House Engrossed

State of Arizona
House of Representatives
Forty-ninth Legislature
Third Special Session
2009

HOUSE BILL 2008

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 SECTION 4-115, ARIZONA REVISED STATUTES; AMENDING TITLE 4, CHAPTER 1, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 4-120; AMENDING SECTION 9-463.05, ARIZONA REVISED STATUTES; AMENDING TITLE 9, CHAPTER 7, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-805; AMENDING SECTION 11-356, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2009, CHAPTER 45, SECTION 3; AMENDING SECTIONS 11-1102, 20-1550, 32-516, 32-702, 32-703, 32-730, 32-1606, 32-3233 AND 33-809, ARIZONA REVISED STATUTES; AMENDING SECTION 33-814, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2009, CHAPTER 68, SECTION 1; AMENDING SECTIONS 33-1322, 36-3291, 41-764 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; MAKING APPROPRIATIONS; RELATING TO GENERAL GOVERNMENT BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

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

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

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

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

3. A UNITED STATES CERTIFICATE OF BIRTH ABROAD.

4. A UNITED STATES PASSPORT.

5. A FOREIGN PASSPORT WITH A UNITED STATES VISA.

6. AN I-94 FORM WITH A PHOTOGRAPH.

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

8. A UNITED STATES CERTIFICATE OF NATURALIZATION.

9. A UNITED STATES CERTIFICATE OF CITIZENSHIP.

10. A TRIBAL CERTIFICATE OF INDIAN BLOOD.

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

B. FOR THE PURPOSES OF ADMINISTERING THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM, DOCUMENTATION OF CITIZENSHIP AND LEGAL RESIDENCE SHALL CONFORM WITH THE REQUIREMENTS OF TITLE XIX OF THE SOCIAL SECURITY ACT.

C. TO THE EXTENT PERMITTED BY FEDERAL LAW, AN AGENCY OF THIS STATE OR POLITICAL SUBDIVISION OF THIS STATE MAY ALLOW TRIBAL MEMBERS, THE ELDERLY AND PERSONS WITH DISABILITIES OR INCAPACITY OF THE MIND OR BODY TO PROVIDE DOCUMENTATION AS SPECIFIED IN SECTION 6036 OF THE FEDERAL DEFICIT REDUCTION ACT OF 2005 (P.L. 109-171; 120 STAT. 81) AND RELATED FEDERAL GUIDANCE IN LIEU OF THE DOCUMENTATION REQUIRED BY THIS SECTION.

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

E. FAILURE TO REPORT DISCOVERED VIOLATIONS OF FEDERAL IMMIGRATION LAW BY AN EMPLOYEE OF AN AGENCY OF THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE THAT ADMINISTERS ANY FEDERAL PUBLIC BENEFIT IS A CLASS 2 MISDEMEANOR.

IF THAT EMPLOYEE'S SUPERVISOR KNEW OF THE FAILURE TO REPORT AND FAILED TO DIRECT THE EMPLOYEE TO MAKE THE REPORT, THE SUPERVISOR IS GUILTY OF A CLASS 2 MISDEMEANOR.

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

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

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

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

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

1-502. <u>Eligibility for state or local public benefits; documentation; violation; classification; citizen suits; definition</u>

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

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

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

3. A UNITED STATES CERTIFICATE OF BIRTH ABROAD.

4. A UNITED STATES PASSPORT.

5. A FOREIGN PASSPORT WITH A UNITED STATES VISA.

6. AN I-94 FORM WITH A PHOTOGRAPH.

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

8. A UNITED STATES CERTIFICATE OF NATURALIZATION.

9. A UNITED STATES CERTIFICATE OF CITIZENSHIP.

10. A TRIBAL CERTIFICATE OF INDIAN BLOOD.

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

B. FOR THE PURPOSES OF ADMINISTERING THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM, DOCUMENTATION OF CITIZENSHIP AND LEGAL RESIDENCE SHALL CONFORM WITH THE REQUIREMENTS OF TITLE XIX OF THE SOCIAL SECURITY ACT.

