

State of Arizona  
Senate  
Forty-ninth Legislature  
First Regular Session  
2009

# SENATE BILL 1035

AN ACT

AMENDING SECTION 1-501, ARIZONA REVISED STATUTES; AMENDING TITLE 1, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 1-502; AMENDING SECTIONS 9-463.05 AND 9-500.05, ARIZONA REVISED STATUTES; AMENDING TITLE 9, CHAPTER 7, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-805; AMENDING SECTIONS 11-356, 20-1550, 28-8202, 32-1606, 33-809, 33-1322, 36-3291, 41-121, 41-121.02, 41-1304.06, 41-1330, 41-1331, 41-1332, 41-1333, 41-1334, 41-1345, 41-1353, 42-6006 AND 48-6203, ARIZONA REVISED STATUTES; AMENDING LAWS 2007, CHAPTER 260, SECTION 6, AS AMENDED BY LAWS 2008, CHAPTER 291, SECTION 7; REPEALING LAWS 2008, CHAPTER 289, SECTION 2; RELATING TO GENERAL GOVERNMENT BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 1-501, Arizona Revised Statutes, is amended to  
3 read:

4 1-501. Eligibility for federal public benefits; documentation;  
5 violation; classification; citizen suits; definition

6 A. Notwithstanding any other state law and to the extent permitted by  
7 federal law, any person who applies for a ~~state administered~~ FEDERAL public  
8 ~~program~~ BENEFIT THAT IS ADMINISTERED BY THIS STATE OR A POLITICAL SUBDIVISION  
9 OF THIS STATE AND that requires participants to be citizens of the  
10 United States, legal residents of the United States or otherwise lawfully  
11 present in the United States, shall submit ~~documentation~~ AT LEAST ONE OF THE  
12 FOLLOWING DOCUMENTS to the entity that administers the ~~state~~ FEDERAL  
13 public ~~program~~ BENEFIT demonstrating lawful presence in the United States:  
14 ~~Self-declaration of lawful presence, even if made under penalty of~~  
15 ~~perjury, is not sufficient by itself to demonstrate lawful presence in the~~  
16 ~~United States.~~

17 1. AN ARIZONA DRIVER LICENSE ISSUED AFTER 1996 OR AN ARIZONA  
18 NONOPERATING IDENTIFICATION LICENSE.

19 2. A BIRTH CERTIFICATE OR DELAYED BIRTH CERTIFICATE ISSUED IN ANY  
20 STATE, TERRITORY OR POSSESSION OF THE UNITED STATES.

21 3. A UNITED STATES CERTIFICATE OF BIRTH ABROAD.

22 4. A UNITED STATES PASSPORT.

23 5. A FOREIGN PASSPORT WITH A UNITED STATES VISA.

24 6. AN I-94 FORM WITH A PHOTOGRAPH.

25 7. A UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES EMPLOYMENT  
26 AUTHORIZATION DOCUMENT OR REFUGEE TRAVEL DOCUMENT.

27 8. A UNITED STATES CERTIFICATE OF NATURALIZATION.

28 9. A UNITED STATES CERTIFICATE OF CITIZENSHIP.

29 10. A TRIBAL CERTIFICATE OF INDIAN BLOOD.

30 11. A TRIBAL OR BUREAU OF INDIAN AFFAIRS AFFIDAVIT OF BIRTH.

31 B. ANY PERSON WHO APPLIES FOR FEDERAL PUBLIC BENEFITS SHALL SIGN A  
32 SWORN AFFIDAVIT STATING THAT THE DOCUMENTS PRESENTED PURSUANT TO SUBSECTION A  
33 ARE TRUE UNDER PENALTY OF PERJURY.

34 C. FAILURE TO REPORT DISCOVERED VIOLATIONS OF FEDERAL IMMIGRATION LAW  
35 BY AN EMPLOYEE OF AN AGENCY OF THIS STATE OR A POLITICAL SUBDIVISION OF THIS  
36 STATE THAT ADMINISTERS ANY FEDERAL PUBLIC BENEFIT IS A CLASS 2 MISDEMEANOR.  
37 IF THAT EMPLOYEE'S SUPERVISOR KNEW OF THE FAILURE TO REPORT AND FAILED TO  
38 DIRECT THE EMPLOYEE TO MAKE THE REPORT, THE SUPERVISOR IS GUILTY OF A CLASS 2  
39 MISDEMEANOR.

40 ~~B.~~ D. This section shall be enforced without regard to race, color,  
41 religion, sex, age, disability or national origin.

42 ~~C. For the purposes of this section, "self-declaration" means a~~  
43 ~~written or oral declaration without additional proof, even if made under~~  
44 ~~penalty of perjury, that the person is a citizen of the United States, legal~~

1 ~~resident of the United States or otherwise lawfully present in the United~~  
2 ~~States.~~

3 E. ANY PERSON WHO IS A RESIDENT OF THIS STATE HAS STANDING IN ANY  
4 COURT OF RECORD TO BRING SUIT AGAINST ANY AGENT OR AGENCY OF THIS STATE OR  
5 ITS POLITICAL SUBDIVISIONS TO REMEDY ANY VIOLATION OF ANY PROVISION OF THIS  
6 SECTION, INCLUDING AN ACTION FOR MANDAMUS. COURTS SHALL GIVE PREFERENCE TO  
7 ACTIONS BROUGHT UNDER THIS SECTION OVER OTHER CIVIL ACTIONS OR PROCEEDINGS  
8 PENDING IN THE COURT.

9 F. FOR THE PURPOSES OF THIS SECTION, "FEDERAL PUBLIC BENEFIT" HAS THE  
10 SAME MEANING PRESCRIBED IN 8 UNITED STATES CODE SECTION 1611.

11 Sec. 2. Title 1, chapter 5, article 1, Arizona Revised Statutes, is  
12 amended by adding section 1-502, to read:

13 1-502. Eligibility for state or local public benefits;  
14 documentation; violation; classification; citizen  
15 suits; definition

16 A. NOTWITHSTANDING ANY OTHER STATE LAW AND TO THE EXTENT PERMITTED BY  
17 FEDERAL LAW, ANY AGENCY OF THIS STATE OR A POLITICAL SUBDIVISION OF THIS  
18 STATE THAT ADMINISTERS ANY STATE OR LOCAL PUBLIC BENEFIT SHALL REQUIRE EACH  
19 PERSON WHO APPLIES FOR THE STATE OR LOCAL PUBLIC BENEFIT TO SUBMIT AT LEAST  
20 ONE OF THE FOLLOWING DOCUMENTS TO THE ENTITY THAT ADMINISTERS THE STATE OR  
21 LOCAL PUBLIC BENEFIT DEMONSTRATING LAWFUL PRESENCE IN THE UNITED STATES:

22 1. AN ARIZONA DRIVER LICENSE ISSUED AFTER 1996 OR AN ARIZONA  
23 NONOPERATING IDENTIFICATION LICENSE.

24 2. A BIRTH CERTIFICATE OR DELAYED BIRTH CERTIFICATE ISSUED IN ANY  
25 STATE, TERRITORY OR POSSESSION OF THE UNITED STATES.

26 3. A UNITED STATES CERTIFICATE OF BIRTH ABROAD.

27 4. A UNITED STATES PASSPORT.

28 5. A FOREIGN PASSPORT WITH A UNITED STATES VISA.

29 6. AN I-94 FORM WITH A PHOTOGRAPH.

30 7. A UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES EMPLOYMENT  
31 AUTHORIZATION DOCUMENT OR REFUGEE TRAVEL DOCUMENT.

32 8. A UNITED STATES CERTIFICATE OF NATURALIZATION.

33 9. A UNITED STATES CERTIFICATE OF CITIZENSHIP.

34 10. A TRIBAL CERTIFICATE OF INDIAN BLOOD.

35 11. A TRIBAL OR BUREAU OF INDIAN AFFAIRS AFFIDAVIT OF BIRTH.

36 B. ANY PERSON WHO APPLIES FOR STATE OR LOCAL PUBLIC BENEFITS SHALL  
37 SIGN A SWORN AFFIDAVIT STATING THAT THE DOCUMENTS PRESENTED PURSUANT TO  
38 SUBSECTION A ARE TRUE UNDER PENALTY OF PERJURY.

39 C. FAILURE TO REPORT DISCOVERED VIOLATIONS OF FEDERAL IMMIGRATION LAW  
40 BY AN EMPLOYEE OF AN AGENCY OF THIS STATE OR A POLITICAL SUBDIVISION OF THIS  
41 STATE THAT ADMINISTERS ANY STATE OR LOCAL PUBLIC BENEFIT IS A CLASS 2  
42 MISDEMEANOR. IF THAT EMPLOYEE'S SUPERVISOR KNEW OF THE FAILURE TO REPORT AND  
43 FAILED TO DIRECT THE EMPLOYEE TO MAKE THE REPORT, THE SUPERVISOR IS GUILTY OF  
44 A CLASS 2 MISDEMEANOR.

1 D. THIS SECTION SHALL BE ENFORCED WITHOUT REGARD TO RACE, COLOR,  
2 RELIGION, SEX, AGE, DISABILITY OR NATIONAL ORIGIN.

3 E. ANY PERSON WHO IS A RESIDENT OF THIS STATE HAS STANDING IN ANY  
4 COURT OF RECORD TO BRING SUIT AGAINST ANY AGENT OR AGENCY OF THIS STATE OR  
5 ITS POLITICAL SUBDIVISIONS TO REMEDY ANY VIOLATION OF ANY PROVISION OF THIS  
6 SECTION, INCLUDING AN ACTION FOR MANDAMUS. COURTS SHALL GIVE PREFERENCE TO  
7 ACTIONS BROUGHT UNDER THIS SECTION OVER OTHER CIVIL ACTIONS OR PROCEEDINGS  
8 PENDING IN THE COURT.

9 F. FOR THE PURPOSES OF THIS SECTION, "STATE OR LOCAL PUBLIC BENEFIT"  
10 HAS THE SAME MEANING PRESCRIBED IN 8 UNITED STATES CODE SECTION 1621, EXCEPT  
11 THAT IT DOES NOT INCLUDE COMMERCIAL OR PROFESSIONAL LICENSES.

12 Sec. 3. Section 9-463.05, Arizona Revised Statutes, is amended to  
13 read:

14 9-463.05. Development fees; imposition by cities and towns;  
15 infrastructure improvements plan; annual report;  
16 limitation on actions; moratorium; definitions

17 A. A municipality may assess development fees to offset costs to the  
18 municipality associated with providing necessary public services to a  
19 development. ~~, including~~ COSTS SHALL INCLUDE ONLY the costs of  
20 infrastructure, improvements, real property, engineering and architectural  
21 services, ~~AND financing, other capital costs and associated appurtenances,~~  
22 ~~equipment, vehicles, furnishings and other personalty.~~

23 B. Development fees assessed by a municipality ~~under this section are~~  
24 ~~subject to~~ MUST MEET the following requirements:

25 1. Development fees shall result in a beneficial use to the  
26 development.

27 2. THE AMOUNT OF A DEVELOPMENT FEE MUST BE REASONABLY RELATED AND  
28 REASONABLY ATTRIBUTABLE TO THE DEVELOPMENT'S SHARE OF INFRASTRUCTURE  
29 IMPROVEMENTS MADE NECESSARY BY THE DEVELOPMENT.

30 3. A DEVELOPMENT FEE SHALL NOT EXCEED A PROPORTIONATE SHARE OF THE  
31 COSTS INCURRED OR TO BE INCURRED BY THE MUNICIPALITY IN PROVIDING NECESSARY  
32 SERVICES TO DEVELOPMENT.

