

REFERENCE TITLE: self-supporting regulatory agencies; funds; 2024-2025.

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

SB 1748

Introduced by
Senator Kavanagh (with permission of Committee on Rules)

AN ACT

AMENDING SECTIONS 32-109, 32-505, 32-705, 32-806, 32-906, 32-1107,
32-1212, 32-1406, 32-1505, 32-1611, 32-1686, 32-1705, 32-1805, 32-1907,
32-2004, 32-2065, 32-2205, 32-2506, 32-2906, 32-3004, 32-3254, 32-3405,
32-3505, 32-3905, 32-4105, 32-4205 AND 36-446.08, ARIZONA REVISED
STATUTES; RELATING TO SELF-SUPPORTING REGULATORY AGENCIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section. 1. Section 32-109, Arizona Revised Statutes, is amended to
3 read:

4 32-109. Technical registration fund

5 A. Pursuant to sections 35-146 and 35-147, the executive director
6 shall deposit ~~ten~~ FIFTEEN percent of all fees or other revenues received
7 by the board in the state general fund to assist in defraying the cost of
8 maintaining the state government and shall deposit the remaining ~~ninety~~
9 EIGHTY-FIVE percent in ~~a separate fund, known as~~ the technical
10 registration fund, to be used only in defraying expenses of the board and
11 in prosecuting violations of this chapter.

12 B. Monies deposited in the technical registration fund pursuant to
13 subsection A of this section are subject to section 35-143.01.

14 Sec. 2. Section 32-505, Arizona Revised Statutes, is amended to
15 read:

16 32-505. Barbering and cosmetology fund

17 A. The barbering and cosmetology fund is established. Except as
18 provided in subsection C of this section, before the end of each calendar
19 month the board shall deposit, pursuant to sections 35-146 and 35-147, ~~ten~~
20 FIFTEEN percent of all monies from whatever source that come into the
21 possession of the board in the state general fund and deposit the
22 remaining ~~ninety~~ EIGHTY-FIVE percent in the barbering and cosmetology
23 fund.

24 B. Except as provided in section 32-573, subsection G, monies
25 deposited in the barbering and cosmetology fund are subject to section
26 35-143.01.

27 C. Monies from civil penalties received pursuant to section 32-571
28 shall be deposited, pursuant to sections 35-146 and 35-147, in the state
29 general fund.

30 Sec. 3. Section 32-705, Arizona Revised Statutes, is amended to
31 read:

32 32-705. Board of accountancy fund; disposition of monies

33 A. The board of accountancy fund is established consisting of fees
34 authorized by this chapter. Except as provided by subsection C of this
35 section, the board shall deposit, pursuant to sections 35-146 and 35-147,
36 ~~ninety per cent~~ EIGHTY-FIVE PERCENT of all monies collected under this
37 chapter in the board of accountancy fund and the remaining ~~ten per cent~~
38 FIFTEEN PERCENT in the state general fund.

39 B. Monies deposited in the fund are subject to section 35-143.01.

40 C. Monies collected by the board as administrative penalties
41 pursuant to this chapter shall be deposited, pursuant to sections 35-146
42 and 35-147, in the state general fund.

43 D. The legislature shall appropriate monies from the fund for the
44 expenses of administering this chapter, including:

1 1. Costs of conducting investigations, taking testimony and
2 procuring the attendance of witnesses before the board or its committees.

3 2. Legal proceedings taken ~~for the enforcement of~~ TO ENFORCE this
4 chapter.

5 3. Educational programs ~~for the benefit of~~ TO BENEFIT the public,
6 registrants and their employees.

7 Sec. 4. Section 32-806, Arizona Revised Statutes, is amended to
8 read:

9 32-806. Podiatry fund

10 A. At the end of each calendar month, the board shall deposit,
11 pursuant to sections 35-146 and 35-147, ~~the ten~~ FIFTEEN percent of all
12 monies received by the board in the state general fund and the remaining
13 ~~ninety~~ EIGHTY-FIVE percent in the podiatry fund.

14 B. All monies deposited in the podiatry fund are subject to section
15 35-143.01.

16 Sec. 5. Section 32-906, Arizona Revised Statutes, is amended to
17 read:

18 32-906. Board of chiropractic examiners fund

19 A. All monies, except civil penalties collected pursuant to section
20 32-924, that are received by the board shall be deposited monthly.
21 Pursuant to sections 35-146 and 35-147, the board shall deposit ~~ten per~~
22 ~~cent~~ FIFTEEN PERCENT of the monies in the STATE general fund and deposit
23 the remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the board of
24 chiropractic examiners fund. All monies that are derived from civil
25 penalties collected pursuant to section 32-924 shall be deposited,
26 pursuant to sections 35-146 and 35-147, in the state general fund.