C. TO THE EXTENT PERMITTED BY FEDERAL LAW, AN AGENCY OF THIS STATE OR POLITICAL SUBDIVISION OF THIS STATE MAY ALLOW TRIBAL MEMBERS, THE ELDERLY AND PERSONS WITH DISABILITIES OR INCAPACITY OF THE MIND OR BODY TO PROVIDE DOCUMENTATION AS SPECIFIED IN SECTION 6036 OF THE FEDERAL DEFICIT REDUCTION ACT OF 2005 (P.L. 109-171; 120 STAT. 81) AND RELATED FEDERAL GUIDANCE IN LIEU OF THE DOCUMENTATION REQUIRED BY THIS SECTION.

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

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

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

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

H. FOR THE PURPOSES OF THIS SECTION, "STATE OR LOCAL PUBLIC BENEFIT" HAS THE SAME MEANING PRESCRIBED IN 8 UNITED STATES CODE SECTION 1621, EXCEPT THAT IT DOES NOT INCLUDE COMMERCIAL OR PROFESSIONAL LICENSES OR BENEFITS PROVIDED BY THE PUBLIC RETIREMENT SYSTEMS AND PLANS OF THIS STATE.

Sec. 3. Section 4-115, Arizona Revised Statutes, is amended to read:

4-115. Disposition of fees and penalties

A. Unless otherwise provided, all license, registration~~,~~ and other fees and all penalties collected pursuant to this title shall be deposited, pursuant to sections 35-146 and 35-147, IN THE LIQUOR LICENSES FUND ESTABLISHED BY SECTION 4-120, EXCEPT THAT MONIES IN EXCESS OF THE ANNUAL LEGISLATIVE APPROPRIATION TO THE DEPARTMENT SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE STATE GENERAL FUND.

B. Two-thirds of the license fees collected pursuant to this title in each county shall be deposited, pursuant to sections 35-146 and 35-147, IN THE LIQUOR LICENSES FUND ESTABLISHED BY SECTION 4-120, EXCEPT THAT MONIES IN EXCESS OF THE ANNUAL LEGISLATIVE APPROPRIATION TO THE DEPARTMENT SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146 AND 35-147, in the state general fund. One-third of the license fees collected in each county with a population of five hundred thousand persons or less as shown by the most recent United

States decennial census shall be paid monthly by the director to the county treasurer of that county. For each county with a population of more than five hundred thousand persons as shown by the most recent United States decennial census, the director shall pay monthly to the county treasurer from the remaining one-third of the license fees three thousand dollars for each new license issued for premises in unincorporated areas of that county but not more than one hundred fifty thousand dollars annually. The remainder of the one-third of the license fees collected for premises in each county with a population of more than five hundred thousand persons as shown by the most recent United States decennial census shall be deposited in the state general fund.

Sec. 4. Title 4, chapter 1, article 2, Arizona Revised Statutes, is amended by adding section 4-120, to read:

4-120. Liquor licenses fund; exemption

A. THE LIQUOR LICENSES FUND IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO SECTION 4-115. THE DEPARTMENT OF LIQUOR LICENSES AND CONTROL SHALL ADMINISTER THE FUND. THE AMOUNT DEPOSITED IN THE FUND EACH YEAR SHALL NOT EXCEED THE AMOUNT APPROPRIATED BY THE LEGISLATURE.

B. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

C. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS, EXCEPT THAT ANY MONIES REMAINING IN THE FUND IN EXCESS OF SEVEN HUNDRED THOUSAND DOLLARS AT THE END OF EACH FISCAL YEAR REVERTS TO THE STATE GENERAL FUND.

Sec. 5. Section 9-463.05, Arizona Revised Statutes, is amended to read:

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

A. A municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development, including the costs of infrastructure, improvements, real property, engineering and architectural services, financing, other capital costs and associated appurtenances, equipment, vehicles, furnishings and other personalty.

B. Development fees assessed by a municipality under this section are subject to the following requirements:

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

2. Monies received from development fees assessed pursuant to this section shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Monies received from a development fee identified in an infrastructure improvements plan adopted or amended pursuant to subsection D of this section shall be used to provide the same category of necessary public service for which the development fee was assessed FOR THE BENEFIT OF THE SAME AREA, AS DEFINED IN

THE INFRASTRUCTURE IMPROVEMENTS PLAN, WITHIN WHICH THE DEVELOPMENT FEE WAS ASSESSED. Interest earned on monies in the separate fund shall be credited to the fund.

