

LEGISLATION PROPOSED/PASSED – 2009 49th Legislature – First Regular Session

Directors and staff of Arizona State Library, Archives and Public Records worked closely with Legislators and Legislative staff on the following bills and attended hearings when called upon to provide testimony or supplied other information specifically requested.

HB2001 – State Monuments; Repair Fund; Purpose.

Sponsor

Representative: John Kavanagh

Overview

Monies deposited into the State Monument and Memorial Repair Fund are designated for specific monuments or memorials.

Background

The Legislative Governmental Mall Commission (Commission) was established by Laws 1985, Chapter 23 to promote the interest and welfare of the state by providing for the orderly and beneficial growth and development of the Governmental Mall (Mall). The Mall is bounded on the north by Van Buren Street, on the south by the Harrison Street alignment, on the east by 7th Avenue and on the west by 19th Avenue.

All proposed monuments and memorials follow a prescribed process for approval by the Commission. The Arizona Department of Administration (ADOA) is responsible for making recommendations regarding proposals before the Commission, and is additionally responsible for maintaining the monument or memorial. Costs associated with maintenance are currently taken out of the general maintenance operating budget of ADOA.

Laws 2007, Chapter 25 § 2 established the State Monument and Memorial Repair Fund (Fund) consisting of donations, grants and legislative appropriations. ADOA is required to administer the Fund, submit an annual report to the Commission and use the monies for the maintenance, repair, reconditioning or relocation of monuments or memorials located in the Mall. Monies in the Fund are subject to legislative appropriation and are exempt from lapsing. Current statute does not require ADOA to separately account for or designate monies in the Fund to a specific monument or memorial unless a donation

was made for a specific monument or memorial.

Provisions

- Stipulates that monies deposited into the Fund by the proponents are to be used for their specific monument or memorial.
- Requires ADOA to separately account for monies dedicated to a specific monument or memorial as follows:
 - Monies that are donated for the benefit of a specific monument or memorial.
 - Monies derived from fundraising activities collected for a specific monument or memorial
 - Monies deposited by the proponents for a specific monument or memorial.
 - Makes technical and conforming changes.

Amendment Adopted

- The Bill of Rights Commemorative Monument must be completed and dedicated to this state on or before December 31, 2013.

Arizona State Library, Archives and Public Records Involvement with HB2001

The Arizona Historical Advisory Commission is often involved in verifying the historical accuracy of monuments or memorials that are placed in Wesley Bolin Plaza which is within the boundaries of the Governmental Mall. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

HB2001 was signed by the Governor on July 9, 2009, Laws 2009, Chapter 13.

HB2019 – State Nickname (WAS: State Personnel; Technical Correction)

Sponsor

Representative: Sam Crump

Overview

Designates “The Grand Canyon State” as the official Arizona state nickname.

Background

Arizona Revised Statutes Title 41, Chapter 4.1, Article 5 prescribes the following as official state emblems:

- State fossil: Petrified wood, or *araucarioxylon arizonicum*.
- State bird: The cactus wren, otherwise known as Coues' cactus wren or *heleodytes brunneicapillus couesi* (Sharpe).
- State flower: The pure white waxy flower of the *cereus giganteus* (giant cactus) or Saguaro.
- State tree: The Palo Verde (*genera cercidium*).
- State neckwear: The Bola tie.
- State gemstone: Turquoise.
- State animals: The ringtail or *bassariscus astutus*, the Arizona ridgenose rattlesnake or *crotalus willardi*, the Arizona trout or salmon apache and the Arizona tree frog or *hyla eximia* shall be known respectively as the state mammal, reptile, fish and amphibian.
- State butterfly: The *papilionidae papilio multicaudata*, two-tailed swallowtail.

Provisions

- Establishes "The Grand Canyon State" as the official Arizona state nickname.

Arizona State Library, Archives and Public Records Involvement with HB2019

The Arizona Historical Advisory Commission has an interest in all facets of Arizona history. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

HB2019 was deemed proper for consideration by the Senate Rules Committee on June 26, 2009.

HB2032 – Vendors; Government Contracts; Personal Information

Sponsor

Representative: John Kavanagh

Overview

A government contractor is prohibited from selling or exchanging information about any individual that the contractor acquires as a result of fulfilling the contract.

Provisions

- The name of the section of statute is changed from "Government Anti-Identification Procedures" to "Government Procedures and Regulations Relating to Identifying or Personal Information."
- A vendor who has a contract with a governmental agency and who performs a function on behalf of a governmental agency shall not sell or exchange information about an individual that the vendor acquires as a result of fulfilling the terms of the contract.

Arizona State Library, Archives and Public Records Involvement with HB2032

The Records Management Division, which is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments, receives questions from agencies about contractors' requirements for maintaining records.

Outcome of Legislation

HB2032 was referred to the House Committee on Government on January 13, 2009.

HB2049 – Performance Management Software (WAS: Exchange Teachers; Technical Correction)

Sponsor

Representative: Carl Seel

Overview

Requires the Arizona Department of Administration (ADOA) to enter into a contract to purchase business intelligence software if the vender of the software agrees to receive payment through state savings generated by the software.

Background

The purpose of ADOA is to provide services to state government in the areas of automation, finance, personnel administration, public buildings maintenance, surplus property and risk management.

The Government Information Technology Agency (GITA) is responsible for statewide information technology (IT) planning, coordinating and consulting. The GITA Director serves as the Chief Information Officer for state government. GITA has the responsibility to administer the state's Executive Branch IT resources, including: 1) establishing and maintaining statewide standards, 2) serving as statewide coordinator, 3) critically evaluating and approving/disapproving agency IT plans, 4) approving or disapproving IT projects with development costs over \$25,000, 5) temporarily suspending the expenditure of monies if an IT project is at risk of failing to achieve its intended results or does not comply with state requirements, and 6) IT compliance with statewide policy regarding accessibility to equipment and technology for citizens with disabilities.

The fiscal impact to the state General Fund is undetermined at this time.

Provisions

1. Requires ADOA to allow venders to demonstrate the savings potential for software that:
 - a) will generate savings for the state.
 - b) is capable of performance management, including data fusion, fraud reduction, budgeting, planning, business intelligence, reporting and analysis.
 - c) has the ability to generate and use dash boards.
 - d) can interact with metrics and key performance indicators.
 - e) can be implemented in every state agency.
2. Requires ADOA to enter into a contract to purchase this type of software only if the vender agrees to receive payment based on savings that are realized by the state as the result of using this type of software.
3. Requires the contract selection criteria to include end user ease of use, ease of administration and GITA standards adherence.
4. Stipulates that the requirements of the state procurement code apply to contracts for this type of software and allows ADOA to use the request for information issued pursuant to Laws 2008, Chapter 285, section 2.
5. Requires ADOA to prepare an annual report that quantifies the savings realized by each state agency's use of the software.
6. Requires the annual report to be provided by July 1 to the Joint Legislative Budge Committee (JLBC) and the Joint Legislative Audit Committee.
7. Requires JLBC staff to contact ADOA if the report is not received by July 5 and requires the report to be submitted within thirty days.
8. Requires copies of the annual report to be delivered to the Secretary of State and the Arizona State Library, Archives and Public Records.
9. Includes a delayed repeal of January 1, 2017.
10. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with HB2049

Stipulates that the software must be implemented in every state agency and that a copy of the report quantifying the savings realized from each state agency using the software be provided to Director of the Arizona State Library, Archives and Public Records.

Outcome of Legislation

HB2049 failed on third read in the Senate on July 1, 2009.

HB2051 – 2008-2009; Appropriations; Budget Revisions (WAS: Technical Correction; Cease; Desist Order)

Sponsor

Representative: Kirk Adams (STRIKER: Rep. John Kavanagh)

Overview

Makes changes to the FY08-09 budget, including various revisions to the FY 2009 budget passed in 2008 and to provisions of the FY 2009 fix passed in Special Session in January 2009. Also reverses approx. \$3 million in fund transfers. Reverses approx. \$1.5 million in salary lump sum fund transfers. More.

Background

Projections of the budget deficit for FY 2009 continued to grow.

Provisions

ASLAPR is noted in sections 4 and 5 on pp. 6-9 of the House Engrossed version of the bill (pdf pages 7-10) and pp. 11-13 (pdf pages 12-14):

Sec. 4. Transfer of fund monies to the state general fund; fiscal year 2008-2009

A. Notwithstanding any other law, on or before June 30, 2009, the following amounts from the funds or sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state....

*33. Arizona state library, archives and public records:
Records services fund - \$261,800.
Nonlapsing fund - \$121,000.
State library fund - \$100,000.*

Sec. 5. Expenditure reductions; transfers; fiscal year 2008-2009

A. Notwithstanding any other law, the following agencies shall reduce expenditures in the stated amounts and, on or before June 30, 2009, the following shall be transferred to the state general fund:...

*26. Arizona state library, archives and public records:
Records services fund - \$33,800.*

Arizona State Library, Archives and Public Records Involvement with HB2051

Arizona State Library, Archives and Public Records is a budget unit.

Outcome of Legislation

HB2051 was signed by the Governor on March 12, 2009; Laws 2009, Chapter 1.

HB2093 – Universities; Advisory Boards

Sponsor

Representatives: Warde V. Nichols, Edward Ableser

Overview

Each state university shall establish a five-member advisory board to submit written recommendations on behalf of the university to the Board of Regents. The governor appoints three members, the House Speaker and Senate President one each. If the Board of Regents fails to adopt a recommendation submitted by an advisory board, the Regents must adopt a resolution giving the specific reasons.

Provisions

- Each public university in this state shall establish an advisory board to submit written recommendations on behalf of that university to the Arizona Board of Regents. The advisory board of each university shall consist of the following members who serve eight year terms, to begin and end on the third Monday in January:
 1. one member who is appointed by the president of the senate
 2. one member who is appointed by the speaker of the house of representatives
 3. three members who are appointed by the governor pursuant to section 38-

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Arizona State Library, Archives and Public Records Involvement with HB2093

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2093 was referred to the House Committee on Education on January 15, 2009.

HB2100 – Schools; Electronic Data

Sponsor

Representative: Rich Crandall

Overview

Directs the Department of Education (ADE) to develop a system for the electronic transfer of student transcripts, and requires school districts, charter schools, and teacher preparation programs (TPPs) to submit teacher and classroom data to ADE.

Background

The Student Accountability Information System (SAIS) was created to electronically store all student level and school finance data that are compiled and submitted to ADE. This data collection is necessary to comply with statutory requirements assigned to ADE and the State Board of Education (SBE) for calculating school funding and determining the academic progress of students (A.R.S. § 15-1041). Data elements stored in SAIS include a student's identifier, name, date and place of birth, gender and ethnicity, attendance record, absences, school membership, and special needs information. All collection, maintenance, or disclosure of student educational records must comply with the Federal Family Educational Rights and Privacy Act (A.R.S. § 15-1045, 20 U.S.C. § 1232).

All student level data submitted to SAIS is not considered public record and must include a statutory reference to the law that necessitates its collection, though the data may be aggregated and used for research and reporting. The data collected cannot be used to adjust funding levels or calculate average daily membership for the purposes of funding, except on the 40th, 100th, and 200th day of the school year. A school district or charter school is not required to submit data to ADE more than once every 20 school days, and ADE is required to adopt guidelines for the removal of obsolete data (A.R.S. § 15-1042).

ADE was appropriated \$532,800 in FY 06 for the planning and preliminary design of an Agency Information Factory (AIF). The AIF was proposed with the intent to improve access to data on Arizona public schools, including data on enrollment, student demographics, student achievement, teachers, and curriculum. Historically, such information was stored in separate databases and could not be centrally queried. As a result, ADE developed the Education Data Warehouse (AEDW). ADE was appropriated an additional \$2.5M in FY 07 to begin operating AEDW. Under an appropriation footnote, ADE was prohibited from using the monies to hire staff or expand data collection. Additionally, ADE received a three-year, \$6M federal grant to fund AEDW. Phase I of AEDW, which was operational beginning February 14, 2008, is the foundation for ADE's web-based school report card system.

Provisions

- Beginning July 1, 2011, requires each school district and charter school to submit teacher level and classroom level data to ADE.
- On or before July 1, 2010, directs ADE to work with TPPs to determine the data elements TPPs will be required to submit and agree on the method and dates of submission.
- Instructs ADE to:
 - Assign a unique, nonpersonally identifiable teacher identification to all certificated teachers and teaching candidates enrolled in a teacher preparation or certification program.
 - Notify school districts and charter schools of the specific teacher and classroom level data they will be required to submit as approved by SBE.
 - Adopt guidelines for the removal of obsolete data collected pursuant to this act.
 - Securely store personally identifiable information.
- Allows ADE to grant a one-time extension to the initial submission deadline for a school district or charter school that demonstrates good cause and requests the extension before June 1, 2010.
- Stipulates that data collected pursuant to this act is:
 - Confidential and not public record.
 - Not required to be submitted more than once every quarter.
 - Accessible to SBE, any SBE teacher preparation or certification program, or other education agencies approved by SBE, if the data is nonpersonally identifiable.
 - Allowed to be aggregated, used for research and reporting, and, subject to SBE approval, be used for improving data quality.
 - Prohibited from being used at the state level for the purpose of withholding or negatively impacting existing school funding formulas.
 - Prohibited from being used for the purposes of compensation, promotion, or personnel evaluations of teachers.

- Defines classroom level data and teacher level data.

Amendments Adopted by Committee

Education

- Sets a deadline of July 1, 2011 for the creation of a system for the electronic transfer of student transcripts.
- Clarifies that all personally identifiable teacher and classroom level data collected are confidential and not public record.
- Clarifies that all nonpersonally identifiable data may be aggregated and used for research and reporting. The aggregated data may be accessed by the SBE, any SBE TPP, school districts, charter schools, or any other educational agency.
- Modifies the definitions of classroom and teacher level data to specify that the data elements are any that have been approved by the SBE.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with HB2100

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation would create a new record in the Department of Education.

Outcome of Legislation

HB2100 was given a do pass as amended by the House Committee on Education on March 2, 2009.

HB2123 – License Plate Commission Repeal

Sponsor

Representative: Andy Biggs

Overview

Repeals the License Plate Commission (Commission).

Background

Established in 1992, the seven-member Commission determines the color and design of all regular license plates, as well as decides whether to authorize special organization

plates. The Arizona Department of Transportation (ADOT) Director or the Director's designee is the Chairman of the Commission, and presides at meetings and coordinates Commission activities and staff implementation recommendations.

Statute allows an organization to submit a request to ADOT for a special organization plate. In the request, the organization may propose suggested indicia for the special organization plate that are indicative of the organization. If ADOT determines the organization meets specified requirements, then ADOT is required to submit the request for a special organization plate to the Commission.

The Commission authorizes special organization plates and is required to authorize a special organization plate if the organization meets the following requirements: 1) the primary activity or interest of the organization serves the community, contributes to the welfare of others and is not offensive or discriminatory in its purpose, nature, activity or name; 2) the name of the organization or any part of the organization's purpose does not promote any specific product or brand name that is provided for sale; and 3) the purpose of the organization does not promote a specific religion, faith or antireligious belief.

There is no anticipated fiscal impact to the state General Fund as a result of this legislation.

Provisions

1. Repeals the Commission.
2. Specifies that special plates issued prior to the effective date of H.B. 2123 remain unless the Legislature enacts legislation specifically terminating those special plates.
3. Requires ADOT to issue Commission-approved special plates to initial applicants or applicants requesting a duplicate, replacement or new license plates.
4. Requires ADOT to issue Commission-approved organization special plates to applicants who are not members upon the receipt of a written resolution from the organization requesting the issuance to nonmembers.
5. Allows the Director to combine a request for a Commission-approved special organization plate with a personalized special plate (combination) if the organization makes the request and pays an implementation fee to ADOT. The amount of the implementation fee is determined by ADOT.
6. Requires the request for a combination to be in a form prescribed by the Director and stipulates that the request is subject to fees for the personalized special plate in addition to the fees for the Commission-approved special organization plate.
7. Requires ADOT to provide a detailed written statement of the implementation costs of the combination to the Joint Legislative Budget Committee after receiving a request from an organization to allow for a combination.

8. Allows an organization to redesign a Commission-approved special organization plate if the new design is approved by ADOT and the organization pays \$32,000 for the implementation of the redesigned plate.
9. Prescribes that out of the \$25 fee or a Commissioned-approved special plate, \$8 is an administrative fee and \$17 is an annual donation.
10. Requires ADOT to distribute administration fees into the State Highway Fund.
11. Requires donations to be distributed as guided by a written resolution by the entity that paid for the implementation of a redesigned Commission-approved special plate. Requires the entity to use the donations for the same purpose as originally approved.
12. Contains technical and conforming changes.
13. Becomes effective on the general effective date.

Amendments Adopted by Committee

- Allows a request for a Commission-approved organization special plate to be combined with a request for personalized special plates.
- Allows the redesign of a Commission-approved organization special plate..

Amendments Adopted by Committee of the Whole

- Prescribes that out of the \$25 fee or a Commissioned-approved special plate, \$8 is an administrative fee and \$17 is an annual donation.
- Requires donations to be distributed as guided by a written resolution by the entity that paid for the implementation of a re-designed Commission-approved special plate.

Arizona State Library, Archives and Public Records Involvement with HB2123

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2123 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 37.

HB2133 – Motorcycle Safety Council

Sponsors

Representatives: Jerry Weiers, Frank Antenori

Co-Sponsors

Representatives: Judy M. Burges, Sam Crump, David Gowan, Debbie Lesko, Nancy McLain, Steve B. Montenegro, Doug Quelland, Carl Seel, David W. Stevens

Overview

Extends the Arizona Motorcycle Safety Advisory Council (Council) for seven years.

Background

A.R.S. 28-2010 provides for a Motorcycle Safety Fund that receives one dollar for every motorcycle registration collected by the Arizona Department of Transportation (ADOT) Motor Vehicle Division. The fund is administered by the Director of the Governor's Office of Highway Safety and is used to implement and support voluntary motorcycle education, awareness and other programs, including covering the cost of materials for motorcycle education and awareness programs. Up to ten percent of the fund may be used for administrative costs. According to JLBC, the anticipated ending balance in FY 2009 and FY 2010 is \$400.

The council consists of five governor-appointed members who have experience in motorcycle safety. The Council meets at least quarterly and on the call of the Director of the Governor's Office of Highway Safety for advice on the expenditure of monies in the motorcycle safety fund.

According to ADOT, there are currently over 234,000 registered motorcycles in FY 2009.

Provisions

- Extends mandatory deposits from motorcycle registration fees through June 30, 2016.
- Terminates the Council on July 1, 2016.

Arizona State Library, Archives and Public Records Involvement with HB2133

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2133 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 38.

HB2140 – Homicide Victims Memorial

Sponsors

Representatives: Chad Campbell, Rae Waters, Jerry Weiers

Co-Sponsors

Representatives: Sam Crump, Adam Driggs, John Kavanagh, Eric Meyer, David Schapira

Overview

Allows for an Arizona homicide victims memorial to be placed in Wesley Bolin Plaza.

Background

Arizona Revised Statutes § 41-1363 specifies that a monument or memorial recognizing or honoring a person, group, entity or event shall be located in the governmental mall only upon prior legislative approval. After legislative authorization, a monument or memorial may be established by the following procedures:

1. The proponents must submit a concept to the Arizona Department of Administration (ADOA) for the design, dimensions and location of the monument or memorial.
2. The ADOA must review the concept and determine the most appropriate location for the monument or memorial.
3. The ADOA must submit its review and recommendations to the Legislative Governmental Mall Commission (Commission).
4. The Commission must, in consultation with the ADOA, approve the final design, dimensions, location, maintenance requirements and the minimum dollar amount required for deposit in the State Monument and Memorial Repair Fund (Fund).
5. The proponents must collect an amount equal to at least 10% of the artistic design and construction costs of the monument or memorial, or the amount approved by the Commission, to be deposited in the Fund.

Public monies are not authorized to be used for the costs of creating and developing a memorial. All fund-raising and contracts for artistic design and construction of the memorial are the sole responsibility of the memorial's proponents.

Provisions

- Allows ADOA to authorize the placement of a memorial in Wesley Bolin Plaza dedicated to the memory of Arizona's homicide victims.
- States that the statutory procedures and requirements for approving a memorial apply.
- Specifies that the cost of the memorial will be the sole responsibility of the proponents.
- Contains a delayed repeal date of September 30, 2012.

Arizona State Library, Archives and Public Records Involvement with HB2140

The Arizona Historical Advisory Commission is often involved in verifying the historical accuracy of monuments or memorials that are placed in Wesley Bolin Plaza which is within the boundaries of the Governmental Mall. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records whose Director appoints the members of the Commission.

Outcome of Legislation

HB2140 passed the House 40-12 and was transmitted to the Senate on June 16, 2009.

HB2144 – Insurance; Actuarial Opinions; Financial Audits

Sponsor

Representative: Nancy McLain

Overview

Establishes actuarial opinion and memorandum requirements for insurers.

Background

The Department of Insurance (DOI) licenses and authorizes the transaction of insurance business by insurers, producers, and other insurance-related entities. DOI's oversight responsibilities include solvency regulation, collection and audit of insurance premium taxes, agent licensing, company certification, consumer assistance, complaint resolutions, rate and policy form regulation, and administration of companies in receivership.

The National Association of Insurance Commissioners (NAIC) is the organization of insurance regulators from the 50 states, the District of Columbia and the five U.S.

territories. State insurance regulators created the NAIC in 1871 to address the need to coordinate regulation of multistate insurers. The NAIC develops uniform regulations and policies for insurance regulators. In 2004, the NAIC released revisions to the Actuarial Opinion and Memorandum Requirements (AOMR).

Provisions

1. Removes the requirement that the Director of DOI (Director) adopt rules that provide requirements for the filing of annual audited financial statements.
2. Requires all property and casualty insurance companies doing business in Arizona to file a statement of actuarial opinion made by an appointed actuary with the annual financial statement under the standards set by the NAIC.
3. Specifies that the statement of actuarial opinion is a public document.
4. Orders property and casualty insurance companies who are domiciled in Arizona and required to submit annual statements of actuarial opinion to also submit an actuarial opinion summary to be filed according to NAIC standards.
5. States that companies that are licensed, but not domiciled, in Arizona must provide the actuarial opinion summary at the request of the Director.
6. Mandates that property and casualty insurance companies who are domiciled in Arizona and required to submit annual statements of actuarial opinion must also require their appointed actuaries to prepare an actuarial report in support to the actuarial opinion that is in compliance with NAIC standards.
7. Stipulates that if the company fails to do so, or if the submitted report is unacceptable, the Director may employ a qualified actuary to do the required work at the company's expense.
8. Asserts that all documents and materials that are given to DOI in connection with the actuarial report, workpapers or actuarial opinion summary are confidential, not subject to public records requests and not subject to discovery or admissible in evidence in any private civil action.
9. Prohibits an actuarial report, workpapers, an actuarial opinion summary and other materials provided in connection therewith to be subject to public records requests, subpoena or discovery or as evidence in any private civil action.
10. Stipulates that A.R.S. § 20-697 and § 20-697.01 do not limit the Director's authority to release documents to the actuarial board, if necessary, or for the use of any regulatory or legal action brought as part of the Director's duties, nor do they constitute a waiver of confidentiality.
11. Prohibits the Director or any person who receives documents of actuarial opinion from testifying in any private civil action concerning confidential documents.
12. Authorizes the Director to share and receive actuarial opinion documents with other state, federal, international regulatory agencies, the NAIC and federal and international law enforcement authorities, as long as the recipient agrees and has the legal authority to maintain the confidentiality of such documents.
13. Allows the Director to enter into agreements governing the sharing and use of the actuarial information.
14. As of 12/31/10, makes all insurers having \$1 million or more in direct premiums written in Arizona in any calendar year, and more than 1,000 policyholders or

- certificate holders if direct written policies nationwide at the end of the calendar year, subject to the NAIC annual financial reporting model regulation for that calendar year.
15. Exempts insurers having less than the above stated limits from the NAIC requirements unless the Director makes a specific finding that compliance is necessary for the Director to carry out statutory responsibilities.
 16. Does not exempt insurers that assumed premiums pursuant to contracts or treaties of reinsurance of \$1 million or more.
 17. Allows the Director to determine whether, consistent with NAIC's requirements:
 - a) A foreign or alien insurer may be exempt from the reporting requirements if the Director finds its domiciliary jurisdiction has a substantially similar law in effect and the insurer has filed its audited financial report and other required information with the Director as otherwise required by the article.
 - b) An insurer is required to file an audited financial report earlier than June 1, with 90 days advance notice to the insurer.
 - c) To grant an extension of the June 1 filing date for 30-day periods.
 - d) To grant an exception to the rotation requirement for a lead audit partner for an insurer.
 - e) An individual meets the qualifications as an independent certified public accountant.
 - f) To grant a financial or organizational hardship exemption to allow a qualified independent certified public accountant to perform non-audit services for an insurer having written and assumed premiums of less than \$100 million in any calendar year.
 - g) An insurer may file consolidated or combined audited financial statements if the insurer is part of a group of insurance companies that uses a pooling or 100 percent reinsurance agreement that affects the solvency and integrity of the insurer's reserves and the insurer cedes all of its direct and assumed business to the pool.
 - h) To grant a hardship waiver of the audit committee requirements regarding independent audit committee members.
 - i) To grant a financial or organizational hardship exemption from compliance with any or all of the annual financial reporting requirements.
 18. Eliminates any liability on the part of the actuary for damages to anyone other than the insurance company and the Director of DOI for any act, error, omission, decision or conduct with respect to the actuary's opinion unless the actuary engaged in fraud or willful misconduct.
 19. Allows the Director to adopt rules to implement the provisions in the article.
 20. Exempts DOI from Title 41, Chapter 6 for the purposes of adhering their rules to NAIC's regulations regarding annual financial reporting model regulation and the Director's authority to grant extensions, exemptions and waivers consistent with those regulations.
 21. Repeals Laws 1991, Chapter 261, Section 35, which requires authorized domestic insurers to file annual statements pursuant to NAIC's instructions until the rules are adopted by the Director.

22. Changes the heading of Title 20, Chapter 3, Article 8 from Actuarial Opinion and Memorandum Requirements to Life and Health Actuarial Opinion and Memorandum Requirements.
23. Makes technical and conforming changes.
24. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with HB2144

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2144 was signed by the Governor on July 13, 2009, Laws 2009, Chapter 164.

HB2147 – Bill of Rights Monument; Completion

Sponsor

Representative: Kyrsten Sinema

Co-Sponsor

Representative: Russell Pearce

Overview

Mandates that the Bill of Rights Commemorative Monument be completed and dedicated to the State on or before December 31, 2013.

