABLE TO THE GOVERNING BOARD FOR THE QUALITY OF MEDICAL CARE, TREATMENT AND SERVICES.
- 20. PERFORM ALL FUNCTIONS AND DUTIES REQUIRED FOR GOVERNANCE BY THE JOINT COMMISSION, THE CENTERS FOR MEDICARE AND MEDICAID SERVICES AND THE DEPARTMENT OF HEALTH SERVICES FOR STATE LICENSURE.
- 21. REVIEW REPORTS OF STATE HOSPITAL CONTRACTOR PERFORMANCE FOR DIRECT CARE PATIENT SERVICES AT LEAST ANNUALLY.
- 22. AUTHORIZE, APPROVE AND SUPPORT THE STATE HOSPITAL MEDICAL STAFF BY:
- (a) REVIEWING CREDENTIALS AND APPROVING OR DENYING INDIVIDUAL PRIVILEGES.
- (b) APPROVING INDIVIDUALS FOR MEDICAL STAFF MEMBERSHIP AFTER CONSIDERING THE RECOMMENDATIONS OF THE EXISTING MEDICAL STAFF.
- (c) ENSURING THAT THE CRITERIA FOR SELECTION ARE INDIVIDUAL CHARACTER, COMPETENCE, TRAINING, EXPERIENCE AND JUDGMENT AND THAT STAFF MEMBERSHIP OR PROFESSIONAL PRIVILEGES IN THE STATE HOSPITAL ARE NOT ACCEPTED DEPENDING SOLELY ON CERTIFICATION, FELLOWSHIP OR MEMBERSHIP IN A SPECIALTY BODY OR SOCIETY.

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- (d) RENDERING THE FINAL DETERMINATION CONCERNING INDIVIDUAL CREDENTIALS AND PRIVILEGES.
- (e) PRESCRIBING THE PROCEDURES BY WHICH MEMBERSHIP OF THE MEDICAL STAFF MAY BE TERMINATED.
- (f) PRESCRIBING FAIR HEARING PROCEDURES AT THE MEDICAL EXECUTIVE COMMITTEE LEVEL.
- (g) PROVIDING FOR APPEALS OF MEDICAL EXECUTIVE COMMITTEE CREDENTIALING AND PRIVILEGING DECISIONS TO THE GOVERNING BOARD.
- 23. CONSULT DIRECTLY WITH THE STATE HOSPITAL CHIEF MEDICAL OFFICER PERIODICALLY ON MATTERS RELATED TO THE QUALITY OF MEDICAL CARE PROVIDED TO STATE HOSPITAL PATIENTS.
- 24. ENSURE THAT SYSTEMS ARE IN PLACE AND OPERATIONAL AT THE STATE HOSPITAL FOR TRACKING ALL INFECTION SURVEILLANCE, PREVENTION AND CONTROL AND ANTIBIOTIC USE ACTIVITIES IN ORDER TO DEMONSTRATE THE IMPLEMENTATION, SUCCESS AND SUSTAINABILITY OF SUCH ACTIVITIES.
- 25. ENSURE THAT ALL STATE HOSPITAL-ACQUIRED INFECTIONS AND OTHER INFECTIOUS DISEASES IDENTIFIED BY THE INFECTION PREVENTION AND CONTROL PROGRAM AS WELL AS ANTIBIOTIC USE ISSUES IDENTIFIED BY THE ANTIBIOTIC STEWARDSHIP PROGRAM ARE ADDRESSED IN COLLABORATION WITH STATE HOSPITAL QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT LEADERSHIP.
- Sec. 16. Section 36-206, Arizona Revised Statutes, is amended to read:

36-206. <u>Duties of director: deputies: cost estimate: program assessment; funded capacity and allocation formula</u>

- A. The director has charge of the state hospital and the superintendent shall supervise and direct its activities. , subject to the provisions of law and approval of the director. The superintendent is directly responsible to the director for carrying out the purposes for which the hospital is maintained. Subject to the approval of the director, The superintendent DIRECTOR may deputize any qualified officer of the state hospital to do or perform any act the superintendent DIRECTOR is empowered to do or IS charged with the responsibility of doing by law.
- B. The superintendent In December each year THE DIRECTOR shall estimate the probable daily per capita cost of treatment TREATING and maintenance of MAINTAINING each category of patients for the next ensuing year as determined in accordance with standard accounting practices. THE DIRECTOR SHALL PROVIDE a statement of the estimate shall be provided to the director GOVERNING BOARD in January of the following year.
- C. The superintendent DIRECTOR, on request, shall provide to the director GOVERNING BOARD a clinical assessment of the state hospital's programs.
- D. On or before August 1 of each year, the director shall establish maximum funded capacity and a percentage allocation formula for forensic and civil bed capacity at the Arizona state hospital based on census data collected pursuant to sections 13-3992, 13-4512, 36-202.01 and 36-503.03.

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By ON OR BEFORE June 1 of each year, the director shall solicit and consider the recommendations of representatives of the county board of supervisors, the Arizona prosecuting attorneys' advisory council and the establishing this formula. In court when addition establishing the formula, the director, the county board of supervisors, the Arizona prosecuting attorneys' advisory council and the superior court shall develop a contingency plan for the placement of PLACING patients subject to sections 13-3992, 13-4512, 36-202.01 and 36-503.03 in times of emergency and other unforeseen circumstances. The director shall notify the GOVERNING BOARD, THE governor, the president of the senate, the speaker of the house of representatives and the chairperson of each county board of supervisors of the funded capacity and allocation formula for the current fiscal year. Thirty days before the notification of the forensic and civil bed funded capacity formula, the director shall provide this information to the representatives of the county board of supervisors, the Arizona prosecuting attorneys' advisory council and the superior court for comment. The director shall include these comments when issuing the formula.

Sec. 17. Section 36-208, Arizona Revised Statutes, is amended to read:

36-208. <u>Employees; compensation</u>

- A. Except as otherwise provided by this article, SUBJECT TO TITLE 41, CHAPTER 4, ARTICLE 4, the director shall employ all employees of the state hospital. The director may employ necessary medical consultants on recommendation of the superintendent. The director may permit ALLOW members of the medical staff to act as consultants in psychiatry.
- B. Subject to the laws of this state governing state personnel administration, the superintendent may discharge an employee for cause. An employee so discharged, on request, may have the reasons for the discharge reviewed and determined by the director. The superintendent shall file a written report with the director of each discharge setting forth the reasons for the discharge.
- \mathbb{C} . B. The compensation of employees of the state hospital shall be as determined pursuant to section 38-611.
- Sec. 18. Section 36-209, Arizona Revised Statutes, is amended to read:

36-209. Reporting requirements; director; governing board

- A. At such A time as the director GOVERNING BOARD designates, the superintendent DIRECTOR shall submit to the director GOVERNING BOARD a report of the activities of the state hospital during the preceding fiscal year, including:
- 1. The number of patients received, conditionally discharged and discharged and voluntary patients treated.
 - 2. THE methods of treatment used and the results.

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- 3. The total number, including the number of such persons who were committed on a voluntary and involuntary basis, of seriously mentally ill patients as defined in section 36-550 and the place to which each person was discharged.
- 4. Census data for treatment programs pursuant to sections 13-3992, 13-4512. 36-202.01 and 36-503.03.
 - 5. A complete employment and personnel record.
 - 6. The condition of existing equipment.
- 7. Recommendations for $\frac{\text{improvement of}}{\text{IMPROVING}}$ the $\frac{\text{institution}}{\text{IMPROVING}}$
- 8. Other matters required by the director GOVERNING BOARD or deemed advisable by the superintendent DIRECTOR to present a complete description of the condition and activities of the STATE hospital.
- B. Not later than the fifteenth day of each month, the director GOVERNING BOARD shall prepare in duplicate a financial statement of the affairs of the state hospital, including:
- 1. The amounts appropriated for the current fiscal year for operation, maintenance and improvement.
 - 2. The amount expended SPENT during the preceding calendar month.
 - The balance on hand.
 - 4. The estimated expenditures for the current month.
 - 5. An inventory report.
- C. The original report and statements required by this section shall be filed with and retained as records of the $\frac{\text{director}}{\text{GOVERNING}}$ BOARD and duplicates filed with the director of the department of administration.
- D. At such A time as the director GOVERNING BOARD designates, the superintendent DIRECTOR OF THE STATE HOSPITAL shall submit to the director GOVERNING BOARD a financial statement of the affairs of the state hospital during the preceding fiscal year in a form prescribed by the director of the department of administration.
- E. By ON OR BEFORE October 1 of each year, the director GOVERNING BOARD shall submit to the governor a comprehensive report of the activities of the state hospital during the preceding fiscal year, which shall include the annual reports of the superintendent DIRECTOR, and shall contain:
 - 1. An account of the work done.
 - 2. Recommendations for improvements.
- 3. Financial statements that clearly reflect the origin and disposition of all monies that have come into the hands of the director GOVERNING BOARD or an employee through appropriations or otherwise.
- F. The director GOVERNING BOARD shall make such supplemental reports as the governor or the legislature requests.
- G. The annual report prescribed by subsection E of this section shall be published for the information of the public, and five copies

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 shall be delivered to the chief clerk of the house of representatives and the secretary of the senate, respectively, who shall keep them on file for the use of the members of each house.

Sec. 19. Section 36-210, Arizona Revised Statutes, is amended to read:

36-210. Expenditures

- A. This article does not give the director or any employee authority to create a debt or obligation in excess of the amount appropriated by the legislature to carry out its THE provisions OF THIS ARTICLE. If monies are not appropriated to carry out the purpose of this article, the director GOVERNING BOARD shall submit recommendations to the legislature, with a statement of the cost when an improvement is requested.
- B. Except as provided by subsection D of this section, the director of the department of administration shall not issue a warrant for expenditures by the state hospital in excess of FOR MORE THAN the estimate contained in the monthly financial statement unless the superintendent DIRECTOR OF THE STATE HOSPITAL submits a written request that is approved in writing by the director of the department of health services GOVERNING BOARD and that states the reasons for the request. The director of the department of administration shall not issue warrants in excess of FOR MORE THAN the amount available for the current quarter.
- C. If a patient in the state hospital requires a health care service that the state hospital or a facility or provider contracted by the state hospital cannot provide, the department of health services GOVERNING BOARD shall pay approved claims from a facility or provider that provides these required services as follows:
- 1. For inpatient and outpatient hospital services, the THIS state shall reimburse at a level that does not exceed the reimbursement methodology established in section 36-2903.01, subsection G.
- 2. For health and medical services, the THIS state shall reimburse providers at a level that does not exceed the capped fee-for-service schedule that is adopted by the Arizona health care cost containment system administration pursuant to chapter 29, article 1 of this title and that is in effect at the time the service is delivered.
- D. Monies appropriated for capital investment may be expended SPENT at any time during the fiscal period for which the monies are appropriated as directed by the director GOVERNING BOARD.
- Sec. 20. Section 36-212, Arizona Revised Statutes, is amended to read:

36-212. Maximum security area required

The superintendent DIRECTOR, under the direction of the director GOVERNING BOARD, shall equip, staff and supervise the operation of an area consisting of one or more separate buildings on the state hospital grounds in Phoenix to be designated a maximum security area. The superintendent

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DIRECTOR shall designate which patients shall be confined within \overline{a} THE maximum security area, which shall be equipped, staffed and maintained in order to provide treatment and necessary supervision to prevent the patients from leaving the area without authorization.

Sec. 21. Section 36-213, Arizona Revised Statutes, is amended to read:

36-213. <u>Store and canteen; outside entity; rental and service charges; state hospital donations fund</u>

- A. The superintendent DIRECTOR, with the approval of the director GOVERNING BOARD, may set aside and designate any space on the grounds of the STATE hospital that is not needed for other authorized purposes for the establishment and maintenance of TO ESTABLISH AND MAINTAIN store and canteen facilities for the sale of TO SELL candies, cigarettes, food, nonalcoholic beverages, sundries and other articles to patients and employees and for the benefit of THE patients of the state hospital.
- B. The superintendent DIRECTOR, with the approval of the director GOVERNING BOARD, may contract with an outside firm, individual or agency to lease and operate the store and canteen facilities. The outside firm, individual or agency shall provide a bond in an amount set by the superintendent DIRECTOR with the approval of the director GOVERNING BOARD. The facilities shall be conducted subject to the rules and regulations of the department OF THE GOVERNING BOARD, and rental and service charges shall be established by the superintendent DIRECTOR, with the approval of the director GOVERNING BOARD, as will TO reimburse the STATE hospital for the cost thereof OF THE STORE AND CANTEEN FACILITIES.
- C. THE STATE HOSPITAL DONATIONS FUND IS ESTABLISHED FOR THE BENEFIT OF THE PATIENTS OF THE STATE HOSPITAL. THE DIRECTOR SHALL ADMINISTER THE FUND. THE FUND IS CONTINUOUSLY APPROPRIATED. THE FUND CONSISTS OF any profits derived from the operation of such THE STORE AND CANTEEN facilities, after reimbursement to the STATE hospital, shall be deposited in the department of health services donations fund created by authority of section 36-132, subsection B AND ANY OTHER DONATIONS RECEIVED BY THE GOVERNING BOARD FOR THE BENEFIT OF THE PATIENTS OF THE STATE HOSPITAL. The monies may be expended SPENT as the director directs for the benefit of the patients of the state hospital. The provisions of Title 35, chapter 1 do DOES not apply to the monies in the fund.