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

4. The amount of any development fees assessed pursuant to this section must bear a reasonable relationship to the burden imposed ~~upon~~ ON the municipality to provide additional necessary public services to the development. The municipality~~, in determining the extent of the burden imposed by the development,~~ shall ~~consider, among other things,~~ FORECAST the contribution ~~made or~~ to be made in the future in cash or by taxes, fees, ~~or~~ assessments ~~by~~ OR OTHER SOURCES OF REVENUE DERIVED FROM the property owner towards the capital costs of the necessary public service covered by the development fee AND SHALL INCLUDE THESE CONTRIBUTIONS IN DETERMINING THE EXTENT OF THE BURDEN IMPOSED BY THE DEVELOPMENT.

5. If development fees are assessed by a municipality, such fees shall be assessed in a nondiscriminatory manner.

6. In determining and assessing a development fee applying to land in a community facilities district established under title 48, chapter 4, article 6, the municipality shall take into account all public infrastructure provided by the district and capital costs paid by the district for necessary public services and shall not assess a portion of the development fee based on the infrastructure or costs.

C. A municipality shall give at least sixty days' advance notice of intention to assess a new or modified development fee and shall release to the public a written report that identifies the methodology for calculating the amount of the development fee, explains the relationship between the development fee and the infrastructure improvements plan, includes documentation that supports the assessment of a new or modified development fee and identifies any index or indices to be used for automatic adjustment of the development fee pursuant to subsection ~~F~~ G of this section and the

timing of those adjustments. The municipality shall conduct a public hearing on the proposed new or modified development fee at any time after the expiration of the sixty day notice of intention to assess a new or modified development fee and at least thirty days prior to the scheduled date of adoption of the new or modified fee by the governing body. A development fee assessed pursuant to this section shall not be effective until seventy-five days after its formal adoption by the governing body of the municipality. Nothing in this subsection shall affect any development fee adopted prior to July 24, 1982.

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

1. An infrastructure improvements plan may be adopted concurrently with the report required by subsection C of this section, and the municipality may provide for and schedule the notices and hearings required by this subsection together with the notices and hearings required by subsection C of this section.

2. A municipality may amend an infrastructure improvements plan without a public hearing if the amendment addresses only elements of necessary public services that are included in the existing infrastructure improvements plan. The municipality shall provide public notice of those amendments at least fourteen days in advance of their effective date.

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

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

2. Forecast the costs of infrastructure, improvements, real property, financing, other capital costs and associated appurtenances, equipment, vehicles, furnishings and other personalty that will be associated with meeting those future needs for necessary public services.

3. FORECAST THE REVENUE SOURCES THAT WILL BE AVAILABLE TO FUND THE NECESSARY PUBLIC SERVICES and estimate the time required to finance and provide the necessary public services.

F. EXCEPT FOR ADJUSTMENTS PURSUANT TO SUBSECTION G OF THIS SECTION, A MUNICIPALITY'S DEVELOPMENT FEE ORDINANCE SHALL PROVIDE THAT A NEW DEVELOPMENT FEE OR AN INCREASED PORTION OF A MODIFIED DEVELOPMENT FEE SHALL NOT BE

ASSESSED AGAINST A DEVELOPMENT FOR TWENTY-FOUR MONTHS AFTER THE DATE OF THE MUNICIPALITY'S FINAL APPROVAL OF THE DEVELOPMENT IF NO MATERIAL CHANGES ARE MADE TO THE SITE PLAN OR SUBDIVISION PLAT THAT WAS THE SUBJECT OF THE FINAL APPROVAL. THE TWENTY-FOUR MONTH PERIOD SHALL NOT BE EXTENDED BY A RENEWAL OR AMENDMENT OF THE SITE PLAN OR THE FINAL SUBDIVISION PLAT THAT WAS THE SUBJECT OF THE FINAL APPROVAL. THE MUNICIPALITY SHALL ISSUE, ON REQUEST, A WRITTEN STATEMENT OF THE DEVELOPMENT FEE SCHEDULE APPLICABLE TO THE DEVELOPMENT.

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

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

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

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

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

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

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

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

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

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

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

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

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

~~K.~~ L. For the purposes of this section: ~~,~~

1. "FINAL APPROVAL" MEANS:

(a) FOR A NONRESIDENTIAL OR MULTIFAMILY DEVELOPMENT, THE APPROVAL OF A SITE PLAN OR, IF NO SITE PLAN IS SUBMITTED FOR THE DEVELOPMENT, THE APPROVAL OF A FINAL SUBDIVISION PLAT.