Background

Laws 2006, Chapter 350, Section 5 authorized the Arizona Department of Administration to provide for the placement of a monument dedicated to the commemoration of the federal Bill of Rights (Monument) in Wesley Bolin Memorial Plaza by September 30, 2009. The 48th Legislature, Second Regular Session extended the time allotted for the completion of the Monument to December 31, 2013. However, the Monument was not exempted from Arizona Revised Statutes § 41-1363 which requires a monument or memorial to be completed and dedicated to the state within two years after the effective date of the legislative act authorizing the monument or memorial.

The Monument is privately funded, and the proponents are responsible for raising the

necessary funds to complete the project.

Provisions

- Requires the Bill of Rights Commemorative Monument to be completed and dedicated to the State on or before December 31, 2013.

Arizona State Library, Archives and Public Records Involvement with HB2147

The Arizona Historical Advisory Commission is often involved in verifying the historical accuracy of monuments or memorials that are placed in Wesley Bolin Plaza which is within the boundaries of the Governmental Mall. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

HB2147 was given a do pass by the House Committee of Government on January 27, 2009.

HB2151 – Human Trafficking Coordinating Council

Sponsors

Representatives: Kyrsten Sinema, Eric Meyer
Senator: Jonathan Paton

Co-Sponsors

Representatives: Chad Campbell, Steve Farley, David Lujan, Rae Waters

Overview

Establishes a Human Trafficking Coordinating Council in the Governor's Office to collect and organize data regarding the extent of human smuggling in the state, examine models for protecting citizens, and recommend statutory changes to address the situation.

Provisions

The Human trafficking coordinating council shall:

1. Collect and organize data on the nature and extent of human trafficking in this state.
2. Examine collaborative models between governmental and nongovernmental organizations for protecting victims of human trafficking.
3. Measure and evaluate the progress of this state in preventing human trafficking, protecting and providing assistance to victims of human trafficking and prosecuting persons engaged in human trafficking.
4. Identify available federal, state and local programs that provide services to victims of human trafficking, including health care, human services, housing, education, legal assistance, job training or preparation, interpreting services, English as a second language classes, voluntary repatriation and victim's compensation, and assess the need for additional services, including shelter services for human trafficking victims.
5. Evaluate programs to increase public awareness of human trafficking.
6. Analyze existing state criminal statutes for their adequacy in addressing human trafficking and, if necessary, recommend revisions to those statutes or the enactment of new statutes that specifically define and address human trafficking.
7. Consult with governmental and nongovernmental organizations in developing recommendations to strengthen state and local efforts to prevent human trafficking, protect and assist victims of human trafficking and prosecute human traffickers.

The council sunsets on Oct. 1, 2014.

Arizona State Library, Archives and Public Records Involvement with HB3151

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2151 was referred to the House Committee on Government on January 20, 2009.

HB2153 – Juveniles; Interrogations; Electronic Recording

Sponsor

Representative: Kyrsten Sinema

Co-Sponsors

Representatives: Chad Campbell, Steve Farley, David Lujan

Overview

With some exceptions, statements (written or oral) made by juveniles in custody of law enforcement must be recorded in their entirety. They must remain substantially accurate and not be intentionally altered.

Provisions

Custodial interrogations; electronic recording; definitions

- A. Any oral, written or sign language statement that is made by a juvenile during any interrogation of a juvenile who is in the custody of a law enforcement officer or law enforcement agency shall be electronically recorded in its entirety and shall remain substantially accurate and not intentionally altered.
- B. This section does not apply to a statement that is any of the following:
 - 1. Made by the juvenile in open court, before a grand jury or at a preliminary hearing.
 - 2. Spontaneous and not made in response to a question.
 - 3. Made after questioning that is routinely asked during the processing of a suspect.
 - 4. Made during a custodial interrogation that was conducted out-of-state.
 - 5. Obtained by a federal law enforcement officer in a federal place of detention.
 - 6. Given at a time when the interrogators were unaware that the juvenile was suspected of committing a criminal offense.
 - 7. Otherwise inadmissible under this section but that is used only for impeachment and not as substantive evidence.
- C. The state shall not destroy or alter any electronic recording that is made of a custodial interrogation until the final disposition of the juvenile's case.
- D. For the purposes of this section:
 - 1. "custodial interrogation" means any interrogation that is conducted in a place of detention from the time a juvenile is given a Miranda warning until the juvenile is released from custody.
 - 2. "electronic recording" means a motion picture, audiotape, videotape or digital recording.
 - 3. "place of detention" means a police station, correctional facility, holding facility for prisoners or other government facility where persons are held in detention in connection with criminal charges that have been or may be filed against them.

Arizona State Library, Archives and Public Records Involvement with HB2153

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation could create a new record which would need to be added to a Retention Schedule.

Outcome of Legislation

HB2153 was referred to the House Committee on Judiciary on January 20, 2009.

HB2154 – Homicide Interrogations; Electronic Recording

Sponsor

Representative: Kyrsten Sinema

Co-Sponsor

Representative: Chad Campbell

Overview

With some exceptions, statements (oral or written) made by a person accused of homicide must be electronically recorded in their entirety.

Provisions

Custodial interrogations in homicide investigations; electronic recording; definitions

- A. An oral, written or sign language statement that is made by an accused during any custodial interrogation at a law enforcement agency or other place of detention in any homicide investigation shall be electronically recorded in its entirety.
- B. This section does not apply to a statement that is any of the following:
 - 1. Made by the accused in open court, before a grand jury or at a preliminary hearing.
 - 2. Spontaneous and not made in response to a question.
 - 3. Made after questioning that is routinely asked during the processing of a suspect.
 - 4. Made during a custodial interrogation that was conducted out-of-state.
 - 5. Obtained by a federal law enforcement officer in a federal place of detention.
 - 6. Given at a time when the interrogators were unaware that a death had in fact occurred.
 - 7. Otherwise inadmissible under this section but that is used only for impeachment and not as substantive evidence.
- C. Any statement that is made by an accused and that is electronically recorded pursuant to this section is confidential.
- D. The state shall preserve any electronic recording that is made of a custodial interrogation until the defendant's conviction for any offense relating to the

statement is final and all direct and habeas corpus appeals are exhausted or the prosecution of the offense or offenses is barred by law.

E. For the purposes of this section:

1. "custodial interrogation" means any interrogation to which both of the following apply:
 - (a) a reasonable person in the subject's position would consider himself to be in custody.
 - (b) a question is asked that is reasonably likely to elicit an incriminating response.
2. "electronic recording" includes a motion picture, audiotape, videotape or digital recording.
3. "place of detention" means a police station, correctional facility, holding facility for prisoners or other government facility where persons are held in detention in connection with criminal charges that have been or may be filed against them. Place of detention does not include a courthouse.

Arizona State Library, Archives and Public Records Involvement with HB2154

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation could create a new record which would need to be added to a Retention Schedule. If not a permanent record, it would have a minimum 99 year retention.

Outcome of Legislation

HB2154 was referred to the House Committee on Judiciary on January 20, 2009.

HB2158 – Adult Immunization Information System

Sponsors

Representatives: Nancy K. Barto, Phil Lopes, Eric Meyer

Senators: Carolyn S. Allen, Debbie McCune Davis

Overview

Establishes an adult immunization information system (System) under the Department of Health Services (DHS), and gives health care professionals the option of reporting adult immunization information to the DHS for inclusion in the system, and allows patients to request that their information not be disclosed.

Background

Arizona Revised Statutes (A.R.S.) § 36-135 requires health care professionals to report to the DHS about all immunizations they administer to children in Arizona. They must make reports at least monthly, and provide the following information for each vaccine administered:

- The health care professional's name, business address, and business phone number.
- The child's name, address, social security number, gender, date of birth, and mother's maiden name.
- The type of vaccine administered and the date it was administered.

The DHS collects this information in an electronic registry called the Arizona State Immunization Information System (ASIIS). The DHS is authorized to release identifying information from the ASIIS to a child's health care professional, parent, guardian, health care service organization, the Arizona Health Care Cost Containment System (AHCCCS), and certain school officials. The DHS may also release nonidentifying summary statistics based on ASIIS data for public use.

A.R.S. § 36-135 further provides that identifying information in the ASIIS is confidential, and prescribes penalties for agencies and health care professionals that disclose such information or otherwise violate regulations related to the ASIIS. A parent or guardian may also request that a child's immunization information be withheld from the ASIIS altogether.

Provisions

- Establishes the System to collect, store, analyze, release, and report adult immunization data, and to collect, store, and release titers and other measures of protection against vaccine-preventable diseases.
- Permits a health care professional licensed to provide immunizations to report the following information to the DHS:
 - The health care professional's name, business address, and business phone number.
 - The patient's first name, middle initial, and last name.
 - The patient's date of birth, address, sex, and social security number, if known and not confidential.
 - The type of vaccine administered and the date it was administered.
 - The type of vaccine-preventable titer or measure collected, the date it was collected, and the results.
- Allows health care professionals to submit this information weekly or monthly, by computer, or by another method prescribed by the DHS.
- Limits the parties to which the DHS can release this information to the following:

- The patient's health care professional, guardian or health care insurer.
 - The AHCCCS and its providers.
 - Any other person for a specified purpose, as prescribed by the DHS by rule.
- Stipulates that a health care insurer can use information released to it from the System only for quality assurance purposes, and explicitly prohibits insurers from using this information for rating purposes.
 - Provides that the DHS may release non-identifying information for summary statistics.
 - Stipulates that identifying information in the System is confidential, and prohibits anyone authorized to receive such information from disclosing it to any other person.
 - Specifies that a cause of action is not created against a health care professional who provides immunization information to the System in good faith, and is not subject to criminal liability.
 - Provides that it is a class 3 misdemeanor for a person or agency authorized to receive immunization information to disclose that information to any other person.
 - Requires the DHS to provide a form allowing an adult patient's information to be withheld from all persons, including those authorized to receive information through the System.
 - Defines health care insurer.

Arizona State Library, Archives and Public Records Involvement with HB2158

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation could create a new record in the Arizona Dept. of Health Services.

Outcome of Legislation

HB2158 passed the House 42-12 and was transmitted to the Senate on June 23, 2009.

HB2159 – Board of Podiatry Examiners; Continuation

Sponsor

Representative: Nancy K. Barto

Overview

Continues the Arizona State Board of Podiatry Examiners (Board) until July 1, 2011.

Background

Arizona Revised Statutes (A.R.S) § 32-802 establishes that the Board consists of five individuals appointed to serve for five years terms. Three of the Board members must have been living and practicing podiatry in Arizona for at least two years. The two additional members are lay persons. The Board is responsible for licensing podiatrists in Arizona, investigating complaints made against podiatrists, and acting upon their investigations. A.R.S. § 32-801 defines podiatry as the diagnosis or medical, surgical, mechanical, manipulative or electrical treatment of ailments of the human foot and leg, but does not include amputation of the foot, toe or leg nor administration of an anesthetic other than local. According to the Board, there are 364 licensed podiatrists in Arizona.

A.R.S. § 41-3009.01 terminates the Board on July 1, 2009.

Provisions

- Repeals statute related to the termination of the Board.
- Continues the Board until July 1, 2011.
- Contains a purpose clause.
- Includes a retroactivity date of July 1, 2009.

Arizona State Library, Archives and Public Records Involvement with HB2159

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2159 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 40.

HB2177 – Game Refuges; Firearms (WAS: National Park Support Districts)

Sponsor

Representative: Bill Konopnicki

Overview

Allows for the establishing of National Park Support Districts within a ten mile radius of a

National Park or National Monument.

Provisions

Establishment; board of directors

- A. A national park support district may be established in a community that is entirely located within ten miles of the exterior boundaries of a national park or a national monument and at least three miles outside the exterior boundaries of any incorporated city or town in existence at the time of establishment. The formation process shall be initiated by petition of the qualified electors in the proposed district as prescribed by this section.
- B. Before obtaining any signatures on a petition required by this section, a copy of the petition must be filed with the county recorder or, in a county having an elections department, with the county elections department.
- C. If the petition contains the valid signatures of at least two-thirds of the qualified electors residing in the proposed district and if the board of supervisors is satisfied that the petition otherwise meets the requirements of this section, the board of supervisors shall adopt a resolution ordering the establishment of the district.
- D. If the petition contains the valid signatures of at least ten per cent but fewer than two-thirds of the qualified electors residing in the proposed district and if the board of supervisors is satisfied that the petition otherwise meets the requirements of this section, the board of supervisors shall order and call an election in the proposed district on the first date prescribed by section 16-204 occurring at least sixty but not more than one hundred eighty days after the petition is filed with the clerk of the board of supervisors, except that an election shall not be held within twelve months after a previous election for the formation of a district in substantially the same territory. Only qualified electors in the proposed district may vote on the issue. If a majority of the electors voting on the issue approve the district, the board of supervisors shall adopt a resolution ordering the establishment of the district.
- E. An order establishing the district shall designate its boundaries as generally described in the petition. The district shall not initially exceed one thousand five hundred acres in size. The district shall be contiguous, compact and urbanized in nature, including at least four hundred residents, and shall not include large areas of uninhabited, rural or government-owned lands as a percentage of the total acreage of the district.
- F. The board of supervisors shall appoint five qualified electors to serve as the initial district board of directors. The initial board of directors shall serve until elective members are elected at the next election held for county officers. Elective members serve four-year terms of office. Members of the board must reside in the district. If a member moves from the district for more than ninety days, the position becomes vacant. If a vacancy occurs for any reason, the board of supervisors shall appoint a replacement member to serve the remainder of the term. A director shall not hold any other elective

office. The members of the board of directors are not eligible to receive compensation for their services.

- G. The board of directors shall file and record with the county recorder the order establishing the district and the general plan of the district.
- H. The establishment of a district under this chapter does not prevent:
 - 1. The subsequent establishment of:
 - (a) an incorporated city or town that includes all or part of the district.
 - (b) another special taxing district under this title with similar operational purposes.
 - 2. The county or a subsequent city or town from exercising its powers on the same basis as other counties, cities or towns within its jurisdictional limits.

More.

Arizona State Library, Archives and Public Records Involvement with HB2177

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation BEFORE THE STRIKER would have required that record retention schedules be developed for the districts.

Outcome of Legislation

HB2177 was replaced by a STRIKER on a different topic on May 6, 2009 in the House Committee of the Whole.

HB2178 – Equine Rescue Registry

Sponsors

Representatives: Bill Konopnicki, Russell L. Jones, Lynne Pancrazi

Co-Sponsor

Representative: John Nelson

Overview

Directs the Department of Agriculture to create and maintain a registry and public list of equine rescue facilities.

Background

The Department of Agriculture (Department) is divided into three main divisions; Animal

Services, Plant Services and Environmental Services. The Animal Services Division protects consumers from diseases in livestock, commercially raised fish, poultry, eggs, meat and dairy. The Animal Service Division also oversees the sale, transport and theft of livestock.

A.R.S. § 3-1721 provides that upon seizing an equine in poor condition because of suspicion of neglect or abuse, the Department can house and care for the equine if there are sufficient funds available in the Livestock Custody Fund. The equine is in the care of the Department for up to 15 days. Within the 15 day period, a hearing is held to determine the circumstances surrounding the animal. The hearing will find whether the animal was found in poor physical condition at the time the equine was seized. If the hearing finds the equine was in good health, it is then returned to the owner free of charge. If the equine was found to be in poor health, it is sold to cover expenses incurred in care of the animal or destroyed in a humane manner.

Provisions

- Requires the Department to establish and maintain a registry of equine rescue facilities.
- Directs the Department to have a list of the registered equine rescue facilities for the public at its offices and website.
- Outlines the requirements for registering an equine rescue facility:
 - A non-profit organization.
 - Maintains minimum physical conditions of the facility and equine care and treatment.
- Specifies that an equine rescue facility's length of registration is for one year and can be renewed annually with the Department with the following documentation:
 - Letter from a veterinarian, testifying the minimum standards of the Department are being met, dated within 15 days of filing.
 - Documentation verifying non-profit status.
- Ensures that registration documents will be available to the public
- Allows the Director to adopt rules and fees for the registration of the rescue equine facilities.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with HB2178

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation could create a new record in the Arizona Dept. of Agriculture.

Outcome of Legislation

HB2178 was given a do pass by the House Committee of the Whole on March 5, 2009.

HB2222 – Special License Plates (WAS: Accountable Health Plans; Technical Correction)

Sponsor

Representative: Andrew M. Tobin

Overview

Creates the Arizona Professional Football Club and the Emergency Medical Services special license plates, and redirects monies from the Gold Star Family special license plate subaccount within the Veteran’s Donation Fund for the construction and maintenance of the Enduring Freedom Memorial.

Background

In 2008, the legislature established the Arizona Professional Basketball Club and the Gold Star Family special license plates. Currently, the Motor Vehicle Division (MVD) issues special license plates for a variety of causes and organizations. Of those, there are approximately 37 authorized special license plates.

According to MVD, it costs the Arizona Department of Transportation (ADOT) approximately \$32,000 to establish and issue a new special license plate. According to MVD the breakdown is:

Programming	\$19,765
Forms	\$3,500
Manufacturing	\$8,340
Shipping	\$520
Total	\$32,125

The Veterans’ Donation Fund (Fund) was established under A.R.S. § 41-608. The Fund consists of donations made from private individuals, corporations and organizations, sales from the Veterans, Freedom, and Gold Star Family license plates, and through other means for the benefit of veterans within the state of Arizona. Monies in the Fund are continuously appropriated and are exempt from lapsing of appropriations.

In order to be issued a Gold Star Family special license plate, a person must submit proof that they are an immediate family member of a person who died while on active

duty in the United States Military.

Provisions

- Establishes the Arizona Professional Football Club special plate if \$32,000 is donated by a charitable organization affiliated with an Arizona professional football club by December 31, 2009.
- Requires the entity providing the \$32,000 to design the special plate.
- Stipulates that the design and color of the special plate is subject to ADOT approval.
- Allows Arizona Professional Football Club special license plates to be combined with personalized special license plates at the discretion of the ADOT Director. The registrant is required to pay both the personalized special fee as well as the Arizona Professional Football Club special plate fee.
- Establishes a \$25.00 fee for the original Arizona Professional Football Club special license plate and for renewal of the special plate.
- Designates \$8.00 of the fee to be deposited into the State Highway Fund for administration of the special plate and seventeen dollars of the fee as an annual donation to the Fund.
- Establishes the Arizona Professional Football Club Special Plate Fund to be administered by the Director of ADOT.
- Stipulates that not more than ten percent of monies deposited in the Fund shall be used for administration and that monies be continuously appropriated.
- Specifies that all monies deposited in the Arizona Professional Football Club Special Plate Fund must be forwarded to the Foundation on an annual basis.
- Requires the State Treasurer to invest and divest monies in the Arizona Professional Football Club Special Plate Fund at the direction of the ADOT Director.
- Requires ADOT to issue the Emergency Medical Services special license plate if a charitable organization pays \$32,000 to ADOT for its establishment.
- Requires the entity providing the \$32,000 to design the special plate.
- Stipulates that the design and color of the special plate is subject to ADOT approval.
- Allows Emergency Medical Services special license plates to be combined with personalized special license plates at the discretion of the ADOT Director. The registrant is required to pay both the personalized special fee as well as the Emergency Medical Services special plate fee.
- Establishes a \$25.00 fee for the original Emergency Medical Services special license plate and for renewal of the special plate.
- Designates \$8.00 of the fee to be deposited into the State Highway Fund for administration of the special plate and seventeen dollars of the fee as an annual donation to the charitable organization.
- Requires the charitable organization that provided the \$32,000 to use deposited donations for public purposes related to emergency medical services.

- Redirects monies from the Gold Star Family special license plate subaccount within the Veteran's Donation Fund for the construction and maintenance of the Enduring Freedom Memorial.
- Makes technical and conforming changes.
- Extends the timeframe for a nonprofit organization to provide ADOT with \$32,000 for the establishment of the Emergency Medical Services special license plate by five years.

Arizona State Library, Archives and Public Records Involvement with HB2222

The Arizona Historical Advisory Commission is often involved in verifying the historical accuracy of monuments or memorials that are placed in Wesley Bolin Plaza which is within the boundaries of the Governmental Mall. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

HB2222 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 44.

HB2227 – Office of Behavioral Health Licensure

Sponsor

Representative: Edward Ableser

Overview

The Department of Health Services is required to cease operations of the Office of Behavioral Health Licensure and any activities conducted by that office cannot be assumed by any other agency or division in the Department.

Provisions

Department of health services; office of behavioral health licensing

- A. Beginning on the effective date of this act, the division of licensing services in the department of health services shall cease the operations of the office of behavioral health licensure and any activities conducted by that office shall not be assumed by any other agency or division in the department.
- B. If a facility has submitted a licensure fee before the effective date of this act, the department shall return the portion of that fee for the remainder of the licensure period, as prorated by month.

Arizona State Library, Archives and Public Records Involvement with HB2227

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2227 was referred to the House Committee on Health and Human Services on January 22, 2009.

HB2240 – Rule Making; State Agencies; Moratorium

Sponsor

Representative: Andrew M. Tobin

Overview

Places a moratorium on rule making activity that results in monetary or regulatory cost increases, except as noted.

Background

Title 41, Chapter 6, Article 3, outlines the statutory requirements for agency, board and commission rule making authority. Rule making as currently described in A.R.S. § 41-1001, means the process for formulation and finalization of a rule. Statute defines a rule to mean a State agency's statement of general applicability that implements, interprets or prescribes law or policy, or describes the procedure or practice requirements of an agency. Rule also includes prescribing fees, or amending or repealing a prior rule.

The Arizona Administrative Register (Register) is an official document of the State of Arizona and is published by the Secretary of State (SOS). The Register contains all rule making activity, tracks and publishes a rule each step of the process, from idea to proposed rule, public participation, final rule, and final certification or approval. Additionally, the Register publishes all emergency and exempt rules. Although the rule making process can be very lengthy, the Register is the venue by which the public may track a rule through the process, and the Register is published on a weekly basis.

After certification by the Attorney General or upon approval of the Governor's

Regulatory Review Council, all rules are filed with the SOS. The Arizona Administrative Code is the official compilation of all final rules of state agencies, boards and commissions, and consists of 10-volume sets divided into 20 Titles and 230 Chapters.

Provisions

- Prohibits any State agency from adopting rules that result in monetary or regulatory cost increases to other agencies, political subdivisions, or Arizona citizens.
- Makes exceptions to the rule making provision as follows:
 - To avoid a violation of federal law or any court order.
 - To prevent an imminent threat to public health or safety. Defines the term.
- Contains a delayed repeal date of July 1, 2010.
- Contains an Emergency clause that preserves the public health and safety and is effective immediately upon signature of the Governor.

Amendments Adopted by Committee

- Stipulates a State agency cannot adopt any rule unless it reduces the regulatory burden on those it regulates.
- Clarifies an increase in monetary or regulatory costs does not include rules adopted by certain specific health-related 90/10 Boards if the monetary benefits substantially outweigh the costs of the proposed rule.

Arizona State Library, Archives and Public Records Involvement with HB2240

Arizona State Library, Archives and Public Records is currently included in the Arizona Administrative Code (A.A.C. § R2-3-101 – A.A.C. § R2-3-601) and the Board of Library Examiners, one of the agency's boards, is included in A.A.C. § R2-4-101 – A.A.C. § R2-4-102.

Outcome of Legislation

HB2240 passed the House 36-20 and was transmitted to the Senate March 11, 2009.

HB2245 Historical Advisory Commission (WAS: School Bond Elections; Canvass)

Sponsor

Representative: Bill Konopnicki (STRIKER: Rep. Adam Driggs)

Overview

Makes changes to the organization of the Arizona Historical Advisory Commission by adding new members, establishing the position of Executive Director, transferring authority over the board's membership, and establishing a Committee on Capitol Preservation.

Background

In 1976, the Arizona Historical Advisory Commission (AHAC) was established, authorized through Arizona Revised Statutes § 41-1352, under the Arizona State Library, Archives and Public Records (ASLAPR).

The commission membership, appointed by the Director of Library and Archives, consists of experts in the field of historic preservation in the disciplines of history, arts and culture, architecture and archaeology, professional librarians and archivists or persons otherwise associated with the interpretation, research, writing, preservation or teaching of Arizona's heritage, including the Indian Nations' history and heritage, and the Director of the Historical Society, the Director of the State Museum, the Director of the State Parks Board, and the State Historic Preservation Officer.

On February 14, 2005, Statehood Day, Governor Janet Napolitano signed SB 1065, which extended the Commission's duties to develop and coordinate a statewide plan regarding Arizona's centennial, which occurs in 2012. In 2007, SB 1433 increased membership from 20 to 25 and added two statutory members: the Director of the Arizona State Office of Tourism and the Superintendent of Public Instruction.

Provisions

- Transfers the authority to appoint members of AHAC from the Director of ASLAPR to the Board of ASLAPR.
- Changes the membership requirements from between 10 and 25 to between 15 and 25.
- Adds the Director of the State Library to the list of members of the AHAC, and mandates that the Director of the State Library serve as Secretary of the Commission.
- Includes the Executive Director of the Arizona Commission on the Arts, the Director of the Prescott Historical Society, the Attorney General or Attorney General's designee, three persons each representing either Arizona State University, University of Arizona, and Northern Arizona University, a person representing an intertribal council in Arizona, and a person representing a state humanities council to the membership of AHAC.
- Instructs the Board of ASLAPR to appoint the chairman of the AHAC.
- Directs the Board of ASLAPR to appoint an Executive Director of the AHAC and to determine the compensation of the Executive Director.

- Specifies that the compensation of the Executive Director of the AHAC must be paid by sources other than the state, such as grants and gifts to the State Library.
- Establishes a Capitol Preservation standing committee of the AHAC for the purpose of advising Legislative Council on the preservation, upkeep, and use of the State Capitol building.
- Contains an emergency clause.

Arizona State Library, Archives and Public Records Involvement with HB2245

In 1976, the Arizona Historical Advisory Commission was established by A.R.S. § 41-1352 under Arizona State Library, Archives and Public Records.

Outcome of Legislation

HB2245 passed the House 45-10 and was transmitted to the Senate May 26, 2009.

HB2252 – International Transportation and Port Infrastructure (WAS: International Ports Development)

Sponsors

Representatives: Russell L. Jones, Lucy Mason (STRIKERS: Rep. Michele Reagan, Rep. John Kavanagh)

Co-Sponsors

Representatives: Patricia V. Fleming, Lynne Pancrazi
 Senator: Amanda Aguirre

Overview

Creates a new chapter in statute for AIDA. Provides direction for AIDA and allows it to receive appropriated funds from the Legislature, as well as from other public and private sources. Transfers administrative and support responsibilities from ADOC to the Department of Transportation.