33 4. COSTS FOR CORRECTION OF EXISTING DEFECTS IN A PUBLIC FACILITY MAY  
34 NOT BE INCLUDED IN A DEVELOPMENT FEE.

35 5. COSTS FOR FACILITIES THAT ARE MADE NECESSARY BY A DEVELOPMENT SHALL  
36 BE BASED ON THE SAME LEVEL OF SERVICE PROVIDED TO EXISTING RESIDENTS IN THE  
37 MUNICIPALITY. TO THE EXTENT THAT THE INFRASTRUCTURE IMPROVEMENTS PLAN  
38 REQUIRES FACILITIES TO BE CREATED OR MODIFIED TO IMPROVE THE LEVEL OF SERVICE  
39 PROVIDED TO EXISTING RESIDENTS IN THE MUNICIPALITY, THE COSTS OF NEW OR  
40 MODIFIED FACILITIES SHALL BE APPORTIONED PROPORTIONATELY AMONG THE  
41 DEVELOPMENT AND EXISTING RESIDENTS.

42 6. THE MUNICIPALITY SHALL CALCULATE A DEVELOPMENT FEE BASED ON THE  
43 INFRASTRUCTURE IMPROVEMENTS PLAN, WHICH MUST BE ADOPTED BEFORE THE  
44 COMMENCEMENT OF THE DEVELOPMENT FEE STUDY.

1           ~~2-~~ 7. Monies received from development fees assessed pursuant to this  
2 section shall be placed in a separate fund and accounted for separately and  
3 may only be used for the purposes authorized by this section. Monies  
4 received from a development fee identified in an infrastructure improvements  
5 plan adopted or amended pursuant to subsection ~~D-~~ E of this section shall be  
6 used to provide the same category of necessary public service for which the  
7 development fee was assessed. Interest earned on monies in the separate fund  
8 shall be credited to the fund.

9           ~~3-~~ 8. The schedule for payment of fees shall be provided by the  
10 municipality. **BASED ON THE COST IDENTIFIED IN THE INFRASTRUCTURE**  
11 **IMPROVEMENTS PLAN**, the municipality shall provide a credit toward the payment  
12 of a development fee for the required **OR AGREED TO** dedication of public  
13 sites, improvements and other necessary public services included in the  
14 infrastructure improvements plan and for which a development fee is assessed,  
15 to the extent the public sites, improvements and necessary public services  
16 are provided by the developer. The developer of residential dwelling units  
17 shall be required to pay development fees when construction permits for the  
18 dwelling units are issued, or at a later time if specified in a development  
19 agreement pursuant to section 9-500.05. If a development agreement provides  
20 for fees to be paid at a time later than the issuance of construction  
21 permits, the deferred fees shall be paid no later than fifteen days after the  
22 issuance of a certificate of occupancy. The development agreement shall  
23 provide for the value of any deferred fees to be supported by appropriate  
24 security, including a surety bond, letter of credit or cash bond.

25           ~~4-~~ 9. ~~The amount of any development fees assessed pursuant to this~~  
26 ~~section must bear a reasonable relationship to the burden imposed upon the~~  
27 ~~municipality to provide additional necessary public services to the~~  
28 ~~development.~~ The municipality, in determining the ~~extent of the burden~~  
29 ~~imposed by the development~~ **AMOUNT OF ANY DEVELOPMENT FEES ASSESSED PURSUANT**  
30 **TO THIS SECTION**, shall ~~consider, among other things, the contribution~~ **DEDUCT**  
31 **THE CONTRIBUTIONS** made or to be made in the future ~~in cash or by taxes, fees~~  
32 ~~or assessments by the property owner towards~~, **AS DETERMINED IN SUBSECTION F,**  
33 **PARAGRAPH 2, SUBDIVISION (g) OF THIS SECTION**, FROM the capital costs of the  
34 necessary public service covered by the development fee. **THIS PARAGRAPH DOES**  
35 **NOT APPLY TO ANY REVENUES OR PORTIONS OF REVENUES THAT ARE NOT DEDICATED AS A**  
36 **CAPITAL CONTRIBUTION TO THE SAME CATEGORY OF NECESSARY PUBLIC SERVICE AS**  
37 **IDENTIFIED BY THE MUNICIPALITY IN SUBSECTION F, PARAGRAPH 2, SUBDIVISION (g)**  
38 **OF THIS SECTION.**

39           ~~5-~~ 10. If development fees are assessed by a municipality, ~~such~~ **THE**  
40 fees shall be assessed in a nondiscriminatory manner.

41           ~~6-~~ 11. In determining and assessing a development fee applying to  
42 land in a community facilities district established under title 48, chapter  
43 4, article 6, the municipality shall take into account all public  
44 infrastructure provided by the district and capital costs paid by the

1 district for necessary public services and shall not assess a portion of the  
2 development fee based on the infrastructure or costs.

3 C. THIS SECTION DOES NOT PROHIBIT A MUNICIPALITY FROM SUPPORTING  
4 PROJECTS IN THE INFRASTRUCTURE IMPROVEMENTS PLAN IN WHOLE OR IN PART WITH  
5 REVENUES OTHER THAN DEVELOPMENT FEES. A MUNICIPALITY MAY WAIVE DEVELOPMENT  
6 FEES IN WHOLE OR IN PART FOR A PARTICULAR DEVELOPMENT, BUT TO THE EXTENT THAT  
7 IT DOES SO, IT MUST PROVIDE THAT THE AMOUNT OF MONIES THAT WOULD HAVE BEEN  
8 COLLECTED THROUGH THE WAIVED DEVELOPMENT FEE BE REPLACED WITH OTHER SPECIFIED  
9 REVENUES.

10 ~~C-~~ D. A municipality shall give at least sixty days' advance notice  
11 of intention to assess a new or modified development fee and shall release to  
12 the public a written report that identifies the methodology for calculating  
13 the amount of the development fee, explains the relationship between the  
14 development fee and the infrastructure improvements plan, includes  
15 documentation that supports the assessment of a new or modified development  
16 fee and identifies any index or indices to be used for automatic adjustment  
17 of the development fee pursuant to subsection ~~F- G~~ of this section and the  
18 timing of those adjustments. The municipality shall conduct a public hearing  
19 on the proposed new or modified development fee at any time after the  
20 expiration of the sixty day notice of intention to assess a new or modified  
21 development fee and at least thirty days prior to the scheduled date of  
22 adoption of the new or modified fee by the governing body. A development fee  
23 assessed pursuant to this section shall not be effective until ~~seventy-five~~  
24 NINETY days after its formal adoption by the governing body of the  
25 municipality. Nothing in this subsection shall affect any development fee  
26 adopted prior to July 24, 1982.

27 ~~D-~~ E. Before the assessment of a new or modified development fee, the  
28 governing body of the municipality shall adopt or amend an infrastructure  
29 improvements plan. The municipality shall conduct a public hearing on the  
30 infrastructure improvements plan at least thirty days before the adoption or  
31 amendment of the plan. The municipality shall release the plan to the  
32 public, make available to the public the documents used to prepare the plan  
33 and provide public notice at least sixty days before the public hearing,  
34 subject to the following:

35 1. An infrastructure improvements plan ~~may~~ MUST be adopted  
36 ~~concurrently with~~ NOT MORE THAN TWELVE MONTHS BEFORE the report required by  
37 subsection ~~C- D~~ of this section, ~~and the municipality may provide for and~~  
38 ~~schedule the notices and hearings required by this subsection together with~~  
39 ~~the notices and hearings required by subsection C of this section.~~ THE  
40 INFRASTRUCTURE IMPROVEMENTS PLAN MUST BE ADOPTED BEFORE THE START OF A  
41 DEVELOPMENT FEE STUDY AS REQUIRED BY SUBSECTION D OF THIS SECTION.

42 2. A municipality may amend an infrastructure improvements plan  
43 without a public hearing if the amendment addresses only elements of  
44 necessary public services that are included in the existing infrastructure

1 improvements plan. The municipality shall provide public notice of those  
2 amendments at least fourteen days in advance of their effective date.

3 ~~E.~~ F. For each necessary public service that is the subject of a  
4 development fee, the infrastructure improvements plan shall:

5 1. Estimate future necessary public services that will be required as  
6 a result of new development IN THE AREA, AS DEFINED IN THE INFRASTRUCTURE  
7 IMPROVEMENTS PLAN, IN WHICH THE DEVELOPMENT FEE WILL BE ASSESSED and the  
8 basis for the estimate, INCLUDING A COMPARISON OF THE NECESSARY PUBLIC  
9 SERVICES PROVIDED TO EXISTING DEVELOPMENT AND THE NECESSARY PUBLIC SERVICES  
10 TO BE PROVIDED TO NEW DEVELOPMENT.

11 ~~2. Forecast the costs of infrastructure, improvements, real property,  
12 financing, other capital costs and associated appurtenances, equipment,  
13 vehicles, furnishings and other personalty that will be associated with  
14 meeting those future needs for necessary public services and estimate the  
15 time required to finance and provide the necessary public services.~~

16 2. SPECIFICALLY CONTAIN THE FOLLOWING ITEMS:

17 (a) AN ANALYSIS OF THE TOTAL CAPACITY, THE LEVEL OF CURRENT USAGE AND  
18 COMMITMENTS FOR USAGE OF CAPACITY OF THE EXISTING CAPITAL IMPROVEMENTS.

19 (b) A DESCRIPTION OF ALL OR THE PARTS OF THE CAPITAL IMPROVEMENTS OR  
20 FACILITY EXPANSIONS AND THEIR COSTS NECESSITATED BY AND ATTRIBUTABLE TO  
21 DEVELOPMENT IN THE SERVICE AREA BASED ON THE APPROVED LAND USE ASSUMPTIONS.

22 (c) A DESCRIPTION OF THE EXISTING LEVEL OR QUANTITY OF USE,  
23 CONSUMPTION, GENERATION OR DISCHARGE OF A SERVICE UNIT FOR EACH CATEGORY OF  
24 CAPITAL IMPROVEMENTS OR FACILITY EXPANSIONS ADDRESSED IN THE INFRASTRUCTURE  
25 IMPROVEMENTS PLAN.

26 (d) A DEFINITIVE TABLE DESCRIBING THE SPECIFIC LEVEL OR QUANTITY OF  
27 USE, CONSUMPTION, GENERATION OR DISCHARGE OF A SERVICE UNIT FOR EACH CATEGORY  
28 OF CAPITAL IMPROVEMENTS OR FACILITY EXPANSIONS AND AN EQUIVALENCY OR  
29 CONVERSION TABLE ESTABLISHING THE RATIO OF A SERVICE UNIT TO VARIOUS TYPES OF  
30 LAND USES, INCLUDING RESIDENTIAL, MULTIRESIDENTIAL, COMMERCIAL AND  
31 INDUSTRIAL, THAT SHALL BE COMPARABLE TO THE EXISTING LEVEL OR QUANTITY OF  
32 USE, CONSUMPTION, GENERATION OR DISCHARGE FOR EACH CATEGORY OF CAPITAL  
33 IMPROVEMENTS OR FACILITY EXPANSIONS AS DESCRIBED IN SUBDIVISION (c) OF THIS  
34 PARAGRAPH.

35 (e) THE TOTAL NUMBER OF PROJECTED NEW SERVICE UNITS NECESSITATED BY  
36 AND ATTRIBUTABLE TO DEVELOPMENT IN THE SERVICE AREA BASED ON THE APPROVED  
37 LAND USE ASSUMPTIONS AND CALCULATED IN ACCORDANCE WITH GENERALLY ACCEPTED  
38 ENGINEERING OR PLANNING CRITERIA.