(b) FOR A SINGLE FAMILY RESIDENTIAL DEVELOPMENT, THE APPROVAL OF A FINAL SUBDIVISION PLAT.

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

Sec. 6. Title 9, chapter 7, article 1, Arizona Revised Statutes, is amended by adding section 9-805, to read:

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

BEGINNING JUNE 30, 2009 THROUGH JUNE 30, 2011, ANY NEW OR MODIFIED RESIDENTIAL OR COMMERCIAL BUILDING CODE OR OTHER RELATED CODE THAT IS ADOPTED BY A MUNICIPALITY DOES NOT APPLY TO A RESIDENTIAL OR COMMERCIAL BUILDING THAT RECEIVED A FINAL SITE PLAN OR SUBDIVISION PLAT, PLANNED AREA DEVELOPMENT OR SIMILAR APPROVAL BY A MUNICIPALITY BEFORE JUNE 1, 2009. THIS SECTION DOES NOT PROHIBIT ANY CODE CHANGES TO THE EXTENT AND DURATION REQUIRED TO COMPLY WITH CONDITIONS FOR FEDERAL STIMULUS FUNDING.

Sec. 7. Section 11-356, Arizona Revised Statutes, as amended by Laws 2009, chapter 45, section 3, is amended to read:

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

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

B. The officer or employee, within ten days after presentation to him of the order, may appeal the order through the clerk of the commission. On the filing of the appeal, the clerk of the commission shall immediately transmit the order and appeal to the commission for a hearing.

C. Within twenty days after receiving the order and appeal, the commission shall set a date for a hearing of the appeal. The appellant may appear personally, produce evidence, have counsel and, if requested by the appellant, request a public hearing.

D. The commission may appoint a hearing officer to conduct the hearing and take evidence on behalf of the commission. If a hearing officer is appointed to conduct the hearing, on conclusion of the hearing the hearing officer shall submit proposed findings of fact, conclusions of law and a recommendation to the commission.

E. In any appeal of a dismissal, suspension or reduction in rank in which a single hearing officer has been appointed to conduct the appeal hearing, the officer or employee or the employer may request a change of hearing officer. On the first request of a party, the commission shall grant the request. The commission may grant all other requests only on a showing that a fair and impartial hearing cannot be obtained due to the prejudice of the assigned hearing officer. The chairperson of the commission shall decide whether a sufficient showing of prejudice has been made.

F. Following the hearing, or if a hearing officer has been appointed, following receipt of the hearing officer's proposed findings of fact, conclusions of law and recommendation, the commission shall either affirm, modify or revoke the order.

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

H. THIS SECTION DOES NOT APPLY TO FURLOUGHS OF CLASSIFIED EMPLOYEES IF THE FURLOUGHS ARE UNDERTAKEN TO ADDRESS BUDGET SHORTFALLS OR STRUCTURAL INBALANCE.

Sec. 8. Section 11-1102, Arizona Revised Statutes, is amended to read:

11-1102. <u>County development fees; annual report</u>

A. If a county has adopted a capital improvements plan, the county may assess development fees within the covered planning area in order to offset the capital costs for water, sewer, streets, parks and public safety facilities determined by the plan to be necessary for public services provided by the county to a development in the planning area.

B. Development fees assessed under this section are subject to the following requirements:

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

2. Monies received from development fees shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Interest earned on monies in the separate fund shall be credited to the fund.

3. The county shall prescribe the schedule for paying the development fees. The county shall provide a credit toward the payment of the fee for the required dedication of public sites and improvements provided by the developer for which that fee is assessed. The developer of residential dwelling units shall be required to pay the fees when construction permits for the dwelling units are issued.

4. The amount of any development fees must bear a reasonable relationship to the burden of capital costs imposed on the county to provide additional necessary public services to the development. In determining the extent of the burden imposed by the development, the county shall consider, among other things, the contribution made or to be made in the future in cash

by taxes, fees or assessments by the property owner toward the capital costs of the necessary public service covered by the development fee.

5. Development fees shall be assessed in a nondiscriminatory manner.

6. In determining and assessing a development fee applying to land in a community facilities district established under title 48, chapter 4, article 6, the county shall take into account all public infrastructure provided by the district and capital costs paid by the district for necessary public services and shall not assess a portion of the development fee based on the infrastructure or costs.