Background

Title 41, Chapter 10, Article 7, Arizona Revised Statutes, outlines the powers and duties of the AIDA and its Board of Directors (Board). The Board consists of seven voting members who are appointed by the Governor to five-year terms from the fields of public finance, international banking, commerce and relations, transportation, infrastructure and related construction, environmental issues, and land use planning, as well as six

non-voting advisory members including the President of the Senate, Speaker of the House of Representatives, a designee of the Intertribal Council of Arizona, and directors of the Departments of Commerce, Transportation, and Environmental Quality. The Board must include at least one voting member from each of the four border counties: Yuma, Pima, Santa Cruz, and Cochise.

The purpose of AIDA is to engage in any lawful activities to facilitate the development of international trade or commerce between Arizona and other countries. AIDA is authorized to operate in Arizona within 62 miles of the border, and up to six miles inside Mexico. The 1994 enabling legislation prohibited the use of state monies for any costs incurred by AIDA, including compensation of board members or employees, operational or administrative costs, any costs of acquiring, operating or maintaining any project, and the costs incurred in the issuance or payment of bonds. A.R.S. Title 41, Section 1553.05 states that all costs incurred by AIDA shall be paid from bond proceeds or from revenues, receipts or other monies of the authority. Currently all appointments have lapsed and AIDA is inactive.

Statute authorizes the ADOC to provide AIDA with staff support. HB2526 was passed in the House of Representatives last year and was held in the Senate. It provided further direction to ADOC and AIDA regarding administration, operations, staff and the AIDA fund, and allowed AIDA to receive appropriated funds from the Legislature.

Provisions

- Repeals the existing AIDA Article in the ADOC chapter of Title 41 and amends Title 41 by adding a new chapter on AIDA.
- Makes changes to some definitions of terms in the section.
 - Adds a definition of border regional port authority, which is a nonprofit entity based in a county in Arizona within 62 miles of the Arizona-Mexico border and in Mexico within six miles of the border. Its purpose is to promote trade and commerce in the border area by improving facilities and traffic flow at international ports of entry and to promote a membership that reflects a broad cross-section of local government, industry, commerce and the community.
 - Revises the definition of project to include acquisition or creation of facilities located in the border area for the transmission or transportation of electricity, liquefied natural gas, natural gas and oil and its derivatives across the United States-Mexico border.
 - Renames the Arizona-Sonora border to Arizona-Mexico border and changes the measurement of the Arizona-Mexico border from kilometers to miles.
- Relieves ADOC of responsibility for supporting AIDA.

- Requires ADOT to provide staff support to AIDA to include general administrative, office, equipment and staff support, using earnings from the AIDA fund.
- Directs the Governor to appoint to the AIDA Board a member of a qualifying border regional port authority Board of Directors, if one exists in one of the eligible border counties.
- Stipulates that the term for four board members will expire in January of 2015.
- Stipulates that the term for three board members will expire in January of 2013.
- Eliminates the Director of Environmental Quality as an advisory member of the board.
- Removes the requirement that AIDA advertises a projected project and submits it to a governing body for approval.
- Clarifies what comprises the AIDA fund.
- Authorizes AIDA to establish any necessary accounts and subaccounts for received monies and to use monies in the accounts for:
 - costs to administer the fund and carry out the requirements of the new chapter;
 - compensation and employment-related expenses for staff and professional experts;
 - providing grants or loans for international and infrastructure projects.
- Expands the fund to be able to accept and use federal and state funds, interest and other income received from investing monies in the fund, gifts, grants and donations received from any public or private source and any other monies received by the authority.
- Terminates AIDA on July 1, 2019 and repeals the AIDA statutes on January 1, 2020.

Arizona State Library, Archives and Public Records Involvement with HB2252

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets or is transferred to another umbrella agency, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2252 passed the House 35-20 and was transmitted to the Senate on June 11, 2000.

HB2255 – Fertilizer Fund; Pesticide Fund; Uses

Sponsors

Representatives: Russell L. Jones, Lynne Pancrazi, Amanda Aguirre

Co-Sponsors

Representatives: Frank Antenori, Patricia V. Fleming, Laurin Hendrix, Lucy Mason, Nancy McLain, Doug Quelland, David W. Stevens

Overview

Establishes the Plant Health Council (Council) and authorizes the Council to administer, invest and disperse monies in the Fertilizer Materials Fund and the Pesticide Fund.

Background

The Arizona Department of Agriculture (Department) is divided into three main divisions; the Animal Services Division; the Plant Services Division and the Environmental Services Division. (A.R.S. § 3-102) The Director of the Arizona Department of Agriculture (Director) has the authority to appoint a division council within any division of the Department. Members of the different division councils serve for two years and represent the various industries and commodities regulated by that division. Division councils make recommendations and assist the associate director of the division in implementing the programs of the division. When a division council makes a recommendation to the associate director of the division, the associate director is responsible for issuing a written response within 15 days to the division council. (A.R.S. § 3-105)

The Fertilizer Materials Fund consists of monies received from inspection fees on commercial fertilizers and commercial fertilizer license fees. (A.R.S. §§ 3-268 & 272) The Pesticide Fund consists of monies received from registration fees from each distributed pesticide. (A.R.S. § 3-351) The Director has the authority to administer both the Fertilizer Materials Fund and the Pesticide Fund. (A.R.S. §§ 3-269 & 350)

Provisions

Plant Health Council

- Requires the Director to appoint an Environmental Services Division Council, known as the Plant Health Council (Council).
- Provides that the members of the Council represent the following activities and be actively engaged in the business they represent:
 - A manufacturer of fertilizers.
 - A retail seller of fertilizers.
 - A registrant of pesticides.

- A retail seller of pesticides.
- An individual engaged in agriculture who is a purchaser of fertilizers or pesticides.
- Stipulates that if a member of the Council represents an occupation through a corporation, then the member must be in an active management position and obtaining a primary source of personal income through the corporation.
- Requires the Council to:
 - Elect a chairperson and vice chairperson each year.
 - Meet quarterly and as requested by the chairperson or by three or more members.
 - Keep a permanent record of its proceedings and make it available to the public.
- Directs the Council to advise the Director on all matters relating to agricultural laws that concern:
 - Fertilizer materials.
 - Pesticides.
 - Pesticide control.
 - The Integrated Pest Management Program.
- Instructs the Director to accept any Council recommendations that are practicable and in the interests of the regulated industry.
 - The Director must provide a statement to the Council on any actions taken on the recommendation within 20 working days.

Fertilizer Materials Fund/ Pesticide Fund

- Provides that monies collected under the fertilizer materials regulations be held in trust and deposited in the Fertilizer Materials Fund.
- Provides that monies collected for pesticide registration be held in trust and deposited in the Pesticide Fund.
- Authorizes the Council to administer, disburse and invest the monies in the Fertilizer Materials Fund and the Pesticide Fund (Funds).
- Allows the Council to direct the State Treasurer to invest and divest monies in the Funds.
- Stipulates that all interest earned on the monies in the Funds be credited to the Funds.
- Requires the Council to file an annual report on investments with the State Treasurer if the Council invests monies in the Funds.
- Authorizes the following investments for the monies in the Funds:

- United States Treasury obligations and any other obligation issued or guaranteed by the United States Government.
 - State and local government series United States Treasury Securities.
 - State, county, municipality or school district bonds.
- Makes technical and conforming changes.

Amendments Adopted by Committee

Natural Resources and Rural Affairs

- Increases the membership of the Council to seven.
- Allows the Council to recommend the adjustment of fertilizer inspection and license fees and pesticide registration fees.
- Changes the allotted fees that would be deposited to the Water Quality Assurance Revolving Fund.
- Outlines the purposes that collected pesticide registration fees are to be used for.

Arizona State Library, Archives and Public Records Involvement with HB2255

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and this legislation could create a new record in the Arizona Dept. of Agriculture.

Outcome of Legislation

HB2255 was given a do pass as amended by the House Committee on Natural Resources and Rural Affairs on February 9, 2009.

HB2264 – Agencies; Fund Sources; Expenditures; Report

Sponsor

Representative: Sam Crump

Co-Sponsor

Representative: Rick Murphy

Overview

Requires the Governor's office and each budget unit to report to the Joint Legislative

Budget Committee (JLBC), at least monthly, on all monies received and the purposes for which the monies are expended.

Background

A.R.S. § 35-101 defines a “budget unit” as any department, commission, board, institution or other agency of the state organization receiving, expending or disbursing state funds or incurring obligations against the state.

Statute requires state agencies to submit to the Arizona Department of Administration (ADOA) copies of all agreements, contracts and copies of all applications and requests of federal funds to be used for any purpose. The ADOA must also receive a statement detailing the purpose for any project or program that is desired or advocated and the fund source and the amounts to be granted (A.R.S. § 35-113-01).

Furthermore, Laws 2008, Chapter 312, requires the ADOA to establish and maintain a public Internet database of receipts and expenditures of state monies.

Provisions

1. Requires the Governor’s office and each budget unit to submit a monthly report to the JLBC that includes detailed information regarding all sources of monies received to date for the current fiscal year.
2. States that the report shall include the purposes for the monies’ expense, including information on relevant caseload populations.
3. Allows the Governor’s office and each budget unit to daily post the required information on their official websites instead of submitting a monthly report to the JLBC.
4. Stipulates that the Governor’s office and a budget unit must send written notification to the JLBC if they choose to post the information online.
5. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with HB2264

Arizona State Library, Archives and Public Records is a budget unit.

Outcome of Legislation

HB2264 was given a do pass by the Senate Committee on Appropriations on June 23, 2009.

HB2268 – Political Subdivision Budgets (WAS: County and Municipal Budgets)

Sponsors

Representatives: Sam Crump, Russell L. Jones

Co-Sponsor

Representative: Linda Gray

Overview

Requires counties, cities and towns to post specified financial and budget information on their official websites.

Background

State law includes requirements for political subdivisions of the state to make various financial and budgetary information available to the public for examination. Pursuant to Arizona Revised Statutes, Title 42 Article 3 each county, city and town must prepare complete statements of the prior year's financial affairs; estimated amounts needed for current fiscal year expenses; a summary of all estimated expenditures and revenues and a detailed annual estimate of expenses. The detailed estimate must include revenue necessary to meet each expenditure and debt service obligation. Additionally, the governing body of each county, city, or town hold a public hearing and a special meeting on or before the 14th day before the day on which it levies taxes. Any taxpayer may attend and be heard in favor or against the proposed expenditure or tax levy.

Provisions

1. Requires each county, city and town to publish an post on their official websites the estimates, or a summary of the estimates, of revenues and expenses including the total estimated revenues and expenditures by fund type.
2. Includes the library addresses and websites where complete copies of the estimates may be found in what counties, cities and towns must publish once a week for at least two consecutive weeks after the estimates are adopted.
3. Makes technical and conforming changes.
4. Contains a general effective date.

Amendments Adopted by Committee

- Removed the provision requiring Community Colleges to, at least fifteen days prior to the public hearing and special board meeting to: a) Post their proposed budget and notice of the public hearing and special board meeting and b) Publish a proposed budget summary, notice of the public hearing and special board meeting and website address.

Arizona State Library, Archives and Public Records Involvement with HB2268

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments and it needs to be clarified whether these “publications” or “records” need to be captured and preserved.

Outcome of Legislation

HB2268 was given a do pass as amended by the Senate Committee on Education Accountability and Reform on June 24, 2009.

HB2270 – State Capitol Restoration Recapture District

Sponsor

Representative: Sam Crump

Overview

Creates the State Capitol Centennial Restoration Trust Fund (Fund) with monies deposited from increased transaction privilege tax (TPT) revenues generated from newly established Economic Recapture Districts (Districts) created by cities or counties.

Background

The construction began on the Arizona State Capitol building in Phoenix in 1899 and the building was dedicated to the State in 1901. Until 1960, both the Senate and the House of Representatives were housed in the State Capitol building. Laws 2000, Chapter 246 appropriated \$450,000 from the legislative, executive and judicial public buildings land fund in FY 2000-2001 to Legislative Council for renovation of the State Capitol Museum.

HB 2270 will establish a tax increment financing plan for the formation of Economic Recapture Districts and State Capitol restoration using state transaction privilege tax (TPT) revenues.

Arizona imposes a TPT on the privilege of transacting business in the state. Most taxable activities are taxed at a rate of 5.6% with .6% dedicated to education. The remaining 5% of the tax base is divided into two parts: the distribution base and the non-shared. The non-shared portion is retained by the state. The distribution base is divided among municipalities (25%), counties (40.51%) and the state general fund (34.49%).

Under this proposal, cities or counties can establish an Economic Recapture District and determine the baseline level of TPT revenues. Any new TPT collections above the baseline will be diverted from the state portion of the distribution base. 50% of the revenues above the baseline will be retained by the state and the remaining half will be split between the District and the State Capitol Centennial Restoration Trust Fund.

Provisions

State Capitol Restoration Fund

- Establishes the State Capitol Centennial Restoration Trust Fund (Fund) with monies deposited pursuant with this act, legislative appropriations, gifts, grants or other authorized revenues.
- States that monies in the Fund are subject to appropriation for the sole purpose of the restoration, renovation, construction, reconstruction, improvement and maintenance of the State Capitol building.
- Requires the Legislative Governmental Mall Commission to administer the Fund and the State Treasurer to invest or divest monies in the Fund.

State Capitol Centennial Restoration and Economic Recapture Districts

Distribution of Revenues

- Requires the State Treasurer each month to:
 - Determine the amount of net new state TPT revenues received within the District boundaries by comparing the second preceding calendar month to the amount collected in that month in the previous year.
 - Pay one-half of that amount (divided in equal shares) to the District and the Fund and pay the remainder of that amount to the state general fund.

Definitions

- Defines the following terms:
 - Bond means any obligation of a district authorized and issued pursuant to this act.
 - District means an economic recapture district established pursuant to this act.
 - Jurisdiction means a county or an incorporated city or town.
 - Qualified expenses means costs of public infrastructure, public improvements, utility relocation or facility improvement, real property owned or leased by a public entity, engineering and architectural services directly related to the project, financing, appurtenances directly related to the project, equipment and furnishings.

Oversight Commission

- Establishes the State Capitol and Economic Recapture Oversight Commission (SCEROC) to review capital infrastructure improvement plans for the restoration and improvement of the State Capitol building.
- The membership of SCEROC consists of:
 - 3 members appointed by the Speaker of the House of Representatives (only two may be from the same political party).
 - 3 members appointed by the President of the Senate, (only two may be from the same political party).
 - The Governor or their designee.
 - The Secretary of State or their designee.
 - The State Treasurer or their designee.
 - The Director of the Department of Revenue.
 - The Director of the Department of Commerce.
 - The Chairman of the Governmental Mall Commission.
 - Two public members appointed by the Governor, one who has experience in the construction, engineering or development industries and one who has experience in capital finance or municipal finance.
- Requires the Commission to meet within 30 calendar days of receipt of District plans, in order to review the submissions.
- Requires the State Treasurer to submit a report to SCEROC within 45 days after the end of each fiscal year showing:
 - The increases in state TPT collections in each District.
 - The deposits to and withdrawals from the Fund.
- Mandates that a copy of the report be transmitted to the Joint Legislative Budget Committee, the Arizona State Library, Archives and Public Records and the Secretary of State.
- SCEROC will terminate when the last District terminates pursuant with this act.

Formation of Districts

- Starting October 1, 2009 through June 30, 2016, allows one or more municipalities or a county to establish a District on the finding of the governing body of each organizing jurisdiction that the public convenience, necessity or welfare will benefit.
- Requires the boundaries of the District to be aligned with census block boundaries established by the United States Bureau of the Census.
- The District must be formed for the purpose of making qualified expenditures for facilities directly related to the project and used for: tourism, sporting, cultural, civic meeting, trade show or convention events or activities or public facilities. Parking garages and lots, transportation, infrastructure, utilities, wastewater,

public parks and plazas and communications must be directly related to the project.

- Requires that actual construction of the project must begin within 60 months after the date the District is established.
- States that the governing body of a District formed by an individual jurisdiction:
 - Must file a report with the clerk of the jurisdiction that includes a map of the proposed District, the legal description of the boundaries of the District and a description of the proposed elements to be provided by the District. This report must be filed at least 30 days before a public hearing is held on the proposed District.
 - Must hold at least one public hearing 14 days prior to the adoption of an ordinance or resolution establishing the District, so that the public has the opportunity to comment on the proposed District.
 - Must submit the report to SCEROC for review and comment.
 - May adopt an ordinance or resolution establishing the District. The ordinance or resolution must include: the legal description of the boundaries of the District, the initial date for payments and an approximate date for the financial obligations to be satisfied.
 - Must notify the State Treasurer of the District's formation by certified mail.
- States that the governing bodies of a District formed by multiple jurisdictions:
 - Must file, to each respective jurisdiction's clerk, identical reports that include a map of the proposed District, the legal description of the boundaries of the District and a description of the proposed elements to be provided by the District. This report must be filed at least 30 days before a public hearing is held on the proposed District.
 - Must hold at least one public hearing 14 days prior to the adoption of an ordinance or resolution establishing a District, so that the public has the opportunity to comment on the proposed District.
 - Must submit the report to SCEROC for review and comment.
 - May adopt a joint ordinance or resolution establishing the District and execute intergovernmental agreements for the purpose of establishing and operating the District. The ordinance or resolution must include: the legal description of the boundaries of the District, the initial date for payments and an approximate date for the financial obligations to be satisfied.
 - Must notify the State Treasurer of the District's formation by certified mail.
 - Must sit jointly as the governing board of the District and shall choose among them a member to serve as the chairperson. The governing board may appoint the financial officer of the one of the jurisdictions to serve as treasurer and is required to meet at least once each fiscal year.
- An ordinance or resolution establishing a District cannot be adopted as an emergency measure.

- Provides for the establishment of a District in one or more jurisdictions by a vote of the jurisdiction's qualified electors as follows:
 - The governing body of each jurisdiction must file, to each respective jurisdiction's clerk, identical reports that include a map of the proposed District, the legal description of the boundaries of the District, and a description of the proposed elements to be provided by the District. This report must be filed at least 30 days before a public hearing is held on the proposed District.
 - Each governing body must hold at least one public hearing 14 days prior to an election proposing the establishment of a District, so that the public has the opportunity to comment on the proposed District.
 - Requires the governing body to submit the report to SCEROC for review and comment.
 - The election must be held in the participating jurisdictions pursuant to statute and requires a majority vote on the proposition in each participating jurisdiction in order to gain approval.
 - Requires the chairperson of the District to notify the State Treasurer of the District's formation by certified mail after the results after the results of the election are certified and formation of the District is approved.
 - The governing bodies must sit jointly as the governing board of the District and shall choose among them a member to serve as the chairperson. The governing board may appoint the financial officer of the one of the jurisdictions to serve as treasurer and is required to meet at least once each fiscal year.

District Governing Board

- Allows a governing board, on behalf of the District, to:
 - Sue and be sued.
 - Enter into contracts and intergovernmental agreements as necessary, to administer and operate the District and any property owned by or under the jurisdiction of the District.
 - Acquire by any lawful means and operate, maintain, encumber and dispose of real and personal property and interests in property.
 - Retain legal counsel and other professional consultants necessary to carry out the purposes of the District.
 - Use revenues paid to the District and revenues the District may receive from other sources for the purposes of this act.
 - Enter into agreements with developers, contractors, tenants and other users of the District's facilities as considered to be appropriate.
 - Pledge all or part of the revenues paid to the District to secure the District's bonds and other financial obligations issued or incurred under this act for the construction of all or part of the elements of the District.

- Provide for the use, maintenance and operation of the properties and interests controlled by the District.
- Keep and maintain a complete and accurate record of all proceedings.
- Asserts that all proceedings of the governing board are open to the public and the records of the District are considered public records as prescribed by law.
- Stipulates that the directors, officers and employees of the District are subject to statutes governing conflicts of interest.

District Annual Budgets

- Mandates that the governing board hold a public meeting on or before June 30 of each year to adopt the next fiscal year's budget.
- Stipulates what information shall be contained in the budget.
- Requires the governing board to submit a copy of the adopted budget to the clerk of the appropriate County Board of Supervisors, the clerk of the governing bodies of each participating jurisdiction and SCEROC.
- Allows the Board to amend the budget on a finding of good cause.

District Bonds

- Allows the District, on an affirmative vote of the governing board, to:
 - Issue negotiable bonds in a principal amount, maintaining sufficient reserves to secure the bonds, to pay the necessary costs of issuing, selling and redeeming the bonds and to pay the other expenditures necessary for the District's purposes.
 - Refund any bonds issues, whether or not the bonds are subject to redemption at that time.
- States that Arizona and any political subdivision of the State other than the District are not liable for any financial or other obligations of the District.
- Prescribes that bonds must be authorized by a resolution of the governing board and prescribes provisions for the sale of the bonds.
- Allows a governing board, through a resolution, to secure the principal and interest of the bonds to:
 - Divide the funds of the District into any number of accounts considered to be necessary to secure the bonds or other obligations of the District.
 - Pledge or assign to or in trust for the benefit of bondholders any part of the monies in an account as is necessary to pay and secure payment of the principal of, or interest and premium, on bonds as they come due.
 - Establish priorities among bondholders based on criteria adopted by the governing board.
 - Set aside, regulate and dispose of reserves and sinking accounts.

- Provide for payment, from the proceeds or the sale of the bonds or from other District income or revenues, of all legal and financial expenses.
 - Comply with federal income tax laws and regulations regarding any federal tax benefits available with respect to the bonds.
 - Do any other matters for the protection of the bonds.
- States that any pledge made under this act is valid and binding from the time when the pledge is made.
 - Stipulates that the monies pledged and received by the District treasurer to be placed in District accounts are immediately subject to the lien of the pledge without any future physical delivery or further act, and any such lien of the pledge is valid or binding against all parties having claims of any kind in tort, contract or otherwise against the governing board regardless of whether the parties have notice of the lien.
 - Members of the governing board, or any person executing the bonds, are not personally liable for the payment of the bonds.
 - Stipulates that before the delivery of the bonds any of the persons whose signatures appear on the bonds cease to be members of the governing board.
 - Allows the governing board, out of any available monies, to purchase bonds, which may thereupon be canceled.
 - Allows the governing board to submit any bonds issued under this act to the Attorney General (AG) after all proceedings for their authorization have been completed. The AG shall examine and pass on the validity of the bonds and the regularity of the proceedings. If the proceedings comply with this act, and the AG determines that, when delivered and paid for, the bonds will constitute binding and legal obligations of the District, the AG shall certify on the back of each bond that it is issued according to the Arizona Constitution and laws of this state.
 - States that District bonds are securities in which public officers and bodies of Arizona and of municipalities and political subdivisions of this state, all companies, associations and other persons carrying on an insurance business, all financial institutions, investment companies and other persons carrying on a banking business, all fiduciaries and all other persons who are authorized to invest in obligations of the county may properly and lawfully invest.

Termination of Districts

- Requires each District established pursuant to this act to terminate on or before June 30, 2050.
- Allows a majority of the members of the governing board to propose that a District be dissolved. After a hearing, the governing board must adopt, by resolution, a plan of termination to be executed within a stated period of time before June 30, 2050.
- States that upon termination, all assets and unexpended monies of the District must be transferred to the participating jurisdictions.

Arizona State Library, Archives and Public Records Involvement with HB2270

In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and, on February 14, 2005, SB 1065 extended the Commission's duties to develop and coordinate a statewide plan regarding Arizona's centennial, which occurs in 2012. Also, all but one of the Divisions of Arizona State Library, Archives and Public Records is housed in the Capitol or near the Capitol Mall.

Outcome of Legislation

HB2270 was deemed proper for consideration by the House Rules Committee on June 8, 2009.

HB2281 – Appropriations for Named Claimants

Sponsors

Representative: John Kavanagh
Senator: Russell Pearce

Overview

Appropriates \$255,778.25 to the Arizona Department of Administration (ADOA) for the payment of outstanding claims made against state agencies from July 1, 2004 to June 30, 2007.

Background

HB2281 is the annual relief for named claimants bill, reflecting ADOA's request to the Legislature for an appropriation of monies to pay claims made against state agencies. These claims were made by individuals and organizations that provided goods and services to those agencies in a previous fiscal year but have yet to receive payment. Each year, a number of claims made against state agencies remain unpaid due to inadequate documentation, late filings and searches for third party liability. In order to pay claims from previous fiscal years, the legislature must appropriate monies to ADOA.

Provisions

G. The sum of \$6,921.99 is transferred from the indirect cost fund to the state general fund and appropriated from the state general fund to the department of administration for payment of claims made against the department of environmental quality by the following claimants and in the following amounts: Name Claim No.

*Dated Amount Arizona State Library, Archives and Public Records GEVARB01
FY07 \$ 3,884.18*

Arizona State Library, Archives and Public Records Involvement with HB2281

Arizona State Library, Archives and Public Records is one of the named claimants.

Outcome of Legislation

HB2281 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 79.

HB2294 – Professional Education Standards Board

Sponsors

Representatives: David Schapira, David Lujan

Co-Sponsors

Representatives: Eric Meyer, Rae Waters

Overview

Effective Jan 12, 2010, the powers and duties of the Board of Education and the Dept of Education regarding the certification and regulation of teachers are transferred to a Professional Education Standards Board created by this legislation. Employees whose jobs relate exclusively to teacher certification and regulation are transferred to comparable positions with the Board and monies in the Teacher Certification Fund and investigative unit are transferred to the Board. The Board is comprised of 17 members: 8 certificated teachers, 3 certificated administrators, a school board member, a noncertified employee of a school district, a teacher at a public college that prepares teachers, a Board of Education member, a public member, and the Superintendent of Public Instruction. The Board sunsets July 1, 2019.

Arizona State Library, Archives and Public Records Involvement with HB2294

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that a new agency takes over the responsibilities of an existing agency, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2294 was referred to the House Committee on Education on January 20, 2009.

HB2300 – Centennial Scholars Program

Sponsors

Representatives: David Schapira, Edward Ableser, Tom Chabin, Barbara McGuire, Lynne Pancrazi
Senators: Amanda Aguirre, Meg Burton Cahill

Co-Sponsors

Representatives: Robert Meza, Daniel Patterson, Rae Waters, Nancy Young Wright

Overview

Effective July 1, 2011, a Centennial Scholars Program is established to provide scholarships covering tuition and fees at community colleges or state universities. Eligibility requirements for students to obtain scholarships are listed. Scholarships are for a maximum of 8 semesters. A Centennial Scholars Fund is established to fund the scholarships, to be administered by the Commission for Postsecondary Education. The Program ends on July 1, 2021.

Arizona State Library, Archives and Public Records Involvement with HB2300

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2300 was referred to the House Committee on Education on January 22, 2009.

HB2328 – Public Records; Name Redaction

Sponsor

Representative: Tom Boone

Overview

Public officers may remove the name, address, telephone number, and email address of the sending party of an email that is disclosed as a public record.

Arizona State Library, Archives and Public Records Involvement with HB2328

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation could affect training.

Outcome of Legislation

HB2328 was referred to the House Committee on Government on January 20, 2009.