39 (f) THE PROJECTED DEMAND FOR CAPITAL IMPROVEMENTS OR FACILITY  
40 EXPANSIONS PROJECTED OVER A REASONABLE PERIOD OF TIME, NOT TO EXCEED TEN  
41 YEARS.

42 (g) A DESCRIPTION AND ESTIMATE OF THE AMOUNTS OF ALL MONIES OTHER THAN  
43 DEVELOPMENT FEES THAT WILL BE USED FOR CAPITAL IMPROVEMENTS OR FACILITY  
44 EXPANSIONS THAT ARE THE SUBJECT OF THE INFRASTRUCTURE IMPROVEMENTS PLAN AND  
45 THAT MAY INCLUDE ESTIMATED STATE SHARED REVENUES, HIGHWAY USER REVENUES,

1 FEDERAL REVENUES, AD VALOREM PROPERTY TAXES, GRANTS, DONATIONS, CONSTRUCTION  
2 CONTRACTING OR SIMILAR EXCISE TAXES, THE CAPITAL RECOVERY PORTION OF UTILITY  
3 FEES ATTRIBUTABLE TO DEVELOPMENT IN THE SERVICE AREA BASED ON THE APPROVED  
4 LAND USE ASSUMPTIONS AND ANY OTHER SOURCES OF REVENUE.

5 (h) TO THE EXTENT THAT BONDS ARE ANTICIPATED TO FINANCE CAPITAL  
6 IMPROVEMENTS OR FACILITY EXPANSIONS THAT ARE THE SUBJECT OF THE  
7 INFRASTRUCTURE IMPROVEMENTS PLAN, A DESCRIPTION AND ESTIMATE OF THE SOURCES  
8 AND AMOUNTS OF ALL ANTICIPATED REVENUES THAT WILL BE USED TO REPAY THE BONDS.

9 ~~F.~~ G. A municipality may automatically adjust a development fee on an  
10 annual basis without a public hearing if the adjustment is based on a  
11 nationally recognized index applicable to the cost of the necessary public  
12 service that is the subject of the development fee and the adjustment  
13 mechanism is identified in the report required by subsection ~~C.~~ D of this  
14 section. The municipality shall provide public notice of those adjustments  
15 at least thirty days in advance of their effective date.

16 ~~G.~~ H. Each municipality that assesses development fees shall submit  
17 an annual report accounting for the collection and use of the fees. The  
18 annual report shall include the following:

19 1. The amount assessed by the municipality for each type of  
20 development fee.

21 2. The balance of each fund maintained for each type of development  
22 fee assessed as of the beginning and end of the fiscal year.

23 3. The amount of interest or other earnings on the monies in each fund  
24 as of the end of the fiscal year.

25 4. The amount of development fee monies used to repay:

26 (a) Bonds issued by the municipality to pay the cost of a capital  
27 improvement project that is the subject of a development fee assessment.

28 (b) Monies advanced by the municipality from funds other than the  
29 funds established for development fees in order to pay the cost of a capital  
30 improvement project that is the subject of a development fee assessment.

31 5. The amount of development fee monies spent on each capital  
32 improvement project that is the subject of a development fee assessment and  
33 the physical location of each capital improvement project.

34 6. The amount of development fee monies spent for each purpose other  
35 than a capital improvement project that is the subject of a development fee  
36 assessment.

37 ~~H.~~ I. Within ninety days following the end of each fiscal year, each  
38 municipality shall submit a copy of the annual report to the city  
39 clerk. Copies shall be made available to the public on request. The annual  
40 report may contain financial information that has not been audited.

41 ~~I.~~ J. A municipality that fails to file the report required by this  
42 section shall not collect development fees until the report is filed.

43 ~~J.~~ K. Any action to collect a development fee shall be commenced  
44 within two years after the obligation to pay the fee accrues.



1 L. NOTWITHSTANDING ANY OTHER LAW, BEGINNING JULY 1, 2009 THROUGH JUNE  
2 30, 2012, A MUNICIPALITY SHALL NOT IMPOSE OR ASSESS ANY DEVELOPMENT FEES  
3 PURSUANT TO THIS SECTION. BEGINNING JULY 1, 2012, A MUNICIPALITY MAY IMPOSE  
4 A DEVELOPMENT FEE OR MODIFY AN EXISTING DEVELOPMENT FEE PURSUANT TO THIS  
5 SECTION.

6 ~~K.~~ M. For the purposes of this section: ~~—~~

7 1. "FACILITY EXPANSION" MEANS THE EXPANSION OF THE CAPACITY OF AN  
8 EXISTING FACILITY THAT SERVES THE SAME FUNCTION AS AN OTHERWISE NECESSARY NEW  
9 CAPITAL IMPROVEMENT IN ORDER THAT THE EXISTING FACILITY MAY SERVE  
10 DEVELOPMENT. FACILITY EXPANSION DOES NOT INCLUDE THE REPAIR, MAINTENANCE,  
11 MODERNIZATION OR EXPANSION OF AN EXISTING FACILITY TO BETTER SERVE EXISTING  
12 DEVELOPMENT.

13 2. "FIRE SERVICES" INCLUDES FACILITIES THAT ARE NECESSARY FOR HOUSING  
14 AND MAINTAINING PERSONNEL, VEHICLES AND EQUIPMENT USED FOR FIRE SUPPRESSION  
15 OR TO PROVIDE EMERGENCY MEDICAL SERVICES AND VEHICLES OR OTHER APPURTENANCES  
16 THAT ARE NECESSARY FOR PROVIDING OR ADMINISTERING FIRE SERVICES. FIRE  
17 SERVICES DO NOT INCLUDE ANY AIR VEHICLE.

18 3. "Infrastructure improvements plan" means one or more written plans  
19 that individually or collectively identify each public service that is  
20 proposed to be the subject of a development fee and otherwise complies with  
21 the requirements of this section, and may be the municipality's capital  
22 improvements plan.

23 4. "LAND USE ASSUMPTIONS" MEANS A DESCRIPTION OF THE SERVICE AREA AND  
24 PROJECTIONS OF CHANGES IN LAND USES, DENSITIES, INTENSITIES AND POPULATION IN  
25 THE SERVICE AREA OVER AT LEAST A TEN-YEAR PERIOD.

26 5. "NECESSARY PUBLIC SERVICES" MEANS NEW OR EXISTING FACILITIES THAT  
27 ARE MODIFIED TO INCREASE SERVICE CAPACITY AND THAT:

28 (a) ARE MADE NECESSARY BY DEVELOPMENT.

29 (b) HAVE A LIFE EXPECTANCY OF TEN YEARS OR LONGER.

30 (c) ARE OWNED AND OPERATED BY THE MUNICIPALITY.

31 (d) PROVIDE FIRE SERVICES, PARK SERVICES, POLICE SERVICES,  
32 TRANSPORTATION SERVICES, WATER SYSTEM SERVICES OR WASTEWATER TREATMENT  
33 PROJECT SERVICES.

34 6. "PARK SERVICES":

35 (a) INCLUDES REAL PROPERTY OR APPURTENANCES THAT ARE USED FOR A PARK  
36 THAT IS NOT LARGER THAN FIFTEEN ACRES.

37 (b) DOES NOT INCLUDE ARENAS, ARCHEOLOGICAL SITES OR FACILITIES, ARTS  
38 OR CULTURAL FACILITIES, CLUBHOUSES, COMMUNITY CENTERS THAT ARE MORE THAN  
39 THREE THOUSAND SQUARE FEET, ENVIRONMENTAL EDUCATION OR INTERPRETIVE  
40 FACILITIES, EQUESTRIAN FACILITIES, GOLF COURSE FACILITIES, HISTORICAL  
41 PRESERVATION SITES OR FACILITIES, INTERPRETIVE ART OR DANCE FACILITIES OR  
42 WETLAND OR RIPARIAN FACILITIES.

43 7. "POLICE SERVICES" INCLUDES FACILITIES AND VEHICLES NECESSARY FOR  
44 PROVIDING OR ADMINISTERING POLICE SERVICES. POLICE SERVICES DO NOT INCLUDE  
45 ANY AIR VEHICLE.

1           8. "SERVICE AREA" MEANS THE AREA THAT IS WITHIN THE CORPORATE  
2 BOUNDARIES OR EXTRATERRITORIAL JURISDICTION, AS DETERMINED UNDER THIS TITLE,  
3 OF THE MUNICIPALITY AND THAT IS TO BE SERVED BY THE CAPITAL IMPROVEMENTS OR  
4 FACILITIES EXPANSIONS PRESCRIBED IN THE INFRASTRUCTURE IMPROVEMENTS PLAN.

5           9. "SERVICE UNIT" MEANS A STANDARDIZED MEASURE OF CONSUMPTION, USE,  
6 GENERATION OR DISCHARGE ATTRIBUTABLE TO AN INDIVIDUAL UNIT OF DEVELOPMENT  
7 CALCULATED IN ACCORDANCE WITH GENERALLY ACCEPTED ENGINEERING OR PLANNING  
8 STANDARDS AND BASED ON HISTORICAL DATA AND TRENDS APPLICABLE TO THE POLITICAL  
9 SUBDIVISION IN WHICH THE INDIVIDUAL UNIT OF DEVELOPMENT IS LOCATED DURING THE  
10 PREVIOUS TEN YEARS.

11          10. "TRANSPORTATION SERVICES" INCLUDES THE ARTERIAL OR COLLECTOR  
12 STREETS, BRIDGES, RIGHTS-OF-WAY, TRAFFIC SIGNALS AND LANDSCAPING.  
13 TRANSPORTATION SERVICES DO NOT INCLUDE TRAINS, LIGHT RAIL OR PARK AND RIDE  
14 PARKING LOTS.

15          11. "WASTEWATER TREATMENT PROJECT SERVICES" INCLUDES THE COLLECTION,  
16 TREATMENT OR DISPOSAL OF WASTEWATER.

17          12. "WATER SYSTEM SERVICES" INCLUDES FACILITIES FOR THE COLLECTION,  
18 TRANSPORTATION, TREATMENT, PURIFICATION AND DISTRIBUTION OF WATER OR THE  
19 ACQUISITION OF WATER RIGHTS.

20          Sec. 4. Section 9-500.05, Arizona Revised Statutes, is amended to  
21 read:

22           9-500.05. Development agreements; public safety; definitions

23          A. A municipality, by resolution or ordinance, may enter into  
24 development agreements relating to property in the municipality and to  
25 property located outside the incorporated area of the municipality. If the  
26 development agreement relates to property located outside the incorporated  
27 area of the municipality, the development agreement does not become operative  
28 unless annexation proceedings to annex the property to the municipality are  
29 completed within the period of time specified by the development agreement or  
30 any extension of such time.

31          B. A development agreement shall be consistent with the municipality's  
32 general plan or specific plan, if any, as defined in section 9-461,  
33 applicable to the property on the date the development agreement is executed.

34          C. A development agreement may be amended, or cancelled in whole or in  
35 part, by mutual consent of the parties to the development agreement or by  
36 their successors in interest or assigns.

37          D. No later than ten days after a municipality enters into a  
38 development agreement, the municipality shall record a copy of the agreement  
39 with the county recorder of the county in which the property subject to the  
40 development agreement is located, and the recordation constitutes notice of  
41 the development agreement to all persons. The burdens of the development  
42 agreement are binding on, and the benefits of the development agreement inure  
43 to, the parties to the agreement and to all their successors in interest and  
44 assigns.

