

REFERENCE TITLE: anti-racketeering revolving fund; prohibited transfers

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

# HB 2102

Introduced by  
Representatives Martinez: Carbone, Carter P, Gillette, Kupper, Lopez,  
Marshall, Way; Senators Finchem, Gowan, Shope

## AN ACT

AMENDING SECTION 13-2314.01, ARIZONA REVISED STATUTES; RELATING TO  
ORGANIZED CRIME, FRAUD AND TERRORISM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 13-2314.01, Arizona Revised Statutes, is amended  
3 to read:

4 13-2314.01. Anti-racketeering revolving fund; use of monies;  
5 reports; audit

6 A. The anti-racketeering revolving fund is established. The  
7 attorney general shall administer the fund **ONLY** under the conditions and  
8 for the purposes provided by this section. Monies in the fund are exempt  
9 from the lapsing provisions of section 35-190. **MONIES IN THE FUND MAY NOT**  
10 **BE TRANSFERRED TO THE STATE GENERAL FUND.**

11 B. Any prosecution and investigation costs, including attorney  
12 fees, that are recovered for the state by the attorney general as a result  
13 of enforcement of civil and criminal statutes pertaining to any offense  
14 included in the definition of racketeering in section 13-2301, subsection  
15 D, paragraph 4 or section 13-2312, whether by final judgment, settlement  
16 or otherwise, shall be deposited in the fund established by this section.

17 C. Any monies received by any department or agency of this state or  
18 any political subdivision of this state from any department or agency of  
19 the United States or another state as a result of participation in any  
20 investigation or prosecution, whether by final judgment, settlement or  
21 otherwise, shall be deposited in the fund established by this section or,  
22 if the recipient is a political subdivision of this state, may be  
23 deposited in the fund established pursuant to section 13-2314.03.

24 D. Any monies obtained as a result of a forfeiture by any  
25 department or agency of this state under this title or under federal law  
26 shall be deposited in the fund established by this section. Any monies or  
27 other property obtained as a result of a forfeiture by any political  
28 subdivision of this state or the federal government may be deposited in  
29 the fund established by this section. Monies deposited in the fund  
30 pursuant to this section or section 13-4315 shall accrue interest and  
31 shall be held for the benefit of the agency or agencies responsible for  
32 the seizure or forfeiture to the extent of their contribution.

33 E. Except as provided in subsections H and I of this section, the  
34 monies and interest shall be distributed within thirty days after  
35 application to the agency or agencies responsible for the seizure or  
36 forfeiture. The agency or agencies applying for monies must submit an  
37 application in writing to the attorney general that includes a description  
38 of what the requested monies will be used for. The attorney general may  
39 deny an application that requests monies for a purpose that is not  
40 authorized by this section, section 13-4315 or federal law. Monies in the  
41 fund used by the attorney general for capital projects in excess of  
42 \$1,000,000 are subject to review by the joint committee on capital review.

1 F. Monies in the fund may be used for the following:

2 1. Funding gang prevention programs, substance abuse prevention  
3 programs, substance abuse education programs, programs that provide  
4 assistance to victims of a criminal offense that is listed in section  
5 13-2301 and witness protection pursuant to section 41-196 or for any  
6 purpose permitted by federal law relating to disposing of any property  
7 that is transferred to a law enforcement agency.

8 2. Investigating and prosecuting any offense included in the  
9 definition of racketeering in section 13-2301, subsection D, paragraph 4  
10 or section 13-2312, including civil enforcement.

11 3. Paying the relocation expenses of any law enforcement officer  
12 and the officer's immediate family if the law enforcement officer is the  
13 victim of a bona fide threat that occurred because of the law enforcement  
14 officer's duties.

15 4. Paying the costs of the reports, audits and application  
16 approvals that are required by this section.

17 G. Notwithstanding subsection F of this section, beginning from and  
18 after August 27, 2025, the attorney general may not use monies from the  
19 fund to pay salaries for full-time equivalent positions in the attorney  
20 general's office.

21 H. On or before January 28, April 28, July 28 and October 28 of  
22 each year, each department or agency of this state receiving monies  
23 pursuant to this section or section 13-2314.03 or 13-4315 or from any  
24 department or agency of the United States or another state as a result of  
25 participation in any investigation or prosecution shall file with the  
26 attorney general, the board of supervisors if the sheriff received the  
27 monies and the city or town council if the city's or town's department  
28 received the monies a report for the previous calendar quarter. The  
29 report shall be in an electronic form that is prescribed by the Arizona  
30 criminal justice commission and approved by the director of the joint  
31 legislative budget committee. The report shall set forth the sources of  
32 all monies and all expenditures as required by subsection L of this  
33 section. The report shall not include any identifying information about  
34 specific investigations. If a department or agency of this state fails to  
35 file a report within forty-five days after the report is due and there is  
36 no good cause as determined by the Arizona criminal justice commission,  
37 the attorney general shall make no expenditures from the fund for the  
38 benefit of the department or agency until the report is filed. The  
39 attorney general is responsible for collecting all reports from  
40 departments and agencies of this state and transmitting the reports to the  
41 Arizona criminal justice commission at the time that the report required  
42 pursuant to subsection I of this section is submitted.