Sec. 22. Repeal

Section 36-214, Arizona Revised Statutes, is repealed.

Sec. 23. Section 36-216, Arizona Revised Statutes, is amended to read:

36-216. Budget request: proposed budget

A. The department GOVERNING BOARD shall present a budget request that includes all information on the potential availability of other monies, including federal monies, that may be used in the following fiscal year to fund the state hospital.

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- B. The budget request presented pursuant to subsection A of this section shall include a proposed budget for the state hospital, with a specific amount of the total budget estimated to be used for patients who are seriously mentally ill.
- C. Monies appropriated to the department GOVERNING BOARD for the state hospital programs, fees generated by the department GOVERNING BOARD for these programs and grants and gifts to the department GOVERNING BOARD shall be maintained in the appropriate fund to pay program and administrative costs. The administrative costs of each program shall be separately identified in the accounting records of the department GOVERNING BOARD.
- Sec. 24. Section 36-217, Arizona Revised Statutes, is amended to read:

36-217. Annual report: patient health information

- A. On or before January 1 of each year, the director shall submit to the governor, the speaker of the house of representatives and the president of the senate a financial and programmatic report on the state hospital for the preceding fiscal year. In addition to information that the department GOVERNING BOARD deems relevant, this report shall include all of the following information:
- 1. All revenues and expenditures of the state hospital, including specific identification of administrative costs for and the number of patients served at the state hospital.
- 2. A breakdown of the patients served at each facility at the state hospital, including information on the following:
 - (a) Gender.
 - (b) Race.
 - (c) Age.
 - (d) Legal status.
 - (e) County of origin.
 - (f) Program type.
 - (g) Census by unit.
 - (h) Primary diagnosis of each by category.
 - (i) Length of stay.
- 3. Admissions by civil commitment, including the number of admissions and discharges, the time between the request for each admission and the date of the admission or denial of the admission and aggregate data for reason of denial by category.
- 4. Data collected from the state hospital's safety plan, including all of the following:
- (a) The number and type of all assaults by category, with sexual assaults reported as a separate category.
- (b) The number of assaults reported to law enforcement, regulatory agencies and accreditation agencies.

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- (c) The number of times law enforcement was called to the state hospital in response to an assault.
- 5. An update on the establishment of a psychiatric center of excellence.
- B. This section does not require the release of individually identifiable health information of any specific patient.
- Sec. 25. Section 36-218, Arizona Revised Statutes, is amended to read:

36-218. Arizona state hospital charitable trust fund

The Arizona state hospital charitable trust fund is established consisting of monies collected from contracts and lease agreements entered into pursuant to section $\frac{36-136}{6}$, subsection $\frac{36-220}{6}$. The director shall administer the fund. Monies in the fund are continuously appropriated and may be spent for the benefit of persons with mental illness in this state. Monies in the fund do not revert to the state general fund at the end of a fiscal year.

Sec. 26. Title 36, chapter 2, article 1, Arizona Revised Statutes, is amended by adding section 36-220, to read:

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36-220. State hospital property; contracts and lease agreements; deposits; public hearing; report; review
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- A. THE DIRECTOR, AFTER CONSULTATION WITH THE DEPARTMENT OF ADMINISTRATION, MAY TAKE ALL NECESSARY STEPS TO ENHANCE THE HIGHEST AND BEST USE OF THE STATE HOSPITAL PROPERTY, INCLUDING CONTRACTING WITH THIRD PARTIES TO PROVIDE SERVICES, ENTERING INTO SHORT-TERM LEASE AGREEMENTS WITH THIRD PARTIES TO OCCUPY OR RENOVATE EXISTING BUILDINGS AND ENTERING INTO LONG-TERM LEASE AGREEMENTS TO DEVELOP THE LAND AND BUILDINGS. THE DIRECTOR SHALL DEPOSIT ANY MONIES COLLECTED FROM CONTRACTS AND LEASE AGREEMENTS ENTERED INTO PURSUANT TO THIS SECTION IN THE ARIZONA STATE HOSPITAL CHARITABLE TRUST FUND ESTABLISHED BY SECTION 36-218.
- B. AT LEAST THIRTY DAYS BEFORE ISSUING A REQUEST FOR PROPOSALS PURSUANT TO THIS SECTION, THE GOVERNING BOARD SHALL HOLD A PUBLIC HEARING TO RECEIVE COMMUNITY AND PROVIDER INPUT REGARDING THE HIGHEST AND BEST USE OF THE STATE HOSPITAL PROPERTY RELATED TO THE REQUEST FOR PROPOSALS. THE GOVERNING BOARD SHALL REPORT TO THE JOINT COMMITTEE ON CAPITAL REVIEW ON THE TERMS, CONDITIONS AND PURPOSE OF ANY LEASE OR SUBLEASE AGREEMENT ENTERED INTO PURSUANT TO THIS SECTION RELATING TO STATE HOSPITAL LANDS OR BUILDINGS OR THE DISPOSITION OF REAL PROPERTY PURSUANT TO THIS SECTION, INCLUDING STATE HOSPITAL LANDS OR BUILDINGS, AND THE FISCAL IMPACT ON THE GOVERNING BOARD AND ANY REVENUES GENERATED BY THE AGREEMENT. ANY LEASE OR SUBLEASE AGREEMENT ENTERED INTO PURSUANT TO THIS SECTION RELATING TO STATE HOSPITAL LANDS OR BUILDINGS OR THE DISPOSITION OF REAL PROPERTY PURSUANT TO THIS SECTION, INCLUDING STATE HOSPITAL LANDS OR BUILDINGS, MUST BE REVIEWED BY THE JOINT COMMITTEE ON CAPITAL REVIEW.

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Sec. 27. Section 36-407.03, Arizona Revised Statutes, is amended to read:

36-407.03. Hospitals; visitation policy; exceptions

- A. A hospital shall develop a visitation policy that allows a patient to have daily in-person visitation by a designated visitor of the patient's choice, which may include the patient's spouse or one parent or child of the patient. A hospital's policies POLICY regarding visitation shall ensure that the patient and the patient's visitors may have physical contact, especially during end-of-life visitation, unless a physician determines based on the patient's condition that the visitation does not meet health and safety standards or is reasonably likely to harm the patient. If a physician denies visitation with a patient pursuant to this section, the patient or the patient's representative, which may include the patient's spouse, parent or child, may request a meeting, as provided by the visitation policy, with the physician and the hospital's chief medical officer, chief of staff or chief executive officer to receive a review and explanation within twenty-four hours of AFTER the physician's decision to deny visitation. If the designated visitor's request to visit is denied or not resolved at the meeting, the visitor may file a complaint with the department. All visitors must comply with reasonable health and safety precautions imposed by the hospital in connection with the visit.
- B. This section does not apply to the Arizona state hospital, OR any other licensed facility under the jurisdiction of the superintendent DIRECTOR of the Arizona state hospital or chapter 5 of this title.

Sec. 28. Section 36-420.03, Arizona Revised Statutes, is amended to read:

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36-420.03. <u>Health care employers: workplace violence prevention plan: investigation: reporting: nondiscrimination; definitions</u>
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- A. Not later than July 1, 2023, EACH health care employers EMPLOYER shall develop, implement and maintain a written workplace violence prevention plan that does all of the following:
- 1. Includes components that are specifically tailored to the conditions and hazards of the health care employer's sites and patient-specific risk factors.
- 2. Identifies the individual who is responsible for implementing and overseeing the plan.
- 3. Requires the conspicuous posting of signs in public areas throughout the health care employer's sites, including all emergency facilities, that are at least twelve inches by twelve inches in size and that provide notice that assault on a health care worker may be prosecuted as a felony.
- 4. Includes reporting, incident response and postincident investigation procedures, including procedures:

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- (a) For health care workers to report workplace violence risks, hazards and incidents.
- (b) For health care employers to respond to reports of workplace violence.
- (c) For health care employers to perform a postincident investigation and debriefing of all reported incidents of workplace violence with the participation of health care workers.
- 5. Requires THE health care employers EMPLOYER to provide information to health care workers about a HEALTH CARE worker's ability to report any assault to law enforcement and, on request, to assist the HEALTH CARE worker in reporting the assault.
- B. Each health care employer shall make its workplace violence prevention plan available at all times to all health care workers and contractors who provide patient care.
- C. As soon as practicable after a workplace violence incident is reported to the health care employer, the health care employer shall investigate the incident and shall do all of the following:
 - 1. Review the circumstances of the incident.
- 2. Solicit input from involved health care workers and supervisors about the cause of the incident and whether further corrective measures could have prevented the incident.
- 3. Document the findings, recommendations and corrective measures taken, if applicable, for each investigation conducted.
- D. Each health care employer shall provide training and education to its health care workers who may be exposed to workplace violence hazards and risks.
 - E. Each health care employer shall maintain:
- 1. Records that relate to each of the HEALTH CARE employer's workplace violence prevention plans, including identifying, evaluating and correcting hazards and risks and training procedures.
- 2. An incident log for recording all reported workplace violence incidents and records of all incident investigations. The log shall include the date, time and location of the incident, the name of every person who is involved in the incident, a description of the incident and the nature and extent of injuries to health care workers.
- F. The health care employer shall annually evaluate the implementation and effectiveness of the workplace violence prevention plan, including a review of the violent incident log and compliance with any training. The annual evaluation shall be documented.
- G. The health care employer shall adopt a policy that prohibits any person from discriminating or retaliating against any health care worker for either:
- 1. Reporting to or seeking assistance or intervention from the HEALTH CARE employer, law enforcement, local emergency services or a government agency or FOR participating in an incident investigation.

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- 2. Reasonably acting in self defense or defense of others in response to an imminent threat of physical harm.
- H. A health care employer may not discriminate or retaliate against a health care worker for either:
- 1. Reporting to or seeking assistance or intervention from the HEALTH CARE employer, law enforcement, local emergency services or a government agency or for exercising any other rights under this section.
- 2. Reasonably acting in self defense or defense of others in response to an imminent threat of physical harm.
- I. This section does not affect the legal obligations of a health care employer and health care worker pursuant to the protection of patients' rights.
- J. This section does not apply to the Arizona state hospital or any other licensed facility that is under the jurisdiction of the superintendent DIRECTOR of the Arizona state hospital.
 - K. For the purposes of this section:
- 1. "Health care employer" means a health care institution that is licensed pursuant to this title as a hospital, freestanding emergency services facility or urgent care facility and that has more than fifty employees.
- 2. "Health care worker" means an employee of a health care employer or a person who has a contract with a health care employer to provide health care or related services.
- Sec. 29.. Section 36-501, Arizona Revised Statutes, is amended to read:

36-501. Definitions

In this chapter, unless the context otherwise requires:

- 1. "Administration" means the Arizona health care cost containment system administration.
- 2. "Admitting officer" means a psychiatrist or other physician or psychiatric and mental health nurse practitioner with experience in performing psychiatric examinations who has been designated as an admitting officer of the evaluation agency by the person in charge of the evaluation agency.
- 3. "Authorized transporter" means a transportation entity that is contracted with a city, town or county to provide services pursuant to this chapter and that is either:
- (a) An ambulance service that holds a valid certificate of necessity.
- (b) A transportation provider authorized by this state to provide safe behavioral health transportation for individuals requiring transportation pursuant to this chapter.
- 4. "Chief medical officer" means the chief medical officer under the supervision of the superintendent DIRECTOR of the state hospital.