7. THE COUNTY SHALL NOT ASSESS OR COLLECT DEVELOPMENT FEES FROM A SCHOOL DISTRICT OR CHARTER SCHOOL, OTHER THAN FEES ASSESSED OR COLLECTED FOR STREETS AND WATER AND SEWER UTILITY FUNCTIONS.

C. Before assessing or increasing a development fee, the county shall:

1. Give at least one hundred twenty days' advance notice of intention to assess a new or increased development fee.

2. Release to the public a written report including all documentation that supports the assessment of a new or increased development fee.

3. Conduct a public hearing on the proposed new or increased development fee at any time after the expiration of the one hundred twenty day notice of intention to assess a new or increased development fee and at least fourteen days before the scheduled date of adoption of the new or increased fee.

D. A development fee assessed pursuant to this section is not effective for at least ninety days after its formal adoption by the board of supervisors.

E. Each county that assesses development fees shall submit an annual report accounting for the collection and use of the fees. The annual report shall include the following:

1. The amount assessed by the county for each type of development fee.

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

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

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

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

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

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

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

F. Within ninety days following the end of each fiscal year, each county shall submit a copy of the annual report to the clerk of the board of supervisors. Copies shall be made available to the public on request. The annual report may contain financial information that has not been audited.

G. A county that fails to file the report required by this section shall not collect development fees until the report is filed.

H. This section does not affect any development fee adopted before May 18, 2000.

Sec. 9. Section 20-1550, Arizona Revised Statutes, is amended to read:

20-1550. Minimum policyholder position; definitions

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

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

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

3. Otherwise approved by the director.

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

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

Per cent coverage	Minimum policyholder position per one hundred dollars of the face amount of the mortgage
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
90	1.90
95	1.95
100	2.00

If the per cent coverage is between any five percentage point increment, the factor for minimum policyholder position per one hundred dollars of the face amount of the mortgage shall be prorated.

2. If the total indebtedness is at least fifty per cent and not more than seventy-five per cent of the value of the collateral property at the date of insurance, the required amount of minimum policyholder position is fifty per cent of the amount required by paragraph 1 of this subsection.

3. If the total indebtedness is less than fifty per cent of the value of the collateral property at the date of insurance, the required amount of minimum policyholder position is twenty-five per cent of the amount required by paragraph 1 of this subsection.

C. If a policy of mortgage guaranty insurance provides coverage on a pool of loans subject to an aggregate loss limit and if the equity:

1. Is not more than fifty per cent and not less than twenty per cent, or equity plus any prior insurance or a deductible equals twenty-five per cent of the value of the collateral property at the date of insurance, the required amount of minimum policyholder position is calculated as follows:

Per cent coverage	Minimum policyholder position per one hundred dollars of the face amount of the mortgage
1%	$ .30
5	.50
10	.60
15	.65
20	.70
25	.75
30	.775
40	.80
50	.825
60	.85
70	.875
75	.90
80	.925
90	.95
~~1.00~~ 100	1.00

If the per cent coverage is between any specified increment, the factor for minimum policyholder position per one hundred dollars of the face amount of the mortgage shall be prorated.

2. Is less than twenty per cent or the equity plus prior insurance or a deductible is less than twenty-five per cent of the value of the collateral property at the date of insurance, the required amount of minimum policyholder position is two hundred per cent of the amount required by paragraph 1 of this subsection.

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 10. Section 32-516, Arizona Revised Statutes, is amended to read:

32-516. Aestheticians; cosmetic laser and IPL device use; certification; fees; definitions

A. An aesthetician who wishes to perform cosmetic laser procedures and procedures using IPL devices must:

1. Apply for and receive a certificate from the agency.

2. Comply with the requirements of this section and agency rules.

3. Successfully complete forty hours of didactic training as required by agency rules at an agency certified training program. The program shall provide a provisional certificate to the applicant verifying the successful completion of the didactic training.

4. For hair removal, complete hands-on training that is supervised by a health professional who is acting within the health professional's scope of practice or by a laser technician who has a minimum of one hundred hours of hands-on experience per procedure. The health professional or laser technician must be present in the room during twenty-four hours of ~~actual~~ hands-on use of lasers or IPL devices. The supervising health professional or laser technician shall verify that the aesthetician has completed the training and supervision as prescribed by this section.