27 B. Monies that are deposited in the board of chiropractic examiners
28 fund are subject to section 35-143.01.

29 Sec. 6. Section 32-1107, Arizona Revised Statutes, is amended to
30 read:

31 32-1107. Registrar of contractors fund

32 A. The registrar of contractors fund is established. The registrar
33 of contractors shall administer the fund. The registrar shall deposit,
34 pursuant to sections 35-146 and 35-147, ~~ninety~~ EIGHTY-FIVE percent of all
35 monies collected under this chapter in the registrar of contractors fund
36 and ~~ten~~ FIFTEEN percent of all monies collected under this chapter in the
37 state general fund, except monies collected for the residential
38 contractors' recovery fund and the contractors' cash bond fund and monies
39 received from civil penalties.

40 B. The registrar shall use monies in the registrar of contractors
41 fund for carrying out the powers and duties of the registrar and for the
42 purposes of this chapter. Monies deposited in the registrar of
43 contractors fund are subject to section 35-143.01.

1 Sec. 7. Section 32-1212, Arizona Revised Statutes, is amended to
2 read:

3 32-1212. Dental board fund

4 A. Except as provided in subsection C of this section, pursuant to
5 sections 35-146 and 35-147, the executive director of the board shall each
6 month deposit ~~ten per cent~~ FIFTEEN PERCENT of all fees, fines and other
7 revenue received by the board, ~~in the state general fund~~ and deposit the
8 remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the dental board fund.

9 B. Monies deposited in the dental board fund ~~shall be~~ ARE subject
10 to the provisions of section 35-143.01.

11 C. Monies from administrative penalties received pursuant to
12 section 32-1263.01 shall be deposited, pursuant to sections 35-146 and
13 35-147, in the state general fund.

14 Sec. 8. Section 32-1406, Arizona Revised Statutes, is amended to
15 read:

16 32-1406. Arizona medical board fund

17 A. The Arizona medical board fund is established. Pursuant to
18 sections 35-146 and 35-147, the board shall deposit ~~ten per cent~~ FIFTEEN
19 PERCENT of all monies collected under the provisions of this chapter in
20 the state general fund and deposit the remaining ~~ninety per cent~~
21 EIGHTY-FIVE PERCENT in the Arizona medical board fund.

22 B. Monies deposited in the fund are subject to section 35-143.01.

23 Sec. 9. Section 32-1505, Arizona Revised Statutes, is amended to
24 read:

25 32-1505. Naturopathic physicians medical board fund

26 A. The naturopathic physicians medical board fund is established.
27 The board shall administer the fund. Pursuant to sections 35-146 and
28 35-147, the board shall deposit ~~ten per cent~~ FIFTEEN PERCENT of all monies
29 from whatever source that come into the possession of the board in the
30 state general fund and deposit the remaining ~~ninety per cent~~ EIGHTY-FIVE
31 PERCENT in the naturopathic physicians medical board fund.

32 B. Monies deposited in the naturopathic physicians medical board
33 fund are subject to section 35-143.01.

34 Sec. 10. Section 32-1611, Arizona Revised Statutes, is amended to
35 read:

36 32-1611. Board of nursing fund

37 A. Before the end of each month, pursuant to sections 35-146 and
38 35-147, the board shall deposit ~~ten per cent~~ FIFTEEN PERCENT of all monies
39 received by the board from fees pursuant to section 32-1643 in the state
40 general fund and deposit the remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT
41 in the board of nursing fund.

42 B. Monies deposited in the board of nursing fund are subject to
43 section 35-143.01.

1 C. Monies from civil penalties received pursuant to section 32-1606
2 shall be deposited, pursuant to sections 35-146 and 35-147, in the state
3 general fund.

4 Sec. 11. Section 32-1686, Arizona Revised Statutes, is amended to
5 read:

6 32-1686. Board of dispensing opticians fund

7 A. Before the end of each month, pursuant to sections 35-146 and
8 35-147, the board shall deposit ~~ten per cent~~ FIFTEEN PERCENT of all monies
9 received by the board in the state general fund and deposit the remaining
10 ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the board of dispensing opticians
11 fund.