HB2363 – GPLET; Lease Records and Reporting

Sponsor

Representative: Rick Murphy

Overview

Contains requirements for all new leases or development agreements entered into beginning January 1, 2010, and other reforms.

Background

Article IX of the Arizona Constitution provides that all federal, state, county and municipal government property is exempt from taxation. Occasionally, as an economic development tool, government land is leased to a private party for profit for the purposes of commercial or industrial use. Since the land is still owned by the government it is exempt from property taxes.

By the 1980s the leasing of government land as an economic development tool was in wide use. In 1985 the Arizona Legislature enacted legislation that provided a method for the taxation of possessory interests. A possessory interest is created when a private party is granted the exclusive use of real property owned by a nontaxable entity. The new law specifically provided that possessory interests in federal, state, county and municipal government property would become subject to taxation. The tax on possessory interest was calculated by valuing the interest that the lessee had on the government's property. That value was then placed on the property tax rolls as the unsecured personal property of the lessee. The standard property tax rates were then charged against that value and the lessee sent a property tax bill. Additionally, the law

established possessory interest tax exemptions and provided special valuation rules for possessory interests created prior to April 1, 1985.

The possessory interest tax was challenged in court in a number of cases. The court held that limiting the special valuation to interests created before April 1, 1985, violated the uniformity clause in Article IX of the Arizona Constitution. The court also held that the possessory interest exemptions went beyond the constitutional tax exemptions and were therefore ruled invalid. As a result all possessory interests became taxed in the same manner as other properties.

In 1995 the Legislature repealed the possessory interest tax. The intent statement expressed the Legislature's desire that possessory interests not be subject to ad valorem taxation (taxation based on value) until a new taxing mechanism was enacted.

The Government Property Lease Excise Tax (GPLET), enacted by Laws 1996, Chapter 349, served as the successor to the possessory interest tax. GPLET is a local excise tax that is based on the square footage of a building rather than on its value. GPLET is levied on entities that lease the property of a city, town, county or county stadium district for commercial or industrial purposes for at least 30 days. The tax rate is dependent upon the type and use of the improvement. In addition, the tax rate is gradually reduced over the life of the lease:

The tax on a government property improvement is abated for a period of eight years if the following requirements are met:

- The improvement is located in a single central business district in a "slum or blighted area" and is subject to a lease or development agreement entered into on or after April 1, 1985.
- The government property improvement resulted or will result in an increase in property value of at least 100 percent.

The tax abatement is restricted to government property improvements within a single central business district within the "slum and blighted area." Other improvements outside the single central business district but still within the "slum and blighted area" will pay 80 percent of the tax.

Provisions

1. Requires the government lessor, within 30 days of entering into a lease for the occupancy of the government property improvement, to:
 - a) record a memorandum of lease in the office of the county recorder in the county in which the government property improvement is located.
 - b) submit to the country treasurer and the Department of Revenue (DOR) copies of the lease or an abstract of the lease.
2. Requires DOR to maintain a public database by city, town and county of all government property leases that are subject to GPLET.

3. Requires the county assessor, upon becoming aware of a government property improvement that is or should be subject to GPLET, to notify the county treasurer and DOR for confirmation that the improvement is included in their databases.
4. Requires the country treasurer, instead of the government lessor, to collect an annual excise tax on each prime lessee for the use or occupancy of each government lessor's government property improvement.
5. Requires the country treasurer to submit a report by February 15 of each year to DOR and the Joint Legislative Budget Committee (JLBC) of all returns and payments received for the preceding calendar year.

Requirements for New Leases

6. Allows for the current rates of taxes to continue for existing leases or development agreements entered into before October 1, 2009.
7. Sets new rates of taxation for leases or development agreements entered into before October 1, 2009:
8. Requires DOR, beginning December 1, 2010, to annually adjust the tax rates for each property use according to the average percentage change for the two most recent years in the producer price index for new construction.
9. Requires DOR to post the adjusted rates for the following calendar year on its official website and transmit them to each county treasurer.
10. Prohibits a lease between a prime lessee and a government lessor entered into on or after January 1, 2010, or a development agreement entered into before October 1, 2009, from being approved unless the government lessor:
 - a) notifies the governing bodies of the county and any city, town and school district in which the government property improvement is located at least 60 days before the approval.
 - b) determines that, within the term of the lease or development agreement, the economic and fiscal benefit to the state and county, city or town in which the government property improvement is located will exceed the benefits received by the prime lessee, as determined by an estimate prepared by an independent third party.
 - o Exempts a lease or development agreement between a prime lessee and a government lessor involving residential rental housing from this provision.
 - c) requires a lease or development agreement between a prime lessee and a government lessor entered into on or after January 1, 2010, to be approved by a simple majority vote of the governing body without the use of a consent calendar.

The Abatement of the GPLET

11. Allows, instead of requires, the GPLET to be abated if the property meets the requirements for the abatement.
12. Prohibits the tax from being abated for more than one eight-year term.
13. Modifies the requirements for the abatement of the GPLET:

- a) Prohibits a city or town from designating more than one central business district within its corporate boundaries.
 - b) Prohibits a city or town from approving a new lease within one year of making the designation of the central business district.
 - c) Defines central business district to mean a geographically contiguous and compact area designated by the resolution of the governing body that is no larger than the greater of five percent of the total land area of the city or town or 2000 acres.
14. Requires the prime lessee to notify the county treasurer and the government lessor when applying for abatement.
15. Sets forth requirements for the approval of leases or development agreements entered into on or after October 1, 2009, for which the tax is abated:
- a) Requires the approval of a simple majority vote of the governing body without the use of a consent calendar.
 - b) Requires the government lessor to notify the governing bodies of the county and any city, town and school district in which the improvement is located at least 60 days before the approval.
 - c) Requires the government lessor to determine that the lease will economically and fiscally benefit the state, county and municipality more than it will benefit the prime lessee, as determined by an estimate prepared by an independent third party.
 - o Exempts a lease or development agreement between a prime lessee and a government lessor involving residential rental housing from this provision.
 - d) Prohibits the term of the lease from exceeding 26 years, regardless of whether it is transferred or conveyed to subsequent prime lessees.
 - e) Requires the government lessor to convey title to the improvement and underlying land to the current prime lessee upon the expiration of the lease.
 - f) Prohibits the government lessor from changing the use of the government property improvement during the period of abatement unless the government lessor:
 - o notifies the governing bodies of the county and any city, town and school district in which the government property improvement is located at least 60 days before the approval.
 - o determines that, within the term of the lease or development agreement, the economic and fiscal benefit to the state and county, city or town in which the government property improvement is located will exceed the benefits received by the prime lessee, as determined by an estimate prepared by an independent third party.
 - Exempts a lease or development agreement between a prime lessee and a government lessor involving residential rental housing from this provision.
16. Exempts nonabated properties, if a government lessor is acting as a commercial landlord for an improvement used for a public purpose, from the requirements for the approval of new leases for which the tax is abated.

17. Stipulates that the abatement period continues only for the term of the original abatement if the prime lessee transfers the lease or changes the use of the improvement while the tax is under abatement.

Miscellaneous

18. Sets a ten-year limit for the discounted 80 percent rate for GPLET leases that are located in slum and blighted areas that are not eligible for abatement.
19. Specifies that the requirements for the functional use of the property only applies to leases entered into before October 1, 2009.
20. Requires each government lessor, by December 31, 2009, to record a memorandum of lease with each county recorder and to submit copies to each county treasurer and DOR.
21. Requires the Auditor General to conduct and complete a special audit in 2015 to determine whether GPLET achieves the goal of providing, in lieu of an ad valorem property tax on possessory interests, a viable revenue stream for counties, cities, towns, school districts and community college districts in which government property improvements are leased for private commercial, residential rental and industrial purposes.
22. Requires copies of the report to be provided to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Chairpersons of the Ways and Means Committee and the Senate Finance Committee, the Secretary of State and the Arizona State Library, Archives and Public Records.
23. Adds rental car operations to the list of exemptions related to property used for or in connection with aviation.
24. Makes technical and conforming changes.
25. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Requires the government lessor, within 30 days of entering into a lease for the occupancy of the government property improvement, to:
 - a) record a memorandum of lease in the office of the county recorder in the county in which the government property improvement is located.
 - b) submit to the county treasurer and the Department of Revenue (DOR) copies of the lease or an abstract of the lease.
2. Requires DOR to maintain a public database by city, town and county of all government property leases that are subject to GPLET.
3. Requires the county assessor, upon becoming aware of a government property improvement that is or should be subject to GPLET, to notify the county treasurer and DOR for confirmation that the improvement is included in their databases.
4. Requires the county treasurer, instead of the government lessor, to collect an annual excise tax on each prime lessee for the use or occupancy of each government lessor's government property improvement.

5. Requires the county treasurer to submit a report by February 15 of each year to DOR and the Joint Legislative Budget Committee (JLBC) of all returns and payments received for the preceding calendar year.

Requirements for New Leases

6. Allows for the current rates of taxes to continue for existing leases or development agreements entered into before October 1, 2009.
7. Sets new rates of taxation for leases or development agreements entered into before October 1, 2009.
8. Requires DOR, beginning December 1, 2010, to annually adjust the tax rates for each property use according to the average percentage change for the two most recent years in the producer price index for new construction.
9. Requires DOR to post the adjusted rates for the following calendar year on its official website and transmit them to each county treasurer.
10. Prohibits a lease between a prime lessee and a government lessor entered into on or after January 1, 2010, or a development agreement entered into before October 1, 2009, from being approved unless the government lessor:
 - a) notifies the governing bodies of the county and any city, town and school district in which the government property improvement is located at least 60 days before the approval.
 - b) determines that, within the term of the lease or development agreement, the economic and fiscal benefit to the state and county, city or town in which the government property improvement is located will exceed the benefits received by the prime lessee, as determined by an estimate prepared by an independent third party.
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13. Modifies the requirements for the abatement of the GPLET:
 - a) Prohibits a city or town from designating more than one central business district within its corporate boundaries.
 - b) Prohibits a city or town from approving a new lease within one year of making the designation of the central business district.
 - c) Defines central business district to mean a geographically contiguous and compact area designated by the resolution of the governing body that is

no larger than the greater of five percent of the total land area of the city or town or 2000 acres.

14. Requires the prime lessee to notify the country treasurer and the government lessor when applying for abatement.
15. Sets forth requirements for the approval of leases or development agreements entered into on or after October 1, 2009, for which the tax is abated:
 - a) Requires the approval of a simple majority vote of the governing body without the use of a consent calendar.
 - b) Requires the government lessor to notify the governing bodies of the county and any city, town and school district in which the improvement is located at least 60 days before the approval.
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 - e) Requires the government lessor to convey title to the improvement and underlying land to the current prime lessee upon the expiration of the lease.
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 - o notifies the governing bodies of the county and any city, town and school district in which the government property improvement is located at least 60 days before the approval.
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17. Stipulates that the abatement period continues only for the term of the original abatement if the prime lessee transfers the lease or changes the use of the improvement while the tax is under abatement.

Miscellaneous

18. Sets a ten-year limit for the discounted 80 percent rate for GPLET leases that are located in slum and blighted areas that are not eligible for abatement.
19. Specifies that the requirements for the functional use of the property only applies to leases entered into before October 1, 2009.
20. Requires each government lessor, by December 31, 2009, to record a memorandum of lease with each county recorder and to submit copies to each county treasurer and DOR.
21. Requires the Auditor General to conduct and complete a special audit in 2015 to determine whether GPLET achieves the goal of providing, in lieu of an ad valorem property tax on possessory interests, a viable revenue stream for counties, cities, towns, school districts and community college districts in which government property improvements are leased for private commercial, residential rental and industrial purposes.
22. Requires copies of the report to be provided to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Chairpersons of the Ways and Means Committee and the Senate Finance Committee, the Secretary of State and the Arizona State Library, Archives and Public Records.
23. Adds rental car operations to the list of exemptions related to property used for or in connection with aviation.
24. Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with HB2363

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2363 was deemed proper for consideration as amended by the Senate Rules Committee on June 25, 2009.

HB2369 – Noncustodial Federal Monies; Legislative Appropriation (WAS: Revenue Department; Technical Correction)

Sponsor

Representative: Rick Murphy

Overview

Gives the Legislature the authority to appropriate non-custodial federal monies.

Background

With the exception of the Temporary Assistance to Needy Families block grant and various other federal funds received by the Department of Economic Security, the Arizona Legislature does not appropriate federal monies. Generally, there are two categories of federal monies received by the state. Federal monies that do not provide discretion to the state for disbursement are considered custodial or “pass through” monies. Examples of custodial monies are university research grants and direct federal payments to individuals, such as Social Security and Medicare benefits. Conversely, non-custodial federal monies are block grants and other federal monies that provide the state with discretion regarding the development, implementation or operation of a program or service.

The National Conference of State Legislatures (NCSL) conducted a survey to determine how many state legislatures appropriate or authorize the use of federal monies. According to the survey, 36 states appropriate federal monies by determining a specific amount that will be used for a specific purpose. These legislatures also have the authority to impose a limit on the monies for a specific fiscal period. Eight other states make open-ended appropriations, which authorize the state to use federal monies but do not require a specific purpose or amount to be declared. Additionally, five states make both specific and open-ended appropriations. Finally, six states lack legislative authority to authorize federal funds. Of these six states, a recent constitutional amendment in Oklahoma authorizes the appropriation of federal funds and statutory language to implement an appropriations process.

Provisions

- Defines budget unit and non-custodial federal monies.
- Requires budget units to track non-custodial federal monies separately from other accounts or funds.
- Authorizes the Legislature to appropriate non-custodial federal monies. If the Legislature does not make an appropriation for a specific fund, grant or block of monies, that duty goes back to the agency that administers those specific monies.
- Requires the Legislature to designate a specific purpose when appropriating federal funds.
- Allows the Legislature to make a lump-sum appropriation for monies that may be received while the Legislature is not in session and requires any expenditure of these monies to first be reviewed by the Joint Legislative Budget Committee (JLBC).
- States that if the Legislature appropriates more federal monies than are received, the original appropriation shall be reduced. Additionally, the activity being financed by these monies shall also be proportionately reduced.
- States that if more federal monies are received than were appropriated by the Legislature, the original appropriation of federal and state monies made by the Legislature does not change. Requires the Treasurer to credit the extra monies

to the agency account and directs JLBC to review expenditures of the additional monies.

Arizona State Library, Archives and Public Records Involvement with HB2369

Arizona State Library, Archives and Public Records as the designated “state library” agency for Arizona, receives and disburses federal money.

Outcome of Legislation

HB2369 was VETOED by the Governor on July 13, 2009.

HB2371 – Utilities; Confidential Information (WAS: Tax Credit; Coal Consumption)

Sponsor

Representative: Rick Murphy

Overview

Allows the Department of Revenue to provide names of healthcare organizations and hospitals to utility companies.

Background

Qualifying healthcare organizations and hospitals are eligible for an exemption of the transaction privilege tax (TPT) for the purchase of energy.

Each year an organization that is exempt from the TPT is required to file an annual exemption certificate with the Arizona Department of Revenue (DOR). The qualifying organization must also submit its annual exemption certificate to each of the utilities so that these taxes are not collected from the qualifying organization.

While most qualifying organizations file their paperwork in a timely manner, some do not due to a variety of reasons. When the qualifying organization recognizes that they have not filed this certificate with the utility, they contact the utility and request the utility to implement the process, and ask for any back taxes that were collected.

This is a problem because the taxpayer has paid unnecessary taxes to the utility. The utility must petition DOR for a reimbursement, and DOR has to verify that the taxpayer is a qualifying organization. It becomes an expensive and timely correction.

The strike-everything amendment to HB2371 allows the DOR the authority to provide the names and addresses of the qualifying organizations directly to the utility

companies.

Provisions

- Allows the DOR to provide names and addresses of qualifying hospitals and healthcare organizations that are exempt from TPT under the utility classification.

Arizona State Library, Archives and Public Records Involvement with HB2371

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2371 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 103.

HB2372 – County Island Fire Districts (WAS: Tax Credit; Pollution Control Equipment)

Sponsor

Representative: Rick Murphy

Overview

Modifies the provisions relating to county island fire districts.

Background

Laws 2007, Chapter 242 established provisions for creating a county island fire district (District). The District can be created through the county Board of Supervisors. Once created, the District must enter into an intergovernmental agreement (IGA) with a municipality for fire protection services for the District. If this does not occur, the District can contract with a private provider of fire protection services. If neither of these occur, the surrounding municipality must provide fire protection and emergency medical services to the district, following final certification by the county attorney that the previous negotiations and proposals were reasonable.

The District must compensate the municipality for fire protection services through a secondary property tax levy. The tax rate is determined by a three person board and the rate cannot exceed the statutory tax rate limit for other fire districts, currently set at \$3.25 cent per \$100 of assessed value. The tax revenue is also used to reimburse the county for the costs of the District formation and administrative expenses.

Finally, the District is required to defend, indemnify and hold harmless a municipal provider or any other provider of fire protection services.

This proposal will address two main points. First, it will allow the District to issue bonds and authorize a fire hydrant installation plan. Secondly, it modifies the provisions to indemnify the city for any loss of property by providing an exemption from the indemnification for claims associated with fire protection personnel, including worker's compensation claims and vehicle operation claims.

Provisions

1. Includes county island fire districts under the distribution of fire insurance premium tax revenues to fire districts and municipalities for the Fire Fighters' Relief and Pension Fund.
2. Allows revenues collected by the District to be pledged for debt or other obligations.
3. Clarifies that secondary property tax revenues collected within the District by the county are transferred to the District and these funds will be used to reimburse the municipality for the annual cost of fire services.
4. Requires the clerk of the county board of supervisors to be the custodian of the District's public records unless a District employee is designated.
5. If the District or any part of the District is annexed, the property tax or any other assessment incurred through a bond election is still in effect.
6. Qualifies the requirement that the District indemnifies and holds harmless the municipality or private fire protection service provider against any loss by making an exception for claims associated with fire protection personnel, including workers' compensation claims and claims associated with the operation of a vehicle.
7. Allows the District to receive up to \$25,000 in loans from any fire district, county agency or any other source to provide initial funding for the District until revenues can be collected.
8. Allows the District to negotiate a fire hydrant installation plan (FHIP) with the municipal provider. The FHIP may include reasonable infrastructure related to the maintenance and operation of fire hydrants and also include:
 - a) location of new fire hydrants.
 - b) cost and construction schedule.
 - c) terms and conditions of related debt incurred for the installation of the fire hydrants.
 - d) information on any bonds issued to implement the FHIP.
9. Becomes effective on the general effective date.

Amendments Adopted by Committee

Committee on Finance

- Specifies that annexation of district property does not terminate any tax or assessment incurred through a bond election.

Arizona State Library, Archives and Public Records Involvement with HB2372

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation requires the clerk of the county Board of Supervisors to be the custodian of a District's public records unless a District employee is designated

Outcome of Legislation

HB2372 was given a do pass as amended by the Senate Committee on Finance on June 24, 2009.

HB2380 – Eligible Persons; Personal Information; Internet

Sponsors

Representatives: Jerry Weiers, Ray Barnes, David Gowan, John Kavanagh, David W. Stevens

Co-Sponsors

Representatives: Sam Crump, Michele Reagan, Carl Seel, Rae Waters

Overview

Changes the prohibition for knowingly publishing the personal information of specified public servants on the internet by requiring eligible persons to provide a written demand stating that their personal information should not be made available on the internet.

Background

A.R.S. Section 13-2401 prohibits knowingly making available on the World Wide Web the personal information of a peace officer, justice, judge, commissioner, public defender or prosecutor if the dissemination of the personal information poses an imminent and serious threat to the identified persons' safety or the safety of that person's immediate family and the threat is reasonably apparent to the person making the information available on the World Wide Web to be serious and imminent. A violation of this statute is a Class 5 felony.

Employees of a county recorder, county treasurer or county assessor who publish

personal information on the website of the county recorder, county treasurer or county assessor in the ordinary course of carrying out public functions are exempt from the prohibition.

Personal information is defined as a peace officer's, justice's, judge's, commissioner's, public defender's or prosecutor's home address, home telephone number, pager number, personal photograph, directions to the person's home or photographs of the person's home or vehicle.

Provisions

- Removes the current prohibition for posting personal information of specified individuals if the person posting the information has reason to believe disseminating the information poses an imminent threat to the specified individuals or their families.
- Prohibits intentionally communicating personal information of eligible persons on the internet if the eligible person makes a written demand not to communicate or make available the eligible person's information.
- Stipulates the written demand must specify the following:
 - The eligible person and any family members' name.
 - The date of the demand.
 - The reason the personal information presents a danger to the eligible person or their family.
- Specifies that the written demand is effective for four years.
- Defines eligible person.
- Makes technical and conforming changes.

Amendments Adopted by Committee

Committee on Military Affairs and Public Safety

- Limits the prohibition on intentionally communicating personal information to apply only to information for display to the general public.
- Includes cellular telephone numbers in the definition of personal information.

Arizona State Library, Archives and Public Records Involvement with HB2380

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2380 was retained on the Committee of the Whole calendar on June 16, 2009.

HB2398 – Project Financing Review; Repeal; Extension

Sponsor

Representative: Sam Crump

Overview

Extends the exemption of nonprofit nursing homes, rest homes, skilled nursing facilities or life care facilities from the multiple review requirement of an IDA project through December 31, 2014.

Background

Legislation enacted in 1968 authorized municipalities and counties to cause the formation of industrial development authorities (IDAs). This legislation provided that IDAs, which are incorporated as Arizona nonprofit corporations, are political subdivisions of the state. It further authorized IDAs to issue revenue bonds and to use the proceeds from the sale of the bonds to finance certain types of projects.

The Arizona Department of Housing (ADOH) is required to review and approve IDA bond issuances for multifamily residential rental projects, sanitariums, clinics, medical hotels, rest homes, nursing homes, skilled nursing facilities and life care facilities. The review considers the following:

- The demand and feasibility of the project in the area where the facility is located.
- The terms and conditions of the proposed bonds.
- The proposed use of bond proceeds.
- The benefit of the project to the public if it involves rental housing for persons of low and moderate income.
- The benefit of the project including rent, fees and other charges to the public if it is a nursing home or life care facility.

ADOH is required to either approve or disapprove the project within 30 days after a request for an approval. If the project is approved, the IDA may issue the bonds described in the approval request.

Laws 2006, Chapter 218 authorized an IDA, the governing bodies that approve the formation of an IDA, and specified state agencies involved in the review of bond issuances to cooperate in the review of an IDA project if it is for a nonprofit nursing

home, rest home, skilled nursing facility or life care facility. The language adopted in 2006 only allowed for the cooperation of nursing home project reviews through December 31, 2009, and no projects have come forward for review by an IDA or ADOH since that time.

Provisions

- Extends the provisions of Laws 2006, Chapter 218 through December 31, 2014.

Arizona State Library, Archives and Public Records Involvement with HB2398

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

HB2398 passed the House 51-2 and was transmitted to the Senate June 17, 2009.

HB2430 – Homeowners' Associations; Registration; Disclosure

Sponsors

Representatives: Chad Campbell, Barbara McGuire

Co-Sponsors

Representatives: Andy Biggs, Warde V. Nichols

Overview

Requires homeowners' associations (HOA) to register with the Secretary of State (SOS), and disclose specified information.

Background

Title 33, Chapters 9 and 16 of the Arizona Revised Statutes (A.R.S), outline the regulatory requirements for Condominiums and Planned Communities (single-family homes) respectively, and are commonly known as an HOA. The codes, covenants and restrictions provide direction to the HOA, and a board of directors (board) duly elected by the membership varies accordingly. Statute requires the board to manage the

activities of the HOA including adopting and amending bylaws/rules, requirements for casting votes, holding open meetings, hiring and discharging managing agents and imposing and receiving fees, fines and assessments. The HOA's board is responsible for maintenance, repair and replacement of the common elements within the association, as well as imposing penalties for violations of the bylaws and rules.

Currently, A.R.S. §§ 33-1256 and 33-1807 requires an HOA to record a notice with the county recorder stating the name, address and the telephone number of the HOA or its designated agent or management company. The notice includes the name of the condominium/planned community, the date of the recording and the recorded instrument number or book and page for the main document that constitutes the declaration. If the HOA's address, designated agent or management company changes, the HOA has to amend its notice or record a new notice within 90 days of the change.

Provisions

- Requires HOAs to register and record information with the SOS, beginning January 1, 2010. An HOA has ninety days to submit any revised information to the SOS.
- Requires condominium and planned community HOAs to provide the SOS with the following information:
 - All of the information currently noticed with the county recorder.
 - The number of units in the community.
 - The cross streets for the location of the community.
 - The year that the community was established.
- Requires the SOS to post registered HOAs and their reported information on the SOS website in a form that makes the information available to the public, beginning March 1, 2010.
- Stipulates that these provisions do not apply to timeshare properties.

Arizona State Library, Archives and Public Records Involvement with HB2430

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2430 was given a do pass by the House Committee on Government on February 24, 2009.

HB2465 – Scrap Metal; Theft; Dealers

Sponsor

Representative: Jerry Weiers

Overview

Makes numerous changes to scrap metal laws, including prohibiting the sale or purchase of certain used catalytic converters and prohibiting scrap metal dealers from purchasing certain types of scrap metal in its original manufactured form.

Background

Arizona has regulated the purchase of scrap metal since 1968, when the Legislature first required scrap metal dealers to maintain transaction records. Laws 2007, Chapter 186, enacted several additional requirements for scrap metal dealers and sellers and also extended the offense of aggravated criminal damage to address damage caused by scrap metal theft. Currently, criminal damage is a class 4 felony if a person recklessly damages the property of another in an amount of \$10,000 or more, or if the person recklessly causes impairment of the functioning of any utility. Property of another is defined as property in which any person other than the defendant has an interest, including community property and other property in which the defendant also has an interest (A.R.S. § 13-1601).

Pursuant to A.R.S. §§ 13-4903 and 13-4904, an armed nuclear security guard is justified in using physical force and/or detaining a person at a commercial nuclear generating facility in order to terminate the commission or attempted commission of criminal damage in an amount of \$10,000 or more, or if the person recklessly causes impairment of the functioning of any utility.

Scrap metal dealers are required by A.R.S. § 44-1642 to maintain onsite a record of each receipt of scrap metal that must include the following:

- the date, time and place of the transaction.
- a photograph, description and weight of the scrap metal received.
- the dollar amount of the transaction.
- the seller's name, description, physical address, date of birth, signature and photocopy of a photo identification card.
- the seller's transaction privilege tax number, if applicable.
- the license plate number and state of the vehicle used to deliver the scrap metal.
- a photograph, video record or digital record of the seller
- the right index fingerprint of the seller.

Within 24 hours, the scrap metal dealer must deliver to the Department of Public Safety (DPS) a record of the receipt of the scrap metals that includes the specified information. DPS is required to design and provide a seller a transaction form that may be used by the scrap metal dealer when filing mandatory reports.