1 E. Section 32-2181 does not apply to development agreements under this  
2 section.

3 F. Notwithstanding any other law, a municipality may provide by  
4 resolution or ordinance for public safety purposes, and with the written  
5 consent of an owner of property that has been granted a development agreement  
6 pursuant to this section, an owner of a protected development right pursuant  
7 to chapter 11 of this title or the owner of any other residential or  
8 commercial development subject to the supervision of a municipality pursuant  
9 to this title, for the application and enforcement of speed limits, vehicle  
10 weight restrictions or other safety measures on a private road that is  
11 located in any development in the municipality and that is open to and used  
12 by the public. A municipality may require payment from the property owner of  
13 the actual cost of signs for speed limits or other restrictions applicable on  
14 the private road, before their installation.

15 G. Notwithstanding section 19-142, subsection B, a decision by the  
16 governing body involving a development agreement may not be enacted as an  
17 emergency measure and that decision is not effective for at least thirty days  
18 after final approval of the development agreement.

19 H. A DEVELOPMENT AGREEMENT SHALL NOT, DIRECTLY OR INDIRECTLY:

20 1. ENLARGE A DEVELOPER'S OBLIGATIONS WITH REGARD TO THE AMOUNT OF  
21 DEVELOPMENT FEES IMPOSED PURSUANT TO SECTION 9-463.05.

22 2. REQUIRE A DEVELOPER TO ASSUME AN OBLIGATION TO CONSTRUCT OR  
23 CONTRIBUTE TO THE CONSTRUCTION OF FACILITIES THAT ARE NOT NECESSARY PUBLIC  
24 SERVICES, AS DEFINED IN SECTION 9-463.05, MADE NECESSARY BY THE NEW  
25 DEVELOPMENT.

26 ~~H.~~ I. In this section, unless the context otherwise requires:

27 1. "Development agreement" means an agreement between a municipality  
28 and a community facilities district pursuant to section 48-709, a landowner  
29 or any other person having an interest in real property that may specify or  
30 otherwise relate to any of the following:

31 (a) The duration of the development agreement.

32 (b) The permitted uses of property subject to the development  
33 agreement.

34 (c) The density and intensity of uses and the maximum height and size  
35 of proposed buildings within such property.

36 (d) Provisions for reservation or dedication of land for public  
37 purposes and provisions to protect environmentally sensitive lands.

38 (e) Provisions for preservation and restoration of historic  
39 structures.

40 (f) The phasing or time of construction or development on property  
41 subject to the development agreement.

42 (g) Conditions, terms, restrictions and requirements for public  
43 infrastructure and the financing of public infrastructure and subsequent  
44 reimbursements over time.

1 (h) Conditions, terms, restrictions and requirements for annexation of  
2 property by the municipality and the phasing or timing of annexation of  
3 property by the municipality.

4 (i) Conditions, terms, restrictions and requirements of deannexation  
5 of property from one municipality to another municipality and the phasing or  
6 timing of deannexation of property from one municipality to another  
7 municipality.

8 (j) Conditions, terms, restrictions and requirements relating to the  
9 governing body's intent to form a special taxing district pursuant to  
10 title 48.

11 (k) Any other matters relating to the development of the property.

12 2. "Governing body" means the body or board which by law is  
13 constituted as the legislative body of the municipality.

14 3. "Municipality" means an incorporated city or town.

15 Sec. 5. Title 9, chapter 7, article 1, Arizona Revised Statutes, is  
16 amended by adding section 9-805, to read:

17 9-805. Building code moratorium on residential and commercial  
18 buildings

19 BEGINNING JULY 1, 2009 THROUGH JUNE 30, 2012, ANY NEW OR MODIFIED  
20 RESIDENTIAL OR COMMERCIAL BUILDING CODE OR OTHER RELATED CODE THAT IS ADOPTED  
21 BY A MUNICIPALITY DOES NOT APPLY TO A RESIDENTIAL OR COMMERCIAL BUILDING THAT  
22 RECEIVED A FINAL SITE PLAN OR SUBDIVISION PLAT, PLANNED AREA DEVELOPMENT OR  
23 SIMILAR APPROVAL BY A MUNICIPALITY BEFORE JUNE 1, 2009. THIS SECTION DOES  
24 NOT PROHIBIT ANY CODE CHANGES TO THE EXTENT AND DURATION REQUIRED TO COMPLY  
25 WITH CONDITIONS FOR FEDERAL STIMULUS FUNDING.

26 Sec. 6. Section 11-356, Arizona Revised Statutes, is amended to read:

27 11-356. Dismissal, suspension or reduction in rank of  
28 employees; appeals; hearings

29 A. Any officer or employee in the classified civil service may be  
30 dismissed, suspended or reduced in rank or compensation by the appointing  
31 authority after appointment or promotion is complete only by written order,  
32 stating specifically the reasons for the action. The order shall be filed  
33 with the clerk of the board of supervisors and a copy ~~thereof~~ OF THE ORDER  
34 shall be furnished to the person to be dismissed, suspended or reduced.

35 B. The officer or employee, ~~may~~ within ten days after presentation to  
36 him of the order, MAY appeal from the order through the clerk of the  
37 commission. Upon the filing of the appeal, the clerk shall forthwith  
38 transmit the order and appeal to the commission for hearing.

39 C. Within twenty days from the filing of the appeal, the commission  
40 shall commence the hearing and either affirm, modify or revoke the order.  
41 The appellant may appear personally, produce evidence, have counsel and, if  
42 requested by the appellant, a public hearing.

43 D. The findings and decision of the commission shall be final, ~~and~~  
44 shall be subject to administrative review as provided in title 12, chapter 7,  
45 article 6.

1 E. THIS SECTION DOES NOT APPLY TO FURLOUGHS OF CLASSIFIED EMPLOYEES IF  
2 THE FURLOUGHS ARE UNDERTAKEN TO ADDRESS BUDGET SHORTFALLS OR STRUCTURAL  
3 IMBALANCE.

4 Sec. 7. Section 20-1550, Arizona Revised Statutes, is amended to read:  
5 20-1550. Minimum policyholder position; definitions

6 A. A mortgage guaranty insurer shall maintain at all times a minimum  
7 policyholder position in an amount not less than the amount required by this  
8 section. The face amount of the mortgage shall include reinsurance assumed  
9 and shall be calculated net of reinsurance that is ceded to an insurer  
10 either:

11 1. Authorized to transact insurance or accredited to assume  
12 reinsurance in this state.

13 2. Pursuant to section 20-1557, subsection C.

14 3. Otherwise approved by the director.

15 B. If a policy of mortgage guaranty insurance insures individual loans  
16 with a percentage claim settlement option on the loans, the insurer shall  
17 maintain a minimum policyholder position based on each one hundred dollars of  
18 the face amount of the mortgage, the percentage coverage or claim settlement  
19 option and the loan-to-value category. The required amount of minimum  
20 policyholder position is calculated in the following manner:

21 1. If the total indebtedness is greater than seventy-five per cent of  
22 the value of the collateral property at the date of insurance, the following  
23 applies:

<u>Per cent coverage</u>	<u>Minimum policyholder position per one hundred dollars of the face amount of the mortgage</u>
5%	\$ .20
10	.40
15	.60
20	.80
25	1.00
30	1.10
35	1.20
40	1.30
45	1.35
50	1.40
55	1.50
60	1.55
65	1.60
70	1.65
75	1.75
80	1.80
85	1.85



1 policyholder position is two hundred per cent of the amount required by  
2 paragraph 1 of this subsection.

3 3. Is more than fifty per cent or the equity plus prior insurance or a  
4 deductible is more than fifty-five per cent of the value of the collateral  
5 property at the date of insurance, the required amount of minimum  
6 policyholder position is fifty per cent of the amount of minimum policyholder  
7 position required by paragraph 1 of this subsection.

8 D. If a policy of mortgage guaranty insurance provides for layers of  
9 coverage, deductibles or excess reinsurance, the required amount of minimum  
10 policyholder position may be computed by subtracting the required minimum  
11 policyholder position for the lower percentage coverage limits from the  
12 required minimum policyholder position for the upper or greater coverage  
13 limit.

14 E. If a policy of mortgage guaranty insurance provides for coverage on  
15 loans secured by second liens:

16 1. If the policy provides coverage on individual loans, the required  
17 amount of minimum policyholder position is calculated according to subsection  
18 B after the per cent of coverage and the loan-to-value ratios have been  
19 determined as follows:

20 (a) Divide the insured portion of the second loan by the entire loan  
21 indebtedness on the collateral property to determine the per cent coverage.

22 (b) Divide the entire loan indebtedness on the property by the value  
23 of the collateral property at the date of insurance to determine  
24 loan-to-value per cent.

25 2. If the policy provides coverage on a group of loans subject to an  
26 aggregate loss limit, the minimum policyholder position is calculated  
27 according to subsection C after the per cent of coverage and the  
28 loan-to-value ratios have been determined in accordance with this subsection.

29 F. If a policy of mortgage guaranty insurance provides for coverage on  
30 leases, the minimum policyholder position is four dollars for each one  
31 hundred dollars of the insured amount of the lease.

32 G. If a mortgage guaranty insurer does not have the amount of minimum  
33 policyholder position required by this section, **THE DIRECTOR MAY REQUIRE THAT**  
34 it shall cease transacting new business until such time that its minimum  
35 policyholder position is in compliance with this section.

36 H. A mortgage guaranty insurer shall include with its annual statement  
37 a report of its minimum policyholder position on a form approved by the  
38 director.

39 I. For the purposes of this section, except as otherwise provided:

40 1. "Equity" means the complement of the loan-to-value per cent.

41 2. "Face amount of the mortgage" means the outstanding principal  
42 balance computed without any reduction because of an insurer's option  
43 limiting its coverage, except that for the purposes of determining a minimum  
44 policyholder position under subsection E "face amount of the mortgage" means  
45 the entire loan indebtedness on the property.

1           Sec. 8. Section 28-8202, Arizona Revised Statutes, is amended to read:  
2           28-8202. State aviation fund

3           A. A state aviation fund is established consisting of the following:

4           1. Aviation fuel taxes or motor vehicle fuel taxes deposited by the  
5 department.

6           2. Monies deposited by the department as a result of the sale of an  
7 abandoned aircraft as defined in section 28-8243 or seized aircraft.

8           3. The amount of flight property tax that the department of revenue  
9 has deposited pursuant to section 42-14255.

10          4. Registration fees, license taxes and penalties collected pursuant  
11 to article 4 of this chapter.

12          5. Monies received by the department from the operation of airports  
13 under this article and articles 2 through 5 of this chapter.

14          B. On notice from the department, the state treasurer shall invest and  
15 divest monies in the state aviation fund as provided by section 35-313, and  
16 monies earned from investment shall be credited to the fund.

17          C. The department shall administer monies that are appropriated by the  
18 legislature from the state aviation fund.

19          D. The board shall distribute monies appropriated to the department  
20 from the state aviation fund for planning, design, development, acquisition  
21 of interests in land, construction and improvement of publicly owned and  
22 operated airport facilities in counties and incorporated cities and towns.  
23 The board shall distribute these monies according to the needs for these  
24 facilities as determined by the board. No more than ten per cent of the  
25 ~~total aviation~~ AVERAGE ANNUAL REVENUE THAT THE fund RECEIVED FOR THE PAST  
26 THREE YEARS may be awarded to any one airport in GRANTS IN any fiscal year.  
27 For THE purposes of this subsection, "publicly owned and operated airport  
28 facility" means an airport and appurtenant facilities in which one or more  
29 agencies, departments or instrumentalities of this state or a city, town or  
30 county of this state holds an interest in the land on which the airport is  
31 located that is clear of any reversionary interest, lien, easement, lease or  
32 other encumbrance that might preclude or interfere with the possession, use  
33 or control of the land for public airport purposes for a minimum period of  
34 twenty years.