12 B. Monies deposited in the board of dispensing opticians fund are
13 subject to section 35-143.01.

14 Sec. 12. Section 32-1705, Arizona Revised Statutes, is amended to
15 read:

16 32-1705. Board of optometry fund

17 A. ~~A~~ THE board of optometry fund is established.

18 B. Pursuant to sections 35-146 and 35-147, the board shall deposit
19 ~~ten per cent~~ FIFTEEN PERCENT of all monies from whatever source which come
20 into the possession of the board in the state general fund and deposit the
21 remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the board of optometry
22 fund.

23 C. Monies deposited in the board of optometry fund are subject to
24 section 35-143.01.

25 Sec. 13. Section 32-1805, Arizona Revised Statutes, is amended to
26 read:

27 32-1805. Board fund; disbursements

28 A. Before the end of the calendar month, pursuant to sections
29 35-146 and 35-147, the board shall deposit ~~ten per cent~~ FIFTEEN PERCENT of
30 all monies received by the board from fees and other monies provided for
31 in section 32-1826 in the state general fund and deposit the remaining
32 ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the board fund. All monies derived
33 from civil penalties collected pursuant to section 32-1855 shall be
34 deposited, pursuant to sections 35-146 and 35-147, in the state general
35 fund.

36 B. Monies deposited in the board fund shall be subject to section
37 35-143.01.

38 Sec. 14. Section 32-1907, Arizona Revised Statutes, is amended to
39 read:

40 32-1907. Arizona state board of pharmacy fund

41 A. Except as provided in section 32-1939, the executive director
42 shall receive and receipt for all fees and other monies provided for in
43 this chapter and shall deposit, pursuant to sections 35-146 and 35-147,
44 ~~ten~~ FIFTEEN percent of such monies in the state general fund and ~~ninety~~
45 EIGHTY-FIVE percent in the Arizona state board of pharmacy fund. All

1 monies derived from civil penalties collected pursuant to this chapter
2 shall be deposited, pursuant to sections 35-146 and 35-147, in the state
3 general fund.

4 B. Except as provided in subsection C of this section, monies
5 deposited in the Arizona state board of pharmacy fund ~~shall be~~ ARE subject
6 to section 35-143.01.

7 C. From monies deposited in the Arizona state board of pharmacy
8 fund pursuant to subsection A of this section, the executive director may
9 transfer up to ~~five hundred thousand dollars~~ \$500,000 annually to the
10 controlled substances prescription monitoring program fund established by
11 section 36-2605 for expenses related to the controlled substances
12 prescription monitoring program as required by title 36, chapter 28.

13 D. From monies deposited in the Arizona state board of pharmacy
14 fund pursuant to subsection A of this section, the executive director may
15 transfer up to ~~one million dollars~~ \$1,000,000 annually to the Arizona
16 poison and drug information center for the purposes specified in section
17 36-1161 to supplement, and not supplant, any state general fund
18 appropriation for those purposes.

19 Sec. 15. Section 32-2004, Arizona Revised Statutes, is amended to
20 read:

21 32-2004. Board of physical therapy fund

22 A. The board of physical therapy fund is established. The board
23 shall administer the fund.

24 B. Except as provided in section 32-2048, pursuant to sections
25 35-146 and 35-147, the board shall deposit ~~ten per cent~~ FIFTEEN PERCENT of
26 all monies collected under this chapter in the state general fund and
27 deposit the remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the board of
28 physical therapy fund.

29 C. Monies deposited in the physical therapy fund are subject to
30 section 35-143.01.

31 Sec. 16. Section 32-2065, Arizona Revised Statutes, is amended to
32 read:

33 32-2065. Board of psychologist examiners fund; separate
34 behavior analyst account

35 A. The board of psychologist examiners fund is established.

36 B. Except as provided in section 32-2081 and section 32-2091.09,
37 subsection I, pursuant to sections 35-146 and 35-147, the board shall
38 deposit ~~ten~~ FIFTEEN percent of all monies collected pursuant to this
39 chapter in the state general fund and deposit the remaining ~~ninety~~
40 EIGHTY-FIVE percent in the board of psychologist examiners fund.