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- 5. "Contraindicated" means that access is reasonably likely to endanger the life or physical safety of the patient or another person.
- 6. "Court" means the superior court in the county in this state in which the patient resides or was found before screening or emergency admission under this title.
- 7. "Criminal history" means police reports, lists of prior arrests and convictions, criminal case pleadings and court orders, including a determination that the person has been found incompetent to stand trial pursuant to section 13-4510.
- 8. "Danger to others" means that the judgment of a person who has a mental disorder is so impaired that the person is unable to understand the person's need for treatment and as a result of the person's mental disorder the person's continued behavior can reasonably be expected, on the basis of competent medical opinion, to result in serious physical harm.
 - 9. "Danger to self":
 - (a) Means behavior that, as a result of a mental disorder:
- (i) Constitutes a danger of inflicting serious physical harm on oneself, including attempted suicide or the serious threat thereof, if the threat is such that, when considered in the light of its context and in light of the individual's previous acts, it is substantially supportive of an expectation that the threat will be carried out.
- (ii) Without hospitalization will result in serious physical harm or serious illness to the person.
- (b) Does not include behavior that establishes only the condition of having a grave disability.
 - 10. "Department" means the department of health services.
- 11. "Detention" means the taking into custody of a patient or proposed patient.
 - 12. "Director" means the director of the administration.
 - 13. "Evaluation" means:
- (a) A professional multidisciplinary analysis that may include firsthand observations or remote observations by interactive audiovisual media and that is based on data describing the person's identity, biography and medical, psychological and social conditions carried out by a group of persons consisting of at least the following:
- (i) Two licensed physicians who are qualified psychiatrists, if possible, or at least experienced in psychiatric matters, who shall examine and report their findings independently. The person against whom a petition has been filed shall be notified that the person may select one of the physicians. A psychiatric resident in a training program approved by the American medical association or by the American osteopathic association may examine the person in place of one of the psychiatrists if the resident is supervised in the examination and preparation of the affidavit and testimony in court by a qualified psychiatrist appointed to

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assist in the resident's training, and if the supervising psychiatrist is available for discussion with the attorneys for all parties and for court appearance and testimony if requested by the court or any of the attorneys.

- (ii) Two other individuals, one of whom, if available, is a psychologist and in any event a social worker familiar with mental health and human services that may be available placement alternatives appropriate for treatment. An evaluation may be conducted on an inpatient basis, an outpatient basis or a combination of both, and every reasonable attempt shall be made to conduct the evaluation in any language preferred by the person.
- (b) A physical examination that is consistent with the existing standards of care and that is performed by one of the evaluating physicians or by or under the supervision of a physician who is licensed pursuant to title 32, chapter 13 or 17 or a registered nurse practitioner who is licensed pursuant to title 32, chapter 15 if the results of that examination are reviewed or augmented by one of the evaluating physicians.
 - 14. "Evaluation agency" means either of the following:
- (a) A health care agency that is licensed by the department and that has been approved pursuant to this title to provide the services required of that agency by this chapter.
- (b) A facility that is exempt from licensure pursuant to section 36-402, that possesses an accreditation from either a national commission on correctional health care or an American correctional association and that has been approved pursuant to this title to provide the services required of that facility by this chapter.
- 15. "Family member" means a spouse, parent, adult child, adult sibling or other blood relative of a person undergoing treatment or evaluation pursuant to this chapter.
- 16. "Grave disability" means a condition evidenced by behavior in which a person, as a result of a mental disorder, is likely to come to serious physical harm or serious illness because the person is unable to provide for the person's own basic physical needs.
- 17. "Health care decision maker" has the same meaning prescribed in section 12-2801.
- 18. "Health care entity" means a health care provider, the department, the administration or a regional behavioral health authority that is under contract with the administration.
- 19. "Health care provider" means a health care institution as defined in section 36-401 that is licensed as a behavioral health provider pursuant to department rules or a mental health provider.
- 20. "Independent evaluator" means a licensed physician, psychiatric and mental health nurse practitioner or psychologist who is selected by the person to be evaluated or by the person's attorney.

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- 21. "Informed consent" means a voluntary decision following presentation of all facts necessary to form the basis of an intelligent consent by the patient or guardian with no minimizing of known dangers of any procedures.
- 22. "Least restrictive treatment alternative" means the treatment plan and setting that infringe in the least possible degree with the patient's right to liberty and that are consistent with providing needed treatment in a safe and humane manner.
- 23. "Licensed physician" means any medical doctor or doctor of osteopathy who is either:
 - (a) Licensed in this state.
- (b) A full-time hospital physician licensed in another state and serving on the staff of a hospital operated or licensed by the United States government.
- 24. "Medical director of an evaluation agency" means a psychiatrist, or other licensed physician experienced in psychiatric matters, who is designated in writing by the governing body of the agency as the person in charge of the medical services of the agency for the purposes of this chapter and may include the chief medical officer of the state hospital.
- 25. "Medical director of a mental health treatment agency" means a psychiatrist, or other licensed physician experienced in psychiatric matters, who is designated in writing by the governing body of the agency as the person in charge of the medical services of the agency for the purposes of this chapter and includes the chief medical officer of the state hospital.
- 26. "Mental disorder" means a substantial disorder of the person's emotional processes, thought, cognition or memory. Mental disorder is distinguished from:
- (a) Conditions that are primarily those of drug abuse, alcoholism or intellectual disability, unless, in addition to one or more of these conditions, the person has a mental disorder.
- (b) The declining mental abilities that directly accompany impending death.
- (c) Character and personality disorders characterized by lifelong and deeply ingrained antisocial behavior patterns, including sexual behaviors that are abnormal and prohibited by statute unless the behavior results from a mental disorder.
- 27. "Mental health provider" means any physician or provider of mental health or behavioral health services who is involved in evaluating, caring for, treating or rehabilitating a patient.
 - 28. "Mental health treatment agency" means any of the following:
 - (a) The state hospital.

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- (b) A health care agency that is licensed by the department and that provides the services that are required of the agency by this chapter.
- (c) A facility that is exempt from licensure pursuant to section 36-402, that possesses an accreditation from either a national commission on correctional health care or an American correctional association and that provides the services that are required of the facility by this chapter.
- 29. "Outpatient treatment" or "combined inpatient and outpatient treatment" means any treatment program not requiring continuous inpatient hospitalization.
- 30. "Outpatient treatment plan" means a treatment plan that does not require continuous inpatient hospitalization.
- 31. "Patient" means any person who is undergoing examination, evaluation or behavioral or mental health treatment under this chapter.
- 32. "Peace officers" means sheriffs of counties, constables, marshals and policemen of cities and towns.
- 33. "Persistent or acute disability" means a severe mental disorder that meets all the following criteria:
- (a) Significantly impairs judgment, reason, behavior or capacity to recognize reality.
- (b) If not treated, has a substantial probability of causing the person to suffer or continue to suffer severe and abnormal mental, emotional or physical harm.
- (c) Substantially impairs the person's capacity to make an informed decision regarding treatment, and this impairment causes the person to be incapable of understanding and expressing an understanding of the advantages and disadvantages of accepting treatment and understanding and expressing an understanding of the alternatives to the particular treatment offered after the advantages, disadvantages and alternatives are explained to that person.
- (d) Has a reasonable prospect of being treatable by outpatient, inpatient or combined inpatient and outpatient treatment.
- 34. "Prepetition screening" means the review of each application requesting court-ordered evaluation, including an investigation of facts alleged in the application, an interview with each applicant and an interview, if possible, with the proposed patient. The purpose of the interview with the proposed patient is to assess the problem, explain the application and, when indicated, attempt to persuade the proposed patient to receive, on a voluntary basis, evaluation or other services.
- 35. "Prescribed form" means a form established by a court or the rules of the administration in accordance with the laws of this state.
- 36. "Professional" means a physician who is licensed pursuant to title 32, chapter 13 or 17, a psychologist who is licensed pursuant to

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- title 32, chapter 19.1 or a psychiatric and mental health nurse practitioner who is certified pursuant to title 32, chapter 15.
- 37. "Proposed patient" means a person for whom an application for evaluation has been made or a petition for court-ordered evaluation has been filed.
- 38. "Prosecuting agency" means the county attorney, attorney general or city attorney who applied or petitioned for an evaluation or treatment pursuant to this chapter.
- 39. "Psychiatric and mental health nurse practitioner" means a registered nurse practitioner as defined in section 32-1601 who has completed an adult or family psychiatric and mental health nurse practitioner program and who is certified as an adult or family psychiatric and mental health nurse practitioner by the state board of nursing.
- 40. "Psychiatrist" means a licensed physician who has completed three years of graduate training in psychiatry in a program approved by the American medical association or the American osteopathic association.
- 41. "Psychologist" means a person who is licensed under title 32, chapter 19.1 and who is experienced in the practice of clinical psychology.
- 42. "Records" means all communications that are recorded in any form or medium and that relate to patient examination, evaluation or behavioral or mental health treatment. Records include medical records that are prepared by a health care provider or other providers. Records do not include:
- (a) Materials that are prepared in connection with utilization review, peer review or quality assurance activities, including records that a health care provider prepares pursuant to section 36-441, 36-445, 36-2402 or 36-2917.
- (b) Recorded telephone and radio calls to and from a publicly operated emergency dispatch office relating to requests for emergency services or reports of suspected criminal activity.
- 43. "Regional behavioral health authority" has the same meaning prescribed in section 36-3401.
- 44. "Screening agency" means a health care agency that is licensed by the department and that provides those services required of the agency by this chapter.
- 45. "Social worker" means a person who has completed two years of graduate training in social work in a program approved by the council of social work education and who has experience in mental health.
 - 46. "State hospital" means the Arizona state hospital.
- 47. "Superintendent" means the superintendent of the state hospital.
- 48. 47. "Voluntary evaluation" means the ongoing collection and analysis of a person's medical, psychological, psychiatric and social

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 conditions in order to initially determine if a health disorder exists and if there is a need for behavioral health services and, on an ongoing basis, to ensure that the person's service plan is designed to meet the person's and the person's family's current needs and long-term goals.

Sec. 30. Section 36-502.01, Arizona Revised Statutes, is amended to read:

36-502.01. <u>Director of the state hospital; powers and duties;</u> rules; expenditure limit

- A. The director of the department STATE HOSPITAL shall make rules that include standards for the state hospital when providing services as an evaluation agency or mental health agency and shall prescribe forms as may be necessary for the proper administration and enforcement of those responsibilities. The rules shall be applicable to patients admitted to, evaluated by or treated in the state hospital as set forth in this chapter and shall provide for periodic inspections of the state hospital.
- B. The director of the department STATE HOSPITAL shall make rules concerning the admission of patients to the state hospital and the transfer of patients between the state hospital and other mental health treatment agencies. A patient undergoing court-ordered treatment may be transferred between the state hospital and another mental health treatment agency in accordance with the rules of the director of the department STATE HOSPITAL, subject to the approval of the court. The director of the department STATE HOSPITAL shall consult with the director of the administration on rules relating to transfers to and from the state hospital and other mental health treatment agencies.
- C. The director of the department STATE HOSPITAL may make rules concerning leaves, visits and absences of patients from the state hospital.
- D. The total amount of state monies that may be spent in any fiscal year by the department STATE HOSPITAL GOVERNING BOARD for mental health services pursuant to this chapter may not exceed the amount appropriated or authorized by section 35-173 for that purpose. This chapter does not impose a duty on an officer, agent or employee of this state to discharge a responsibility or create any right in a person or group if the discharge or right would require an expenditure of state monies in excess of the expenditure authorized by legislative appropriation for that specific purpose.

Sec. 31. Section 36-503.03, Arizona Revised Statutes, is amended to read:

36-503.03. Civil commitment treatment population; cap

The Arizona state hospital shall collect census data for adult civil commitment treatment programs to establish maximum capacity and the allocation formula required by section 36-206, subsection D. The Arizona state hospital or the department of health services is AND THE STATE HOSPITAL GOVERNING BOARD ARE not required to provide civil commitment

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treatment that exceeds the funded capacity. If the Arizona state hospital reaches its funded capacity in civil commitment treatment programs, the superintendent DIRECTOR of the state hospital shall establish a waiting list for admission based on the date of the court order issued pursuant to this section.