Provisions

- Broadens the definition of property of another to include the property of other persons damaged directly or indirectly as a result of damage caused by the theft of scrap metal.
- Expands the definition of utility to any enterprise that provides irrigation or water conservation.
- Specifies that a person commits criminal damage by recklessly damaging the property of a utility.
- Establishes a Class 4 felony penalty for recklessly damaging the property of a utility in an amount of \$5,000 or more.
- Prescribes the value, when determining the value following a theft, of ferrous metal or nonferrous metal as the fair market value of the metal as scrap metal in the local area together with the repair or replacement value of any property from which the scrap metal was removed at the time of the theft.
- Specifies that the amount of any damage to the property of another caused as a result of scrap metal theft is included in determining the value of ferrous or nonferrous metal.
- Gives rise to an inference in certain circumstances that:
 - A person in possession of recently stolen scrap metal was aware of the risk that it had been stolen or in some way participated in its theft.
 - A person selling scrap metal at a price substantially below its fair market value was aware of the risk that it had been stolen.
- States that the terms ferrous metal and nonferrous metal have the same meaning in theft statutes as those prescribed in current scrap metal statutes.
- Establishes a Class 1 misdemeanor penalty for purchasing or selling a used catalytic converter unless the purchase or sale is in the ordinary course of business by a commercial motor vehicle parts or repair business in connection with the sale or installation of a new catalytic converter.
 - Exempts licensed automotive recyclers and scrap metal dealers from this prohibition.
- Allows armed nuclear security guards to use physical force and/or detain any person for the purpose of summoning a law enforcement officer if the person is suspected of or attempting to commit criminal damage in an amount of \$5,000 or more.
- Prohibits a scrap metal dealer from knowingly purchasing the following types of scrap metal in their original form:
 - Metal manhole covers.
 - Brass or bronze valves or fittings used in association with fire extinguishers.
 - Brass or bronze backflow preventer valves.

- Water meters.
 - Aluminum trench shoring.
 - Aluminum loading ramps.
 - Aluminum or stainless steel beer or malt beverage kegs.
 - Catalytic converters.
- Exempts scrap metal dealers who purchase or possess the prohibited scrap metal listed above that is acquired in transactions with industrial accounts, with other scrap metal dealers or after the scrap metal is authorized for release by a peace officer of that jurisdiction.
 - Defines the term catalytic converter.
 - Requires scrap metal receipt records for scrap metal submitted to DPS to be sent electronically.
 - Requires DPS to establish by rule electronic submission standards that allow the submission of required scrap metal records in an electronic format compatible with the output format of not less than four of the record keeping software programs currently in use in the scrap metal industry and that allows the records to be merged with the DPS database of records.
 - Specifies that information sent to DPS by a scrap metal dealer does not need to be sent to a local law enforcement agency.
 - Requires DPS to make the scrap metal information submitted to them by scrap metal dealers available to local law enforcement agencies over the internet.
 - Requires DPS to provide for training and procedures to allow law enforcement personnel to access the information provided electronically for law enforcement purposes.
 - Contains a delayed effective date of September 1, 2010 for the new electronic record submission requirements.
 - Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with HB2465

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2465 was signed by the Governor on July 13, 2009, Laws 2009, Chapter 144.

HB2508 – Central State Repository; Crime Information

Sponsors

Representatives: Lynne Pancrazi, Edward Ableser, Kyrsten Sinema

Senator: Amanda Aguirre

Co-Sponsors

Representatives: Olivia Cajero Bedford, Russell L. Jones, Robert Meza, David Schapira

Overview

The types of information to be collected and disseminated by the central state repository of criminal justice information is expanded to include criminal offenses pertaining to gender identity or expression.

Arizona State Library, Archives and Public Records Involvement with HB2508

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2508 was referred to the House Committee on Government on February 11, 2009.

HB2516 – Schools; Administrative Reduction

Sponsors

Representative: Steve Court, Cecil P. Ash, Rich Crandall, Laurin Hendrix, Frank Pratt

Co-Sponsors

Representatives: Frank Antenori, David Gowan, Debbie Lesko, Steve B. Montenegro, Rick Murphy

Overview

Makes numerous changes to statutes relating to public schools, eliminates regulations, reporting requirements and provides flexibility for public schools relating to intergovernmental agreements (IGAs), procurement, construction, school district governing boards, pupil disciplinary proceedings, due process for certificated teachers, school budgets and audits; nonresident charter school tuition; Arizona Instrument to Measure Standards (AIMS) and the Early Graduation Scholarship Program; Additionally, H.B. 2516 establishes a nine-member Task Force on Assessments to Measure College and Career Readiness and temporarily allows a county school

superintendent to suspend a transportation school district.

Background

Arizona Revised Statutes Title 15 contains numerous mandates, including reporting requirements, that impact public schools. These statutes, among others, govern the manner in which school districts and charter schools enter into IGAs, procure services, discipline students, provide due process for certified teachers, conduct compliance and financial audits and assess pupils.

Provisions

School Districts - IGAs, Procurement and Construction

1. Removes the requirement for IGAs to be filed with the Secretary of State (SOS) or the county recorder, effective December 31, 2009.
2. Exempts IGAs between school districts or between a school district and another governing body from competitive bidding under the procurement rules prescribed by the State Board of Education (SBE).
3. Eliminates the required annual report to the SBE if a district utilizes construction-manager-at-risk, design-build, qualified select bidders list or job-order-contracting to procure construction services.
4. Deletes outdated statutory language relating to district procedures procuring construction services prior to the development and adoption of procurement rules by the SBE and the Auditor General.
5. Exempts school districts from competitive bidding for pupil placement in an Arizona Department of Education (ADE) approved private school providing special education services according to the pupil's Individual Education Plan (IEP).
6. Eliminates the requirement that school districts purchase separate insurance policies for construction projects but requires all such projects be insured.
7. Exempts individuals who contact school district board members or district employees regarding the procurement of bonding services from registering with the SOS as a lobbyist..

School District Governing Boards

8. Deletes language specifying the governing board must maintain its schools for 175 school days, 200 days or the equivalent.
9. Removes restrictions on the expenditures of revenue generated from the sale of advertising on school buses and athletic facilities.
10. Authorizes school districts to confidentially maintain all documentation regarding incidents of bullying, harassment or intimidation of pupils.
11. Permits governing boards to adopt a policy or decide by vote to have all pupil expulsion hearings conducted by an independent hearing officer.

12. Removes the labeling of unprofessional conduct for a teacher who fails to comply with the notification requirements for pupil disciplinary proceedings.
13. Eliminates requirements to annually assign at least one employee to participate in a multi-hazard crisis training and hire a real estate attorney to negotiate leases longer than five years.

School District Budgets and Audits

14. Changes the amount specified in order to require a school district to conduct a public hearing before revising its budget if the budget exceeds the general budget limit from \$1,000 to one percent or \$100,000, whichever is less.
15. Allows school districts, to the extent permitted by federal law, to convert to biennial financial and compliance audits if their prior years' audits contained no significant negative findings.
16. Requires school districts that convert to a biennial audit schedule to switch back to an annual audit schedule if their biennial audit contains a significant negative finding.
17. Permits school districts required to return an annual audit to go back to a biennial audit once their annual audit showed no significant negative findings for two consecutive years.
18. Defines "significant negative finding" as a finding resulting in the issuance of a letter of noncompliance from the Auditor General.
19. Repeals the Local Education Accountability Program (LEAP), which provides direct funding to schools independent of their school district.
20. Extends the period a school district may issue new, voter-approved bonds from six years to ten years.
21. Repeals the Excess Utilities Funding Plan school districts must annually submit to ADE.

Due Process for Certified Teachers

22. Decreases the amount of time a school district must allow a teacher to correct inadequate classroom performance from 85 days to 60 days, after receiving notice about the inadequacy.
23. Changes the effective date of the dismissal or suspension without pay of a teacher from 30 days to 10 days, after receiving notice of intent from the superintendent.
24. Reduces the amount of time a teacher may file a written request for a hearing with the school district governing board regarding dismissal or suspension from 30 days to 10 days, after receiving notice of the intent to dismiss or suspend.
25. Extends the time allowed a governing board to conduct a hearing for a suspended or dismissed teacher from at least 10 but no more than 25 days to at least 15 but no more than 30 days, after the hearing request has been filed.
26. Clarifies that retired teachers who return to work and are employed by a school district are not entitled to due process.

Charter School Tuition

27. Prohibits charter schools from charging tuition to pupils who are Arizona residents.
28. Allows a charter school to admit nonresident pupils but requires the charter school to charge tuition for those pupils in the same manner a school district charges tuition for nonresident pupils.

Early Graduation Scholarship Program (EGSP)

29. Removes the semester early graduation provisions from the EGSP, but allows existing qualified students to continue participating for the duration of their eligibility.
30. Stipulates a retroactive effective date of September 26, 2008.

Assessments

31. Prohibits passing the AIMS test in content areas other than reading, writing and mathematics be required for high school graduation.
32. Requires any additional assessments adopted by the SBE for high school pupils to measure college and career readiness.
33. Lifts the one-year limit on AIMS test contracts.
34. Establishes a nine-member Task Force on Assessments to Measure College and Career Readiness (Task Force) to examine and evaluate existing tests that measure college and career readiness, are used for admission to postsecondary institutions or are used by postsecondary institutions to award academic credit or placement.
35. Directs the Task Force to recommend a process to select one or more tests to be administered to 9th graders beginning in 2011 and to 11th graders beginning in 2012.
36. Instructs the Task Force to submit a written report by June 30, 2010.
37. Repeals the Task Force on September 15, 2010.

Transportation School Districts

38. Allows a county school superintendent to suspend a transportation school district and report the suspension to the county board of supervisors if the district meets the following criteria:
 - a) Located in a county with a population between 120,000 and 150,000 persons.
 - b) District average daily membership was less than 50 pupils between the ages of 6 and 21 for three months during the school year.
39. Authorizes the county board of supervisors to declare the transportation school district lapsed and annex the territory to one or more adjoining school districts.
40. Defines transportation school district.
41. Contains a delayed repeal of July 1, 2010.

Miscellaneous

42. Requires SBE to adopt rules for the alternative certification of nontraditional foreign language teachers that include passage of a nationally accredited test as a substitute for required education coursework or credit hours.
43. Allows the oath of office to be taken at the commencement of the term of office.
44. Makes technical and conforming changes.
45. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with HB2516

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2516 was given a do pass by the Senate Committee on Education Accountability and Reform on June 24, 2009.

HB2526 – Veterans' Organizations; Solicitations

Sponsors

Representative: Christopher Deschene, Frank Antenori, Tom Chabin, Matt Heinz, Lynne Pancrazi, Nancy Young Wright
Senator: Albert Hale

Overview

Organizations that solicit contributions in the name of American veterans must be registered with and regulated by the Dept of Veterans' Affairs.

Arizona State Library, Archives and Public Records Involvement with HB2526

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation requires any organization collecting money for veterans submit extensive documentation and reports to the Arizona Department of Veterans Services.

Outcome of Legislation

HB2526 was referred to the House Committee on Military Affairs and Public Safety on February 11, 2009.

HB2541 – Budgets; Posting on Websites

Sponsor

Representative: Andy Biggs

Overview

All government entities, including school districts and community colleges, must post their budgets on their official website. If the entity does not have a website, it must forward a copy of its budget to the Dept of Administration for posting on DOA's website.

Arizona State Library, Archives and Public Records Involvement with HB2541

Arizona State Library, Archives and Public Records is a budget unit.

Outcome of Legislation

HB2541 was referred to the House Committee on Education on February 12, 2009.

HB2543 – Unmarried Couples; Responsibilities.

Sponsors

Representatives: Kyrsten Sinema, Steve Farley, Matt Heinz, David Lujan, Nancy Young Wright

Co-Sponsors

Representatives: Olivia Cajero Bedford, Chad Campbell, Robert Meza

Overview

Provides for the registering of domestic partnerships, defined as a contractual relationship between unmarried persons and which confers certain benefits and responsibilities on the individuals as though they were related by law (specifically regarding burial, inheritance, hospital visitation and emergency medical decision-making).

Arizona State Library, Archives and Public Records Involvement with HB2543

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation creates new sets of records: Certificates of Domestic Partnership, and the Dissolution of Domestic Partnerships.

Outcome of Legislation

HB2543 was referred to the House Committee on Health and Human Services on February 17, 2009.

HB2581 – Library Districts; County Reimbursement

Sponsors

Representatives: Russell L. Jones, Lynne Pancrazi
Senator: Amanda Aguirre

Overview

Allows a county's board of supervisors to require a county free library district to reimburse the county for the cost of services provided to the special district.

Background

County free library districts are special taxing districts established by county boards of supervisors for the establishment of county libraries or networks of county libraries (Arizona Revised Statutes (A.R.S.) § 48-3901). The library districts may be funded by bonds and by a county free library tax (A.R.S. § 48-3903 and 48-3904). County free library districts rely on counties for services such as finance and legal work.

Currently, 22 of the 37 types of special taxing districts specified in Arizona statute may be required by a county board of supervisors to reimburse the county for services performed (A.R.S. § 11-251.06).

Provisions

- Adds county free library districts to the list of special tax districts from which counties may require reimbursement for services performed.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with HB2581

The Library Development Division works with county libraries around the State of Arizona.

Outcome of Legislation

HB2581 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 53.

HB2609 – In-Home Personal Care Services Agencies

Sponsor

Representative: Chad Campbell

Co-Sponsors

Representatives: David Lujan, Lynne Pancrazi, Anna Tovar

Overview

A new chapter is added in public health statutes regulating in-home personal care services agencies. The regulations apply to agencies that provide services such as ambulation, transfers, personal hygiene, feeding, etc but not skilled medical services. Effective Jan 1, 2010.

Arizona State Library, Archives and Public Records Involvement with HB2609

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation creates a new class of records.

Outcome of Legislation

HB2609 was referred to the House Committee on Health and Human Services on February 19, 2009.

HB2615 – Government Transparency; Political Subdivisions

Sponsors

Representatives: Steve B. Montenegro, David Gowan, David W. Stevens

Co-Sponsor

Representative: Doris Goodale

Overview

Requires local governments to establish and maintain an official internet website that is electronically searchable by the public at no cost and that contains a comprehensive database of receipts and expenditures of local monies by January 1, 2012.

Background

In 2006 Congress passed and President Bush signed the Federal Funding Accountability and Transparency Act (FFATA). The act requires the Office of Management and Budget to develop and maintain a free and public searchable Website that contains data on all federal contracts and grants. The Website, www.federalspending.gov (also accessed at www.usaspending.gov), went online in January 2008. In 2007 Kansas was the first state to sign into law legislation creating a similar database. Other states that passed similar legislation are Hawaii, Minnesota, Missouri, Texas, and Oklahoma.

Laws 2008, Chapter 312 requires the Arizona Department of Administration (ADOA) to create and maintain a public Website logging the use of state monies by January 1, 2011. The Website must meet the following requirements:

- Be accessible and searchable by the general public.
- Contain a record of:
 - Payments to the state by individual budget units, programs, and vendors.
 - The manner of payment and the funding source.
 - The date and amount of each payment, and the state agency or budget unit making the payment.
 - The name of the person or entity receiving the payment.
 - The primary location subject to the contract, including the county, city or town, and legislative district.
- Have restrictions on confidential information related to individuals in the database, while allowing ADOA to rely on an individual budget unit's confidentiality practices free from civil liability.
- Be updated within 30 days after the end of each fiscal year.
- Link online with the Websites of the Governor, the Secretary of State, the State Treasurer, the Legislature, and each budget unit with a Website.

ADOA has reported to the Joint Legislative Budget Committee that the database is currently being designed and the estimated to cost is approximately \$500,000.

Provisions

- Mandates that ADOA's official internet database of receipts and expenditures of state monies allows users access to cross-link expenditures associated with contracts or subcontracts to the actual language of the contract or subcontract.
- Requires each local government to establish and maintain an official internet website that is electronically searchable by the public at no cost and that contains a comprehensive database of receipts and expenditures of local monies by January 1, 2012.
- Stipulates that local governments must include the same comprehensive data and are subject to the same limitations prescribed by subsections B through E of Arizona Revised Statutes § 41-725 regarding ADOA's official database of receipts and expenditures of state and local monies.
- Defines local government as any city, town having a population of more than 5,000 persons, community college district, and school district having a student count greater than 600 pupils.

Arizona State Library, Archives and Public Records Involvement with HB2615

This legislation would add local government and library districts (as special taxing districts) to the units required to show receipts and expenditures of public monies in A.R.S. § 41-725. The Library Development Division works with county libraries around the State of Arizona.

Outcome of Legislation

HB2615 passed the House on a voice vote on June 29, 2009.

HB2628 – Parents' Rights; Education; Health; Discipline

Sponsors

Representatives: David Gowan, David W. Stevens

Co-Sponsors

Representatives: Doris Goodale, Steve B. Montenegro, Frank Pratt, Jerry Weiers

Overview

An emergency measure that details parental rights regarding education, health care, video and voice recordings, and the upbringing of a child.

Background

Arizona law specifies that unless otherwise provided by court order or law, on reasonable request, both parents are entitled to have equal access to documents and other information concerning their child's education and physical, mental, moral and emotional health, including medical, school, police, court and other records directly from the custodian of the records or from the other parent. Parents and legal guardians of school children have the right to examine their child's school records under the federal Family Educational Rights and Privacy Act of 1974. Additionally, Arizona law encourages parental involvement in their child's school and requires each school district governing board to develop and adopt a policy to promote such involvement. The policy must include plans to improve teacher/parent cooperation in relation to homework, attendance and discipline; procedures for parents to review curriculum and learning materials; and procedures to object to learning material (A.R.S. § 15-102). The adopted policy may also include, but is not required to include, giving notice regarding a parent's right to access student records under federal law.

Current law prohibits a child from attending school without submitting documentary proof of immunizations, unless the child is exempted from immunizations under A.R.S. § 15-873 as follows:

- 1) The child's parent or guardian submits a signed statement to the school administrator stating the parent or guardian received information about immunizations provided by the Department of Health Services (DHS) and understands the risks and benefits of immunizations and the potential risks of nonimmunization and that, due to personal beliefs, the parent or guardian does not consent to the immunization of the child.
- 2) The school administrator receives written certification signed by the parent or guardian and by a physician or a registered nurse practitioner stating that one or more of the required immunizations may be detrimental to the child's health and indicates the specific nature and probable duration of the medical condition or circumstance precluding the immunization. Arizona law prohibits pupils who lack documentary proof of immunization from attending school during outbreak periods of communicable immunization-preventable diseases.

A.R.S. § 36-2152 prescribes two circumstances when parental consent or judicial authorization for a minor child seeking an abortion is not required:

- 1) The pregnant minor certifies to the attending physician the pregnancy resulted from sexual conduct with the minor's parent, stepparent, uncle, grandparent, sibling, adoptive parent, legal guardian, or foster parent or by a person who lives in the same household as the minor and the minor's mother.
- 2) The attending physician certifies in the pregnant minor's medical record, on the basis of the physician's good faith clinical judgment, the pregnant minor has a

condition that so complicates her medical condition as to necessitate the immediate abortion of her pregnancy to avert her death or for which a delay will create serious risk of substantial and irreversible impairment of major bodily function.

Provisions

1. States that parents and legal guardians possess inalienable rights more comprehensive than listed in this act, and the act does not restrict their rights in any manner.
2. Stipulates the following rights as reserved to a parent or legal guardian of a minor child without obstruction or interference from any governmental entity or their employees:
 - a) child's education.
 - b) child's upbringing (including discipline).
 - c) moral or religious training of the child.
 - d) health care decisions for the child except for emergency medical treatment.
3. Specifies a minor child's parent's or legal guardian's rights relating to the child's education includes the right to access and review records relating to:
 - a) attendance; admission applications; grades and test scores;
 - b) discipline, counseling and psychological and behavior pattern reports
 - c) teacher or counselor evaluations of the child
 - d) health and immunization information.
 - e) course of study content.
4. Stipulates the parent or legal guardian of a minor child has the right to:
 - a) be fully informed of all the child's medical information, including full access to all medical records.
 - b) make the child's medical decisions, including whether or not to conduct a medical or mental health procedure, or an immunization. Provides exceptions for emergency medical treatment as follows:
 - i) exempts health care providers from obtaining a parent's or legal guardian's permission before providing the child emergency medical treatment.
 - ii) states, in abortions performed pursuant to A.R.S. § 36-2152, Subsection G, Paragraph 2, the attending physician must notify the parent or legal guardian as soon as possible.
 - c) consent in writing before the child receives any biometric scan, mental health screening or immunization.
 - d) petition to allow the child to attend another school, program or class.
 - e) reasonable access to request the reassignment of the child to another class or teacher unless reassignment would adversely affect the assignment or reassignment of another child.
 - f) request, with the expectation the request will not be unreasonably denied, the child be permitted to graduate early from high school if the child meets statutory graduation requirements.

- g) address the judge, magistrate, justice of the peace, administrative law judge or hearing officer in any civil, criminal or administrative proceeding involving the minor child.
- 5. Clarifies that a child permitted to graduate early must be allowed to participate in graduation ceremonies at the time the child graduates from high school.
- 6. Requires a governmental entity to obtain the written consent of a minor child's parent or legal guardian before making a video or voice recording of the child unless the video or voice recording is to be used solely for:
 - a) safety demonstrations, including the maintenance of order and discipline in the common areas of a school or on pupil transportation vehicles.
 - b) a purpose related to a legitimate academic or extracurricular activity or classroom instruction.
 - c) security or surveillance of buildings or grounds.
 - d) a photo identification card.
- 7. Prohibits governmental entities from using or threatening to use a parent's or legal guardian's refusal to administer or consent to the administration of any medication as the sole basis for making a report of child neglect unless a statutory duty to report exists, but prohibits this provision from being construed to permit a parent or legal guardian to abuse or neglect a child in violation of Arizona laws.
- 8. Specifies attempting to encourage or coerce a minor child to withhold information from the parent or legal guardian is grounds for discipline of an employee of a school district, charter school, community college or public university.
- 9. Prohibits the rights of parents or legal guardians from being limited or denied and removes language stating that this was the case only if these rights were not otherwise provided by federal or other state law.
- 10. Prohibits this act from being construed to authorize or allow minor children, their parents or legal guardians to engage in conduct that is unlawful under state law.
- 11. Requires a governmental entity or its employees to promptly notify the child's parent or legal guardian in the following circumstances, unless notification would impede a law enforcement or Child Protective Services investigation:
 - a) suspicion the child has been abused or neglected in violation of state law.
 - b) suspicion that a criminal offense has been committed against the child.
- 12. Requires each governmental entity to develop grievance procedures to address complaints received concerning violation of parents' rights.
- 13. Exempts law enforcement officers who are acting in their official capacity within the scope of their authority and in the line of duty from the provisions of this act.
- 14. Defines biometric scan and governmental entity.
- 15. Names the act the "Parents' Bill of Rights Act."
- 16. Becomes effective on signature of the Governor, if the emergency clause is enacted.

Arizona State Library, Archives and Public Records Involvement with HB2628

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

HB2628 was given a do pass as amended by the House Committee of the Whole on June 2, 2009.

HB2633 General Appropriations; 2009-2010 (see: SB1188)

HB2634 – 2009-2010 capital outlay (see: SB1027)

HB2636 – 2009-2010 Budget Reconciliation; General Government (see: SB1035)

SB1001 – Web and Video Conference Software

Sponsor

Senator: Jim Waring

Overview

Requires web and video conferencing software implementation for all state agencies, boards and commissions and creates the Web and Video Conferencing Savings Committee (Committee) to report on agency cost savings.

Background

Arizona's Efficiency Review Committee (ERC) was established by Executive Order in 2003 for the purpose of implementing ideas that would promote cost reduction and efficiency within state agencies. Web and video conferencing software was found to be an effective tool in trying to meet the goals outlined by the ERC.

Seven states, including Arizona, allow their government and state agencies to use web and video conferencing software. As of July 2008, 14 Arizona state agencies have

employed the use of web conferencing software.

There is no fiscal impact to the state General Fund; however, participating political subdivisions and agencies must incur the cost of purchasing the software and employee training.

Provisions

1. Directs all state agencies, boards and commissions to purchase web and video conferencing software.
2. Prescribes a five-year phasing-in program for employee training.
3. Requires entities to reduce employee travel reimbursement....
4. Establishes the Committee comprised of the following:
 - a) three members of the House of Representatives, no more than two of whom are from the same political party, who are appointed by the Speaker of the House of Representatives, one of whom will serve as co-chairperson;
 - b) three members of the Senate, no more than two of whom are from the same political party, who are appointed by the President of the Senate, one of whom will serve as co-chairperson; and
 - c) five members appointed by the Governor.
5. Provides the members will not receive compensation for their time, but may receive reimbursement for related expenses.
6. Allows the committee to use legislative staff, as necessary.
7. Instructs the committee to assemble the reported cost savings of participating entities and display the information in a usable and readable format.
8. Requires the committee to submit an annual written report of its findings by December 31 to the Speaker of the House of Representatives, the President of the Senate and the Governor. Copies of the report must also be given to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records.
9. Repeals the Committee on January 1, 2014.
10. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Modifies the list of entities required to purchase web and video conferencing software to include only state agencies, boards and commissions.
2. Removes software capability and entity reporting requirements.
3. Requires specified state agencies, boards and commissions to reduce employee travel reimbursement by twice the amount of the previous year for FY 2009-2010.

Arizona State Library, Archives and Public Records Involvement with SB1001

Arizona State Library, Archives and Public Records is an Arizona state agency which must comply with this legislation and is designated to receive a copy of the annual report of cost savings by the Efficiency Review Committee.

Outcome of Legislation

SB1001 was given a do pass as amended by the Senate Committee on Government Institutions on June 18, 2009.

SB1020 – Enduring Freedom Memorial; Public Monies.

Sponsor

Senator: Jim Waring

Overview

Allows for monies in the Veterans' Donation Fund to be used for the design or construction of the Enduring Freedom Memorial.

Background

Laws 1999, Chapter 338 established the Veterans' Donation Fund (Fund) which consists of monies, gifts and contributions donated to the Arizona Department of Veteran's Services (Department) and monies deposited pursuant to sections of statute relating to other military and veterans related special plates. Monies in the Fund are continuously appropriated and are exempt from lapsing of appropriations. With the exception of monies deposited into the Fund as prescribed by Arizona Revised Statutes (A.R.S.) § 28-2431 relating to the purchase of a Gold Star Family special license plate, monies in the fund may be used for the benefit of the veterans within Arizona at the discretion of the Director of the Department (A.R.S. § 41-608).