41 C. All monies deposited in the board of psychologist examiners fund
42 are subject to section 35-143.01.

43 D. All monies deposited in the board of psychologist examiners fund
44 pursuant to section 32-2067 and any monies received pursuant to section
45 32-2063, subsection C for psychologist licensing and regulation must be

1 used only for ~~the~~ licensing and ~~regulation of~~ REGULATING psychologists
2 pursuant to this article and articles 2 and 3 of this chapter and may not
3 be used for ~~the~~ licensing and ~~regulation of~~ REGULATING behavior analysts
4 pursuant to article 4 of this chapter.

5 E. All monies deposited in the board of psychologist examiners fund
6 pursuant to article 4 of this chapter and any monies received pursuant to
7 section 32-2063, subsection C for behavior analyst licensing and
8 regulation must be used only for ~~the~~ licensing and ~~regulation of~~
9 REGULATING behavior analysts pursuant to article 4 of this chapter and may
10 not be used for ~~the~~ licensing and ~~regulation of~~ REGULATING psychologists
11 pursuant to this article and articles 2 and 3 of this chapter.

12 F. The board shall establish a separate account in the fund for
13 monies transferred to the fund pursuant to article 4 of this chapter, and
14 any monies received pursuant to section 32-2063, subsection C for behavior
15 analyst licensing and regulation.

16 Sec. 17. Section 32-2205, Arizona Revised Statutes, is amended to
17 read:

18 32-2205. Veterinary medical examining board fund

19 A. The veterinary medical examining board fund is established.
20 Pursuant to sections 35-146 and 35-147, the board shall deposit ~~ten per~~
21 ~~cent~~ FIFTEEN PERCENT of all fees and other revenue accruing to the board
22 in the state general fund and deposit the remaining ~~ninety per cent~~
23 EIGHTY-FIVE PERCENT in the veterinary medical examining board fund.

24 B. All monies deposited in the veterinary medical examining board
25 fund are subject to section 35-143.01.

26 Sec. 18. Section 32-2506, Arizona Revised Statutes, is amended to
27 read:

28 32-2506. Arizona medical board fund

29 A. Pursuant to sections 35-146 and 35-147, the board shall deposit
30 ~~ten per cent~~ FIFTEEN PERCENT of all monies collected pursuant to this
31 chapter in the state general fund and deposit the remaining ~~ninety per~~
32 ~~cent~~ EIGHTY-FIVE PERCENT in the Arizona medical board fund.

33 B. Monies deposited in the fund pursuant to this section are
34 subject to section 35-143.01.

35 Sec. 19. Section 32-2906, Arizona Revised Statutes, is amended to
36 read:

37 32-2906. Board of homeopathic and integrated medicine
38 examiners' fund

39 A. A board of homeopathic and integrated medicine examiners' fund
40 is established. Pursuant to sections 35-146 and 35-147, the board shall
41 deposit ~~ten per cent~~ FIFTEEN PERCENT of all monies collected under this
42 chapter in the state general fund and deposit the remaining ~~ninety per~~
43 ~~cent~~ EIGHTY-FIVE PERCENT in the board of homeopathic ~~medical~~ AND
44 INTEGRATED MEDICINE examiners' fund.

45 B. Monies deposited in the fund are subject to section 35-143.01.

1 fund may be used by the board for payments of all necessary board
2 expenses.

3 B. Monies deposited in the board of respiratory care examiners fund
4 are subject to section 35-143.01.

5 Sec. 24. Section 32-3905, Arizona Revised Statutes, is amended to
6 read:

7 32-3905. Acupuncture board of examiners fund

8 A. The acupuncture board of examiners fund is established
9 consisting of fees collected pursuant to section 32-3927. The board shall
10 administer the fund. Pursuant to sections 35-146 and 35-147, the board
11 shall deposit ~~ten per cent~~ FIFTEEN PERCENT of all monies collected under
12 this chapter in the state general fund and deposit the remaining ~~ninety~~
13 ~~per cent~~ EIGHTY-FIVE PERCENT in the acupuncture board of examiners fund.

14 B. Monies deposited in the acupuncture board of examiners fund are
15 subject to section 35-143.01.

16 Sec. 25. Section 32-4105, Arizona Revised Statutes, is amended to
17 read:

18 32-4105. Athletic training fund

19 A. The athletic training fund is established. The board shall
20 administer the fund. Pursuant to sections 35-146 and 35-147, the board
21 shall deposit ~~ten per cent~~ FIFTEEN PERCENT of all monies from whatever
22 source that come into the possession of the board in the state general
23 fund and deposit the remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT in the
24 athletic training fund.