Sec. 32. Section 36-533, Arizona Revised Statutes, is amended to read:

36-533. Petition for treatment

- A. The petition for court-ordered treatment shall allege:
- 1. That the patient is in need of a period of treatment because the patient, as a result of mental disorder, is a danger to self or to others or has a persistent or acute disability or a grave disability.
 - 2. The treatment alternatives that are appropriate or available.
- 3. That the patient is unwilling to accept or incapable of accepting treatment voluntarily.
- B. The petition shall be accompanied by the affidavits of the two physicians who participated in the evaluation and by the affidavit of the applicant for the evaluation, if any. In a county with a population of less than five hundred thousand persons, the petition may be accompanied by the affidavits of one physician and either one physician assistant who is experienced in psychiatric matters or one psychiatric and mental health nurse practitioner who conducted an independent evaluation and by the affidavit of the applicant for the evaluation, if any. The affidavits of the physicians or other health professionals shall describe in detail the behavior that indicates that the person, as a result of mental disorder, is a danger to self or to others or has a persistent or acute disability or a grave disability and shall be based on the physician's or other health professional's observations of the patient and study of information about the patient. A summary of the facts that support the allegations of the petition shall be included. The affidavit shall also include any of the results of the physical examination of the patient if relevant to the patient's psychiatric condition.
- C. The petition shall request the court to issue an order requiring the person to undergo a period of treatment. If a prosecutor filed a petition pursuant to section 13-4517, the petition must be accompanied by any known criminal history of the person and any previous findings of incompetency.
 - D. The petition shall also include:
- 1. A statement that in the opinion of the petitioner the person does or does not require guardianship or conservatorship, or both, under title 14 and the reasons on which the statement is based.
- 2. A request that the court order an independent investigation and report for the court if in the opinion of the petitioner the person does require guardianship or conservatorship, or both.

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- 3. A statement that in the opinion of the petitioner the person does or does not require temporary guardianship or conservatorship, or both, and the reasons on which the statement is based.
- 4. A request that the court appoint a temporary guardian or conservator, or both, if in the opinion of the petitioner the person does require temporary guardianship or conservatorship, or both.
- 5. If the person has an existing guardian, a statement identifying the existing guardian and a request that the court consider imposing additional duties on the existing guardian pursuant to section 14-5312.01.
- E. If the petition contains a request for court action pursuant to subsection D of this section, a copy of the petition shall be mailed to any person or agency that is nominated as guardian or conservator or the person who is identified as an existing guardian.
- F. A copy of all petitions shall be mailed to the superintendent DIRECTOR of the Arizona state hospital.
- G. On the filing of a petition for court-ordered treatment, if the patient is not detained in an evaluation agency when the petition is filed, the petition shall contain a statement of any facts and circumstances that lead the petitioner to believe that the proposed patient may be safely transported to the evaluation agency pursuant to section 36-535 by an authorized transporter, if available in the jurisdiction, without the assistance of a peace officer.
- Sec. 33. Section 36-541, Arizona Revised Statutes, is amended to read:

36-541. <u>Mandatory local treatment; placement at state</u> hospital

- A. A patient who is ordered by a court to undergo treatment and who is not hospitalized in the state hospital at the time of the order shall undergo treatment for at least twenty-five days in a local mental health treatment agency that is geographically convenient for the patient before being hospitalized in the state hospital. This section does not apply if the court finds, at a hearing on court-ordered treatment, that the patient's present condition and history demonstrate that the patient will not benefit from the required period of treatment in a local mental health treatment agency or that the state hospital provides a program that is specific to the needs of the patient and is unavailable in the local mental health treatment agency, or when there is no local mental health treatment agency readily available to the patient. Such a finding shall be based at least on the annual written description by the state hospital of programs and services available and appropriate written reports from the medical director of the local mental health treatment agency. The patient may be immediately hospitalized at the state hospital whenever the court determines that this section does not apply.
- B. A patient who is ordered by a court to undergo treatment may be admitted for treatment if the patient is accepted by the superintendent

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44 45 DIRECTOR of the state hospital for treatment at the state hospital or if the court orders placement at the state hospital pursuant to subsection A or C of this section.

C. During any period of court-ordered treatment, the medical director of the local mental health treatment agency assigned to supervise administer the patient's treatment program may file a motion requesting the court to amend the treatment order to place the patient for treatment at the state hospital. After a hearing, if the court finds that the patient's present condition and history demonstrate that the patient will not benefit from a continued period of treatment in or by a local mental health treatment agency, either as an inpatient or an outpatient, or that the state hospital provides a program that is specific to the needs of the patient and is unavailable in a local mental health treatment agency, and that the least restrictive placement to meet the needs of the patient for the foreseeable future is placement in the state hospital and there is a legally available funded bed in the state hospital, the court may amend the original treatment order authorizing the placement of the patient at the state hospital pursuant to section 36-540, subsection A, paragraph 2 or 3. Within five days after receiving notice from the court, the superintendent DIRECTOR OF THE STATE HOSPITAL shall notify the court whether a bed is available in the state hospital.

Sec. 34. Section 36-545.01, Arizona Revised Statutes, is amended to read:

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36-545.01. Costs and expenses; patient ability to pay; power and duty of court; acceptance of other benefits; per capita cost limit; conservatorship; parental liability; lien; enforcement
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- A. When a patient is admitted to the state hospital for court-ordered treatment pursuant to article 5 of this chapter or pursuant to section 13-3992, the business manager of the state hospital shall inquire into the ability of the patient to pay the costs of examination, maintenance and treatment. The business manager shall file with the clerk of the court a written report of the manager's findings and the basis of those findings.
- B. If the patient is able to pay all or any portion of the charges, the court shall order the payment of PATIENT TO PAY the amount the patient can afford of the per capita cost for examination, treatment and maintenance as estimated by the superintendent DIRECTOR OF THE STATE HOSPITAL. The court, on petition of an interested person and at a hearing of which all concerned parties have received notice, may increase or decrease the maintenance charge payable by the patient or the patient's estate.
- C. Notwithstanding subsection B of this section, any federal, state, public or private medical benefits that are payable to the state hospital where the patient is receiving care and treatment or that are

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payable to the patient may be accepted by the state hospital without a court order, except that the state hospital shall not accept any benefits that alone or in addition to any amounts payable pursuant to subsection B of this section exceed the per capita cost for the patient.

- D. The court, if necessary, may appoint a conservator of the patient to carry out this section. If a conservator is appointed, the clerk of the court shall file a certificate so stating. All proceedings relating to that conservatorship shall be had as provided by law for conservators of estates. The conservator shall pay the amount ordered by the court pursuant to subsection B of this section.
- E. If the patient is a minor, the business manager of the state hospital shall inquire into the ability of the minor's parents to bear charges pursuant to this section. All obligations, charges and liens that may be imposed on a patient pursuant to this section shall be imposed on the minor's parents if it is determined that the parents have the ability to pay.
- F. The charges fixed by the court as provided by this section and ordered paid by the patient or the patient's estate, on filing with the county recorder, become a lien on the property of the patient or the patient's estate.
- G. The county attorney of each county, on an order of a judge of the superior court, shall enforce the lien and collect the charges from the person ordered to pay if the charges become delinquent.
- H. Costs of examination, treatment and maintenance shall not be charged to any patient found by a court of competent jurisdiction to be unlawfully detained.
- I. Notwithstanding section 36-545.02, the department STATE HOSPITAL GOVERNING BOARD shall deposit, pursuant to sections 35-146 and 35-147, monies collected through contracts entered into pursuant to section 36-3410 in the Arizona state hospital fund established by section 36-545.08. The department STATE HOSPITAL GOVERNING BOARD shall use these monies for the treatment of TO TREAT patients at the state hospital or for the placement of TO PLACE clients in the community.
- Sec. 35. Section 36-545.08, Arizona Revised Statutes, is amended to read:

36-545.08. Arizona state hospital fund: accounts: purpose

- A. The Arizona state hospital fund is established for the purposes prescribed in section 36-545.01, subsection I. The department of health services DIRECTOR OF THE STATE HOSPITAL shall administer the fund. The fund consists of the following:
- 1. Monies reimbursed by the federal government under title XIX of the social security act for services provided at the state hospital.
- 2. Monies collected pursuant to section 36-3410 for services to clients at the state hospital.

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- 3. Monies collected from counties for the cost of a defendant's inpatient competency restoration treatment.
- B. The department DIRECTOR OF THE STATE HOSPITAL shall deposit monies collected pursuant to subsection A of this section into three separate accounts.
- C. Monies in the fund deposited under subsection A, paragraphs 1 and 3 of this section are subject to legislative appropriation and are designated for state hospital operations. Monies in the fund deposited under subsection A, paragraph 2 of this section are a continuing appropriation and are exempt from the provisions of section 35-190 relating to lapsing of appropriations. Monies in the fund deposited under subsection A, paragraph 3 of this section remaining THAT REMAIN unexpended and unencumbered at the end of the fiscal year revert to the state general fund. Monies in the fund deposited under subsection A, paragraph 1 of this section are exempt from the provisions of section 35-190 relating to lapsing of appropriations.
- Sec. 36. Section 36-1672, Arizona Revised Statutes, is amended to read:

36-1672. Local programs

- A. The department is authorized to develop and conduct local programs for the prevention, detection TO PREVENT, DETECT and treatment of TREAT lead-based paint poisoning, subject to legislative appropriation. Such authorization shall include:
- 1. DEVELOPING educational programs intended to communicate the health danger and prevalence of lead-based paint poisoning among children to parents, educators and local health officials.
- 2. Development DEVELOPING and carrying out of community testing programs designed to detect incidence of lead poisoning due to lead-based paint and other sources among community residents and to ensure prompt medical treatment for such afflicted individuals.
- Sec. 37. Section 36-3701, Arizona Revised Statutes, is amended to read:

36-3701. <u>Definitions</u>

In this article, unless the context otherwise requires:

- 1. "Agency" means any agency that is authorized to direct the release of a person who is serving a sentence or term of confinement or who is receiving treatment, including a state or federal prison, a county jail and the Arizona state hospital or other mental health treatment agency.
 - 2. "Competent professional" means a person who is:
- (a) Familiar with the THIS state's sexually violent persons statutes and sexual offender treatment programs available in this state.

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- (b) Approved by the superior court as meeting court approved COURT-APPROVED guidelines.
- 3. "Conviction" includes a finding of guilt at any time for a sexually violent offense or an order of the juvenile court adjudicating the person delinquent for any sexually violent offense.
- 4. "Less restrictive alternative" means court ordered COURT-ORDERED treatment in a setting that is less restrictive than total confinement and that is conducted in a setting approved by the superintendent DIRECTOR of the state hospital.
- 5. "Mental disorder" means a paraphilia, personality disorder or conduct disorder or any combination of paraphilia, personality disorder and conduct disorder that predisposes a person to commit sexual acts to such a degree as to render the person a danger to the health and safety of others.
 - 6. "Sexually violent offense" means any of the following:
- (a) Indecent exposure to a person who is under fifteen years of age pursuant to section 13-1402, public sexual indecency to a minor pursuant to section 13-1403, sexual conduct with a minor pursuant to section 13-1405, sexual assault pursuant to section 13-1406, molestation of a child pursuant to section 13-1410, continuous sexual abuse of a child pursuant to section 13-1417 or sexual assault of a spouse if the offense was committed before August 12, 2005.
- (b) Second degree murder pursuant to section 13-1104, first degree murder pursuant to section 13-1105, assault pursuant to section 13-1203, aggravated assault pursuant to section 13-1204, unlawful imprisonment pursuant to section 13-1303, kidnapping pursuant to section 13-1304 or burglary in the first degree pursuant to section 13-1508 if the court at the time of sentencing or civil commitment proceedings determines beyond a reasonable doubt that the act was sexually motivated pursuant to section 13-118.
- (c) An attempt, a solicitation, a facilitation or a conspiracy to commit an offense listed in subdivision (a) or (b) of this paragraph.
- (d) An act committed in another jurisdiction that if committed in this state would be a sexually violent offense listed in subdivision (a),(b) or (c) of this paragraph.
- (e) A conviction for a felony offense that was in effect before September 1, 1978 and that if committed on or after September 1, 1978 would be comparable to a sexually violent offense listed in subdivision (a) or (b) of this paragraph.
- 7. "Sexually violent person" means a person to whom both of the following apply:
- (a) Has ever been convicted of or found guilty but insane of a sexually violent offense or was charged with a sexually violent offense and was determined incompetent to stand trial.

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(b) Has a mental disorder that makes the person likely to engage in acts of sexual violence.