In 2003, Governor Napolitano issued Executive Order 2003-17 creating the volunteer Arizona Iraqi War Memorial Commission (Commission). The Commission's responsibilities included designing, funding and creating appropriate tributes to all Arizonans who served in Operation Iraqi Freedom, especially those who lost their lives or were injured. The Commission created the concept of the Enduring Freedom Memorial (Memorial) to be placed in Wesley Bolin Memorial Plaza to honor these Arizona soldiers.

In 2004, legislation was passed authorizing the Memorial to be placed in Wesley Bolin Memorial Plaza after proper consultation with Arizona Department of Administration and

the Legislative Governmental Mall Commission. The legislation required that the Memorial be completed by August 22, 2006. However, the Memorial's proponents were not able to meet the deadline and legislation was passed in 2006 granting them an extension until August 25, 2007. On December 21, 2007, the Legislative Governmental Mall Commission authorized final approval for the Memorial. Laws 2008, Chapter 92 further extended the time for completion of the Memorial until December 31, 2010.

The Memorial created by the Commission is privately funded, and a volunteer panel is responsible for raising the necessary funds to complete the project.

Provisions

- Allows the Director to donate monies from the Fund to organizations seeking to establish a monument or memorial on public property that recognizes or honors veterans or recognizes events in which veterans were major participants or had a major influence.
- Amends statutes governing the Memorial to allow for monies in the Fund to be used for the design or construction of the Memorial.
- Contains an emergency clause.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with SB1020

The Arizona Historical Advisory Commission is often involved in verifying the historical accuracy of monuments or memorials that are placed in Wesley Bolin Plaza which is within the boundaries of the Governmental Mall. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

SB1020 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 111.

SB1022 – State Monuments; Repair Fund; Purpose..

Sponsor

Senator: Jim Waring

Overview

Requires the Arizona Department of Administration (ADOA) to separately account for monies to a specific monument or memorial.

Background

Laws 2007, Chapter 25, established the State Monument and Memorial Repair Fund (Fund). The Fund, consisting of donations, monies collected by proponents, grants and appropriations, is administered by ADOA. The Fund is for maintenance, repair, reconditioning or relocation of monuments or memorials and for supporting mechanical equipment in the governmental mall. ADOA submits an annual report to the Legislative Governmental Mall Commission accounting for monies deposited in the Fund. The Legislature can appropriate monies in the Fund. ADOA is currently only required to separately account for donations for a specific monument or memorial.

Laws 1985, Chapter 23, established the Legislative Governmental Mall Commission to promote the interest and welfare of Arizona by providing for the growth and development of the Governmental Mall (Mall). The Mall boundaries extend to the west to 19th Avenue, to the north to Van Buren Street, to the south to the Harrison Street alignment and to the east to 7th Avenue.

There is no anticipated fiscal impact to the state General Fund associated with this legislation. However, there may be a fiscal impact should a monument or memorial need maintenance, repair or relocation and no monies are deposited into the Fund for that monument or memorial.

Provisions

1. Specifies that monies deposited by the proponents of a monument or memorial are for the maintenance, repair, reconditioning or relocation of that monument or memorial.
2. Makes technical and conforming changes.
3. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with SB1022

The Arizona Historical Advisory Commission is often involved in verifying the historical accuracy of monuments or memorials that are placed in Wesley Bolin Plaza which is within the boundaries of the Governmental Mall. In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

SB1022 passed the Senate 29-0 and was transmitted to the House June 17, 2009 and it was referred to the House Committee on Government where it was amended by a strike all on a different topic on June 23, 2009.

SB1027 Capital Outlay; FY 2009-2010 (WAS: Technical Correction; Bonds; Tax Considerations)

Sponsor

Senator: Russell Pearce

Overview

Makes appropriation and session law changes related to capital outlay necessary to implement the FY 2009-2010 state budget.

Background

This legislation reduces funding for the Centennial which was authorized for the Historical Advisory Commission in Laws 2005, chapter 1, section 3, as amended by Laws 2006, chapter 350, section 4 and Laws 2007, chapter 78, section 1.

Provisions

- Reduces funding from the state General Fund to the Historical Advisory Commission from \$500,000 to \$50,000 for deposit into the Arizona Centennial Account.

More....

Arizona State Library, Archives and Public Records Involvement with SB1027

In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

SB1027 was signed by the Governor on July 1, 2009; Laws 2009, Chapter 10.

SB1035 Budget Reconciliation; General Government (WAS: School Bonds; Technical Correction)

Sponsor

Senator: Russell Pearce

Provisions

- Arizona State Library, Archives and Public Records (ASLAPR) was moved from the legislative branch of government to the Secretary of State's Office. (p. 24)
- Purchases and contracts for goods and services entered into by ASLAPR are exempt from the Arizona Procurement Code. (p. 23)
- When using space under the jurisdiction of the Legislative Council or the Speaker of the State House of Representatives or the President of the State Senate, the Secretary of State is not required to pay rent if the space is primarily being used by ASLAPR for the purposes prescribed by statute. (p. 23)
- An advisory board is established replacing the current board of the Arizona State Library, Archives and Public Records which consists of the President of the Senate or the President's designee, the Speaker of the House of Representatives or the Speaker's designee, one member of the senate who is appointed by the President of the Senate and who is a member of a different political party than the President, and one member of the House of Representatives who is appointed by the Speaker of the House of Representatives and who is a member of a different political party than the Speaker and five members who are appointed by the Secretary of State. (pp. 24-25)
- The Secretary of State shall appoint the Director of the State Library. The Director shall serve at the pleasure of the Secretary of State. (p. 25)
- A Master's degree in Library Science or the equivalent was added to the requirements to be the Director of the State Library. (p. 25)

Arizona State Library, Archives and Public Records Involvement with SB1035

Arizona State Library, Archives and Public Records would be moved from the legislative branch of government to the Secretary of State's Office.

Outcome of Legislation

SB1035 was VETOED by the Governor on July 1, 2009.

SB1045 – Governmental Mall Commission; Report

Sponsor

Senator: Jay Tibshraeny

Overview

The annual report of the Legislative Government Mall Commission (established per ARS 41-1361) is due on or before December 31 each year.

Arizona State Library, Archives and Public Records Involvement with SB1045

The Law and Research Library serves as a depository for Arizona state agency publications. No copy of the report was specified for the State Library.

Outcome of Legislation

SB1045 was assigned to the Senate Committee on Rules on June 4, 2009.

SB1046 – Historical Advisory Commission; Report

Sponsor

Senator: Jay Tibshraeny

Overview

The date by which the Historical Advisory Commission (AHAC) must submit its annual report to the director of Arizona State Library, Archives and Public Records (ASLAPR) is changed to December 31 from September 30. Similarly, the date by which the State Historical Preservation Officer must submit an annual report on the activities of the Historical Sites Review Committee (HSRC) to the Governor, Legislature and the director of ASLAPR is changed to December 31 from September 1.

Arizona State Library, Archives and Public Records Involvement with SB1046

In 1976, the Arizona Historical Advisory Commission was established by A. R. S. § 41-1352 under Arizona State Library, Archives and Public Records and the agency Director appoints the members of the Commission.

Outcome of Legislation

SB1046 was assigned to the Senate Committee on Rules on June 4, 2009.

SB1062 – Law Enforcement Officers; Discipline Procedures

Sponsor

Senator: Linda Gray

Overview

Establishes additional rights of law enforcement and probation officers regarding interviews the employer reasonably believes could result in dismissal, demotion or suspension.

Background

A.R.S. Section 38-1101 outlines the rights of law enforcement officers and probation officers regarding certain interviews the employer reasonably believes could result in dismissal, demotion or suspension. Specifically, officers are allowed to request to have a representative present at no cost to the employer during the interview, subject to restrictions. The officer must be permitted reasonable breaks of limited duration for telephonic or in person consultation with others who are immediately available. Additionally, before the commencement of an interview, the employer must provide the officer with a written notice informing the officer of the following: 1) the specific nature of the investigation, 2) the officer's status in the investigation and 3) all known allegations of misconduct.

A disciplinary action is the dismissal, demotion or suspension for more than 24 hours of an officer that is authorized by statute, charter or ordinance. Disciplinary actions are subject to appeals hearings or other procedures by a local merit board, a civil service board, an administrative law judge (ALJ) or a hearing officer. Employers may amend, modify, reject or reverse the decision of a hearing officer, ALJ or board, but the employer must state the reasons for the amendment, modification, rejection or reversal.

Provisions

- Specifies that at the conclusion of an interview in which an employer reasonably believes could result in dismissal, demotion or suspension of the law enforcement officer or probation officer, the officer is entitled to the following:
 - A period of time to consult with the officer's representative.
 - A statement not to exceed five minutes, addressing specific facts or policies that are related to the interview.
- Allows an employer or person acting on behalf of an employer, except where a statute or ordinance makes the administrative evidentiary hearing the final administrative determination, to amend, modify, reject or reverse a decision made by a hearing officer, administrative law judge or appeals board after a hearing if the following occur:
 - The officer and employer were equally allowed to call and examine witnesses, cross-examine witnesses, provide documentary evidence and otherwise fully participate in the hearing.
 - The decision was arbitrary or without reasonable justification.

- The employer or person acting on behalf of the employer states the reason for the amendment, modification, rejection or reversal.
- Prohibits an employer from including any information about an investigation in the portion of the personnel file of an officer that is available for public inspection and copying until one of the following occurs:
 - The investigation is complete.
 - The employer has discontinued the investigation.
- Specifies that if the officer has timely appealed a disciplinary action, the investigation is not complete until the conclusion of the appeal process.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with SB1062

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1062 was signed by the Governor on July 13, 2009, Laws 2009, Chapter 128.

SB1067 – Insurance Department; Reports; Payments; Dates

Sponsor

Senator: Jim Waring

Overview

Multiple changes to statutes pertaining to reports by and to and payments to the Department of Insurance. The annual statement of financial condition required of insurers must be submitted by March 1 (formerly March 31). The director of the Department of Insurance is authorized to designate a repository to receive statements and reports from insurers. Also, authority of the director to share information with other regulatory agencies is rewritten slightly and moved to a different part of Title 20. More.

Arizona State Library, Archives and Public Records Involvement with SB1067

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1067 was assigned to the Senate Committee on Finance on June 4, 2009.

SB1073 – Population Thresholds; Counties

Sponsor

Senator: Jonathan Paton

Overview

Adjusts county population requirements.

Background

Statute conditions many county powers as well as board memberships and financial allocations according to a county’s population as determined by the most recent decennial census. As of 2008 the United States Census Bureau estimates that Arizona’s counties have the following populations:

County	Population	County	Population	County	Population
Apache	70,207	Greenlee	8,002	Pima	1,012,018
Cochise	129,006	La Paz	20,086	Pinal	327,301
Coconino	128,558	Maricopa	3,954,598	Santa Cruz	43,000
Gila	52,166	Mohave	196,281	Yavapai	215,503
Graham	36,452	Navajo	112,757	Yuma	194,322

There is no anticipated impact to the state General Fund associated with this measure.

Provisions

1. Increases the county population thresholds.
2. Adjusts the apportionment of the 14 gubernatorial appointees to the Arizona Criminal Justice Commission.
3. Increases the county population requirements for county attorneys appointed by the Governor to the Automobile Theft Authority; one must be from a county of 2,000,000 or more persons and one must be from a county of less than 2,000,000 persons.
4. Increases the county population threshold requirement for a sheriff appointed by the Governor to the Arizona Department of Homeland Security from between 400,000 and 1,200,000 persons to between 800,000 and 1,500,000 persons.
5. Adjusts the apportionment of the gubernatorial appointees to the Water Infrastructure Finance Authority of Arizona.

6. Makes technical changes.
7. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with SB1073

The Law and Research Library is the Regional Federal Depository for Arizona and collects census publications and related information.

Outcome of Legislation

SB1073 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 113.

SB1091 – secretary of state; elections; filing (WAS: elections; special districts; technical correction)

Sponsor

Senator: Jonathan Paton

Representative: Andrew M. Tobin (offered floor amendment moving ASLAPR to SOS)

Overview

Makes numerous changes to election law, including filing of nomination petitions for a presidential candidate, removing restrictions on contribution limitations and decreasing the time to file actions relating to initiative and referendum. Establishes and transfers authority of the Arizona State Library, Archives and Public Records (ASLAPR) to the Secretary of State (SOS). Contains requirements for enactment for initiatives and referendums (Proposition 105).

Provisions

Representative Andrew M. Tobin introduced a floor amendment in the House of Representatives which included the following changes that apply to the Arizona State Library, Archives and Public Records (ASLAPR):

ASLAPR Establishment and Purpose

- Changes, ASLAPR's establishment from the Legislative Branch to the Office of the Secretary of State and transfers authority from the advisory board to the SOS for the following:
 - Appointment, service and compensation of the ASLAPR Director.

- Approval of the fee schedule to charge state agencies, political subdivision and other governmental units for services and expenses incurred by the state library.
 - Granting an exemption to an agency from the transfer of personal property for display purposes.
 - Granting an exemption to a requested property of transfer if the transfer would result in significant cost or disruption to the agency.
- Allows the SOS to purchase a voice over internet protocol system for use by the Department of State to replace the existing telephone system.
 - Specifies that the rental payment for using space under the jurisdiction of Legislative Council, the Speaker of the House of Representatives or the President of the Senate does not apply if the space used is primarily being used by ASLAPR for statutory purposes.

ASLAPR Advisory Board

- Changes the advisory board membership by:
 - Allowing designee's for the President of the Senate and the Speaker of the House.
 - Specifying that the appointed Senator and Representative be a member of a different political party than the President and the Speaker.
 - Adds five members who are appointed by the Secretary of State (SOS).
- Requires the advisory board to annually elect a chairperson and vice-chairperson from among its members at the first meeting of the fiscal year.
- Allows the meetings of the advisory board to be held at the call of the majority of the members of the advisory board.
- Removes the requirement that the Speaker and the President serve as the chairman of the advisory board every other year.
- Requires members who are appointed by the SOS to serve three year staggered terms beginning on July 1, 2009.
- Requires, if there is a vacancy, the SOS to appoint another person to serve the remainder of the term.
- Allows the SOS to appoint members to succeeding terms.
- Allows the SOS to remove a member for good and sufficient cause.
- Specifies that members of the advisory board who are appointed by the SOS are not eligible to receive compensation but are eligible for reimbursement of travel expenses.

ASLAPR Employees

- Requires the advisory board to advise the SOS in the supervision of the state library.

- Requires the Director to have at least a master’s degree in library science or the equivalent.
- Exempts:
 - Except as otherwise provided by law, employees of the Department of State from the personnel board and personnel administration.
 - Purchases and contracts for goods and services entered into by the ASLAPR from the Arizona Procurement Code.
- Specifies current SOS employees subject to the personnel administration and personnel board continue to be subject on the effective date of this act.
- Removes the definition of “Board.”

ASLAPR Property

- Requires the Arizona Department of Administration (ADOA) to sell or lease to the highest and best bidder at a public auction held for that purpose the state property located at 14 N. 18th Avenue, Phoenix, Arizona.
- Requires the sale or lease include the building and appurtenant land, personal property and other improvements required for the operation of the property.
- Specifies the property is subject to two current independent appraisals and an independent title search before the property is offered for sale.
- Requires the sale or lease of the property to begin as soon as possible after the effective date of this act and to be completed before July 1, 2010.
- Specifies the sale or lease is subject to review by the Joint Committee on Capital Review (JCCR).
- Requires all proceeds of the sale or lease to be deposited in the capital outlay stabilization fund.
- Specifies that all personnel, property, records and appropriated monies remaining unspent and unencumbered of ASLAPR are transferred to the SOS and allows use for state library purposes.

Arizona State Library, Archives and Public Records Involvement with SB1091

Arizona State Library, Archives and Public Records would be moved from the legislative branch of government to the Secretary of State’s Office.

Outcome of Legislation

SB1091 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 114.

SB1097 – Records; Emergency Medical Services; Confidentiality (WAS: Emergency Medical Services; Records; Confidentiality)

Sponsor

Senator: Carolyn S. Allen

Overview

Allows emergency medical personnel under investigation by the Department of Health Services (DHS) to request certain information related to a complaint with certain restrictions.

Background

Arizona Revised Statutes § 36-2211 allows the DHS to investigate any evidence that may show that an emergency medical technician has engaged in certain conduct or committed certain acts such as unprofessional conduct, gross incompetence, a felony or misdemeanor involving moral turpitude, physical or mental incompetence, and fraud or misrepresentation. If the DHS believes a violation has or may have occurred, an informal interview with the emergency medical technician shall be requested. Following the investigation and interview, the DHS may terminate the investigation or take disciplinary action in accordance with the statutes governing administrative hearings.

Provisions

- Requires the DHS to notify emergency medical personnel who are under investigation, at least thirty days before the date of an informal interview, of their right to request certain information related to the investigation.
- Allows a person under investigation to submit a written request to the DHS ten days before an informal interview that the following information be provided within the confines of state and federal privacy laws:
 - The name of the person making the complaint.
 - Any documents received by the DHS that are relevant to the investigation including records obtained from first responders, witness statements, and patient records.
- Requires the DHS to redact any information provided as is necessary to protect the personally identifying information of a patient.
- Prohibits a person who receives this information from copying or sharing it except as needed to participate in an informal interview, administrative hearing, or appeal arising from the investigation, and classifies a violation of this requirement as a class 3 misdemeanor.

Arizona State Library, Archives and Public Records Involvement with SB1097

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1097 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 54.

SB1100 – Biomedical Research Commission; Continuation

Sponsor

Senator: Carolyn S. Allen

Overview

Continues the Biomedical Research Commission (Commission) for ten years.

Background

According to the 2008 Office of the Auditor General sunset review report, the Commission was created in 1984 to provide monies to entities in Arizona that research and develop treatments for diseases such as Alzheimer's Disease, cerebral palsy, Parkinson's Disease, cancer, Lou Gehrig's Disease, and the West Nile Virus. The Commission receives no General Fund revenues. Its revenues come from tobacco tax and lottery monies and it awarded approximately \$12 million to its research partners in fiscal year 2008.

On December 15, 2008 the Arizona Senate and House of Representatives Health Committee of Reference adopted a motion recommending the continuation of the Commission for ten years.

Provisions

- Repeals the statute that would terminate the Commission.
- Continues the Commission until July 1, 2019.
- Contains a purpose clause.
- Includes a retroactivity date of July 1, 2009.

Arizona State Library, Archives and Public Records Involvement with SB1100

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

SB1100 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 55.

SB1134 – Commission for Postsecondary Education; Continuation

Sponsor

Senator: John Huppenthal

Overview

Continues the Arizona Commission for Postsecondary Education (ACPE) for ten years.

Background

The ACPE was first established in 1974 by executive order to meet a federal law requiring states to create a postsecondary commission to be eligible for grant funding. In 1977, the ACPE was moved under the supervision of the Arizona Board of Regents (ABOR), but in 1991 became an independent agency once again. In 1994, the Legislature codified the responsibilities of the ACPE in statute and has since bestowed additional powers and duties to the ACPE. Currently, the duties of the ACPE include the administration of the Arizona Family College Savings Program, the Leveraging Education Assistance Partnership, the Private Postsecondary Student Financial Assistance Program, the Postsecondary Education Grant Program, and the Early Graduation Scholarship Program.

The ACPE is comprised of 16 Commissioners: the Executive Director of the ABOR, the Executive Director of the State Board for Private Postsecondary Education, and 14 additional members appointed by the Governor who represent various sectors of the postsecondary education, business, and K-12 education communities. The appointed Commissioners serve four-year terms and are prohibited from serving more than two consecutive terms.

The House and Senate Higher Education Committee of Reference (COR) held a sunset

hearing for the ACPE on December 11, 2007. Based on the recommendations of the COR, legislation that continued the ACPE for ten years and conformed several statutes regulating the ACPE with federal law was introduced and passed by the Legislature in 2008 (SB 1012). This legislation was vetoed by Governor Napolitano, who stated “A 10-year long continuation period is too long for this Commission, which is the subject of inquiry regarding its mission and membership,” and she “would welcome a bill for the Commission that includes all the changes suggested, but extends the continuation of the Commission for no more than one year.”

The FY 2008-09 budget reconciliation bill for education incorporated all of the conforming changes offered in SB 1012, but continued the ACPE for only two years, terminating the agency on July 1, 2010.

Provisions

- Extends the sunset date for the ACPE to July 1, 2019.
- Contains a purpose section.

Arizona State Library, Archives and Public Records Involvement with SB1134

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

SB1134 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 58.

SB1142 – Public Expenditure Transparency Database

Sponsors

Senators: Jonathan Paton, Sylvia Allen, Pamela Gorman, John Huppenthal, Russell Pearce, Steve Pierce

Representatives: Frank Antenori, Cecil P. Ash,, Ray Barnes, Steve Court, Adam Driggs, David Gowan, John Kavanagh, Debbie Lesko, Jerry Weiers, Jim Weiers

Co-Sponsors

Senators: Robert "Bob" Burns, Ron Gould, Jack W. Harper, Al Melvin, Thayer Verschoor

Representatives: Rich Crandall, Sam Crump, Doris Goodale, Laurin Hendrix, Russell L. Jones, Rick Murphy, Warde V. Nichols, Doug Quelland, Carl Seel

Overview

Requires cities, towns, and county treasurers to establish and maintain a receipts and expenditures public internet database. Revises the date when the Arizona Department of Administration (ADOA) is required to have established a public internet database of receipts and expenditures.

Background

Laws 2008, Chapter 312 requires ADOA to establish and maintain a public internet database of receipts and expenditures of state monies. ADOA, established in 1972, provides state government centralized administrative services. The State Procurement Office, within ADOA, is the Arizona state government's central procurement authority administering statewide contracts for state agencies and political subdivisions. Currently cities, towns and counties are not required to maintain a public internet database of expenditures.

There is no anticipated fiscal impact to the state General Fund; however, according to the Joint Legislative Budget Committee, the requirements for more detail are not expected to increase state costs since they clarify the original bill's intent. The shortened timeline for implementing the state's transparency database may increase costs for the project however, and ADOA did not have a specific estimate of this potential impact. Cities, towns, and counties will be responsible for the costs of establishing and maintaining public internet databases which will vary according to each jurisdiction's current state of technical infrastructure.

Provisions

1. Requires, by January 1, 2011, that cities and towns with a population of 5,000 persons or more to establish and maintain a comprehensive public internet database of receipts and expenditures.
2. Requires, by January 1, 2011, that counties establish and maintain a comprehensive public internet database of receipts and expenditures.
3. Requires, by January 1, 2011, that school districts and charter schools with a student count greater than 600 pupils establish and maintain a comprehensive internet database of receipts and expenditures.
4. Requires, by January 1, 2011, that each community college district to establish and maintain a comprehensive internet database of receipts and expenditures.
5. Restores the date to January 1, 2011 that requires the state to establish and maintain a comprehensive internet database of receipts and expenditures.
6. Requires the state, cities, towns, counties, school districts, and community college districts database include individual expenditures and disbursements of

state revenues by each state budget unit from funds established in the state treasury, as applicable.

7. Requires state, cities, towns and counties database to be updated as new data becomes available.
8. Requires school districts and community college districts to update the database within 30 days after the end of each fiscal year and allows the databases to be updated as new data becomes available.
9. Requires state, cities, towns, counties, school districts and community college districts to link their databases.
10. Requires data expenditure information to include the manner of payment, the funding source, a descriptive title of type and purpose of transaction, the date and amount of each payment, the paying budget unit, the name of the contractor receiving payment and the primary location of performance to be included in the database.
11. Prohibits posting in the database confidential taxpayer information, payee's addresses or telephone numbers, work product in anticipation of litigation or information subject to attorney-client privilege or other confidential information as designated by law.
12. Immunizes cities, towns, counties, school districts and community college districts from civil liability for posting confidential information in the database if the posting is in reliance on the budget unit's determination relating to confidentiality.
13. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

- Changes the population threshold and date for cities and towns to establish an internet database.
- Changes the date required for the state and counties to establish an internet database.
- Includes school districts and community college districts required to establish an internet database.

Arizona State Library, Archives and Public Records Involvement with SB1142

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1142 passed the Senate 10-9 and was transmitted to the House on June 25, 2009.

SB1157 – Department of Environmental Quality; Continuation

Sponsors

Senators: John Nelson, Carolyn S. Allen, John Huppenthal, Steve Pierce, Thayer Verschoor

Overview

Continues the Arizona Department of Environmental Quality (ADEQ) for five years and requires a legislative committee review of ADEQ by 2011.

Background

The Arizona Legislature established ADEQ as the state's environmental regulatory agency pursuant to the Environmental Quality Act of 1986. The agency's mission is to protect and enhance public health, welfare and the environment in Arizona. ADEQ is comprised of four environmental program divisions that execute its mission in the areas of air quality, water quality, tank programs and waste programs.

Pursuant to A.R.S. § 41-2953, the Joint Legislative Audit Committee (JLAC) assigned the sunset review of ADEQ to the Senate Natural Resources and Rural Affairs and the House of Representatives Environment Committee of Reference. The Committee of Reference held a public hearing on November 12 and 13, 2008 to review ADEQ and the agency's response to the sunset factors, as required by A.R.S. § 41-2954, subsections D and F. After public testimony, the Committee of Reference recommended the following:

- 1) ADEQ be continued for two years with the understanding that no Western Climate Initiative (WCI) positions be enacted by ADEQ.
- 2) The Legislature consider revising ADEQ's time limits to issue permits as a condition of ADEQ's reauthorization and that they must exercise due diligence in contacting those requesting permits within an acceptable amount of time after the response is received.
- 3) The Legislature consider restructuring ADEQ's ability to adopt or enforce rules for a state or regional program addressing cap and trade programs in relation to greenhouse gases or motor fuel vehicle economy regulation that is not expressly authorized by the Legislature.
- 4) The Legislature consider prohibiting ADEQ's ability to direct monies resulting from remediation or civil penalties to sources other than the General Fund.
- 5) The Legislature consider defining the term "supplemental environmental project" in statute and the notion of "nexus".
- 6) The Legislature consider whether it would be best served to involve the office of the auditor general in subsequent legislative authorizations.

Provisions

- Specifies that ADEQ terminates on July 1, 2014.

- Repeals provisions related to ADEQ on January 1, 2015.
- Contains a purpose provision which recognizes that ADEQ consolidate and focus responsibility for environmental management and administration of water quality, air quality, solid waste and hazardous waste regulation with the goal of increasing effectiveness, efficiency and public acceptance of environmental regulation.
- Requires the Senate Committee on Natural Resources, Infrastructure and Public Debt, or other successor committee with jurisdiction over issues relating to ADEQ and the House of Representatives Environment Committee to hold a hearing to review the status of ADEQ in 2011.
- Contains a retroactivity provision that specifies Sections 1 and 2 of this legislation are effective retroactively to July 1, 2009.

Arizona State Library, Archives and Public Records Involvement with SB1157

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

SB1157 was signed by the Governor on July 9, 2009, Laws 2009, Chapter 53.