35          Sec. 9. Section 32-1606, Arizona Revised Statutes, is amended to read:  
36          32-1606. Powers and duties of board

37          A. The board may:

38          1. Adopt and revise rules necessary to carry into effect the  
39 provisions of this chapter.

40          2. Publish advisory opinions regarding functions of professional and  
41 practical nurses.

42          3. Issue limited licenses if it determines that an applicant or  
43 licensee cannot function safely in a specific setting.

44          4. Refer criminal violations of this chapter to the appropriate law  
45 enforcement agency.



1           5. Establish a confidential program for the monitoring of licensees  
2 who are chemically dependent and who enroll in rehabilitation programs that  
3 meet the criteria established by the board. The board may take further  
4 action if the licensee refuses to enter into a stipulated agreement or fails  
5 to comply with its terms. In order to protect the public health and safety  
6 the confidentiality requirements of this paragraph do not apply if the  
7 licensee does not comply with the stipulated agreement.

8           6. Adopt rules for the qualification and certification of clinical  
9 nurse specialists.

10          7. Adopt rules for the certification of school nurses if the state  
11 board of education does not require school nurses to be certificated.

12          8. On the applicant's or licensee's request, establish a payment  
13 schedule with the applicant or licensee.

14           B. The board shall:

15           1. Establish standards for nursing programs and courses preparing  
16 persons for licensing under this chapter, recognize national nursing  
17 accrediting agencies and provide for surveys of schools it deems necessary.

18           2. Approve nursing and nursing assistant training programs that meet  
19 the requirements of this chapter and of the board.

20           3. Prepare and maintain a list of approved nursing programs for  
21 professional and practical nurses whose graduates are eligible for licensing  
22 under this chapter as graduate registered or professional nurses or as  
23 practical nurses if they satisfy the other requirements of this chapter.

24           4. Examine qualified professional and practical nurse applicants.

25           5. License and renew the licenses of qualified professional and  
26 practical nurse applicants who are not qualified to be licensed by the  
27 executive director.

28           6. Adopt a seal which the executive director shall keep.

29           7. Keep a record of all proceedings and make an annual report to the  
30 governor on a date the governor directs.

31           8. For proper cause, deny or rescind approval of a nursing or nursing  
32 assistant training program for failure to comply with this chapter or the  
33 rules of the board.

34           9. On its own motion or on receipt of a complaint against a person  
35 licensed or certified under this chapter, conduct investigations, hearings  
36 and proceedings concerning any violation of this chapter or the rules adopted  
37 by the board.

38           10. Determine and administer appropriate disciplinary action as  
39 provided by this section against all persons who are licensed or certified  
40 under this chapter and who are found guilty of violating this chapter or  
41 rules adopted by the board.

42           11. Perform functions necessary to carry out the requirements of the  
43 nursing assistant training and competency evaluation program as set forth in  
44 the omnibus budget reconciliation act of 1987 (P.L. 100-203; 101 Stat. 1330),

1 as amended by the medicare catastrophic coverage act of 1988 (P.L. 100-360;  
2 102 Stat. 683). These functions shall include:

- 3 (a) Testing and certification of nursing assistants.
- 4 (b) Maintaining a list of board approved training programs.
- 5 (c) Recertifying nursing assistants.
- 6 (d) Maintaining a registry of all certified nursing assistants.
- 7 (e) Assessing fees.

8 12. Adopt rules establishing those acts that may be performed by a  
9 registered nurse practitioner in collaboration with a licensed physician.

10 13. Adopt rules establishing educational requirements for the  
11 certification of school nurses.

12 14. Publish copies of board rules and distribute these copies on  
13 request.

14 15. Require each applicant for initial licensure to submit a full set  
15 of fingerprints to the board for the purpose of obtaining a state and federal  
16 criminal records check pursuant to section 41-1750 and Public Law 92-544.  
17 The department of public safety may exchange this fingerprint data with the  
18 federal bureau of investigation.

19 16. Require each applicant for initial nursing assistant  
20 certification, ~~subject to appropriations from the state general fund by the~~  
21 ~~legislature to the Arizona state board of nursing for fingerprinting,~~ to  
22 submit a full set of fingerprints to the board for the purpose of obtaining a  
23 state and federal criminal records check pursuant to section 41-1750 and  
24 Public Law 92-544. The department of public safety may exchange this  
25 fingerprint data with the federal bureau of investigation.

26 17. Revoke a license of a person, revoke the multistate licensure  
27 privilege of a person pursuant to section 32-1669 or not issue a license or  
28 renewal to an applicant who has one or more felony convictions and who has  
29 not received an absolute discharge from the sentences for all felony  
30 convictions five or more years before the date of filing an application  
31 pursuant to this chapter. This paragraph does not apply to a person who has  
32 filed an application for licensure or renewal before August 1, 1998 and who  
33 has disclosed to the board one or more felony convictions on the person's  
34 application.

35 18. Establish standards for approving nurse practitioner and clinical  
36 nurse specialist programs and provide for surveys of nurse practitioner and  
37 clinical nurse specialist programs as it deems necessary.

38 19. Provide the licensing authorities of health care institutions,  
39 facilities and homes any information the board receives regarding practices  
40 that place a patient's health at risk.

41 20. Limit the multistate licensure privilege of any person who holds or  
42 applies for a license in this state pursuant to section 32-1668.

43 21. Adopt rules to establish competency standards for obtaining and  
44 maintaining a license.

1 C. The board may take any of the following disciplinary actions  
2 against any person who holds a license to practice nursing in this state:

- 3 1. Revoke the license to practice.
- 4 2. Suspend the license to practice.
- 5 3. Enter a decree of censure, which may require that restitution be
- 6 made to an aggrieved party.
- 7 4. Issue an order fixing a period and terms of probation best adapted
- 8 to protect the public health and safety and rehabilitate the licensed person.
- 9 5. Impose a civil penalty for each violation of this chapter, not to
- 10 exceed one thousand dollars, either singly or in combination with any
- 11 disciplinary action permitted under this subsection.

12 D. The board may limit, revoke or suspend the privilege of a nurse to  
13 practice in this state granted pursuant TO section 32-1668.

14 E. Failure to comply with any final order of the board, including an  
15 order of censure or probation, is cause for suspension or revocation of a  
16 license or revocation of a certificate.

17 F. The president or a member of the board designated by the president  
18 may administer oaths in transacting the business of the board.

19 Sec. 10. Section 33-809, Arizona Revised Statutes, is amended to read:

20 33-809. Request for copies of notice of sale; mailing by  
21 trustee; disclosure of information regarding trustee  
22 sale

23 A. A person desiring a copy of a notice of sale under a trust deed, at  
24 any time subsequent to the recording of the trust deed and prior to the  
25 recording of a notice of sale pursuant thereto, shall record in the office of  
26 the county recorder in any county in which part of the trust property is  
27 situated a duly acknowledged request for a copy of any such notice of sale.  
28 The request shall set forth the name and address of the person or persons  
29 requesting a copy of such notice and shall identify the trust deed by setting  
30 forth the county, docket or book and page of the recording data thereof and  
31 by stating the names of the original parties to such deed, the date the deed  
32 was recorded and the legal description of the entire trust property and shall  
33 be in substantially the following form:

34 Request for Notice

35 Request is hereby made that a copy of any notice of sale  
36 under the trust deed recorded in docket or book \_\_\_\_\_ at  
37 page \_\_\_\_\_, records of \_\_\_\_\_ county, Arizona,  
38 \_\_\_\_\_, \_\_\_\_\_,

39 (legal description of trust property)

40 Executed by \_\_\_\_\_ as trustor, in which  
41 \_\_\_\_\_ is named as beneficiary and \_\_\_\_\_ as  
42 trustee, be mailed to \_\_\_\_\_ at \_\_\_\_\_.

43 Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

44 \_\_\_\_\_  
45 Signature

1 (Acknowledgement)

2 B. Not later than thirty days after recording the notice of sale, the  
3 trustee shall mail by certified or registered mail, with postage prepaid, a  
4 copy of the notice of sale that reflects the recording date together with any  
5 notice required to be given by subsection C of this section, addressed as  
6 follows:

7 1. To each person whose name and address are set forth in a request  
8 for notice, which has been recorded prior to the recording of the notice of  
9 sale, directed to the address designated in such request.

10 2. To each person who, at the time of recording of the notice of sale,  
11 appears on the records of the county recorder in the county in which any part  
12 of the trust property is situated to have an interest in any of the trust  
13 property. The copy of the notice sent pursuant to this paragraph shall be  
14 addressed to the person whose interest appears of record at the address set  
15 forth in the document. If no address for the person is set forth in the  
16 document, the copy of the notice may be addressed in care of the person to  
17 whom the recorded document evidencing such interest was directed to be mailed  
18 at the time of its recording or to any other address of the person known or  
19 ascertained by the trustee. If the interest that appears on the records of  
20 the county recorder is a deed of trust, a copy of the notice only needs to be  
21 mailed to the beneficiary under the deed of trust. If any person having an  
22 interest of record or the trustor, or any person who has recorded a request  
23 for notice, desires to change the address to which notice shall be mailed,  
24 the change shall be accomplished by a request as provided under this section.

25 3. FOR SINGLE FAMILY RESIDENTIAL PROPERTIES ONLY, TO THE PROPERTY  
26 ADDRESS, EXCEPT THAT THE COPY MAILED PURSUANT TO THIS PARAGRAPH MAY BE MAILED  
27 BY FIRST CLASS MAIL.

28 C. The trustee, within five business days after the recordation of a  
29 notice of sale, shall mail by certified or registered mail, with postage  
30 prepaid, a copy of the notice of sale to each of the persons who were parties  
31 to the trust deed except the trustee. The copy of the notice mailed to the  
32 parties need not show the recording date of the notice. The notice sent  
33 pursuant to this subsection shall be addressed to the mailing address  
34 specified in the trust deed. In addition, notice to each party shall contain  
35 a statement that a breach or nonperformance of the trust deed or the contract  
36 or contracts secured by the trust deed, or both, has occurred, and setting  
37 forth the nature of such breach or nonperformance and of the beneficiary's  
38 election to sell or cause to be sold the trust property under the trust deed  
39 and the additional notice shall be signed by the beneficiary or the  
40 beneficiary's agent. A copy of the additional notice shall also be sent with  
41 the notice provided for in subsection B, paragraph 2 of this section to all  
42 persons whose interest in the trust property is subordinate in priority to  
43 that of the deed of trust along with a written statement that the interest  
44 may be subject to being terminated by the trustee's sale. The written  
45 statement may be contained in the statement of breach or nonperformance.

1 D. No request for a copy of a notice recorded pursuant to this  
2 section, nor any statement or allegation in any request, nor any record of  
3 request, shall affect the title to the trust property or be deemed notice to  
4 any person that a person requesting a copy of notice of sale has or claims  
5 any interest in, or claim upon, the trust property.

6 E. At any time that the trust deed is subject to reinstatement  
7 pursuant to section 33-813, but not sooner than thirty days after recordation  
8 of the notice of trustee's sale, the trustee shall upon receipt of a written  
9 request, provide, if actually known to the trustee, the following information  
10 relating to the trustee's sale and the trust property:

11 1. The unpaid principal balance of the note or other obligation which  
12 is secured by the deed of trust.