Sec. 38. Section 36-3702, Arizona Revised Statutes, is amended to read:

36-3702. Notice of release; referral; immunity

- A. If an agency that has jurisdiction over a person who is at least eighteen years of age determines that the person may be a sexually violent person, the agency shall submit a written request that a petition be filed to the county attorney in the county in which the person was convicted, was found incompetent or will be released or to the attorney general not more than one hundred eighty days and not less than thirty days before the person's anticipated release:
- 1. From confinement if the person was convicted at any time of a sexually violent offense.
- 2. If the person was found guilty except insane at any time of committing a sexually violent offense.
- 3. If the person was charged at any time with a sexually violent offense and was determined to be incompetent to stand trial.
- B. If the person has been found incompetent to stand trial pursuant to title 13, chapter 41 and there is no substantial likelihood that the person will be restored to competency within twenty-one months after the date of the original finding of incompetency, the county attorney may request the court to order a screening of the person pursuant to section 13-4518 to determine if the person may be a sexually violent person.
- C. If the state department of corrections or the Arizona state hospital has jurisdiction over a person who is at least eighteen years of age and who at any time was convicted of a sexually violent offense, was found guilty except insane of committing a sexually violent offense or was charged with a sexually violent offense and was determined to be incompetent to stand trial, the state department of corrections or the Arizona state hospital shall determine if the person may be a sexually violent person. If the agency determines that the person may be a sexually violent person, the agency shall submit a written request that a petition be filed either to the county attorney in the county in which the person was convicted, was found incompetent or will be released or to the attorney general. The agency must submit the written request not more than one hundred eighty days and not less than thirty days before the person's anticipated release. If the person has a pending sentence of imprisonment in another state or federal jurisdiction, in lieu of the written request the director of the state department of corrections may instead enter into a written agreement with the prosecuting authority by which the person was prosecuted, was found incompetent or will be released to have the person retrieved by the other state or federal jurisdiction.

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- D. The agency shall provide the county attorney or attorney general with the following to support the written request that a petition be filed:
 - 1. Certified copies of the following court documents:
- (a) The complaint, information, judgment of conviction and commitment order for the sexually violent offense that forms the basis for the petition and detention orders.
- (b) The complaint, information, judgment of conviction and commitment order for any other conviction that the submitting agency possesses.
- 2. All records of evaluation and treatment, including any of the following:
- (a) All psychological and psychiatric tests and assessment reports and supporting information.
- (b) Group notes, autobiographical notes, progress notes, psychosocial reports or other materials that were prepared by or that relate to the person while the person was in custody or receiving treatment from the submitting agency or any other agency.
- (c) Presentence investigation reports, whether prepared by the state department of corrections, by a private agency or at the direction of the superior court for sentencing on the sexually violent offense.
- 3. All records of the person's version of the offenses for which the person has been convicted, including the notes and records of all interviews and discussions with the person while the person was in the care of the submitting agency or any other agency.
- 4. A record of all convictions and acquittals regardless of whether those convictions were for sexually violent offenses.
- 5. Police reports that are in the possession of the referring agency and that relate to any sexually violent offense that was committed by the person.
- 6. Institutional records that relate to the person's behavior and conduct while in custody and that are in the possession of the referring agency.
- 7. Information indicating the dates of acceptance and rejection by the person of any recommended or court ordered COURT-ORDERED psychotropic medication to control the person's mental disorder.
- 8. Information indicating the dates of acceptance and rejection by the person of any recommended or court ordered COURT-ORDERED psychological or psychiatric counseling for treatment of the person's mental disorder.
- 9. A final release or discharge report, together with any information on which the report is based, that is prepared in anticipation of either the person's release from incarceration or commitment. The report shall include:
- (a) A report of the person's condition that was completed within the preceding one hundred twenty days and that includes an opinion

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 expressing to a reasonable degree of psychiatric, psychological or professional certainty that the person has a mental disorder and that, as a result of that mental disorder, the person is likely to engage in a sexually violent offense.

- (b) A list of the names of all treatment providers who have treated or worked with the person.
- (c) The curriculum vitae of each of the treating individuals that details each individual's education, training and experience.
- (d) The facility in which the person is located at the time of the referral and in which the person will be residing pending the filing of a petition.
- E. The agency and the agency's officers and employees providing mental health evaluations and reports are immune from liability for any good faith acts under this article.
- F. The department of health services STATE HOSPITAL GOVERNING BOARD and the department of health services' STATE HOSPITAL GOVERNING BOARD'S officers and employees providing mental health evaluations and reports are immune from liability for any good faith acts under this article.
- G. An agency's inability to comply with the time requirements under subsection A or C of this section does not preclude the county attorney or the attorney general from filing a petition alleging that a person is a sexually violent person.
- Sec. 39. Section 36-3704, Arizona Revised Statutes, is amended to read:

36-3704. <u>Sexually violent person petition; filing; procedures</u>

- A. Before a sexually violent person is released from confinement, the following persons may file a petition in superior court alleging that the person is a sexually violent person and stating sufficient facts to support that allegation:
- 1. The county attorney in the county in which a person was found incompetent to stand trial of, found guilty except insane of or convicted of a sexually violent offense.
- 2. The county attorney in the county in which the person will be released or the attorney general if the person was found incompetent to stand trial of, found guilty except insane of or convicted of a sexually violent offense in another jurisdiction outside the state.
- B. The Arizona rules of evidence and the Arizona rules of civil procedure apply to proceedings under this article. The court may admit evidence of past acts that would constitute a sexual offense pursuant to section 13-1420 and the Arizona rules of evidence.
- C. The person who is named in the petition is entitled to assistance of counsel at any proceeding that is conducted pursuant to this article. If the person is indigent, the court shall appoint counsel to assist the person. The county board of supervisors may fix a reasonable amount to be paid by the county for the services of an appointed attorney.

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- D. The court's jurisdiction over a person who is civilly committed pursuant to this article continues until the person is discharged by the court.
- E. At any hearing concerning conditions of detention, commitment or treatment at a licensed facility under the supervision of the superintendent DIRECTOR of the Arizona state hospital, a person who is detained or CIVILLY committed pursuant to this article shall show that the procedures or actions of the licensed facility have no reasonable basis in fact or law.

Sec. 40. Section 36-3705, Arizona Revised Statutes, is amended to read:

36-3705. <u>Judicial determination of sexually violent person:</u> <u>transfer for evaluation</u>

- A. On the filing of a petition pursuant to section 36-3704, the judge shall determine if probable cause exists to believe that the person named in the petition is a sexually violent person.
- B. If the judge determines that probable cause exists to believe that the person named in the petition is a sexually violent person, the judge shall order that the person be detained in a licensed facility under the supervision of the superintendent DIRECTOR of the Arizona state hospital.
- C. On motion of the respondent filed within ten days after service of the petition, the court shall hold a probable cause hearing.
- D. Within seventy-two hours after a person is detained pursuant to subsection B of this section, the court shall provide the person with notice of and an opportunity to appear at a probable cause hearing to contest the probable cause finding made by the court pursuant to subsection A of this section. At the hearing, the court shall verify the person's identity and shall determine if probable cause exists to believe that the person is a sexually violent person. At the hearing, the state may rely on the petition that alleges that the person is a sexually violent person and that is filed pursuant to section 36-3704. The state may supplement the information in the petition with additional documentary evidence or live testimony.
- E. At the probable cause hearing, the person has the following rights:
 - 1. To present evidence on the person's behalf.
 - 2. To cross-examine witnesses who testify against the person.
 - 3. To view and copy all documents and reports in the court file.
- F. After the hearing, if the court determines probable cause does not exist to believe that the person is a sexually violent person, the court shall dismiss the petition.
- G. If at the hearing the court reaffirms that probable cause exists to believe that the person is a sexually violent person, the judge shall order an evaluation as to whether the person is a sexually violent

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 person. A person whom the court selects from a list of competent professionals shall conduct the evaluation.

- H. If the respondent has not requested a probable cause hearing within ten days after service of the petition, the court shall order an evaluation as to whether the respondent is a sexually violent person. A person whom the court selects from a list of competent professionals shall conduct the evaluation.
- I. The county shall pay the costs of an evaluation conducted pursuant to subsection ${\tt G}$ or ${\tt H}$ of this section.
- J. The referring agency shall make available to the department of health services STATE HOSPITAL GOVERNING BOARD all records concerning the person detained pursuant to this section.
- Sec. 41. Section 36-3707, Arizona Revised Statutes, is amended to read:

36-3707. <u>Determining sexually violent person status;</u> <u>commitment procedures</u>

- A. The court or jury shall determine beyond a reasonable doubt if the person named in the petition is a sexually violent person. If the state alleges that the sexually violent offense on which the petition for commitment is based was sexually motivated, the state shall prove beyond a reasonable doubt that the alleged sexually violent act was sexually motivated.
- B. If the court or jury determines that the person is a sexually violent person, the court shall either:
- 1. Commit the SEXUALLY VIOLENT person to the custody of the department of health services STATE HOSPITAL GOVERNING BOARD for placement in a licensed facility under the supervision of the superintendent DIRECTOR of the Arizona state hospital and WHERE THE SEXUALLY VIOLENT PERSON shall receive care, supervision or treatment until the SEXUALLY VIOLENT person's mental disorder has so changed that the SEXUALLY VIOLENT person would not be a threat to public safety if the SEXUALLY VIOLENT person was conditionally released to a less restrictive alternative or was unconditionally discharged.
- 2. Order that the SEXUALLY VIOLENT person be released to a less restrictive alternative if the conditions under sections 36-3710 and 36-3711 are met.
- C. If the court or jury does not determine beyond a reasonable doubt that the person is a sexually violent person, the court shall order the person's release.
- D. If the person named in the petition was found incompetent to stand trial, the court first shall hear evidence and determine if the person committed the act or acts charged if the court did not enter a finding before the charges were dismissed. The court shall enter specific findings on whether the person committed the act or acts charged, the extent to which the person's incompetence to stand trial affected the

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 outcome of the hearing, including its effect on the person's ability to consult with and assist counsel and to testify on the person's own behalf, the extent to which the evidence could be reconstructed without the assistance of the person and the strength of the prosecution's case. If the court finds beyond a reasonable doubt that the person committed the act or acts charged, the court shall enter a final order to that effect and may then consider whether the person should be committed pursuant to this section.

Sec. 42. Section 36-3708, Arizona Revised Statutes, is amended to read:

36-3708. Annual examination of committed persons; report

- A. The psychiatrist, psychologist or other competent professional of the ARIZONA state hospital or a licensed facility under the supervision of the superintendent DIRECTOR of the Arizona state hospital shall annually examine each person who is committed pursuant to this article. The person who conducts the annual examination shall submit the examination report to the court. The annual report shall state if conditional release to a less restrictive alternative is in the best interest of the person and will adequately protect the community.
- B. The person may retain, or on the request of an indigent person the court may appoint, a competent professional to conduct the examination. A retained or appointed competent professional shall have access to all records concerning the person. If the person retains or is appointed a competent professional, the state has the right to have the committed person evaluated by a competent professional of the state's own choice. All competent professionals shall have equal access to the person as well as all records concerning the person.
- C. The court shall hold a hearing pursuant to section 36-3709 if any change of release conditions is recommended.
- Sec. 43. Section 36-3709, Arizona Revised Statutes, is amended to read:

36-3709. Petition for change of status: procedures

A. If the superintendent DIRECTOR of the ARIZONA state hospital or the director of the department of health services determines that the person's mental disorder has so changed that the person is not likely to engage in acts of sexual violence if conditionally released to a less restrictive alternative, the superintendent or director shall allow the person to petition the court for conditional release to a less restrictive alternative. The person shall serve the petition on the court and the attorney for the state. The court shall hold a hearing on the petition for conditional release to a less restrictive alternative within forty-five days after receiving the petition. The court may continue the hearing on the request of either party and a showing of good cause or on its own motion if the respondent will not be substantially prejudiced. The county attorney or the attorney general shall represent the state at

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the hearing and may request that the petitioner be examined by a competent professional selected by the county attorney or the attorney general. The attorney for the state has the burden of proving beyond a reasonable doubt that the petitioner's mental disorder has not changed and that the petitioner remains a danger to others and is likely to engage in acts of sexual violence if conditionally released to a less restrictive alternative or unconditionally discharged.