SB1168 – Federal Monies; Report

Sponsors

Senators: Russell Pearce, Pamela Gorman
 Representative: Judy M. Burges

Co-Sponsors

Senators: Sylvia Allen, Ron Gould, Thayer Verschoor
 Representative: Nancy McLain

Overview

Requires state budget units to report annually to the Joint Legislative Budget Committee (JLBC) on all federal monies received.

Background

Currently, Arizona Revised Statutes (A.R.S.) §35-113.01 requires that all budget units requesting or receiving federal funds submit copies of all applications, contracts, agreements, and statements of purpose for which those funds are to be provided to the Arizona Department of Administration.

Additionally, A.R.S. §41-723 requires the Director of the Governor's Office of Strategic Planning and Budgeting to submit an annual report on federal aid programs to the state legislature that includes the following findings and recommendations:

- The total amount of grants-in-aid received by state agencies during the prior fiscal year.
- The total amount of grants-in-aid available to state agencies during the prior fiscal year.
- The adequacy of grants-in-aid programs currently in progress within the state and the legislation necessary to improve the operation of those programs.
- The legislation necessary to activate available programs, and the advisability of accepting or discontinuing new or existing programs.

Provisions

- Requires state budget units seeking federal monies to submit copies of all applications, contracts, and agreements to JLBC.
- Mandates that the Governor's Office and all state budget units provide JLBC with an annual report containing information on:
 - All federal monies received in the current fiscal year.
 - Any state matching requirements for the receipt or expenditure of those monies.
 - Caseload information for those populations that the monies are intended to provide services for.
 - A five-year summary of historical caseload information on each population.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with SB1168

Arizona State Library, Archives and Public Records, as the designated "state library" for Arizona, receives federal funds.

Outcome of Legislation

SB1168 passed the Senate 22-6 on June 15, 2009 and was transmitted to the House and it was referred to the House Committee on Appropriations where it was amended by a strike all on a different topic on June 24, 2009.

SB1184 – 2008-2009; Appropriations; Budget Revisions (WAS: Technical Correction; Boating Rules) (**see: HB2051**)

SB1188 – General Appropriations; FY 2009-2010 (WAS: Fiduciary Funds; Deposits; Technical Correction)

Sponsor

Senator: Robert "Bob" Burns

Overview

Makes state General Fund (GF) and other fund (OF) appropriations for FY 2009-2010 for the operation of state government, makes budget revisions, transfers monies and makes supplemental appropriations.

Provisions

p. 6-8

Sec. 5. Expenditure reductions; transfers; fiscal year 2008-2009

A. Notwithstanding any other law, the following agencies shall reduce expenditures in the stated amounts and, on or before June 30, 2009, the following shall be transferred to the state general fund:

26. Arizona state library, archives and public records:

Records services fund - \$33,800.

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Sec. 58. LEGISLATURE 2009-10:

Arizona state library, archives and public records

<i>FTE positions</i>	<i>104.8</i>
<i>Operating lump sum appropriation</i>	<i>\$ 7,306,400</i>
<i>Grants-in-aid</i>	<i>651,400</i>
<i>Statewide radio reading service for the blind</i>	<i>97,000</i>
<i>Lump sum reduction</i>	<i>(937,200)</i>
<i>Total appropriation – Arizona state library, archives and public records</i>	<i>\$ 7,117,600*</i>

Fund sources:

<i>State general fund</i>	\$ 6,441,700
<i>Records services fund</i>	675,900

Performance measures:

<i>Customer satisfaction rating (Scale 1-8)</i>	7.5
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Arizona State Library, Archives and Public Records Involvement with SB1188

Arizona State Library, Archives and Public Records is a budget unit.

Outcome of Legislation

SB1188 was line-item VETOED by the Governor on July 1, 2009 but the sections that applied to Arizona State Library, Archives and Public Records were left.

SB1232 – Body Art Establishments; Licensure

Sponsor

Senator: Meg Burton Cahill

Overview

Institutes licensure requirements, regulations and standards for body art establishments. Requires body art establishments to obtain a license by January 1, 2011.

Background

In 1996, the Legislature enacted legislation making it unlawful to tattoo a person under 18 years of age without the presence of that person's parent or legal guardian. The legislation specified that a person who commits a violation is guilty of a class 6 felony (Laws 1996, Chapter 222).

The law expanded in 1999 to also prohibit the practice of branding, scarifying, implanting, mutilating or piercing a person under the age of 18 without the physical presence of the person's parent or legal guardian. However, the prohibition does not apply to ear piercing if the person under 18 has written or verbal permission from a parent or legal guardian. The prohibition also does not apply to procedures prescribed by a licensed health care provider (Laws 1999, Chapter 323).

Current statute further regulates the practice of tattooing and other forms of body modification by prohibiting certain acts in the Arizona Criminal Code (Arizona Revised Statutes, Title 13). Specifically, it is unlawful for a person to do any of the following:

- Use a needle, or any substance that leaves color under the skin, more than once.
- Use a needle that is not properly sterilized.
- Engage in the business of tattooing, branding, scarifying, implanting, mutilating or body piercing out of a home or an impermanent structure, such as a tent or trailer.
- If the person is not a licensed health professional, it is unlawful to administer anesthesia during the course of any procedure that involves branding, scarifying, tattooing, implanting, mutilating or piercing the body of another person.

A person who commits a prohibited act is guilty of a class 6 felony, which carries a presumptive sentence of one year in prison plus fines and surcharges. If a person is prosecuted for committing a prohibited act, it is a defense that the person requested age identification and relied in good faith on the accuracy of the information contained in the identification.

Finally, current statute regulates waste disposal from tattoo establishments. Tattoo needles and any waste exposed to human blood generated in the creation of a tattoo must be disposed of in the same manner as biohazardous medical waste. A person who does not comply with these disposal requirements is subject to a civil penalty of \$500 per violation (Laws 2005, Chapter 239).

Arizona currently does not require licensure or certification to engage in the practice or business of tattooing, branding, scarifying, implanting, mutilating, tattooing or piercing.

The fiscal impact to the state General Fund is undetermined at this time.

Provisions

1. Prohibits a body art establishment operator from performing the certain actions beginning January 1, 2012.
2. Requires a body art operator who wishes to operate a body art establishment to have a current license issued by a local public health department by January 1, 2012.
3. Specifies that the body art operator must have a separate license for each establishment.
4. Allows a local public health department to set its own fees relating to body art establishment licensure.
5. Requires an applicant for licensure to file a completed application as required by the Department of Health Services (DHS) and to include the prescribed fee in the application.
6. Specifies that a license is nontransferable.
7. Requires the licensee or operator to post the license and, if applicable, the most recent inspection in a prominent and conspicuous area.

8. Requires a body art establishment that operates a temporary establishment at another location, such as a trade show or for demonstration, to have a current temporary license issued by the local public health department.
9. Specifies that an applicant for a temporary license must file a completed application as required by the local public health department and include the prescribed application fee.
10. Stipulates that, in order to obtain a temporary license, the applicant must hold a permanent license for a body art establishment in good standing.
11. Specifies that a temporary license is nontransferable and is valid for four days or until the conclusion of the special event, whichever occurs first.
12. Requires the operator to post the temporary license and, if applicable, the most recent inspection in a prominent and conspicuous area.
13. Requires DHS to establish minimum standards regarding sanitation, pest control, proper disposal of equipment and bodily fluids, sterilization of equipment and surface areas, record keeping, business procedures and employee requirements.
14. Mandates that an operator and the body art establishment's employees comply with all prescribed standards and stipulates compliance with the minimum standards as a condition of licensure.
15. Requires a county that regulates body art establishments to adopt standards that are at least as stringent as those prescribed by DHS.
16. Authorizes local public health departments to receive and investigate complaints against body art establishments, initiate and conduct investigations and enter and inspect the premises during business hours.
17. Authorizes local public health departments to take action if it believes, as a result of an inspection or investigation, a violation has occurred.
18. Authorizes the Director of DHS to enter, examine and survey any body art establishment for oversight and general supervision purposes.
19. Allows a county or municipality to adopt and enforce regulations affecting body art establishments and allows them to impose stricter regulations than those adopted by DHS.
20. Exempts DHS from rule making requirements for two years after the effective date and requires DHS to hold at least two public meetings before adopting rules.
21. Defines terms
22. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with SB1232

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1232 was assigned to the Senate Committee on Health on June 4, 2009 and was held there June 10, 2009.

SB1237 – Public Record Requests

Sponsor

Senator: John Nelson

Overview

A person requesting access to a public record has 30 days to inspect, retrieve or pay for the record. It is a defense to any action brought under public record law if a person who requests a public record has previously requested but failed to inspect, retrieve or pay for copies of the record.

Arizona State Library, Archives and Public Records Involvement with SB1237

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1237 was referred to the Senate Committee on Government Institutions on June 4, 2009.

SB1246 – CPS Information

Sponsor

Senator: Jonathan Paton

Overview

Stipulates that court proceedings relating to child abuse, abandonment, or neglect that have resulted in a fatality or near fatality are open to the public, unless closed for good cause shown by the court.

Background

Arizona Revised Statutes § 8-525 establishes that court proceedings relating to dependent children and termination of parental rights are open to the public except as disallowed by the court based on certain specified criteria. At the first hearing, the parties may assert reasons the proceedings should be closed, and for good cause shown, the court may close the proceedings to the public. In doing so, the court shall consider the child's best interests, whether keeping the proceedings open would endanger the physical or emotional well-being of the child or the safety of any other person, the child's wishes (if at least twelve years old), and other criteria. If a proceeding has been closed, any person may subsequently request that the proceeding be opened.

Provisions

- Adds to the criteria the court must consider when deciding whether to close a proceeding: whether an open proceeding could cause specific material harm to a criminal investigation.
- Stipulates that a court proceeding relating to child abuse, abandonment, or neglect that has resulted in a fatality or near fatality is open to the public, subject to certain restrictions.
- Allows persons to request a transcript be made of any previously closed proceeding relating to child abuse, abandonment, or neglect that has resulted in a fatality or near fatality.
- Permits the court to redact information if a transcript is granted, to protect privacy or safety.
- Stipulates that the person who requests the transcript must pay for it.
- Allows persons to request to inspect court records of a proceeding involving the disclosure of Child Protective Services information regarding a case of child abuse, abandonment, or neglect that has resulted in a fatality or near fatality.
- Specifies what factors the court shall consider in evaluating such a request.
- Allows the court to redact information if an inspection is granted, to protect privacy or safety.

Arizona State Library, Archives and Public Records Involvement with SB1246

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1246 was signed by the Governor on July 13, 2009, Laws 2009, Chapter 154.

SB1248 – Public Records; Electronic Format

Sponsor

Senator: Jonathan Paton

Overview

Records that are maintained in an electronic format are included in public records that a person may request to examine or be furnished with copies of. Fees for public records cannot exceed actual copying costs. Public bodies must provide copies of public records in the format requested, if available.

Arizona State Library, Archives and Public Records Involvement with SB1248

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation would amend public records law A.R.S. § 39-121.01 to explicitly include records of electronic format and would specify that fees can't exceed actual copying costs. This legislation also defines metadata and adds a requirement for providing metadata: "If requested and if available, a public body shall provide metadata that is reasonably necessary to establish a public record's authenticity or scope." It also allows for conversion of paper records to electronic format. The metadata requirement might be related to the Arizona Court of Appeals, Division One decision January 13, 2009 on this subject (*Lake v City of Phoenix*) at <http://www.cofad1.state.az.us/opinionfiles/cvidx.htm> and news article "Court rules 'metadata' not public record" in the *East Valley Tribune* by Howard Fischer.

Outcome of Legislation

SB1248 was referred to the Senate Committee on Government Institutions on June 4, 2009.

SB1249 – DOA; Large Loss Support Unit

Sponsor

Senator: Jonathan Paton

Overview

The limitation of \$10,000 per loss for the deductible amount the Department of Administration can impose on state departments, agencies, boards and commissions is deleted. In addition to current agency insurance charges, DOA is authorized to bill a

loss participation charge for liability claims settled or adjudicated since the previous billing for \$250,000 or more. The loss participation charge is \$1,000 plus 10% of the amount above \$250,000, up to a maximum of \$10,000. DOA is required to establish a large loss support unit to investigate the death of a person, serious injury to a person or other alleged substantial or suspected loss caused at least in part by the actions of a state agency, unless the DOA director determines that the incident does not merit review.

Arizona State Library, Archives and Public Records Involvement with SB1249

Arizona State Library, Archives and Public Records is an Arizona state agency.

Outcome of Legislation

SB1249 was referred to the Senate Committee on Appropriations on June 4, 2009.

SB1261 – Public-Private Partnerships in Transportation

Sponsor

Senator: John Nelson

Overview

The list of methods of procuring transportation facilities by any unit of government in the state is expanded to include unsolicited proposals, vendor-financed proposals or other "best value selection" procurement. Specific authority is granted for public-private partnerships that permit the private partner to collect user fees and tolls.

Arizona State Library, Archives and Public Records Involvement with SB1261

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation specifies (A. R. S. § 28-7706) which parts of the procurement records created through these agreements would be confidential and which records would open to public inspection. This is all part of what would be a new title 28, chapter 22.

Outcome of Legislation

SB1261 was assigned to the Senate Rules Committee on June 29, 2009.

SB1273 – Motorcycle Safety Fund; Council; Continuation

Sponsor

Senator: Linda Gray

Overview

Requires the funding of the Motorcycle Safety Fund (Fund) to continue through June 30, 2020. Also continues the Arizona Motorcycle Safety Council (Council) through June 30, 2020.

Background

The Fund was established by the Legislature to implement and support voluntary motorcycle education, awareness and other programs, including the costs of materials for such purposes. Pursuant to A.R.S. § 28-2010, the Director of the Arizona Department of Transportation (ADOT) is required to deposit \$1 from motorcycle registration fees into the Fund through June 30, 2010. Currently, the Fund is administered by the Director of the Governor's Office of Highway Safety, and up to ten percent of the monies in the Fund may be used for administrative purposes.

The Council consists of five members who are appointed by the Governor for three-year terms and are required to have experience in motorcycle safety issues. The Council provides advice to the Director on the expenditure of the monies in the Fund. The Council also has a statutory termination date of June 30, 2010.

There is no anticipated fiscal impact to the state General Fund as a result of this legislation.

Provisions

1. Requires the deposit of one dollar into the Fund to continue through June 30, 2020.
2. Requires the Council to continue through June 30, 2020.
3. Becomes effective on the general effective date.

Amendment Adopted

- Reinstates a statutory termination date of June 30, 2020 for the Council, as well as funding for the Fund.

Arizona State Library, Archives and Public Records Involvement with SB1273

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona

state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

SB1273 passed the Senate 25-2 and was transmitted to the House on June 19, 2009 where it was assigned to the House Committee on Transportation and Infrastructure on June 22, 2009.

SB1289 – Vehicle Accident Reports

Sponsor

Senator: John Nelson

Overview

Permits the release of personal identifying information contained in vehicle accident reports on request by a person involved in an accident, a licensed insurer of a person involved in an accident, or an attorney representing a person involved in an accident.

Background

According to Arizona Revised Statutes (A.R.S.) § 28-667, a written report for an accident involving bodily injury, death or damage to property must be completed by the investigating officer within 24 hours after the investigation is finished and only if the damages that occurred are in excess of \$1,000 or a citation is issued. Statute also states that if an accident only results in property damage without a citation, bodily injury or death, where the amount does not exceed \$1,000, the investigating officer must complete a portion of the written report within 24 hours. The portion of the written report must include:

- The time, day, month and year of the accident.
- Information identifying the location of the accident.
- Information of the parties involved including: name, age, sex, address, telephone number, vehicle registration and proof of insurance.
- A description of the facts of the accident including a diagram.
- The investigating officer's name, agency and identification number.

Furthermore, the agency employing the officer or employee must not allow an individual to examine an accident report if the request is for a commercial solicitation purpose and may require the individual to state under penalty or perjury that the report is not being

examined for any commercial purpose. The agency may retain the original report or is required to keep an electronic version of the report.

Provisions

- Requires the agency employing a law enforcement officer or public employee who investigates a motor vehicle accident to:
 - immediately forward a copy of the report to the Arizona Department of Transportation for its use.
 - provide a copy of the unredacted report on request and except as otherwise provided by statute to the following:
 1. A person who is involved in the accident or the owner of a vehicle involved in the accident or a representative of the person or owner.
 2. Any licensed insurer if the report is related to an investigation into fraudulent claims or any insurer of a person involved in the accident that writes automobile liability or motor vehicle liability policies and that is both under the jurisdiction of the Department of Insurance, an insurance support organization, or a self-insured entity or its agents, and is an insurer of a person involved in the accident.
 3. An attorney licensed to practice law or to a licensed private investigator representing a person involved in the accident in connection with any civil, administrative or arbitration proceeding in any court or government agency or before any self-regulatory body, including the service of process, investigation in anticipation of litigation, and the execution or enforcement of judgments and orders or a court order.
- States that if a request is made for an unredacted report by a person involved in or an attorney of a person involved in an accident and the accident report indicates that a criminal complaint has been issued, any personal identifying information regarding the victim must be redacted from the accident report before it is released pursuant to A.R.S. § 13-4434 regarding a victim's right to privacy.
- Allows a law enforcement agency to deny a request for a copy of an unredacted accident report if the agency determines that release of the report would be harmful to a criminal investigation.
- Specifies that any law restricting the distribution of personal identifying information by a business entity relating to licensed insurers applies to personal identifying information contained in an accident report.
- Stipulates that if a person who receives information relating to an accident report is not otherwise subject to distribution restrictions for information contained, the person cannot release the report or any information contained in the report except to the person involved in the accident, a licensed insurer of a person

involved in an accident, and an attorney representing a person involved in the accident.

- Contains an emergency clause.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with SB1289

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1289 was signed by the Governor on July 13, 2009, Laws 2009, Chapter 131.

SB1291 – State Photo Enforcement System

Sponsor

Senator: John Nelson

Overview

Requires the court to forward to the Motor Vehicle Division (MVD) records related to state photo enforcement convictions or judgments and allows MVD to consider the violation when determining whether to suspend or revoke a person's driver license.

Background

Pursuant to A.R.S. § 28-3305, a court with jurisdiction over traffic offenses or civil traffic violations must forward a record of any conviction or judgment against a person in the court, with limited exceptions, to MVD and may recommend the suspension of the person's driver license. MVD must assign points to a driver for each violation resulting in a conviction or judgment. Administrative rule requires MVD to order a driver to successfully complete traffic survival school training or suspend the person's driver license if the driver accumulates eight or more points in a 12 month period. If a person violates the requirement to drive at a reasonable and prudent speed, MVD assesses three points to the person.

Laws 2008, Chapter 286, established a statewide photo enforcement program to be managed by the Department of Public Safety (DPS). The law required DPS to enter into a contract with a private vendor or vendors to establish a "state photo enforcement system." The cameras are to be placed throughout the state at locations to be determined by the Director of DPS in order to detect violations of speed limit. To date,

DPS has deployed 42 mobile speed enforcement vehicles to be used on highways throughout Arizona. Additionally, DPS has 36 fixed photo enforcement camera locations. If a person is found responsible for a civil traffic violation witnessed by the state photo enforcement system, current law prohibits MVD from considering the violation for the purpose of determining whether the person's driver license should be suspended or revoked. Furthermore, the courts are prohibited from transmitting records of these violations to MVD.

There may be a fiscal impact associated with this measure because it prescribes additional requirements for the court and MVD.

Provisions

1. Requires the court to forward to MVD a record of a conviction or judgment against a person in the court for a civil traffic violation witnessed by the state photo enforcement system.
2. Allows MVD to consider a civil traffic violation witnessed by the state photo enforcement system for the purpose of determining whether the person's driver license should be suspended or revoked.
3. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with SB1291

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1291 was retained on the Senate Committee of the Whole calendar on June 24, 2009.

SB1303 – Open Meeting Law; Minutes; Notice

Sponsor

Senator: Jay Tibshraeny

Overview

Clarifies public meeting laws related to local government electronic posting requirements and public meeting notices.

Background

Arizona Revised Statutes (A.R.S.) § 38-431.01 outlines public meeting laws, stating that all meetings of any public body must be public meetings and that all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All public bodies must also provide for the taking of written minutes or a recording of all their meetings, including executive sessions. Those minutes or recordings must include at least the following information:

- The date, time and place of the meeting.
- The members of the public body recorded as either present or absent.
- A general description of the matters considered.
- An accurate description of all legal actions proposed, discussed or taken and the names of the members who proposed each motion.
- The given names of persons making statements or presenting material to the public body.

The minutes of public meetings must be made available to the public three working days after the meeting took place.

Laws 2006, Chapter 294 amended these statutes to require public bodies of cities and towns with a population of more than 2,500 persons and that have an Internet website to post a statement containing legal action taken within three working days after the meeting, and to post written minutes within two working days of approval. Laws 2007, Chapter 71 further amended these statutes to allow a subcommittee, advisory board or commission of a city or town with a population of 2,500 or more 10 working days to post on their website either a statement showing any legal action taken or any recordings of the meeting. There is currently no statutory provision on how long these Internet postings must remain online.

Public bodies are also required to file statements disclosing the location where public notices will be posted and provide the public with at least 24 hour notice prior to holding a meeting. State public bodies file a statement with the Arizona Secretary of State, counties, school districts and other special districts file a statement with the clerk of the Board of Supervisors and cities or towns file a statement with the city clerk or Mayor's office. Cities and towns are also required to post meeting notices online if they have an Internet website (A.R.S. § 38-431.02).

Provisions

- Requires that electronic postings required by statute remain on the local government's applicable Internet website for at least one year after the date of the posting.
- Stipulates that governing bodies of charter schools are also required to file a statement with the Arizona Secretary of State stating where all public notices of their meetings will be posted.

- Clarifies that the 24 meeting notice requirement includes Saturdays if the public has access to the physical posted location in addition to any Internet website posting, but excludes Sundays and statutorily enumerated holidays.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with SB1303

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1303 was signed by the Governor on July 9, 2009, Laws 2009, Chapter 27.

SB1304 – Public Records; Fees

Sponsor

Senator: Jay Tibshraeny

Overview

Unless a higher fee is specifically authorized in statute, a public body may not charge a fee for copies of public records that exceeds the cost of equipment, maintenance, and personnel time associated with reproducing the record. It may not include personnel costs associated with retrieving or redacting the document. Further, unless specifically permitted by statute, there shall be no cost to the public for inspecting a public record.

Provisions

This legislation would amend the public records statute A.R.S. § 39-121.01(D) so that, "...unless a specific statutory provision authorizes higher or additional fees, copying fees shall not exceed the actual cost of reproduction, including the costs of the equipment, maintenance and personnel time associated with reproducing the public records, but not including personnel time associated with searching for, retrieving, reviewing or redacting the public records, the custodian shall not impose a fee for inspecting public records unless otherwise provided for by statute." Note that SB 1237 and SB 1248 would make different amendments to this same statute section.

Arizona State Library, Archives and Public Records Involvement with SB1304

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1304 was referred to the Senate Committee on Government Institutions on June 4, 2009.

SB1305 – Public Records; Electronic Format; Fees

Sponsor

Senator: Jay Tibshraeny

Overview

Unless a higher fee is specifically authorized in statute, a public body may not charge a fee for copies of public records that exceeds the cost of equipment, maintenance, and personnel time associated with reproducing the record. It may not include personnel costs associated with retrieving or redacting the document. Further, unless specifically permitted by statute, there shall be no cost to the public for inspecting a public record. Additional requirements are imposed on custodians of public records kept in digital format when asked for access to or copies of public records. Because of a potential increase in state revenue from fees imposed for digital copies of public records in state custody, this bill requires a 2/3 majority in each chamber for passage (per Prop 108).

Provisions

This legislation adds almost a full page of specifications on how electronic format records are to be handled, how records are to be secured, the fees that can be charged, when a paper copy can be given and when a written explanation is given saying why it's not feasible to provide the records in the electronic format. Plus it includes the same language as SB 1304 that would amend A.R.S. § 39-121.01 by adding, "unless a specific statutory provision authorizes higher or additional fees, copying fees shall not exceed the actual cost of reproduction, including the costs of the equipment, maintenance and personnel time associated with reproducing the public records, but not including personnel time associated with searching for, retrieving, reviewing or redacting the public records, the custodian shall not impose a fee for inspecting public records unless otherwise provided for by statute."

Arizona State Library, Archives and Public Records Involvement with SB1305

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1305 was referred to the Senate Committee on Government Institutions on June 4, 2009.

SB1310 – Developmental Disabilities Council; Duties; Continuation

Sponsor

Senator: Linda Gray, Nancy K. Barto

Overview

Continues the Governor's Council on Developmental Disabilities (Council) and makes related changes.

Provisions

- Requires the Council to submit reports electronically.
- Modifies the Council's purpose to state that it is established to act as the lead agency on planning, advocacy, systems change, and capacity development with regard to persons with developmental disabilities and their families.
- Stipulates that only the Governor may remove members from the Council.
- Modifies some of the requirements related to who may be appointed to the Council.
- Changes the name of the Council in 2012.
- Eliminates most of the existing requirements related to the plan the Council is required to develop and instead requires it to develop a plan pursuant to the Developmental Disabilities Assistance and Bill of Rights Act.
- Continues the Council for four years.
- Requires the Office of the Auditor General to complete a performance audit of the Council by September 1, 2012.
- Includes a purpose clause.
- Includes a retroactivity clause.
- Modifies the definition of developmental disability.
- Eliminates the definition of district advisory council.
- Makes technical and conforming changes.

Arizona State Library, Archives and Public Records Involvement with SB1310

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In the event that an agency sunsets, the staff of the Records Management Division and the Arizona History and Archives Division must determine the extent of records to be retained and records requiring permanent retention fall under the Arizona History and Archives Division.

Outcome of Legislation

SB1310 passed the Senate 17-9 and was transmitted to the House June 26, 2009 where it was held in the House Committee on Health and Human Services on June 26, 2009.

SB1318 – Geospatial Data; Geographic Information Council

Sponsor

Senator: John Nelson

Overview

Establishes the Arizona Geographic Information Council in statute and prescribes its duties. Also, the bill updates technological terminology in statute relating to geographic information systems and provides specifications for data sharing among public agencies.

Background

The Arizona Geographic Information Council (Council) was established in 1989 by Governor Rose Mofford's Executive Order 89-24. It replaced the Arizona Mapping Advisory Committee that had been established in 1982. The Council is responsible for coordinating the management of statewide geographic information and advising the Arizona State Land Department (ASLD) in the management of a statewide geographic information system. The membership of the Council includes various representatives of state and federal agencies, universities, local government associations and the private sector. (Executive Order 89-24)

The Resource Analysis Division (Division) is established within the ASLD. The Office of State Cartographer is within the Division, and the State Land Commissioner is designated as the State Cartographer (A.R.S. § 37-172). Among the responsibilities of the Division is the charge to maintain a clearinghouse of information on maps and digital cartographic data and to coordinate with other agencies and organizations for

information sharing purposes (A.R.S. § 37-173).