5. For other cosmetic laser and IPL device procedures, complete a minimum of an additional twenty-four hours of hands-on training of at least ten cosmetic procedures for each type of specific procedure that is supervised by a health professional who is acting within the health professional's scope of practice or by a laser technician who has a minimum of one hundred hours of hands-on experience per procedure. The health professional or laser technician must be present in the room during twenty-four hours of ~~actual~~ hands-on use of lasers or IPL devices. The supervising health professional or laser technician shall verify that the aesthetician has completed the training and supervision as prescribed by this section.

6. Submit to the agency the provisional certificate from the training program and certification by the health professional or laser technician who directly supervised the applicant in the room during the hands-on training.

B. The agency shall issue a laser technician certificate authorizing the aesthetician to use lasers and IPL devices if the applicant has completed the training for hair removal or lasers and IPL devices for other cosmetic procedures, as applicable, and shall maintain a current register of those laser technicians in good standing and whether certification is for hair removal only or other cosmetic procedures as well. The agency may establish

a fee for the registration of aestheticians as laser technicians and the issuance of certificates pursuant to this subsection. The agency shall deposit monies collected pursuant to this subsection in the laser safety fund established by section 32-3234.

C. An aesthetician who has been certified as a laser technician by the agency may use a laser or IPL device:

1. For hair removal under the indirect supervision of a health professional whose scope of practice permits the supervision.

2. For cosmetic purposes other than hair removal if the aesthetician is directly supervised by a health professional whose scope of practice permits the supervision and the aesthetician has been certified in those procedures.

D. The board shall investigate any complaint from the public or from another board or agency regarding a licensed aesthetician who performs cosmetic laser procedures or procedures using IPL devices pursuant to this section. The board shall report to the agency any complaint it receives about the training or performance of an aesthetician who is certified as a laser technician.

E. An aesthetician who has been using laser and IPL devices before the effective date of this AMENDMENT TO THIS section may continue to do so if the aesthetician applies for and receives a certificate pursuant to this section ~~within one year after the effective date of this section~~ BEFORE OCTOBER 1, 2010.

F. For the purposes of this section:

1. "Agency" means the radiation regulatory agency.

2. "Directly supervised" means a health professional who is licensed in this state and whose scope of practice allows the supervision supervises the use of a laser or IPL device for cosmetic purposes while the health professional is present at the facility where and when the device is being used.

3. "Health professional" means a person licensed pursuant to chapter 13, 14, 15, 17 or 25 of this title.

4. "Indirect supervision" means supervision by a health professional who is licensed in this state, ~~and~~ whose scope of practice allows the supervision and who is readily accessible by telecommunication.

5. "IPL device" means an intense pulse light class II surgical device certified in accordance with the standards of the agency for cosmetic procedures.

6. "Laser" means any device that can produce or amplify electromagnetic radiation with wavelengths in the range of one hundred eighty nanometers to one millimeter primarily by the process of controlled stimulated emission and certified in accordance with the standards for the agency for cosmetic procedures.

7. "Laser technician" means a person who is or has been certified by the agency pursuant to its rules and chapter 32, article 2 of this title.

Sec. 11. Section 32-702, Arizona Revised Statutes, is amended to read:

32-702. Arizona state board of accountancy; membership; administrative duties; compensation

A. The Arizona state board of accountancy is established to administer and enforce this chapter.

B. The board consists of seven members who are residents of this state and who are appointed by the governor as follows:

1. Five members who currently hold valid certificates issued pursuant to this chapter. At least three of these members must be in active public practice as certified public accountants. No more than one of these members may be from the same firm. If a member's certificate is on probation, revoked or suspended, the member's appointment automatically terminates and the position becomes vacant.

2. Two public members who do not hold a certificate issued pursuant to this chapter but who have professional or practical experience in using accounting services and financial statements and who are qualified to make judgments about the qualifications and conduct of persons and firms subject to this chapter.

C. The term of office of members of the board is five years, beginning and ending on July 3, except that the governor may remove any member for neglect of duty or other just cause. The governor shall fill vacancies by appointment for the unexpired term. A person who has served a complete term is not eligible for reappointment for a period of one year.

D. The board shall annually elect a president, secretary and treasurer from among its members. The president, secretary or treasurer may sign and approve claims filed against the board of accountancy fund to pay expenses incurred under this chapter.