13 2. The name and address of record of the owner of the trust property  
14 as of the date of recordation of the notice of trustee's sale.

15 3. A list of the liens and encumbrances upon the trust property as of  
16 the date of recordation of the notice of trustee's sale, excluding those  
17 matters set forth in section 33-438, subsection A.

18 If the trustee elects to charge a fee for providing the information  
19 requested, the fee shall not exceed five per cent of the amount the trustee  
20 may charge pursuant to section 33-813, subsection B, paragraph 4, except that  
21 the trustee shall not charge a fee that is more than one hundred dollars or  
22 be required to accept a fee that is less than thirty dollars but may accept a  
23 lesser fee at the trustee's discretion. The trustee, or any other person  
24 furnishing information pursuant to this subsection to the trustee, shall not  
25 be subject to liability for any error or omission in providing the  
26 information requested, except for the wilful and intentional failure to  
27 provide information in the trustee's actual possession.

28 F. Beginning at 9:00 a.m. and continuing until 5:00 p.m. mountain  
29 standard time on the last business day preceding the day of sale and  
30 beginning at 9:00 a.m. mountain standard time and continuing until the time  
31 of sale on the day of the sale, the trustee shall make available the actual  
32 bid or a good faith estimate of the credit bid the beneficiary is entitled to  
33 make at the sale. If the actual bid or good faith estimate is not available  
34 during the prescribed time period, the trustee shall postpone the sale until  
35 the trustee is able to comply with this subsection.

36 G. In providing information pursuant to subsections E and F of this  
37 section, the trustee, without obligation or liability for the accuracy or  
38 completeness of the information, may respond to oral requests, respond orally  
39 or in writing or provide additional information not required by such  
40 subsections. With respect to property that is the subject of a trustee's  
41 sale, the beneficiary of such deed of trust or the holder of any prior lien  
42 may, but shall not be required to, provide information concerning such deed  
43 of trust or any prior lien that is not required by subsection E or F of this  
44 section and may charge a reasonable fee for providing the information. The  
45 providing of such information by any beneficiary or holder of a prior lien

1 shall be without obligation or liability for the accuracy or completeness of  
2 the information.

3 Sec. 11. Section 33-1322, Arizona Revised Statutes, is amended to  
4 read:

5 33-1322. Disclosure and tender of written rental agreement

6 A. The landlord or any person authorized to enter into a rental  
7 agreement on his behalf shall disclose to the tenant in writing at or before  
8 the commencement of the tenancy the name and address of each of the  
9 following:

10 1. The person authorized to manage the premises.

11 2. An owner of the premises or a person authorized to act for and on  
12 behalf of the owner for the purpose of service of process and for the purpose  
13 of receiving and receipting for notices and demands.

14 B. At or before the commencement of the tenancy, the landlord shall  
15 inform the tenant in writing that ~~a free copy of~~ the Arizona residential  
16 landlord and tenant act is available ~~through~~ ON the Arizona secretary of  
17 state's ~~office~~ WEBSITE.

18 C. The information required to be furnished by this section shall be  
19 kept current and refurnished to A tenant upon THE tenant's request. This  
20 section extends to and is enforceable against any successor landlord, owner  
21 or manager.

22 D. A person who fails to comply with subsections A, ~~and~~ B AND C  
23 becomes an agent of each person who is a landlord for the following purposes:

24 1. Service of process and receiving and receipting for notices and  
25 demands.

26 2. Performing the obligations of the landlord under this chapter and  
27 under the rental agreement and expending or making available for the purpose  
28 all rent collected from the premises.

29 E. If there is a written rental agreement, the landlord must tender  
30 and deliver a signed copy of the rental agreement to the tenant and the  
31 tenant must sign and deliver to the landlord one fully executed copy of such  
32 rental agreement within a reasonable time after the agreement is executed. A  
33 written rental agreement shall have all blank spaces completed.  
34 Noncompliance with this subsection shall be deemed a material noncompliance  
35 by the landlord or the tenant, as the case may be, of the rental agreement.

36 Sec. 12. Section 36-3291, Arizona Revised Statutes, is amended to  
37 read:

38 36-3291. Health care directives registry; website

39 A. Subject to the availability of monies, the secretary of state shall  
40 establish and maintain a health care directives registry.

41 B. The registry shall be accessible through a ~~web-site~~ WEBSITE  
42 maintained by the secretary of state.

43 C. The secretary of state may accept gifts, grants, donations,  
44 bequests and other forms of voluntary contributions to support, promote and  
45 maintain the registry. ~~The legislature or the secretary of state shall not~~

1 ~~appropriate or transfer state general fund or other state monies to support,~~  
2 ~~promote and maintain the registry.~~

3 Sec. 13. Section 41-121, Arizona Revised Statutes, is amended to read:

4 41-121. Duties

5 The secretary of state shall:

6 1. Receive bills and resolutions from the legislature, and perform  
7 such other duties as devolve upon the secretary of state by resolution of the  
8 two houses or either of them.

9 2. Keep a register of and attest the official acts of the governor.

10 3. Act as custodian of the great seal of this state.

11 4. Affix the great seal, with the secretary of state's attestation, to  
12 public instruments to which the official signature of the governor is  
13 attached.

14 5. File in the secretary of state's office receipts for all books  
15 distributed by the secretary of state and direct the county recorder of each  
16 county to do the same.

17 6. Certify to the governor the names of those persons who have  
18 received at any election the highest number of votes for any office, the  
19 incumbent of which is commissioned by the governor.

20 7. Publish slip laws of each act of the legislature promptly upon  
21 passage and approval of such act, make such acts available to interested  
22 persons for a reasonable fee to compensate for the cost of printing and  
23 provide each house of the legislature and the legislative council with a  
24 certified copy of each bill or resolution, showing the chapter or resolution  
25 number of each, as each is filed in the secretary of state's office.

26 8. Keep a fee book of fees and compensation of whatever kind and  
27 nature earned, collected or charged by the secretary of state, with the date,  
28 the name of the payer and the nature of the service in each case. The fee  
29 book shall be verified annually by the secretary of state's affidavit entered  
30 in the fee book.

31 9. Perform other duties imposed on the secretary of state by law.

32 10. Report to the governor on January 2 each year, and at such other  
33 times as provided by law, a detailed account of the secretary of state's  
34 official actions taken since the secretary of state's previous report  
35 together with a detailed statement of the manner in which all appropriations  
36 for the secretary of state's office have been expended.

37 11. Transfer all noncurrent or inactive books, records, deeds and other  
38 papers otherwise required to be filed with or retained by the secretary of  
39 state to the custody of the Arizona state library, archives and public  
40 records.

41 12. Make available to the public, without charge, title 33, ~~chapter~~  
42 ~~CHAPTERS 10 AND 11~~ on the secretary of state's ~~web-site~~ WEBSITE.

43 13. Accept, and approve for use, electronic and digital signatures that  
44 comply with section 41-132, for documents filed with and by all state  
45 agencies, boards and commissions. In consultation with the government

1 information technology agency, the department of administration and the state  
2 treasurer, the secretary of state shall adopt rules pursuant to chapter 6 of  
3 this title establishing policies and procedures for the use of electronic and  
4 digital signatures by all state agencies, boards and commissions for  
5 documents filed with and by all state agencies, boards and commissions.

6 14. Meet at least annually with personnel from the federal voting  
7 assistance office of the United States department of defense and with county  
8 recorders and other county election officials in this state to coordinate the  
9 delivery and return of registrations, ballot requests, voted ballots and  
10 other election materials to and from absent uniformed and overseas citizens.

11 Sec. 14. Section 41-121.02, Arizona Revised Statutes, is amended to  
12 read:

13 41-121.02. Department of state

14 A. There is established the department of state, which shall be  
15 composed of the office of the secretary of state.

16 B. The secretary of state shall have charge of and direct the  
17 department of state.

18 C. EXCEPT AS OTHERWISE PROVIDED BY LAW, EMPLOYEES OF THE DEPARTMENT  
19 ARE EXEMPT FROM CHAPTER 4, ARTICLES 5 AND 6 OF THIS TITLE.

20 D. PURCHASES AND CONTRACTS FOR GOODS AND SERVICES ENTERED INTO BY THE  
21 ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS ARE EXEMPT FROM CHAPTER 23  
22 OF THIS TITLE.

23 Sec. 15. Section 41-1304.06, Arizona Revised Statutes, is amended to  
24 read:

25 41-1304.06. Authorization for collection of rental; basis of  
26 payment; exception; definition

27 A. Each state department and each state agency when using space under  
28 the jurisdiction of the legislative council or the speaker of the state house  
29 of representatives or the president of the state senate shall pay a rental as  
30 prescribed in subsection B to the legislative council, speaker or president,  
31 as appropriate, for deposit in the capital outlay stabilization fund.

32 B. The rental authorized by the terms of subsection A shall be  
33 determined by the joint legislative budget committee after recommendation by  
34 the speaker and president prior to the beginning of each fiscal year. The  
35 agency shall pay rent in one annual payment regardless of whether the  
36 department or agency is funded in whole or in part by state monies.

37 C. THIS SECTION DOES NOT APPLY TO THE SECRETARY OF STATE IF THE SPACE  
38 USED PURSUANT TO THIS SECTION IS PRIMARILY BEING USED BY THE ARIZONA STATE  
39 LIBRARY, ARCHIVES AND PUBLIC RECORDS FOR THE PURPOSES PRESCRIBED BY STATUTE.

40 ~~C.~~ D. For the purposes of this section, "state department" or "state  
41 agency" means any department or agency of the executive or judicial branch of  
42 state government.



1           Sec. 16. Section 41-1330, Arizona Revised Statutes, is amended to  
2 read:

3           41-1330. Definitions

4           In this article, unless the context otherwise requires:

5           ~~1. "Board" means the board of the state library.~~

6           ~~2.~~ 1. "Director" means the director of the state library.

7           ~~3.~~ 2. "State library" means the Arizona state library, archives and  
8 public records.

9           Sec. 17. Section 41-1331, Arizona Revised Statutes, is amended to  
10 read:

11           41-1331. Arizona state library, archives and public records

12           A. The Arizona state library, archives and public records is  
13 established in the ~~legislative branch of state government~~ OFFICE OF THE  
14 SECRETARY OF STATE.

15           B. The state library shall:

16           1. Acquire and provide access to materials relating to the following  
17 in print, in an electronic format or in any other format:

18           (a) Law.

19           (b) Political science.

20           (c) Economics.

21           (d) Sociology.

22           (e) Subjects pertaining to the theory and practice of government.

23           (f) Genealogy.

24           (g) Arizona history.

25           2. Provide the following:

26           (a) A general and legal reference service.

27           (b) A records management and archives program.

28           (c) A state and federal government documents depository program.

29           (d) A library development service.

30           (e) Museums for educational purposes as approved by the ~~board~~  
31 SECRETARY OF STATE.

32           (f) A service, including materials, for persons who are visually or  
33 physically unable to use traditional print materials.