- B. This section does not prohibit the committed person from annually petitioning the court for conditional release to a less restrictive alternative without the approval of the superintendent DIRECTOR of the ARIZONA state hospital or the director of the department of health services. The director of the department of health services shall give annual written notice to the committed person of the person's right to petition the court for conditional release to a less restrictive alternative without the approval of the superintendent or director. The notice shall contain a waiver of rights. The director shall submit the notice and waiver to the court with the annual examination report.
- C. The committed person may be present at the hearing. The county attorney or the attorney general may request that the person be examined by a competent professional selected by the attorney for the state. The committed person may retain and the court on request of an indigent person may appoint a competent professional. The attorney for the state has the burden of proving beyond a reasonable doubt that the person's mental disorder has not changed and that the person remains a danger to others and is likely to engage in acts of sexual violence if conditionally released to a less restrictive alternative. If the state does not meet its burden of proof, the person shall be discharged from treatment.
- D. If at the conclusion of a hearing the court finds that there is no legally sufficient evidentiary basis to conclude that the conditions prescribed in section 36-3711 have been met, the court shall grant the state's motion for a judgment on the issue of conditional release to a less restrictive alternative.

Sec. 44. Section 36-3710, Arizona Revised Statutes, is amended to read:

36-3710. <u>Conditional release to a less restrictive</u> <u>alternative; conditions; reports; review</u>

- A. If the court determines that conditional release to a less restrictive alternative is in the best interest of the person and will adequately protect the community and the court determines that the minimum conditions under section 36-3711 are met, the court shall enter judgment and order the person's conditional release to a less restrictive alternative.
- B. The court may impose any additional conditions on the person that the court determines are necessary to ensure the person's compliance with treatment and to protect the community. If the court finds that

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conditions do not exist that will both ensure the person's compliance with treatment and protect the community, the court shall remand the person to the custody of the superintendent DIRECTOR of the ARIZONA state hospital for care, supervision or treatment in a licensed facility that is under the supervision of the superintendent DIRECTOR.

- C. If the provider that is designated to provide inpatient or outpatient treatment or to monitor or supervise any other terms and conditions of a person's placement in a less restrictive alternative is not the state hospital, the provider shall agree in writing to provide the treatment.
- D. Before the court authorizes a person's conditional release to a less restrictive alternative, the court shall impose any conditions on the person that the court determines are necessary to ensure the safety of the community. The conditions shall include that prior to BEFORE release to a less restrictive alternative, a person shall be required to submit to ninety days of inpatient evaluation at the Arizona state hospital. At the discretion of the superintendent DIRECTOR of the ARIZONA state hospital, the duration of the evaluation period may be less than ninety days. The court shall order the superintendent of the state hospital DIRECTOR to investigate the less restrictive alternative and to submit additional conditions to the court. The court shall give a copy of the conditions of release to the person and to any designated service provider. Other conditions may include any of the following:
 - 1. Specification of a residence.
 - 2. Prohibition on any contact with potential or past victims.
 - 3. Prohibition on the use of alcohol and other drugs.
- 4. Supervision by the $\frac{\text{department of health services}}{\text{GOVERNING}}$ STATE HOSPITAL GOVERNING BOARD or the county probation department if the person is serving a term of probation.
- 5. A requirement that the person remain in this state unless the person receives prior authorization from the court.
- 6. Other conditions that the court or the superintendent DIRECTOR of the ARIZONA state hospital determines are in the best interest of the person or others.
- E. Following a determination that a person's release to a less restrictive alternative is warranted and after considering recommendation regarding the duration and amount of treatment by the superintendent DIRECTOR of the ARIZONA state hospital, the court shall require as a condition of release to a less restrictive alternative, that participate in outpatient treatment. The supervision and treatment may include monitoring a person by use of a polygraph or plethysmograph, or both. The treatment shall continue until the court orders a change in the person's treatment requirements or the person is discharged pursuant to section 36-3714.

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- F. Each month or as otherwise directed by the court, each designated service provider shall submit a report that states if the person is complying with the terms and conditions of the conditional release to a less restrictive alternative to:
 - 1. The court.
 - 2. The facility from which the person was released.
- 3. The county attorney in the county where the person was found to be a sexually violent person or to the attorney general.
- G. The court shall review the case of each person who is conditionally released to a less restrictive alternative within one year after the person's release and thereafter on motion of either party or the superintendent DIRECTOR of the ARIZONA state hospital or on the court's own motion until the person is discharged. At a case review, the court shall determine only if the person shall continue to be conditionally released to a less restrictive alternative. In making its determination, the court shall consider the periodic reports that are submitted to the court pursuant to subsection F of this section and the opinions of the superintendent of the state hospital DIRECTOR and any other competent professional.
- H. If a person is conditionally released to a less restrictive alternative, the department of health services STATE HOSPITAL GOVERNING BOARD shall notify the department of public safety of the person's release so that the department of public safety can commence any notification process as provided in section 13-3825.
- Sec. 45. Section 36-3711, Arizona Revised Statutes, is amended to read:

36-3711. <u>Conditional release to a less restrictive</u> <u>alternative</u>; <u>findings</u>

Before the court orders that a person be conditionally released to a less restrictive alternative, the court shall find that all of the following apply:

- 1. The person will be treated by a provider who is qualified to provide the necessary treatment in this state.
- 2. The provider presents a specific course of treatment for the person, agrees to assume responsibility for the person's treatment, will report on the person's progress to the court on a regular basis and will report any violations as prescribed in paragraphs 4 and 5 of this section immediately to the court, the attorney for the state and the superintendent DIRECTOR of the ARIZONA state hospital.
- 3. The person who is conditionally released to a less restrictive alternative has housing arrangements that are sufficiently secure to protect the community and the person or agency that is providing the housing to the conditionally released person agrees in writing to the following conditions:
 - (a) To accept the conditionally released person.

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- (b) To provide the level of security that the court requires.
- (c) To immediately report the unauthorized absence of the conditionally released person from the housing arrangement to which the person has been assigned.
- 4. The person will comply with the provider and all of the requirements that are imposed by the provider and the court.
- 5. The person will comply with the supervision requirements that are imposed by the department of health services STATE HOSPITAL GOVERNING BOARD or the county probation department if the person is serving a term of probation.
- Sec. 46. Section 36-3712, Arizona Revised Statutes, is amended to read:

36-3712. <u>Detention and commitment requirements; definition</u>

- A. A person who is committed or conditionally released to a less restrictive alternative pursuant to this article does not forfeit any legal right and shall not suffer any legal disability as a consequence of any actions taken or orders made except as specifically provided in this article.
- B. A person who is committed or conditionally released to a less restrictive alternative pursuant to this article shall receive care, supervision or treatment. The superintendent DIRECTOR of the ARIZONA state hospital shall keep records detailing all medical, expert and professional care and treatment that a committed person receives and shall keep copies of all reports of periodic examinations that are made pursuant to this article. These records and reports shall be made available on request only to any of the following:
 - 1. The committed person.
 - 2. The committed person's attorney.
 - 3. The county attorney or the attorney general.
 - 4. The court.
- 5. On proper showing, an expert or professional person who demonstrates a need for access to the records or reports.
- 6. Any mental health professional directly responsible FOR or associated with the mental health professional who is directly responsible for the care, control, assessment or treatment of the committed person.
- C. At the time a person is detained or transferred into a licensed facility pursuant to this article, the person in charge of the facility or the person's designee shall take reasonable precautions to inventory and safeguard the personal property of the detained or transferred person. The staff member who makes an inventory of the person's personal property shall give a signed copy of that inventory to the person. The facility shall allow a responsible relative to inspect the property, subject to any limitations that the person specifically imposes. The facility shall not disclose the contents of the inventory to any other person without the consent of the person or a court order.

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- D. This article does not prohibit a person who is committed or conditionally released to a less restrictive alternative from exercising any right that is available for the purpose of obtaining release from confinement, including the right to petition for a writ of habeas corpus. The committed person must exhaust all direct appeal and postcommitment procedures before exercising the committed person's right to petition for a writ of habeas corpus.
- E. A person who is indigent may not be conditionally released to a less restrictive alternative or discharged without suitable clothing. When a person is conditionally released to a less restrictive alternative or discharged, the <u>superintendent</u> DIRECTOR of the ARIZONA state hospital shall furnish the person with an amount of money pursuant to section 31-228.
 - F. For the purposes of this section, "responsible relative":
- 1. Means the spouse, parent, adult child or adult sibling of the person. $\frac{\text{And}}{\text{And}}$
- 2. Includes the guardian, conservator or attorney of the person. Sec. 47. Section 36-3714, Arizona Revised Statutes, is amended to read:

36-3714. Petition for discharge; procedures

- A. If the superintendent DIRECTOR of the ARIZONA state hospital or the director of the department of health services determines that the person's mental disorder has so changed that the person is not likely to engage in acts of sexual violence if discharged, the superintendent or director shall allow the person to petition the court for discharge. The person shall serve the petition on the court and the attorney for the state. The court shall hold a hearing on the petition for discharge within forty-five days after receiving the petition. The court may continue the hearing on the request of either party and a showing of good cause or on its own motion if the respondent will not be substantially prejudiced. The county attorney or the attorney general shall represent the state at the hearing and may request that the petitioner be examined by a competent professional who is selected by the county attorney or the attorney general. The attorney for the state has the burden of proving beyond a reasonable doubt that the petitioner's mental disorder has not changed and that the petitioner remains a danger to others and is likely to engage in acts of sexual violence if discharged.
- B. This section does not prohibit the committed person from annually petitioning the court for discharge without the approval of the superintendent DIRECTOR of the ARIZONA state hospital or the director of the department of health services. The director of the department of health services STATE HOSPITAL GOVERNING BOARD shall give annual written notice to the committed person of the person's right to petition the court for discharge without the approval of the superintendent or director. The

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notice shall contain a waiver of rights. The director shall submit the notice and waiver to the court with the annual examination report.

- C. The committed person may be present at the discharge hearing. The county attorney or the attorney general may request that the person be examined by a competent professional who is selected by the attorney for the state. The committed person may retain and the court on the request of an indigent person may appoint a competent professional. The attorney for the state has the burden of proving beyond a reasonable doubt that the person's mental disorder has not changed and that the person remains a danger to others and is likely to engage in acts of sexual violence if discharged. If the state does not meet its burden of proof, the person shall be discharged from treatment.
- D. If a person is discharged, the department of health services STATE HOSPITAL GOVERNING BOARD shall notify the department of public safety of the person's discharge so that the department of public safety can commence any notification process as provided in section 13-3825.
- Sec. 48. Section 36-3717, Arizona Revised Statutes, is amended to read:

36-3717. Place of proceedings: transportation: immunity

- A. Except as provided in subsection B of this section, a person who is detained or civilly committed pursuant to this article shall not be transported from a licensed facility under the supervision of the superintendent DIRECTOR of the Arizona state hospital, except that a person may be transported to court for any of the following reasons:
 - 1. A probable cause hearing pursuant to section 36-3705.
 - 2. A trial pursuant to section 36-3706.
- 3. A hearing on a petition for conditional release to a less restrictive alternative pursuant to section 36-3709.
- 4. A hearing on a petition for discharge pursuant to section 36-3714.
- 5. Any evidentiary hearing in which the presence of a person who is detained or civilly committed pursuant to this article is necessary.
- 6. Any court proceeding THAT IS not otherwise specified in this article where the presence of the detainee or CIVILLY committed person is required.
- B. Subsection A of this section does not apply to any person whom the court has determined is subject to conditional release pursuant to section 36-3710 or to any necessary medical transports.
- C. Subsection A of this section does not preclude any proceeding from being held on the grounds of the Arizona state hospital or from using a telephonic conference or an interactive audiovisual device. The court shall adopt rules concerning the conduct of proceedings pursuant to this article. The rules shall ensure the safety of all persons. The rules may include provisions that allow for proceedings to be held on the grounds of

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 the Arizona state hospital or for the use of a telephonic conference or an interactive audiovisual device.

- D. The department of health services STATE HOSPITAL GOVERNING BOARD is responsible for the transportation to and from a medical facility of a person who is detained or CIVILLY committed pursuant to this article. The department of health services STATE HOSPITAL GOVERNING BOARD shall determine the appropriate mode of transportation and level of security and restraint for the transportation needs of the person. In determining the appropriate mode of transportation and level of security and restraint, the department STATE HOSPITAL GOVERNING BOARD shall consider the safety of the public, the transporting personnel and the detained or CIVILLY committed person.
- E. The $\frac{\text{department of health services}}{\text{department of health services}}$ STATE HOSPITAL GOVERNING BOARD and any county sheriff are immune from liability for any good faith acts under this section.