E. The board shall have a seal that shall be judicially noticed.

F. The board shall retain or provide for retention of the following according to its retention schedule pursuant to section 41-1351:

1. All documents under oath that are filed with the board.

2. Records of its proceedings.

G. Each member of the board OR MEMBER OF AN ACCOUNTING AND AUDITING, TAX, PEER REVIEW, LAW, CERTIFICATION OR CONTINUING PROFESSIONAL EDUCATION COMMITTEE APPOINTED BY THE BOARD PURSUANT TO SECTION 32-703, SUBSECTION B, PARAGRAPH 10 is eligible for compensation of one hundred dollars for each day or part of a day spent, plus reimbursement for the member's actual and necessary expenses incurred, in discharging the member's official duties.

Sec. 12. Section 32-703, Arizona Revised Statutes, is amended to read:

32-703. Powers and duties; rules; executive director; advisory committees and individuals

A. The primary duty of the board is to protect the public from unlawful, incompetent, unqualified or unprofessional certified public accountants or public accountants through certification, regulation and rehabilitation.

B. The board may:

1. Investigate complaints filed with the board or on its own motion to determine whether a certified public accountant or public accountant has engaged in conduct in violation of this chapter or rules adopted pursuant to this chapter.

2. Establish and maintain high standards of competence, independence and integrity in the practice of accounting by a certified public accountant or by a public accountant as required by generally accepted auditing standards and generally accepted accounting principles and, in the case of publicly held corporations or enterprises offering securities for sale, in accordance with state or federal securities agency accounting requirements.

3. Establish reporting requirements that require registrants to report:

(a) The imposition of any discipline on the right to practice before the federal securities and exchange commission, the internal revenue service, any state board of accountancy, other government agencies or the public company accounting oversight board.

(b) Any criminal conviction, any civil judgment involving negligence in the practice of accounting by a certified public accountant or by a public accountant and any judgment or order as described in section 32-741, subsection A, paragraphs 7 and 8.

4. Establish basic requirements for continuing professional education of certified public accountants and public accountants, except that the requirements shall not exceed eighty classroom hours in any registration renewal period.

5. Adopt procedures concerning disciplinary actions, administrative hearings and consent decisions.

6. Issue to qualified applicants certificates executed for and on behalf of the board by the signatures of the president and secretary of the board.

7. Adopt procedures and rules concerning examination and grading the examinations of individuals applying for a certificate as required by this chapter.

8. Require peer review pursuant to rules adopted by the board on a general and random basis of the professional work of a registrant engaged in the practice of accounting.

9. Employ an executive director and other personnel that it considers necessary to administer and enforce this chapter.

10. Appoint ACCOUNTING AND AUDITING, TAX, PEER REVIEW, LAW, CERTIFICATION, CONTINUING PROFESSIONAL EDUCATION OR OTHER committees or individuals as it considers necessary to advise or assist the board in administering and enforcing this chapter. These committees and individuals serve at the pleasure of the board.

11. Take all action that is necessary and proper to effectuate the purposes of this chapter.

12. Sue and be sued in its official name as an agency of this state.

13. Adopt and amend rules concerning the definition of terms, the orderly conduct of the board's affairs and the effective administration of this chapter.

C. The board or an authorized agent of the board may:

1. Issue subpoenas to compel the attendance of witnesses or the production of documents. If a subpoena is disobeyed, the board may invoke the aid of any court in requiring the attendance and testimony of witnesses and the production of documents.

2. Administer oaths and take testimony.

3. Cooperate with the appropriate authorities in other jurisdictions in investigation and enforcement concerning violations of this chapter and comparable statutes of other jurisdictions.

4. Receive evidence concerning all matters within the scope of this chapter.

Sec. 13. Section 32-730, Arizona Revised Statutes, is amended to read:

32-730. <u>Biennial registration; continuing education; inactive certificates; cancellation</u>

A. Except as provided in subsection C of this section and in section 32-4301, the board shall biennially require every certified public accountant, public accountant and firm to register with the board and pay a registration fee of not less than one hundred nor more than three hundred dollars during the month of the anniversary of the registrant's birth in the case of an individual or, in the case of a registered firm, during the month of the anniversary of the effective date of the firm's formation. In the administration of this section, registrants for less than two years shall be charged on a pro rata basis for the remainder of the registration period.