34           Sec. 18. Section 41-1332, Arizona Revised Statutes, is amended to  
35 read:

36           41-1332. Advisory board of the Arizona state library, archives  
37 and public records

38           A. ~~A~~ AN ADVISORY board of the Arizona state library, archives and  
39 public records is established consisting of the president of the senate OR  
40 THE PRESIDENT'S DESIGNEE, THE speaker of the house of representatives OR THE  
41 SPEAKER'S DESIGNEE, one member of the senate WHO IS appointed by the  
42 president of the senate AND WHO IS A MEMBER OF A DIFFERENT POLITICAL PARTY  
43 THAN THE PRESIDENT, ~~and~~ one member of the house of representatives WHO IS  
44 appointed by the speaker of the house of representatives AND WHO IS A MEMBER

1 OF A DIFFERENT POLITICAL PARTY THAN THE SPEAKER AND FIVE MEMBERS WHO ARE  
2 APPOINTED BY THE SECRETARY OF STATE.

3 B. THE ADVISORY BOARD SHALL ANNUALLY ELECT A CHAIRPERSON AND  
4 VICE-CHAIRPERSON FROM AMONG ITS MEMBERS AT THE FIRST MEETING OF THE FISCAL  
5 YEAR. Meetings of the ADVISORY board shall be held at the call of the  
6 ~~chairman~~ CHAIRPERSON OR A MAJORITY OF THE MEMBERS OF THE ADVISORY BOARD. ~~The~~  
7 ~~speaker of the house of representatives shall serve as chairman in~~  
8 ~~even-numbered years and the president of the senate shall serve as chairman~~  
9 ~~in odd-numbered years.~~

10 C. MEMBERS WHO ARE APPOINTED BY THE SECRETARY OF STATE SHALL SERVE  
11 THREE YEAR STAGGERED TERMS BEGINNING ON JULY 1. IF THERE IS A VACANCY, THE  
12 SECRETARY OF STATE SHALL APPOINT ANOTHER PERSON TO SERVE THE REMAINDER OF THE  
13 TERM. THE SECRETARY OF STATE MAY APPOINT MEMBERS TO SUCCEEDING TERMS. THE  
14 SECRETARY OF STATE MAY REMOVE A MEMBER FOR GOOD AND SUFFICIENT CAUSE.  
15 MEMBERS OF THE ADVISORY BOARD WHO ARE APPOINTED BY THE SECRETARY OF STATE ARE  
16 NOT ELIGIBLE TO RECEIVE COMPENSATION BUT ARE ELIGIBLE FOR REIMBURSEMENT OF  
17 EXPENSES PURSUANT TO TITLE 38, CHAPTER 4, ARTICLE 2.

18 ~~C.~~ D. The ADVISORY board shall ~~exercise general supervision over the~~  
19 ~~state library and shall appoint the director of the state library. The~~  
20 ~~director shall serve at the pleasure of the board~~ ADVISE THE SECRETARY OF  
21 STATE IN THE SUPERVISION OF THE STATE LIBRARY.

22 Sec. 19. Section 41-1333, Arizona Revised Statutes, is amended to  
23 read:

24 41-1333. Director of the state library; qualifications

25 A. The state library shall be under the charge and control of a  
26 director, subject to ~~board~~ supervision OF THE SECRETARY OF STATE. THE  
27 SECRETARY OF STATE SHALL APPOINT THE DIRECTOR OF THE STATE LIBRARY. THE  
28 DIRECTOR SHALL SERVE AT THE PLEASURE OF THE SECRETARY OF STATE.

29 B. The director shall be a person WHO IS technically trained in  
30 library work ~~or have~~ WITH AT LEAST A MASTER'S DEGREE IN LIBRARY SCIENCE OR  
31 THE EQUIVALENT AND WHO HAS at least five years' actual experience as chief  
32 administrator of a major library.

33 Sec. 20. Section 41-1334, Arizona Revised Statutes, is amended to  
34 read:

35 41-1334. Compensation of director

36 The compensation of the director shall be as determined by the ~~board~~  
37 SECRETARY OF STATE.

38 Sec. 21. Section 41-1345, Arizona Revised Statutes, is amended to  
39 read:

40 41-1345. Records; records management; powers and duties of  
41 director; fees; records services fund

42 A. The director is responsible for the preservation and management of  
43 records. In addition to other powers and duties, the director shall:

44 1. Establish standards, procedures and techniques for effective  
45 management of records.

- 1           2. Make continuing surveys of record keeping operations and recommend  
2 improvements in current record management practices, including the use of  
3 space, equipment and supplies employed in creating, maintaining, storing and  
4 servicing records.
- 5           3. Establish standards and procedures for the preparation of schedules  
6 providing for the retention of records of continuing value and for the prompt  
7 and orderly disposal of records no longer possessing sufficient  
8 administrative, legal or fiscal value to warrant their further keeping.
- 9           4. Establish criteria for designation of essential records within the  
10 following general categories:
- 11           (a) Records containing information necessary to the operations of  
12 government in the emergency created by a disaster.
- 13           (b) Records containing information necessary to protect the rights and  
14 interests of persons or to establish and affirm the powers and duties of  
15 governments in the resumption of operations after a disaster.
- 16           5. Reproduce or cause to be reproduced essential records and prescribe  
17 the place and manner of their safekeeping.
- 18           6. Obtain such reports and documentation from agencies as are required  
19 for the administration of this program.
- 20           7. Request transmittal of the originals of records produced or  
21 reproduced by agencies of the state or its political subdivisions pursuant to  
22 section 41-1348 or certified negatives, films or electronic media of such  
23 originals, or both, if in the director's judgment such records may be of  
24 historical or other value.
- 25           8. On request, assist and advise in the establishment of records  
26 management programs in the legislative and judicial branches of the state and  
27 provide program services similar to those available to the executive branch  
28 of state government pursuant to this article.
- 29           9. Establish a fee schedule to systematically charge state agencies,  
30 political subdivisions of this state and other governmental units of this  
31 state for services described in this section and section 41-1345.01 and  
32 deposit monies received from fees in the records services fund established by  
33 subsection B of this section.
- 34           10. Subject to approval of the ~~board~~ SECRETARY OF STATE, establish a  
35 fee schedule to charge state agencies, political subdivisions of this state  
36 and other governmental units of this state for services and expenses incurred  
37 by the state library in obtaining copies of those reports, documents and  
38 publications that are required to be delivered, supplied or provided pursuant  
39 to sections 35-103, 41-1335 and 41-1338 and deposit these monies in the  
40 records services fund established by subsection B of this section.
- 41           B. A records services fund is established consisting of monies  
42 deposited pursuant to subsection A, paragraphs 9 and 10 of this section. The  
43 director shall administer the fund for the purposes provided in subsection A  
44 of this section. Monies in the fund are subject to legislative appropriation

1 and are exempt from the provisions of section 35-190 relating to lapsing of  
2 appropriations.

3 Sec. 22. Section 41-1353, Arizona Revised Statutes, is amended to  
4 read:

5 41-1353. Review and transfer of certain historic property:  
6 exemption; definition

7 A. An agency shall notify the state library on forms prescribed by the  
8 director if the agency has or acquires furniture, equipment or other personal  
9 property ~~which~~ THAT is fifty or more years of age or of known historical  
10 interest, including property escheated to the state under title 12, chapter  
11 7, article 5.

12 B. The director may authorize a person to inspect the personal  
13 property reported under subsection A and recommend to the state library  
14 whether the personal property is of an historic interest or value as would in  
15 the public interest require it to be made available permanently for placement  
16 on public display in any restored executive, legislative or judicial facility  
17 or museum area.

18 C. If the state library determines the personal property should be  
19 made available for display purposes it shall provide written notice to the  
20 agency requesting prompt transfer of the personal property to the state  
21 library.

22 D. An agency may apply to the ~~board~~ SECRETARY OF STATE for an  
23 exemption from the transfer required under subsection C by filing a prompt  
24 written response ~~to the board~~ stating:

25 1. The length of time the agency has used the personal property.

26 2. Why the value of the personal property to the agency is greater  
27 than the educational and historic value in displaying the personal property.

28 3. What harm the agency would suffer if the personal property is  
29 transferred to the department.

30 4. That the use of federal monies in the initial acquisition of the  
31 personal property legally precludes its transfer to the ~~board~~ STATE LIBRARY.

32 E. The ~~board~~ SECRETARY OF STATE shall grant an exemption to a  
33 requested property transfer if ~~it~~ THE SECRETARY OF STATE finds that the  
34 transfer of the property would result in significant cost or disruption to  
35 the agency ~~which~~ THAT would outweigh the educational and historic value in  
36 displaying the property.

37 F. For the purposes of this section, "agency" means any branch,  
38 department, commission, board or other unit of the state organization ~~which~~  
39 THAT receives, disburses or expends state monies or incurs obligations  
40 against this state.

41 Sec. 23. Section 42-6006, Arizona Revised Statutes, is amended to  
42 read:

43 42-6006. Municipal elections on tax issues

44 A. A city or town may submit any issue relating to a transaction  
45 privilege ~~tax~~, sales, use, franchise or other similar tax or fee, however

1 denominated, to the qualified electors of the city or town at any regular or  
2 special municipal election, and may spend public monies of the city or town  
3 to cover the expenses of the election on that issue.

4 B. BEGINNING JULY 1, 2009 THROUGH JUNE 30, 2012, A MUNICIPALITY SHALL  
5 NOT IMPOSE AN INCREASED TAX RATE THAT IS LEVIED ON CONSTRUCTION CONTRACTING  
6 UNLESS THE TAX IS APPROVED BY A MAJORITY OF THE REGISTERED VOTERS VOTING ON  
7 THE MATTER IN AN ELECTION HELD ON A DAY PRESCRIBED BY SECTION 16-204. THIS  
8 SUBSECTION DOES NOT APPLY TO ANY TRANSACTION PRIVILEGE TAX RATE THAT IS  
9 ADOPTED BEFORE JUNE 1, 2009.

10 Sec. 24. Section 48-6203, Arizona Revised Statutes, is amended to  
11 read:

12 48-6203. Board of directors

13 A. The district is governed by a board of directors consisting of the  
14 following members:

15 ~~1. Two members of the board of supervisors of the county establishing~~  
16 ~~the district, elected by the board of supervisors.~~

17 ~~2.~~ 1. Two members of the governing body of the more populous of the  
18 two cities establishing the district, elected by the governing body.

19 ~~3.~~ 2. One member of the governing body of the less populous of the  
20 two cities establishing the district, elected by the governing body.

21 3. ONE MEMBER OF THE GENERAL PUBLIC WHO RESIDES IN APACHE, COCONINO,  
22 MOHAVE, NAVAJO OR YAVAPAI COUNTY, APPOINTED BY THE SPEAKER OF THE HOUSE OF  
23 REPRESENTATIVES.

24 4. ONE MEMBER OF THE GENERAL PUBLIC WHO RESIDES IN MARICOPA COUNTY,  
25 APPOINTED BY THE PRESIDENT OF THE SENATE.

26 B. Members of the board of directors WHO ALSO SERVE ON THE GOVERNING  
27 BODY OF A CITY ESTABLISHING THE DISTRICT serve during their terms of office  
28 on the governing body of the ~~county or~~ city, unless a successor is earlier  
29 elected by the respective governing body to replace the member for any  
30 reason. OTHER MEMBERS OF THE BOARD OF DIRECTORS SHALL SERVE FOUR YEAR TERMS.

31 C. Members are not eligible for compensation for service on the board  
32 of directors.

33 Sec. 25. Laws 2007, chapter 260, section 6, as amended by Laws 2008,  
34 chapter 291, section 7, is amended to read:

35 Sec. 6. Arizona twenty-first century competitive initiative  
36 fund; appropriation

37 A. The sum of ~~\$22,500,000 is appropriated from the state general fund~~  
38 ~~in fiscal year 2008-2009, the sum of \$25,000,000 is appropriated from the~~  
39 ~~state general fund in fiscal year 2009-2010 and the sum of \$27,500,000 is~~  
40 appropriated from the state general fund in fiscal year 2010-2011 for deposit  
41 into the Arizona twenty-first century competitive initiative fund established  
42 by section 41-1505.09, Arizona Revised Statutes, and the same ~~amounts are~~  
43 AMOUNT is appropriated from that fund to the commerce and economic  
44 development commission in each fiscal year for the purposes prescribed in  
45 Laws 2006, chapter 334.