Sec. 49. Section 37-802, Arizona Revised Statutes, is amended to read:

37-802. <u>Disposition of real property by state agency:</u> <u>alternative fuel delivery systems; definition</u>

- A. Unless another procedure is prescribed by law, the director or other chief administrative officer of a state agency may lease or convey real property or any right, title or interest in real property as prescribed by this section if the director or officer determines that it is no longer needed or used for public purposes.
- B. Unless the property is subject to a right of reversion to a previous owner or the previous owner's successors in interest, the director or other chief administrative officer of a state agency may lease or convey:
- 1. Real property to another agency of this state, any county, municipality or other political subdivision or any school district of this state without the necessity of a public sale if the real property will be used for an alternative fuel delivery system. The transferee agency shall pay the transferor agency for a conveyance made pursuant to this section based on a current appraisal establishing the fair market value of the property.
- 2. Other marketable real property to the highest and most responsible bidder at a public auction or by direct sale or exchange after at least thirty days' notice in a newspaper of general circulation in the county in which the property is located. At least two independent appraisals are required for property that is offered, and the property shall not be offered or conveyed for less than the amount of the low appraisal. All purchase offers are public, and any person may submit a subsequent offer that matches or exceeds a previous purchase offer.
- C. The sale shall be for cash or on terms of at least twenty percent down payment with the balance payable in annual amortized

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 installments for ten years, the unpaid balance to bear interest at a rate determined by the director or other chief administrative officer of the state agency.

- D. The director or other chief administrative officer of a state agency may execute all deeds or conveyances necessary to lease or convey any real property or interest in the real property to be leased or conveyed under this section and may assess a fee for the costs of preparing and executing any lease or conveyance under this section. The director or officer may insert in any deed or conveyance conditions, covenants, exceptions and reservations the director or officer considers to be in the public interest or may convey in fee simple absolute.
- E. A conclusive presumption exists in favor of any purchaser for value and without notice of any real property or interest in the real property leased or conveyed pursuant to this section that the agency acted within its lawful authority in acquiring the property and that the director or other chief administrative officer of the state agency acted under lawful authority in executing any deed, conveyance or lease authorized by this section.
- F. Subsection B of this section does not apply to any lease or sublease of state hospital lands or buildings that is executed by the director of the department of health services ARIZONA STATE HOSPITAL GOVERNING BOARD or the director's GOVERNING BOARD'S designee for the benefit of mentally ill persons in this state. The director of the department of health services ARIZONA STATE GOVERNING BOARD or the director's GOVERNING BOARD'S designee shall ensure that the department GOVERNING BOARD receives the fair rental value for the leased property.
- G. For the purposes of this section, "alternative fuel delivery system" means any facility that provides for the fueling of an alternative fuel vehicle.
- Sec. 50. Section 37-803, Arizona Revised Statutes, is amended to read:

37-803. <u>Disposition of real property by state agency</u>

- A. Unless another procedure is prescribed by law, the director or other chief administrative officer of a state agency may dispose of real property or any right, title or interest in real property as prescribed by this section if the director or officer determines that the real property is no longer needed or used for public purposes by that agency.
- B. Unless the property is subject to a right of reversion to a previous owner or the previous owner's successors in interest, the director or other chief administrative officer of a state agency may convey:
- 1. The real property to an agency of the federal government, to another agency of this state or to any county, municipality, school district or other political subdivision of this state or charter school in this state without the necessity of a public sale if the director or

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 officer considers the conveyance to be in the public interest and if the real property will be used for a specific purpose in the public interest. The transferee agency shall pay the transferor agency for such a conveyance based on an appraisal prepared within the last one hundred eighty days by a certified real estate appraiser establishing the fair market value of the property to be conveyed.

- 2. Other marketable property to the highest and most responsible bidder at a public auction or by direct sale or exchange after at least thirty days' notice in a newspaper of general circulation in the county in which the property is located. At least two independent appraisals are required for property that is offered and the property shall not be offered or conveyed for less than or the amount of the low appraisal. All purchase offers are public and any person may submit a subsequent offer that matches or exceeds a previous purchase offer.
- C. The sale shall be for cash or on terms of not less than twenty percent down payment with the balance payable in annual amortized installments for ten years, the unpaid balance to bear interest at a rate determined by the director or other chief administrative officer of the state agency.
- D. The director or other chief administrative officer of a state agency may execute all deeds or conveyances necessary to convey any real property or interest in the real property to be conveyed under this section and may assess a fee for the costs of preparing and executing any conveyance under this section. The director or officer may insert in any deed or conveyance such conditions, covenants, exceptions and reservations as the director or officer considers to be in the public interest or may convey in fee simple absolute.
- E. A conclusive presumption exists in favor of any purchaser for value and without notice of any real property or interest in the real property conveyed pursuant to this section that the agency acted within its lawful authority in acquiring the property and that the agency director or other chief administrative officer of the state agency acted under lawful authority in executing any deed, conveyance or lease authorized by this section.
- F. The agency may adopt rules for using licensed real estate brokers to assist in any disposition of property under this section. The director or other chief administrative officer of the state agency may pay a commission, from proceeds received under this section, to a broker who provides the purchaser unless the broker is the purchaser or lessee or the purchaser is another governmental agency.
- G. Subsection B of this section does not apply to any lease or sublease of state hospital lands or buildings that is executed by the director of the department of health services ARIZONA STATE HOSPITAL GOVERNING BOARD or the director's GOVERNING BOARD'S designee for the benefit of mentally ill persons in this state. The director of the

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department of health services ARIZONA STATE HOSPITAL GOVERNING BOARD or the director's GOVERNING BOARD'S designee shall ensure that the department GOVERNING BOARD receives the fair rental value for the leased property.

Sec. 51. Section 41-2752, Arizona Revised Statutes, is amended to read:

41-2752. <u>State competition with private enterprise</u> prohibited; exceptions; definition

- A. A shall not engage in state agency the manufacturing, offering for sale, rental, processing, sale, leasing, dispensing, distributing or advertising of goods or services to the public that are also offered by private enterprise unless specifically authorized by law other than administrative law and executive orders.
- B. A state agency shall not offer or provide goods or services to the public for or through another state agency or a local agency, including by intergovernmental or interagency agreement, in violation of this section or section 41-2753.
- C. The restrictions on activities that compete with private enterprise contained in this section do not apply to:
- 1. The development, operation and management of state parks, historical monuments and hiking or equestrian trails.
- 2. Correctional industries established and operated by the state department of corrections if the prices charged for products sold by the correctional industries are not less than the actual cost of producing and marketing the product plus a reasonable allowance for overhead and administrative costs.
 - 3. The office of tourism.
- 4. The Arizona highways magazine, operated by the department of transportation.
- 5. Printing and distributing information to the public if the agency is otherwise authorized to do so, and printing or copying public records or other material relating to the public agency's public business and recovering through fees and charges the costs of such printing, copying and distributing.
 - 6. The department of public safety.
- 7. The construction, maintenance and operation of state transportation facilities.
- 8. The development, distribution, maintenance, support, licensing, leasing or sale of computer software by the department of transportation.
- 9. Agreements executed by the Arizona health care cost containment system administration with other states to design, develop, install and operate information technology systems and related services or other administrative services pursuant to section 36-2925.
- 10. Agreements executed by the department of economic security with other states to design, develop, install and operate support collection technology systems and related services. The department shall deposit,

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 pursuant to sections 35-146 and 35-147, monies received pursuant to this paragraph in the public assistance collections fund established by section 46-295.

- 11. Educational, vocational, treatment, training or work programs of the department of juvenile corrections and contracts between the department of juvenile corrections and this state, a political subdivision of this state or a private entity in order to provide employment or vocational educational experience.
- 12. The aflatoxin control technologies of the cotton research and protection council.
- 13. The lease or sublease of lands or buildings by the department of economic security pursuant to section 41-1958.
 - 14. The Arizona commerce authority.
- 15. The Arizona game and fish commission, but only for the sale of goods or services and not firearms.
- 16. The lease or sublease of lands or buildings by the department of child safety pursuant to section 8-460.
- 17. Agreements executed by the department of child safety with other states to design, develop, install and operate support collection technology systems and related services. The department shall deposit, pursuant to sections 35-146 and 35-147, monies received pursuant to this paragraph in the child safety collections fund established by section 8-461.
- 18. The lease or sublease of state hospital lands or buildings by the department of health services ARIZONA STATE HOSPITAL GOVERNING BOARD.
- 19. The sale or lease of software, computer systems or intellectual property developed by the department of education or associated services provided for the sale or lease of software, computer systems or intellectual property by the department of education. The department shall deposit, pursuant to sections 35-146 and 35-147, sixty percent of the profit from the monies generated pursuant to this paragraph in the state general fund and the remaining forty percent in the department of education intellectual property fund established by section 15-231.04. The department of education may not transfer or expend monies or personnel resources for the purposes of marketing or soliciting goods or services authorized pursuant to this paragraph that were appropriated and authorized for other functions and programs of the department of education.
- 20. The lease or sublease of any real estate or related infrastructure by the department of emergency and military affairs pursuant to section 26-262, subsection K, paragraph 4.
- D. The restrictions on activities that compete with private enterprise contained in subsection A of this section do not apply to community colleges and universities under the jurisdiction of a governing board.

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E. For the purposes of this section, "profit" means any monies generated from the sale or lease of goods and services after accounting for the costs paid by this state, including appropriations from the state general fund.

Sec. 52. Section 41-3803, Arizona Revised Statutes, is amended to read:

41-3803. <u>Independent oversight committee on the mentally ill;</u>
membership; community forums; meetings; training
plan; Arizona state hospital

- A. The independent oversight committee on the mentally ill is established in the department of administration to promote the rights of persons who receive behavioral health services pursuant to:
 - 1. Section 13-3992 or 13-3994.
 - 2. Title 36, chapters 5 and 34.
- B. Each region of this state covered by a regional behavioral health authority shall have at least one independent oversight committee with the authority and responsibilities as prescribed by the department of administration pursuant to rules adopted by the department relating to behavioral health services.
- C. The director of the department may establish additional committees to serve persons who receive behavioral health services or to oversee the activities of any service provider.
- D. Each independent oversight committee shall consist of at least seven and not more than fifteen members appointed by the director of the department with expertise in at least one of the following areas:
 - 1. Psychology.
 - 2. Law.
 - 3. Medicine.
 - 4. Education.
 - 5. Special education.
 - 6. Social work.
 - 7. Mental health.
 - 8. Housing for the mentally ill.
 - 9. Criminal justice.
 - 10. Public safety.
- E. Each independent oversight committee, if appropriate, shall include at least two parents of children who receive behavioral health services pursuant to title 36, chapter 34.
- F. Each independent oversight committee shall include at least one member who is a current or former client of the behavioral health system.
- G. Current or former providers or employees of providers that have contracted with a regional behavioral health authority may serve on an independent oversight committee but may not hold more than two positions on the committee.