25 B. Monies deposited in the athletic training fund are subject to
26 section 35-143.01.

27 Sec. 26. Section 32-4205, Arizona Revised Statutes, is amended to
28 read:

29 32-4205. Board of massage therapy fund

30 A. The board of massage therapy fund is established. The board
31 shall administer the fund. The board shall deposit, pursuant to sections
32 35-146 and 35-147, ~~ten per cent~~ FIFTEEN PERCENT of all monies collected
33 pursuant to this chapter in the state general fund and deposit the
34 remaining ~~ninety per cent~~ EIGHTY-FIVE PERCENT of the monies in the board
35 of massage therapy fund.

36 B. Monies deposited in the board of massage therapy fund are
37 subject to section 35-143.01.

38 Sec. 27. Section 36-446.08, Arizona Revised Statutes, is amended to
39 read:

40 36-446.08. Nursing care institution administrators' licensing
41 and assisted living facility managers'
42 certification fund; investment of fund monies

43 A. The nursing care institution administrators' licensing and
44 assisted living facility managers' certification fund is established.

1 B. Pursuant to sections 35-146 and 35-147, the board shall deposit
2 ~~ten per cent~~ FIFTEEN PERCENT of all monies collected pursuant to this
3 article in the state general fund and deposit the remaining ~~ninety per~~
4 ~~cent~~ EIGHTY-FIVE PERCENT in the nursing care institution administrators'
5 licensing and assisted living facility managers' certification fund. All
6 monies derived from civil penalties collected pursuant to section
7 36-446.07, subsection C shall be deposited, pursuant to sections 35-146
8 and 35-147, in the state general fund.

9 C. Monies deposited in the nursing care institution administrators'
10 licensing and assisted living facility managers' certification fund are
11 subject to the provisions of section 35-143.01.

12 D. On notice from the board, the state treasurer shall invest and
13 divest monies in the fund as provided by section 35-313, and monies earned
14 from investment shall be credited to the fund.

15 Sec. 28. Fee increase; prohibition; exception; fiscal years
16 2024-2025 and 2025-2026

17 A. Notwithstanding any other law and except as provided in
18 subsection B of this section, the following boards and departments may not
19 adopt any license fee increases in fiscal year 2024-2025 or 2025-2026:

- 20 1. The state board of technical registration.
- 21 2. The barbering and cosmetology board.
- 22 3. The Arizona state board of accountancy
- 23 4. The state board of podiatry examiners.
- 24 5. The state board of chiropractic examiners.
- 25 6. The registrar of contractors.
- 26 7. The state board of dental examiners.
- 27 8. The Arizona medical board.
- 28 9. The naturopathic physicians medical board.
- 29 10. The Arizona state board of nursing.
- 30 11. The state board of dispensing opticians.
- 31 12. The state board of optometry.
- 32 13. The Arizona board of osteopathic examiners in medicine and
33 surgery.
- 34 14. The Arizona state board of pharmacy.
- 35 15. The board of physical therapy.
- 36 16. The state board of psychologist examiners.
- 37 17. The Arizona state veterinary medical examining board.
- 38 18. The Arizona regulatory board of physician assistants.
- 39 19. The board of homeopathic and integrated medicine examiners.
- 40 20. The state board for private postsecondary education.
- 41 21. The board of behavioral health examiners.
- 42 22. The board of occupational therapy examiners.
- 43 23. The board of respiratory care examiners.
- 44 24. The acupuncture board of examiners.

1 25. The board of athletic training.

2 26. The board of massage therapy.

3 27. The board of examiners of nursing care institution
4 administrators and assisted living facility managers.

5 B. A board or department prescribed in subsection A of this
6 section may submit a written request to the governor's regulatory review
7 council to adopt a license fee increase on an emergency basis in fiscal
8 year 2024-2025 or 2025-2026. If the governor's regulatory review council
9 makes a written determination that the board or department has
10 demonstrated to the council that the board or department will not have
11 sufficient monies available to continue daily operations if the proposed
12 emergency license fee increase is not adopted, the council may approve the
13 emergency license fee increase request and the board or department may
14 adopt the license fee increase.

15 C. This section does not grant an express exemption from the
16 provisions of title 41, chapter 6, Arizona Revised Statutes, for
17 establishing or increasing a fee. A board or department that adopts a
18 license fee increase pursuant to this section shall comply with all
19 applicable rulemaking provisions to increase the license fee.