43 I. On or before February 21, May 21, August 21 and November 21 of  
44 each year, the attorney general shall file with the Arizona criminal  
45 justice commission a report for the previous calendar quarter. The report

1 shall be in an electronic form that is prescribed by the Arizona criminal  
2 justice commission and approved by the director of the joint legislative  
3 budget committee. The report shall set forth the sources of all monies  
4 and all expenditures as required by subsections K and L of this section.  
5 The report shall not include any identifying information about specific  
6 investigations. If the attorney general fails to file a report within  
7 sixty days after the report is due and there is no good cause as  
8 determined by the Arizona criminal justice commission, the attorney  
9 general shall make no expenditures from the fund for the benefit of the  
10 attorney general until the report is filed. If a political subdivision of  
11 this state fails to file a report with the county attorney pursuant to  
12 section 13-2314.03 within forty-five days after the report is due and  
13 there is no good cause as determined by the Arizona criminal justice  
14 commission, the attorney general shall make no expenditures from the fund  
15 for the benefit of the political subdivision until the report is filed.

16 J. On or before the last day of February, May, August and November  
17 of each year, the Arizona criminal justice commission shall compile the  
18 attorney general report and the reports of all departments and agencies of  
19 this state into a single comprehensive report for the previous calendar  
20 quarter and shall submit an electronic copy of the report to the governor,  
21 the director of the department of administration, the president of the  
22 senate, the speaker of the house of representatives, the director of the  
23 joint legislative budget committee and the secretary of state.

24 K. The report that is required by subsection I of this section must  
25 include all of the following information if monies were obtained as a  
26 result of a forfeiture:

- 27 1. The name of the law enforcement agency that seized the property.
- 28 2. The date of the seizure for forfeiture.
- 29 3. The type of property seized and a description of the property  
30 seized, including, if applicable, the make, the model and the serial  
31 number of the property.
- 32 4. The location of the original seizure by law enforcement.
- 33 5. The estimated value of the property seized for forfeiture, not  
34 excluding encumbrances.
- 35 6. The criminal statute that allowed the seizure for forfeiture.
- 36 7. The criminal statute charged in the criminal case that is  
37 related to the forfeiture case.
- 38 8. The court case number of the criminal case that is related to  
39 the forfeiture case.
- 40 9. The outcome of the criminal case that is related to the  
41 forfeiture case.
- 42 10. If the property was seized by a state agency and submitted for  
43 state forfeiture proceedings but was transferred to federal authorities  
44 for forfeiture proceedings, the reason for the federal transfer.
- 45 11. The forfeiture case number.

- 1           12. The method of forfeiture proceeding, including whether it was  
2 criminal or civil, and if civil, whether a claim was filed by an owner or  
3 interest holder.
- 4           13. The venue of the forfeiture action.
- 5           14. Whether a person or entity filed a claim or counterclaim or  
6 submitted a petition asserting an interest in the property as an owner,  
7 interest holder or injured person.
- 8           15. Whether the owner, interest holder or injured person was  
9 assisted by an attorney in the forfeiture case.
- 10          16. The date of the forfeiture decision.
- 11          17. Whether there was a forfeiture settlement agreement.
- 12          18. Whether the property was awarded or partially awarded to the  
13 owner, partial owner or injured person or if the property was forfeited to  
14 the state.
- 15          19. Whether the property was sold, destroyed or retained by law  
16 enforcement.
- 17          20. The earliest date that the property was disposed of or sent for  
18 disposition.
- 19          21. The net amount of monies and proceeds received from the  
20 forfeiture.
- 21          22. The estimated administrative and storage costs and any other  
22 costs, including any costs of litigation.
- 23          23. The amount of attorney fees, costs, expenses and damages  
24 awarded and to whom the fees, costs, expenses or damages were awarded.
- 25          L. The reports that are required by subsections H and I of this  
26 section must include the following information with regard to all  
27 expenditures made from the fund for:
  - 28           1. Crime, gang and substance abuse prevention programs.
  - 29           2. Any injured person as defined in section 13-4301.
  - 30           3. Witness protection.
  - 31           4. Investigation costs, including informant fees and buy money.
  - 32           5. Regular-time salaries, overtime pay and employee benefits of  
33 prosecutors.
  - 34           6. Regular-time salaries, overtime pay and employee benefits of  
35 sworn law enforcement agency personnel other than prosecutors.
  - 36           7. Regular-time salaries, overtime pay and employee benefits of  
37 unsworn law enforcement agency personnel other than prosecutors.
  - 38           8. Professional or outside services, including services related to  
39 auditing, outside attorney fees, court reporting, expert witnesses and  
40 other court costs.
  - 41           9. Travel and meals.
  - 42           10. Training.
  - 43           11. Conferences.
  - 44           12. Vehicles purchased or leased.
  - 45           13. Vehicle maintenance.

1           14. Canines, firearms and related equipment, including tactical  
2 gear.

3           15. Other capital expenditures, including furniture, computers and  
4 office equipment.

5           16. External publications and communications.

6           17. Other operating expenses, including office supplies, postage  
7 and printing. Expenses listed under this paragraph must be separately  
8 categorized.

9           M. Beginning in 2018 and every other year thereafter, the auditor  
10 general shall conduct a performance audit, as defined in section 41-1278,  
11 and a financial audit of the attorney general's use of monies in the fund.  
12 The audits must include all expenditures that were made by the attorney  
13 general's office from the fund for the previous two years. The auditor  
14 general shall submit copies of the performance and financial audits to the  
15 president of the senate, the speaker of the house of representatives and  
16 the chairpersons of the senate judiciary committee and the house of  
17 representatives judiciary and public safety committee, or their successor  
18 committees. The attorney general shall pay any fees and costs of the  
19 audits under this section from the fund.