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- H. Each independent oversight committee may hold one or more community forums annually to receive comments regarding the experiences of individuals living with serious mental illness, and their family members and caregivers, across the care continuum.
- I. The department shall ensure that each regional behavioral health authority and its providers develop and implement a human rights training plan to ensure that providers are trained regarding clients' human rights and the duties of the independent oversight committees.
- J. The independent oversight committee at the Arizona state hospital shall have oversight of patients who have been determined to have a serious mental illness and who are hospitalized and receiving behavioral services at the civil and forensic hospital pursuant subsection A of this section. The Arizona state hospital's administration and employees may not retaliate against a patient because the patient or the patient's family participates in the independent oversight committee meetings. A patient or patient's family that alleges retaliation must provide to the independent oversight committee in writing a detailed description of the retaliation and how the retaliation is connected to the patient's or family's participation in the independent oversight committee meetings. This subsection does not preclude the Arizona state hospital's administration from taking action against a patient who violates hospital policies or procedures. The Arizona state hospital shall provide to the committee, subject to state and federal law, information regarding the following:
 - 1. Seclusion of and the use of restraints on patients.
 - 2. Incident accident reports.
- 3. Allegations of illegal, dangerous or inhumane treatment of patients.
- 4. Provisions of services to patients in need of special assistance.
 - 5. Allegations of neglect and abuse.
- 6. Allegations of denial of rights afforded to patients with serious mental illness except if a right may be restricted for the safety of a patient, the state hospital or the public.
- K. The Arizona state hospital superintendent DIRECTOR and chief medical officer, or their designees, shall attend and participate in scheduled meetings of the independent oversight committee at the Arizona state hospital, except for the public comment period. The superintendent DIRECTOR and the chief medical officer, or their designees, shall give a report to and respond to questions from the independent oversight committee members. Questions from the independent oversight committee members to the superintendent DIRECTOR and the chief medical officer, or their designees, are limited to subjects specified in subsection J of this section. The superintendent DIRECTOR shall ensure that the Arizona state hospital administration:

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- 1. Fully cooperates with the independent oversight committee in all aspects of its work, as outlined in subsection J of this section.
- 2. Facilitates and supports the independent oversight committee's activities related to the Arizona state hospital and pursuant to the department of administration's rules.
- 3. Responds to the independent oversight committee with information that is responsive to inquiries made pursuant to this subsection or responds in writing as to why a request was denied.
- L. Each committee shall be organized pursuant to this section and the requirements of section 41-3804.
- Sec. 53. Section 49-104, Arizona Revised Statutes, is amended to read:

49-104. Powers and duties of the department and director

- A. The department shall:
- 1. Formulate policies, plans and programs to implement this title to protect the environment.
- 2. Stimulate and encourage all local, state, regional and federal governmental agencies and all private persons and enterprises that have similar and related objectives and purposes, cooperate with those agencies, persons and enterprises and correlate department plans, programs and operations with those of the agencies, persons and enterprises.
- 3. Conduct research on its own initiative or at the request of the governor, the legislature or state or local agencies pertaining to any department objectives.
- 4. Provide information and advice on request of any local, state or federal agencies and private persons and business enterprises on matters within the scope of the department.
- 5. Consult with and make recommendations to the governor and the legislature on all matters concerning department objectives.
- 6. Promote and coordinate the management of air resources to ensure their protection, enhancement and balanced utilization consistent with the environmental policy of this state.
- 7. Promote and coordinate the protection and enhancement of the quality of water resources consistent with the environmental policy of this state.
- 8. Encourage industrial, commercial, residential and community development that maximizes environmental benefits and minimizes the effects of less desirable environmental conditions.
- 9. Ensure the preservation and enhancement of natural beauty and man-made scenic qualities.
- 10. Provide for the prevention and abatement of all water and air pollution including that related to particulates, gases, dust, vapors, noise, radiation, odor, nutrients and heated liquids in accordance with article 3 of this chapter and chapters 2 and 3 of this title.

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- 11. Promote and recommend methods for the recovery, recycling and reuse or, if recycling is not possible, the disposal of solid wastes consistent with sound health, scenic and environmental quality policies. The department shall report annually on its revenues and expenditures relating to the solid and hazardous waste programs overseen or administered by the department.
- 12. Prevent pollution through the regulation of the storage, handling and transportation of solids, liquids and gases that may cause or contribute to pollution.
- 13. Promote the restoration and reclamation of degraded or despoiled areas and natural resources.
- 14. Participate in the state civil defense program and develop the necessary organization and facilities to meet wartime or other disasters.
- 15. Cooperate with the Arizona-Mexico commission in the governor's office and with researchers at universities in this state to collect data and conduct projects in the United States and Mexico on issues that are within the scope of the department's duties and that relate to quality of life, trade and economic development in this state in a manner that will help the Arizona-Mexico commission to assess and enhance the economic competitiveness of this state and of the Arizona-Mexico region.
- 16. Unless specifically authorized by the legislature, ensure that state laws, rules, standards, permits, variances and orders are adopted and construed to be consistent with and $\frac{1}{100}$ NOT more stringent than the corresponding federal law that addresses the same subject matter. This paragraph does not adversely affect standards adopted by an Indian tribe under federal law.
- 17. Provide administrative and staff support for the oil and gas conservation commission.
 - B. The department, through the director, shall:
- 1. Contract for the services of outside advisers, consultants and aides reasonably necessary or desirable to enable the department to adequately perform its duties.
- 2. Contract and incur obligations reasonably necessary or desirable within the general scope of department activities and operations to enable the department to adequately perform its duties.
- 3. Utilize USE any medium of communication, publication and exhibition when disseminating information, advertising and publicity in any field of its purposes, objectives or duties.
- 4. Adopt procedural rules that are necessary to implement the authority granted under this title, but that are not inconsistent with other provisions of this title.
- 5. Contract with other agencies, including laboratories, in furthering any department program.

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- 6. Use monies, facilities or services to provide matching contributions under federal or other programs that further the objectives and programs of the department.
- 7. Accept gifts, grants, matching monies or direct payments from public or private agencies or private persons and enterprises for department services and publications and to conduct programs that are consistent with the general purposes and objectives of this chapter. Monies received pursuant to this paragraph shall be deposited in the department fund corresponding to the service, publication or program provided.
- 8. Provide for the examination of any premises if the director has reasonable cause to believe that a violation of any environmental law or rule exists or is being committed on the premises. The director shall give the owner or operator the opportunity for its representative to accompany the director on an examination of those premises. Within forty-five days after the date of the examination, the department shall provide to the owner or operator a copy of any report produced as a result of any examination of the premises.
- 9. Supervise sanitary engineering facilities and projects in this state, authority for which is vested in the department, and own or lease land on which sanitary engineering facilities are located, and operate the facilities, if the director determines that owning, leasing or operating is necessary for the public health, safety or welfare.
- 10. Adopt and enforce rules relating to approving design documents for constructing, improving and operating sanitary engineering and other facilities for disposing of solid, liquid or gaseous deleterious matter.
- 11. Define and prescribe reasonably necessary rules regarding the water supply, sewage disposal and garbage collection and disposal for subdivisions. The rules shall:
- (a) Provide for minimum sanitary facilities to be installed in the subdivision and may require that water systems plan for future needs and be of adequate size and capacity to deliver specified minimum quantities of drinking water and to treat all sewage.
- (b) Provide that the design documents showing or describing the water supply, sewage disposal and garbage collection facilities be submitted with a fee to the department for review and that no lots in any subdivision be offered for sale before compliance with the standards and rules has been demonstrated by approval of the design documents by the department.
- 12. Prescribe reasonably necessary measures to prevent pollution of water used in public or semipublic swimming pools and bathing places and to prevent deleterious conditions at those places. The rules shall prescribe minimum standards for the design of and for sanitary conditions at any public or semipublic swimming pool or bathing place and provide for abatement as public nuisances of premises and facilities that do not

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comply with the minimum standards. The rules shall be developed in cooperation with the director of the department of health services and shall be consistent with the rules adopted by the director of the department of health services pursuant to section 36-136, subsection $\frac{1}{1}$ H, paragraph 10.

- 13. Prescribe reasonable rules regarding sewage collection, treatment, disposal and reclamation systems to prevent the transmission of sewage borne or insect borne diseases. The rules shall:
- (a) Prescribe minimum standards for the design of sewage collection systems and treatment, disposal and reclamation systems and for operating the systems.
- (b) Provide for inspecting the premises, systems and installations and for abating as a public nuisance any collection system, process, treatment plant, disposal system or reclamation system that does not comply with the minimum standards.
- (c) Require that design documents for all sewage collection systems, sewage collection system extensions, treatment plants, processes, devices, equipment, disposal systems, on-site wastewater treatment facilities and reclamation systems be submitted with a fee for review to the department and may require that the design documents anticipate and provide for future sewage treatment needs.
- (d) Require that construction, reconstruction, installation or initiation of any sewage collection system, sewage collection system extension, treatment plant, process, device, equipment, disposal system, on-site wastewater treatment facility or reclamation system conform with applicable requirements.
- 14. Prescribe reasonably necessary rules regarding excreta storage, handling, treatment, transportation and disposal. The rules may:
- (a) Prescribe minimum standards for human excreta storage, handling, treatment, transportation and disposal and shall provide for inspection of premises, processes and vehicles and for abating as public nuisances any premises, processes or vehicles that do not comply with the minimum standards.
- (b) Provide that vehicles transporting human excreta from privies, septic tanks, cesspools and other treatment processes shall be licensed by the department subject to compliance with the rules. The department may require payment of a fee as a condition of licensure. The department may establish by rule a fee as a condition of licensure, including a maximum fee. As part of the rulemaking process, there must be public notice and comment and a review of the rule by the joint legislative budget committee. The department shall not increase that fee by rule without specific statutory authority for the increase. The fees shall be deposited, pursuant to sections 35-146 and 35-147, in the solid waste fee fund established by section 49-881.

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- 15. Perform the responsibilities of implementing and maintaining a data automation management system to support the reporting requirements of title III of the superfund amendments and reauthorization act of 1986 (P.L. 99-499) and article 2 of this chapter.
- 16. Approve remediation levels pursuant to article 4 of this chapter.
- 17. Establish or revise fees by rule pursuant to the authority granted under title 44, chapter 9, article 8 and chapters 4 and 5 of this title for the department to adequately perform its duties. All fees shall be fairly assessed and impose the least burden and cost to the parties subject to the fees. In establishing or revising fees, the department shall base the fees on:
- (a) The direct and indirect costs of the department's relevant duties, including employee salaries and benefits, professional and outside services, equipment, in-state travel and other necessary operational expenses directly related to issuing licenses as defined in title 41, chapter 6 and enforcing the requirements of the applicable regulatory program.
 - (b) The availability of other funds for the duties performed.
 - (c) The impact of the fees on the parties subject to the fees.
- (d) The fees charged for similar duties performed by the department, other agencies and the private sector.
- 18. Appoint a person with a background in oil and gas conservation to act on behalf of the oil and gas conservation commission and administer and enforce the applicable provisions of title 27, chapter 4 relating to the oil and gas conservation commission.
 - C. The department may:
- 1. Charge fees to cover the costs of all permits and inspections it performs to ensure compliance with rules adopted under section 49-203, except that state agencies are exempt from paying those fees that are not associated with the dredge and fill permit program established pursuant to chapter 2, article 3.2 of this title. For services provided under the dredge and fill permit program, a state agency shall pay either:
- (a) The fees established by the department under the dredge and fill permit program.
- (b) The reasonable cost of services provided by the department pursuant to an interagency service agreement.
- 2. Monies collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the water quality fee fund established by section 49-210.
- 3. Contract with private consultants for the purposes of assisting the department in reviewing applications for licenses, permits or other authorizations to determine whether an applicant meets the criteria for issuance of the license, permit or other authorization. If the department contracts with a consultant under this paragraph, an applicant may request

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that the department expedite the application review by requesting that the department use the services of the consultant and by agreeing to pay the department the costs of the consultant's services. Notwithstanding any other law, monies paid by applicants for expedited reviews pursuant to this paragraph are appropriated to the department for use in paying consultants for services.

- D. The director may:
- 1. If the director has reasonable cause to believe that a violation of any environmental law or rule exists or is being committed, inspect any person or property in transit through this state and any vehicle in which the person or property is being transported and detain or disinfect the person, property or vehicle as reasonably necessary to protect the environment if a violation exists.
- 2. Authorize in writing any qualified officer or employee in the department to perform any act that the director is authorized or required to do by law.

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Sec. 54. <u>Initial terms of members of the state hospital</u> governing board
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- A. Notwithstanding section 36-205.01, Arizona Revised Statutes, as added by this act, the initial terms of members of the state hospital governing board are:
 - 1. Two terms ending January 1, 2027.
 - 2. Three terms ending January 1, 2028.
- B. The appointing entity shall make all subsequent appointments as prescribed by statute.

Sec. 55. <u>Succession</u>; transfer; effect

- A. As provided by this act, the state hospital governing board succeeds to the authority, powers, duties and responsibilities of the department of health services relating to the Arizona state hospital.
- B. This act does not alter the effect of any actions that were taken or impair the valid obligations of the department of health services relating to the Arizona state hospital in existence before January 1, 2025.
- C. Administrative rules and orders that were adopted by the department of health services relating to the Arizona state hospital continue in effect until superseded by administrative action by the state hospital governing board.
- D. All administrative matters, contracts and judicial and quasi-judicial actions, whether completed, pending or in process, of the department of health services relating to the Arizona state hospital on January 1, 2025 are transferred to and retain the same status with the state hospital governing board.
- E. All certificates, licenses, registrations, permits and other indicia of qualification and authority that were issued by the department

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of health services relating to the Arizona state hospital retain their validity for the duration of their terms of validity as provided by law.

- F. All equipment, records, furnishings and other property, all data and investigative findings, all obligations and all appropriated monies that remain unexpended and unencumbered on January 1, 2025 of the department of health services relating to the Arizona state hospital are transferred to the state hospital governing board.
- G. All personnel who are under the state personnel system and employed by the department of health services relating to the Arizona state hospital are transferred to comparable positions and pay classifications in the respective administrative units of the state hospital governing board on January 1, 2025.

Sec. 56. Effective date

14 This act is effective from and after December 31, 2024.

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