Provisions

- Revises the Division's duties to update terminology and related informational and technological services.
- Requires the Division to facilitate the sharing of geospatial data and geographic information system services among all public agencies and identify informational data sources for inclusion in the Division's clearinghouse.
- Defines geographic information system, geospatial data, and public agency.
- Removes remote sensing and remote sensing techniques as defined terms.

Arizona Geographic Information Council

- Establishes the Council in statute with 35 members appointed by the Governor.
- Specifies that members are appointed for staggered three year terms, may be removed by the Governor for cause and are only eligible for reimbursement of expenses.
- Establishes that the duties of the Council are:
 - Advising the State Cartographer's Office.
 - Facilitating interagency coordination.
 - Collecting information on user requirements of geospatial data.
 - Serving as a forum for informational exchange.
 - Appointing technical committees.
- Allows the incumbent members of the Council, established by Executive Order 89-24, to continue to serve on the Council.

Geospatial Data Sharing

- Allows a public agency that shares geospatial data with another public agency to:
 - Share the data without entering into intergovernmental agreements.
 - Retain custodial ownership of data provided to other public agencies.
 - Prohibit shared data from being redistributed.
 - Exempt the data from commercial use fees.
- Provides that a public agency that shares data of which it is custodian is not liable for errors and will be held harmless from damages arising from any use of the data.
- Allows a public agency to withhold data from public disclosure if the data consists of critical infrastructure information.

Arizona State Library, Archives and Public Records Involvement with SB1318

The Arizona State Board on Geographic and Historic Names is one of the boards assigned to Arizona State Library, Archives and Public Records.

Outcome of Legislation

SB1318 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 74.

SB1342 – Continuation; Department of Environmental Quality (see: SB1157)

SB1378 – Judicial Appointment Commissions; Electronic Broadcast

Sponsor

Senator: Chuck Gray

Overview

The Commission on Appellate Court Appointments and the Commission on Trial Court Appointments must electronically broadcast their public hearings over the Internet in real time, and maintain an archive of public hearings that is available to view on the Internet within 30 days after each hearing is held.

Arizona State Library, Archives and Public Records Involvement with SB1378

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1378 was assigned to the Senate Judiciary Committee on June 8, 2009.

SB1382 – Legislative Council; State Capitol; Museum

Sponsor

Senator: John Huppenthal

Overview

The Department of Administration is given responsibility for maintenance of any facility acquired for legislative use. Legislative Council is given responsibility for all of the original 1898 statehouse area of the state capitol building, instead of just the area “known as the state capitol museum,” and responsibility is removed from Legislative Council for the public records retention center and the grounds adjacent to it.

Arizona State Library, Archives and Public Records Involvement with SB1382

Arizona State Library, Archives and Public Records’ personnel work in the State Capitol and in the Records Management Center.

Outcome of Legislation

SB1382 was assigned to the Senate Committee on Government Institutions on June 8, 2009.

SB1397 – Unmarried Couples; Responsibilities

Sponsors

Senators: Ken Chevront, Linda Lopez

Co-Sponsor

Senator: Meg Burton Cahill

Overview

Two unmarried persons who are at least 18 years of age may enter into a registered domestic partnership by submitting a notarized and signed affidavit to the clerk of the superior court in their county of residence or Maricopa or Pima County and paying a fee. Parties to a registered domestic partnership are considered to be related by law and have the same responsibilities and benefits toward the other partner as those prescribed by marriage law only for hospital visitation, emergency medical decision-making, inheritance, burial, and cremation. Registered domestic partnerships must be dissolved in the same manner as marriages.

Arizona State Library, Archives and Public Records Involvement with SB1397

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation adds a new type of county record

(registered domestic partnership) with affidavit requirements. Provisions are also made for dissolution of these partnerships.

Outcome of Legislation

SB1397 was assigned to the Senate Committee on Government Institutions on June 8, 2009.

SB1403 – Renewable, High-Wage Industries Incentives

Sponsors

Senator: Barbara Leff
Representatives: Lucy Mason, Michele Reagan

Co-Sponsors

Representatives: Rich Crandall, Adam Driggs

Overview

Creates a new tax incentive program with refundable income tax credits and property tax incentives for expanding or locating new renewable energy operations in Arizona.

Background

At least 15 states currently have incentive programs for renewable energy businesses. While Arizona currently provides some property valuation reductions for renewable energy facilities, there are no programs for businesses that support these facilities. Other states offer a variety of property tax and income tax incentives, along with grant and/or loan programs. These programs are designed to spur new investments in the manufacturing of equipment for the generation of renewable energy and the creation of high-wage jobs.

This bill will propose a new refundable individual and corporate income tax credit, as well as property tax incentives. The income tax credits and property tax incentives are tied to minimum capital investment levels and the creation of new high-paying jobs in Arizona. High-paying jobs must be higher than the annual median wage in Arizona, which is currently \$37,050. Qualifying properties will be placed in class 6, with an assessment ratio of 5%, instead of class one with an assessment ratio of 22% (phasing down to 20% in the next two years). The property classification is limited to either 10 years or 15 years, depending on the amount of high-paying jobs produced.

Provisions

- Beginning January 1, 2010, establishes a renewable energy business tax incentive program within the Arizona Department of Commerce (ADOC) for expanding or locating qualified renewable energy manufacturing or headquarters in Arizona. The program terminates on January 1, 2016.

Criteria/Application:

- Requires a renewable energy business to submit an application to ADOC to be certified as a qualifying business to participate in the tax incentive program. The application requires:
 - the renewable energy business name, address, telephone number, federal tax ID number, contact information and site location of the qualifying facility.
 - a description of the facility and the fixed capital assets.
 - an estimate of the capital investment, including a schedule of qualifying investments.
 - the number of employment positions, including an estimate of the number of employees to be hired during the first five years of operation and a schedule of annual wages for each position.
 - letters of good standing from the Department of Revenue (DOR) and the county assessor of the county where the project is located stating that the applicant is not delinquent in the payment of taxes.
 - a nonrefundable processing fee in an amount established by rule.
- Requires the applicant to provide records of expenditures for qualifying investments and to provide information regarding the amount of tax benefits claimed each year to ADOC.
- Requires the applicant to allow site visits by ADOC and audits to verify the applicant's continuing compliance with tax incentive requirements and authorizes the DOR to furnish tax information to ADOC for verification purposes.
- Requires DOR to notify ADOC if the applicant fails to qualify for the incentive program.
- Allow ADOC to disclose general tax benefit information without identifying the taxpayer(s).
- Allows tax credit incentives for separate facilities or expansions in separate facilities.
- Establishes that ADOC has 30 days to review a completed application and either certify the applicant as qualifying for the tax incentive program or to give reasons for its denial.

Income Tax Credits:

- To qualify for individual and corporate income tax credit, the renewable energy business is required to make new capital investment in manufacturing or in regional, national or global business headquarters as follows:
 - 51% or more of new full-time employees (FTE's) at the qualifying facility are paid a wage that equals or exceeds 125% of the median annual wage in this state.
 - The employer pays 80% or more of the premium for all FTE's health insurance coverage (or an equivalent percentage of the cost for alternative models that offer standard comprehensive coverage).
- The amount of the income tax credit is up to 10% of the taxpayer's total capital investment if the following employment to capital investment ratio is met:
 - A manufacturing facility creates at least 1.5 FTE positions for each \$500,000 increment.
 - A headquarters creates at least 1 FTE position for each \$200,000 increment.
- If the qualifying project does not meet the employment to capital investment ratio, then the credit is 10% of:
 - \$500,000 per 1.5 new FTE positions in manufacturing facilities.
 - \$200,000 per 1 new FTE positions in headquarters.
- The tax credits are refundable and the taxpayer is required to claim the credit in five equal installments over five consecutive taxable years.
- The aggregate amount of income tax credits that can be approved is \$70 million per taxable year and allows for unclaimed tax credit amounts to carry over to the next tax year.
- Provides that taxpayers who utilize these income tax credits cannot claim a credit under enterprise zones, military reuse zones or qualified defense contractors for the same employment positions.
- Allows the state to claim the position of a secured creditor in the amount of the income tax credits the renewable energy business received regarding any action involving the liquidation of the business' assets or facility relocation out of state for five years after qualification.

Property Tax Incentives:

- Requires a capital investment of \$25 million or more in facilities, equipment, land and infrastructure to qualify for property tax incentives.
- The renewable energy operation must be certified by ADOC as a qualifying manufacturing facility or headquarters to obtain a class 6 property designation (5% assessment ratio instead of 22%, declining to 20% over the next two years).

- Allows a qualifying headquarters or manufacturing facility to be classified as class 6 property for:
- 10 years if 51% or more of the FTE's are paid 125% to 199% of the annual median wage of this state.
- 15 years if 51% or more of FTE's are paid 200% or more of the annual median wage of this state.
- Renewable energy businesses must provide annual documentation to the county assessor that the facility is engaged in renewable energy manufacturing or is a regional, national or global headquarters.
- Allows for up to 10% of the aggregate full cash value of the property to be used for ancillary uses associated with the manufacturing process or headquarters operation.

Department of Commerce / Department of Revenue:

- Requires the qualifying renewable energy business to provide ADOC with an annual report containing information regarding the amount of tax benefits received each year and authorizes DOR to furnish tax information to ADOC for verification purposes.
- ADOC will monitor participating renewable energy business annually to ensure continued compliance and requires DOR to recapture income tax credits already taken if the renewable energy business is deemed to be noncompliant.
- Allows ADOC to revoke the certification if the terms and conditions required for the tax incentive program are no longer met.
- If ADOC revokes or terminates a certificate of qualification for noncompliance, a business is disqualified from using any future tax credits.
- If a qualifying renewable energy business moves the facility out of state within a five-year period, tax credits taken during that time are subject to recapture by DOR.
- Specifies that if the jobs and/or wage levels at the facility become noncompliant, future tax benefits will cease.
- Requires ADOC to notify DOR and the appropriate county assessor if certification is revoked.
- Requires ADOC to adopt rules, prescribe forms and procedures in collaboration with DOR to accomplish the renewable energy operations tax incentive program.
- Allows ADOC and DOR to adopt emergency rules.

Miscellaneous:

- Defines capital investment, headquarters, manufacturing, qualifying investment and renewable energy operations.
- Contains a purpose clause for income tax credits and puts the credits on the Income Tax Credit Review Schedule for 2014.
- Makes technical and conforming changes.
- Terminates the program on January 1, 2016.

Arizona State Library, Archives and Public Records Involvement with SB1403

Arizona State Library, Archives and Public Records is a statutory depository for Arizona state agency publications. This legislation specified a copy of a report be made available to the “public” but did not specify a copy for the Library.

Outcome of Legislation

SB1403 was signed by the Governor on July 10, 2009, Laws 2009, Chapter 96.

SB1441 – Public Expenditure Transparency

Sponsor

Senator: Al Melvin

Co-Sponsor

Representative: Frank Antenori

Overview

Requires state and local government entities to establish and maintain a comprehensive database detailing the expenditure of public monies.

Background

Laws 2008, Chapter 312, requires the Arizona Department of Administration (ADOA) to establish and maintain a public internet database of receipts and expenditures of state monies. ADOA, established in 1972, provides state government centralized administrative services. The State Procurement Office, within ADOA, is the Arizona state government’s central procurement authority administering statewide contracts for state agencies and political subdivisions. Currently, cities, towns and counties are not required to maintain a public internet database of expenditures.

There is no anticipated fiscal impact to the state General Fund associated with this measure; however, the fiscal impact to other governmental entities will vary according to the technological resources and abilities of the state’s other governmental entities.

Provisions

1. Requires, beginning January 1, 2011, the governing board of each city or town, each county treasurer and the governing board of each school district and

- charter school district to establish and maintain an official website that contains a comprehensive database (database) of expenditures of public monies.
2. Stipulates that the website must be electronically searchable by the public at no cost.
 3. Requires the database to present information in a manner that is intuitive to members of the general public and allows users to search and aggregate payments by individual municipal budget units, programs and vendors.
 4. Requires the database to include annual receipts of all expenditures and disbursements.
 5. Requires expenditure data to list:
 - a) the manner of payment, funding source and standardized descriptive title of transactions;
 - b) the date and amount of each payment;
 - c) the department making a payment;
 - d) the recipients of payments; and
 - e) the primary location of performance under a contract.
 6. Excludes confidential information from the database.
 7. Directs a municipal budget unit to cooperate as necessary to implement the database.
 8. Requires a city or town to provide a link to the database, school district and charter school websites, the respective county website and the state transparency website.
 9. Requires the database to be updated within 30 days after the end of each fiscal year and allows updates as data becomes available.
 10. Requires data in the database to be retained for ten years.
 11. Modifies requirements for the state's comprehensive database of expenditures (state's database) to conform with those for the other governmental entities.
 12. Stipulates that the state's database must be organized by budget unit and include state universities.
 13. Becomes effective on the general effective date.

Arizona State Library, Archives and Public Records Involvement with SB1441

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments.

Outcome of Legislation

SB1441 was retained on the calendar of the Senate Committee of the Whole on June 19, 2009.

SB1460 – Photo Enforcement; Rights of Drivers

Sponsor

Senator: Pamela Gorman

Overview

Signage requirements for photo radar installations are changed to mandate three warning signs rather than two. Lack of proper signage is cause for dismissal of the complaint. Various prohibitions regarding flash technology and placement are prescribed. No political subdivision may retain more than 10% of the revenue derived from photo enforcement. Daily calibration is required, and a sworn officer must review and sign each complaint verifying that calibration and signage requirements were met. Law enforcement has the burden of proof that the photo radar installation was in compliance with all applicable laws when the incident was recorded. The jurisdiction that installed the system is liable for all court costs plus pain and suffering and punitive damages for failure to comply.

Arizona State Library, Archives and Public Records Involvement with SB1460

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. This legislation makes the location of photo enforcement systems specifically public records that must be available to the public, while recordings of "innocent people" fall under privacy laws.

Outcome of Legislation

SB1460 was assigned to the Senate Committee on Public Safety and Human Services on June 8, 2009.

SB1466 – Council on Efficient Government

Sponsor

Senator: Pamela Gorman

Co-Sponsor

Senator: Jack W. Harper

Overview

Establishes the Council on Efficient Government to review options for privatizing state goods or services.

Background

In 2006 the Florida Legislature passed the Efficient Government Act of 2006, creating a Council on Efficient Government (CEG) in response to a growing trend towards outsourcing government services and jobs. The mission of the Florida CEG is to review, evaluate and provide advice on agency outsourcing and best practices, as well as to codify lessons learned to improve government accountability. Further, their goal is to define the process for reviewing business cases and implement standard processes for outsourcing initiatives.

Utah has a similar entity known as the Privatization Policy Board (PPP). Inactive from 1992-1996 then reactivated in 1996 by HB 49, the mission of the PPP is to evaluate and make recommendations to state agencies concerning effective privatization of government services. The State of Virginia operates the Commonwealth Competition Council (CCC), created in 1995 as a part of the Virginia Government Competition Act, to find better and less costly ways to provide government services to citizens. The CCC is an independent advisory body within the executive branch of Virginia state government. Similar government efficiency efforts have also been made in Illinois with the recent introduction of the Illinois Efficient Government Act

Provisions

- Establishes the Council on Efficient Government (Council).

Council Membership Terms

- States that membership of the Council be comprised of the following persons:
 - The chief executive or administrative officer of a state agency who is appointed by the Governor.
 - Two members engaged in private enterprise who are appointed by the Governor.
 - Two members engaged in private enterprise who are appointed by the President of the Arizona State Senate.
 - Two members engaged in private enterprise who are appointed by the Speaker of the House of Representatives.
- Stipulates that members of the Council serve two year terms unless the chief executive or administrative officer of a state agency ceases to hold office. In this case, the Governor is required to appoint a replacement member for the remainder of the unexpired term.
- Prohibits members of the council engaged in private enterprise to receive compensation, but does allow for the reimbursement of expenses as permitted by law.
- Restricts participation of a member in the Council review of a business case to outsource if the state agency is conducting the proposed outsourcing or, for

members engaged in private enterprise, if the member has a business relationship with an entity that is involved in or could potentially be involved in the proposed outsourcing.

- Prohibit members of the Council who are engaged in private enterprise from delegating their membership to a designee.
- States that a quorum shall consist of at least five council members.
- Clarifies that any vacancy on the Council shall be filled in the same manner as the original appointment, and stipulates that any member appointed to fill a Council vacancy occurring for a reason other than the expiration of a term, shall serve only for the remainder of the unexpired term.
- Directs the Council to select a chairperson from among the membership.

Council Powers and Duties

- Prescribes the powers and duties of the Council, including:
 - Reviewing state agency goods and services to determine whether or not privatization would result in cost savings and make recommendations accordingly.
 - Reviewing privatization of a good or service at the request of a state agency or private enterprise.
 - Reviewing issues concerning agency competition with one or more private enterprises in order to determine ways to eliminate unfair competition.
 - Recommending privatization to a state agency if privatization is demonstrated to provide a more cost efficient or effective manner of providing a good or service.
 - Employing a standard process for reviewing business cases to outsource.
 - Reviewing and evaluating business cases to outsource as requested by the Governor or the state agency director who is proposing the outsourcing.
 - Recommending and implementing standard processes for state agency and council review of business cases to outsource, including formulation of a template for use by state agencies to submit cases for review to the Council.
 - Recommending standards, processes and guidelines for use by state agencies in developing business cases to outsource.
 - Incorporation of lessons learned from outsourcing services and activities into Council standards, procedures and guidelines.
 - Creation of a method to disseminate information to state agencies regarding best practices in outsourcing efforts.
 - Developing guidelines for assisting those state employees whose jobs are eliminated as a result of outsourcing.
 - Creation of a method for the Council to receive complaints, transmit copies of those complaints to the agency alleged to be in violation and to hold public hearings on complaints. Further requires that a written report

- of the Council's findings be generated within 90 days after receiving the state agency's complaint response and transmitted to the complainant.
 - Solicitation of petitions of interest from private sector service providers as appropriate.
 - Allows Council evaluation, review, and public hearings regarding petitions of interest. Further allows the Council to recommend some or all of the petitions to the Governor's Office of Strategic Planning and Budgeting (OSPB) for further review.
 - States that a person does not have a cause of action based on the Council's failure to consider or recommend a petition of interest.
 - Allowing appointment of advisory groups to conduct studies, research, or analyses and make reports recommendations. Requires that at least one member of the Council serve on each advisory group.
- Clarifies that this act does not prevent a state agency from privatizing the provision of a good or service independent of the Council.
 - Allows any aggrieved person to directly seek judicial relief.

Reports filed with the Governor, President of the Senate & Speaker of the House

- Requires the Council to submit reports to the Governor, the President of the Senate and the Speaker of the House of Representatives as follows:
 - Within 30 days of a state agency's procurement request of at least \$10,000,000 for business case outsourcing, an advisory report for each business case reviewed and evaluated by the Council.
 - A complete report of each meeting, including recommendations and findings.
 - Council findings and recommendations regarding state agency exemptions to the restrictions on competition with private enterprise.
 - A copy of the Council's recommendations for privatization. Copies of this report must additionally be transmitted to agency heads, the Joint Legislative Budget Committee (JLBC), OSPB and the corresponding legislative subcommittee on appropriations.
 - The Council's annual report (see below).

Council's Annual Report

- Requires the Council to submit an annual report to the Governor, the President of the Senate and the Speaker of the House of Representatives including the following information:
 - Recommendations on innovative methods of delivering government services that would improve the efficiency, effectiveness or competition in the delivery of government services.

- Recommendations on enterprisewide proposals.
 - The outsourcing efforts of each state agency, including:
 - The number of outsourcing business cases and solicitations.
 - The number and dollar value of outsourcing contracts.
 - Descriptions of performance results as applicable.
 - Any contract violations or project slippages.
 - The status of extensions, renewals, and amendments of outsourcing contracts.
 - Inventory status created under this Act.
- The final business case analysis of a business case having a projected cost of less than \$1,000,000 in any fiscal year.
- Directs the Council to submit the report no later than January 15 immediately following the calendar year for which the report is made.
- Requires an oral report of the Council, when the legislature is not in session, to JLBC and OSPB.

Council and the Auditor General

- Directs each state agency to submit all information, documents and other materials to the Council.
- Requires the Auditor General (AG) in consultation with the Joint Legislative budget Committee to provide performance audit and other budget information relating to state agency budgets to the Council upon their request and after approval of the Joint Legislative Audit Committee.

Council Accounting Methods

- Requires the Council to establish an accounting method by rule and stipulates that the accounting method be similar to generally accepted accounting principles used by a private enterprise.
- Requires that the accounting method allow an agency to identify the total actual cost of engaging in a commercial activity.
- Mandates that the accounting method provide a process to estimate the taxes a state agency would pay related to engaging in a commercial activity if they too were required to pay federal, state and local taxes to the same extent that a private enterprise is.

Commercial Activity Inventory

- Requires the Commission to create an inventory of the activities of state agencies on or before June 30, 2010.
- States that the purpose of the inventory is to classify whether each activity or individual elements of the activity are:

- A commercial activity that can be obtained in whole or part from a private enterprise, or;
- An inherently governmental activity.
- Requires the Council to update the inventory at least every two years.
- Stipulates that the inventory created by the Council shall be available to the public through electronic means.
- Directs all state agencies to cooperate with inventory requests made by the Council.

Outsourcing Business Cases - Proposals

- Requires an outsource proposal that has a projected cost of more than \$10,000,000 in any fiscal year to contain the following:
 - An initial business case analysis conducted by the state agency and submitted to the Council, the Governor, the President of the Senate and the Speaker of the House of Representatives at least 60 days before a solicitation is issued. A final business case analysis must also be submitted after the conclusion of any negotiations, and at least 30 days before execution.
- Requires a proposal to outsource that has a projected cost of at least \$1,000,000 but no more than \$10,000,000 in any fiscal year to contain the following:
 - An initial business case analysis conducted by the state agency and submitted to the Council, the Governor, the President of the Senate and the Speaker of the House of Representatives at least 30 days before a solicitation is issued. A final business case analysis must also be submitted after the conclusion of any negotiations, and at least 30 days before execution.
- Requires a proposal to outsource that has a projected cost of less than \$1,000,000 in any fiscal year to submit only a final business case analysis to the Council at least 30 days before execution. The Council is then required to provide an additional copy in its annual report.

Outsourcing Business Cases - Contents

- Prescribes the elements of a business case that proposes outsourcing must include the following information:
 - A description of the service or activity proposed for outsourcing.
 - A description and analysis of the state agency's current performance based on existing performance measures.

- Desired goals to be achieved through the proposed outsourcing including rationale.
- A citation to the existing or proposed legal authority for outsourcing.
- A description of available options for achieving the desired goals. If state employees are currently performing the service or activity, at least one option must involve maintaining state provision of the service or activity.
- An analysis of the advantages and disadvantages of each option including potential performance improvements and risks.
- A cost benefit analysis. Further prescribes that the cost benefit analysis must contain, and provides a definition for the terms cost and savings.
- A description of differences among current state agency policies and processes, including a discussion of options to standardize, consolidate or revise those policies and processes.
- A description of the specific performance standards that must be met to ensure adequate performance.
- The projected timeframe for key events from the start of the procurement process through the expiration of a contract.
- A plan to ensure compliance with public records law.
- A feasible contingency plan addressing contractor nonperformance including a description of the costs required for its implementation.
- A state agency's transition plan for addressing changes in the number of personnel, affected business processes, employee transition issues and communication with affected stakeholders. Further requires the transition plan to contain a reemployment and retraining assistance plan for employees who are not retained by the state or employed by the contractor.
- A plan for ensuring access for persons with disabilities in compliance with federal law.
- A description of necessary legislative and budgetary actions.

Outsourcing Business Cases – Contracts

- Requires each contract for proposed outsourcing to contain the following information:
 - A scope-of-work provision, including each service or deliverable to be provided. Further allows for contract amendment via a specified process.
 - A service level agreement provision that describes all services that are to be provided. Further requires an exclusivity clause that allows the state agency to retain the right to perform the service or activity if service levels are not being achieved.
 - A provision that includes an identification of all associated costs, specific payment terms and schedules.
 - A provision that identifies a clear and specific transition plan.
 - A performance standards provision.

- A provision that requires the contractor to maintain adequate accounting standards.
- A provision authorizing the state agency to have access to and audit all records related to the contractor for purposes of legislative oversight.
- A provision that requires the contractor to interview and consider for employment each displaced state employee who is interested in the opportunity.
- A contingency plan.
- A provision requiring the contractor to comply with public records law.
- A provision that addresses ownership of intellectual property. This provision does not provide the authority needed by a state agency to obtain a copyright or a trademark.
- A provision that allows the state agency to purchase assets from the contractor at their depreciated value.

Duties of OSPB

- Requires OSPB to do the following:
 - Determine the appropriation that is no longer needed by an executive branch agency because all or a portion of their provision of goods and services has been privatized.
 - Adjust the Governor's budget recommendations to reflect the appropriation that is no longer needed.
 - Report their findings to the President of the Senate and the Speaker of the House of Representatives.
- Clarifies that this does not prohibit the Governor from making a budget recommendation regarding restoring an appropriation to a state agency that has been reduced under this Act.

Miscellaneous

- Requires the governor, beginning with Fiscal Year 2009-2010 and at least every two fiscal years thereafter, to select at least three commercial activities performed by a state agency to be examined by OSPB.
- Contains an applicability clause that states that this act does not apply to contracts in support of the following:
 - Planning.
 - Development.
 - Implementation.
 - Operation or maintenance of the road, bridge and public transportation construction program of the Arizona Department of Transportation.

- Clarifies that the initial members of the Council who are engaged in private enterprise shall assign themselves, by lot, to terms of one or two years in office. Further requires the appointing authority to make all subsequent appointment pursuant to statute.
- Contains a purpose statement that says that the purpose of the Council is to:
 - Ensure that each state agency focuses on its core mission and delivers goods and services effectively and efficiently, and;
 - Evaluate for feasibility, cost effectiveness and efficiency business cases to be outsourced before a state agency proceeds with any outsourcing themselves.

- Terminates the Council on July 1, 2019.

Arizona State Library, Archives and Public Records Involvement with SB1466

The Records Management Division is responsible for establishing standards, procedures and techniques for effective management of the public records of Arizona state and local governments. In addition, the Arizona State Library, Archives and Public Records is a statutory depository for Arizona state agency publications. This legislation specified that an annual report be submitted to the Governor, the President of the Senate and the Speaker of the House but did not specify a copy for the Library.

Outcome of Legislation

SB1466 passed the House on a voice vote with an amendment on June 30, 2009.