1 B. In order to amend the existing memorandum of understanding or enter  
2 into a new memorandum of understanding with the commission pursuant to  
3 section 41-1505.09, Arizona Revised Statutes, a nonprofit corporation shall  
4 identify and document written agreements for private, philanthropic or  
5 governmental investments, except monies received for and belonging to the  
6 state, either for specific grants or for general grant investment areas that  
7 are equivalent to ~~\$22,500,000 or more in fiscal year 2008-2009, \$25,000,000~~  
8 ~~in fiscal year 2009-2010 and~~ \$27,500,000 in fiscal year 2010-2011. Unless  
9 prohibited by the organization's governing documents, the private,  
10 philanthropic or governmental investments shall be cash or auditable cash  
11 equivalent contributions to the nonprofit. State funds shall be drawn down  
12 incrementally as each cash or cash equivalent match is received or otherwise  
13 secured as part of the cost share for a written grant agreement by the  
14 nonprofit and documented by the commission.

15 C. Contributions from government entities or any auditable cash  
16 equivalent contributions shall not constitute more than fifty per cent of the  
17 match required by subsection B of this section.

18 D. The ~~appropriations~~ APPROPRIATION made in subsection A of this  
19 section ~~are~~ IS exempt from the provisions of section 35-190, Arizona Revised  
20 Statutes, relating to the lapsing of appropriations.

21 Sec. 26. Repeal; department of administration certificates of  
22 participation

23 Laws 2008, chapter 289, section 2 is repealed.

24 Sec. 27. Annual budgets

25 Notwithstanding section 35-121, Arizona Revised Statutes, for fiscal  
26 year 2009-2010, appropriations for all budget units may be limited to one  
27 fiscal year.

28 Sec. 28. Appropriation reduction; military installation fund

29 Notwithstanding section 41-1512.02, Arizona Revised Statutes, the  
30 appropriation to the department of commerce for the military installation  
31 fund from the state general fund is reduced by \$2,800,000 in fiscal year  
32 2009-2010.

33 Sec. 29. Declaration of emergency; limitation

34 Notwithstanding section 35-192, Arizona Revised Statutes, or any other  
35 law, the aggregate amount of all liabilities incurred during a declaration of  
36 emergency shall not exceed three million five hundred thousand dollars in  
37 fiscal year 2009-2010.

38 Sec. 30. Tourism fund; transfer; limitation

39 Notwithstanding the requirements of section 42-5029, subsection D,  
40 paragraph 4, subdivision (b), Arizona Revised Statutes, for fiscal year  
41 2009-2010, the state treasurer shall not transfer a sum of more than  
42 \$10,655,200 under section 42-5029, subsection D, paragraph 4, subdivision  
43 (b), Arizona Revised Statutes.

1           Sec. 31. Moratorium on rule making relating to increased  
2   monetary or regulatory costs; exceptions

3           A. Notwithstanding any other law, for fiscal year 2009-2010, an agency  
4 shall not conduct any rule making that would impose increased monetary or  
5 regulatory costs on other state agencies, political subdivisions of this  
6 state, persons or individuals or would not reduce the regulatory burden on  
7 the persons or individuals so regulated.

8           B. Subsection A of this section does not apply to rule making for any  
9 of the following:

10           1. An authorization or requirement enacted by the legislature after  
11 January 1, 2009.

12           2. To avoid a violation of a court order or federal law that would  
13 result in sanctions by the court or federal government to an agency in fiscal  
14 year 2009-2010 for failure to conduct the rule making action.

15           3. To prevent an imminent threat to the public health or safety. For  
16 the purposes of this paragraph, "imminent threat to the public health or  
17 safety" means the existence of a condition, circumstance or practice that  
18 would cause death, serious illness or severe injury to persons or adversely  
19 affect the ability of health care institutions to provide medical care during  
20 fiscal year 2009-2010.

21           4. To fulfill an obligation related to fees, rates, fines or  
22 regulations that are expressly delineated in the constitution of this state.

23           C. For the purposes of this section, increased monetary or regulatory  
24 costs do not include costs associated with rule making conducted by a  
25 self-supporting regulatory board as defined in section 41-1092, Arizona  
26 Revised Statutes, if the self-supporting regulatory board makes a specific  
27 finding that the monetary benefits to licensees or permittees of the board  
28 from the proposed rule making substantially outweigh the costs of the  
29 proposed rule making to licensees or permittees of the board and is necessary  
30 to allow the self-supporting regulatory board to administer existing  
31 statutory requirements or administrative rules. The finding of the  
32 self-supporting regulatory board shall include the specific finding and all  
33 evidence presented at a public hearing supporting the proposed rule making.

34           Sec. 32. Wireless equipment; purchase; prohibition; exception

35           A. For fiscal year 2009-2010, all state agencies, including  
36 universities and community colleges, regardless of fund source, may not  
37 purchase or renew any existing contracts or purchase noncontracted services  
38 for wireless telephones or any mobile voice or data communication services.

39           B. This section does not apply to the purchase of wireless telephones  
40 or any mobile voice or data communication services for health and public  
41 safety personnel, except that such purchases shall be reported to the joint  
42 committee on capital review.

1           Sec. 33. Federal stimulus funding; reporting

2           A. All agencies receiving monies from the federal American recovery  
3 and reinvestment act (P.L. 111-5) in either fiscal year 2008-2009 or  
4 2009-2010 shall provide a report on the agency's use of the monies to the  
5 joint legislative budget committee by October 1, 2009.

6           B. The reports shall include the amount of monies received by each  
7 federal grant, the amount of monies received for the same programs from  
8 sources other than Public Law 111-5, the purpose of receiving the additional  
9 monies from Public Law 111-5, how the monies were spent, any distributions  
10 made by the agency listed by subrecipient, if any, the number of personnel  
11 funded by the monies and whether they were existing personnel and the extent  
12 to which the monies offset other budget reductions.

13           Sec. 34. Calculation adjustments; fiscal year 2009-2010 closing  
14   state general fund balance

15           Notwithstanding any other law, for purposes of calculating the state  
16 general fund balance at the close of fiscal year 2009-2010, any monies  
17 appropriated from the state general fund that are exempted from lapsing  
18 pursuant to section 35-190, Arizona Revised Statutes, and that remain  
19 unexpended and unencumbered at the close of fiscal year 2009-2010 shall be  
20 included in the closing balance as if the appropriations had lapsed or  
21 otherwise reverted to the state general fund.

22           Sec. 35. Unrestricted federal monies; retroactivity

23           A. Any unrestricted federal monies, excluding monies from the federal  
24 American recovery and reinvestment act (P.L. 111-5), received from July 1,  
25 2009 through June 30, 2010 shall be deposited in the state general fund. The  
26 monies shall be used for the payment of essential governmental services.

27           B. This section is effective retroactively to from and after June 30,  
28 2009.

29           Sec. 36. Required reduction in hours

30           An agency director may require agency covered employees to work reduced  
31 hours in order to comply with any reduction in appropriations for personnel  
32 expenses and related benefit costs for fiscal year 2009-2010. The director  
33 of the department of administration shall prescribe procedures to implement  
34 these reductions. The director of the department of administration is exempt  
35 from the rule making requirements of title 41, chapter 6, Arizona Revised  
36 Statutes, for the purposes of prescribing these procedures.

37           Sec. 37. Notice filing fees; securities regulatory and  
38   enforcement fund; transfer

39           A. Notwithstanding section 44-3324, subsection H, paragraph 1, Arizona  
40 Revised Statutes, for fiscal year 2009-2010, eighty per cent of the monies  
41 collected pursuant to section 44-3324, Arizona Revised Statutes, shall be  
42 deposited in the securities regulatory and enforcement fund established by  
43 section 44-2039, Arizona Revised Statutes.



1 B. On February 1, 2010 and June 30, 2010, monies deposited in the  
2 securities regulatory and enforcement fund pursuant to subsection A of this  
3 section are transferred to the state general fund.

4 Sec. 38. Telecommunications program office; contract; rebid

5 The telecommunications program office established pursuant to section  
6 41-712, Arizona Revised Statutes, shall rebid the current contract in effect  
7 until January, 2012 to reduce the cost to this state by ensuring that the  
8 bundled phone price, commonly known as the seat price, paid to the primary  
9 contractor includes all operational costs and all costs related to  
10 infrastructure and service requirements for building a statewide converged  
11 network pursuant to the government information technology agency target  
12 architecture. The new contract shall be a full service contract effective on  
13 or before September 30, 2009.

14 Sec. 39. Current employees of the secretary of state; purchase  
15 of telephone system

16 A. Any person who is employed on the effective date of this act by the  
17 secretary of state in a position that is subject to title 41, chapter 4,  
18 articles 5 and 6, Arizona Revised Statutes, continues to be subject to title  
19 41, chapter 4, articles 5 and 6, Arizona Revised Statutes.

20 B. Subject to legislative appropriation, the secretary of state may  
21 purchase a voice over internet protocol system for use by the department of  
22 state to replace the department's existing telephone system.

23 Sec. 40. Department of administration; sale or lease of certain  
24 state property; review; deposit of monies

25 A. The department of administration shall sell or lease to the highest  
26 and best bidder at a public auction held for that purpose the state property  
27 located at 14 N. 18<sup>th</sup> avenue, Phoenix, Arizona. The sale or lease shall  
28 include the building and appurtenant land, personal property and other  
29 improvements required for the operation of the property. The property is  
30 subject to two current independent appraisals and an independent title search  
31 before the property is offered for sale.

32 B. Sale or lease of the property shall begin as soon as possible after  
33 the effective date of this act and shall be completed before July 1, 2010.

34 C. The sale or lease is subject to review by the joint committee on  
35 capital review.

36 D. All proceeds of the sale or lease shall be deposited, pursuant to  
37 sections 35-146 and 35-147, Arizona Revised Statutes, in the state general  
38 fund.

39 Sec. 41. State library; transfer

40 All personnel, property, records and appropriated monies remaining  
41 unspent and unencumbered of the Arizona state library, archives and public  
42 records are transferred to the secretary of state and may be used for the  
43 purposes of this act.

1           Sec. 42. Modification of patent and deed restrictions

2           In reference to the lands described as the Southeast Quarter of the  
3 Northeast Quarter and the Northeast Quarter of the Southeast Quarter and the  
4 North Half of the North Half and the Southwest Quarter of the Northwest  
5 Quarter and the North Half of the Southeast Quarter of the Northwest Quarter  
6 and the Southwest Quarter of the Southeast Quarter of the Northwest Quarter  
7 and the North Half of the Southwest Quarter of the Northeast Quarter and the  
8 Southeast Quarter of the Southwest Quarter of the Northeast Quarter of  
9 section 36, Township 4 North, Range 3 East, G&SRB&M, Maricopa County,  
10 Arizona, containing 340 acres, more or less, the state land commissioner, on  
11 application of the patentee, shall waive the patent restrictions on the  
12 property.

13           Sec. 43. Conforming legislation

14           The legislative council staff shall prepare proposed legislation  
15 conforming the Arizona Revised Statutes to the provisions of this act for  
16 consideration in the forty-ninth legislature, second regular session.

17           Sec. 44. Retroactivity

18           Sections 9-463.05 and 42-6006, Arizona Revised Statutes, as amended by  
19 this act, apply and section 9-805, Arizona Revised Statutes, as added by this  
20 act, is effective retroactively to from and after June 30, 2009.