B. A certified public accountant or public accountant who is not actively engaged in the practice of accounting may request that the individual's certificate be placed on inactive status by meeting the requirements for inactive status and completing the forms prescribed by the board. A certified public accountant or public accountant whose certificate has been suspended by the board or against whom disciplinary proceedings have been initiated may not place or maintain his certificate on inactive status. A certified public accountant or public accountant who elects to place a certificate on inactive status:

1. Shall continue to biennially register with the board and pay the required fees.

2. Shall not engage in the practice of accounting for a fee or other compensation while the individual remains on inactive status.

3. Shall not assume or use the title or designation of "certified public accountant" or "public accountant" or the abbreviation "C.P.A.", "CPA", "P.A." or "PA" while the person remains on inactive status.

C. The registration fee for certified public accountants and public accountants may be reduced or waived by the board for registrants who are at

1 least sixty-five years of age or who have become disabled to a degree
2 precluding the continuance of their practice for six months or more prior to
3 the due date of any renewal fee.
4 D. At the time of registration, every certified public accountant and
5 public accountant shall as a prerequisite to biennial registration submit to
6 the board satisfactory proof, in a manner prescribed by the board, that the
7 registrant has completed the continuing education requirements established by
8 the board. The board may grant an exemption from continuing professional
9 education requirements for registrants on a demonstration of good cause as
10 determined by the board.
11 E. Except as otherwise provided in this chapter, a certified public
12 accountant or public accountant who elects to place a certificate on inactive
13 status may reactivate the certificate if the certificate has been inactive
14 for six years or less by doing all of the following:
15 1. Filing an application for renewal on the form prescribed by the
16 board and paying the applicable fees.
17 2. Submitting proof that the certified public accountant or public
18 accountant has satisfied continuing education requirements prescribed by the
19 board in its rules.
20 3. Affirming that the certified public accountant or public accountant
21 has not engaged in any conduct that would constitute grounds for revocation
22 or suspension of a certificate pursuant to section 32-741.
23 F. A registrant may reactivate an inactive certificate pursuant to
24 subsection E of this section only one time. Reactivation of an inactive
25 certificate pursuant to subsection E of this section is effective on the date
26 that the application for reactivation is approved by the board. A
27 certificate that is reactivated pursuant to subsection E of this section
28 continues in effect through the date prescribed in subsection A of this
29 section.
30 G. A certificate that has been inactive for more than six years
31 expires.
32 H. A certified public accountant or public accountant whose
33 certificate has expired or been canceled and who does not meet the good cause
34 requirements of section 32-741 may apply for and reactivate or reinstate the
35 certificate if the certified public accountant or public accountant meets all
36 of the following requirements:
37 1. Has not engaged in any conduct that would constitute grounds for
38 revocation or suspension of a certificate pursuant to section 32-741.
39 2. Pays all fees required of applicants for initial certification.
40 3. Takes and passes the examination required of applicants for initial
41 certification.
42 I. A certified public accountant or public accountant who is not
43 actively engaged in the practice of accounting OR WHO QUALIFIES FOR LIMITED
44 RECIPROCITY PRIVILEGE PURSUANT TO SECTION 32-725 and who does not want to
45 renew or place the certificate on inactive status may request that the

certificate be canceled by submitting a written request on a form approved by the board. This subsection does not apply if a complaint has been filed with the board or disciplinary proceedings are pending against the certified public accountant or public accountant.

J. Each firm established or maintained in this state for the purpose of a certified public accountant or a public accountant to practice accounting in this state shall register biennially under this chapter with the board. The board shall not charge a fee for registration of additional offices of the same firm or sole practitioner. The board shall prescribe by rule the required registration procedures for this subsection.

K. A firm that is established or maintained in this state for the purpose of a certified public accountant or a public accountant practicing accounting in this state and that does not want to renew its registration may cancel its registration by submitting a written request on a form approved by the board. This subsection does not apply if a complaint has been filed with the board or disciplinary proceedings are pending against the firm.

Sec. 14. Section 32-1606, Arizona Revised Statutes, is amended to read:

32-1606. Powers and duties of board

A. The board may:

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

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

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

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

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

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

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

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

B. The board shall:

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

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

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

4. Examine qualified professional and practical nurse applicants.

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

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

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

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

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

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

11. Perform functions necessary to carry out the requirements of the nursing assistant training and competency evaluation program as set forth in the omnibus budget reconciliation act of 1987 (P.L. 100-203; 101 Stat. 1330), as amended by the medicare catastrophic coverage act of 1988 (P.L. 100-360; 102 Stat. 683). These functions shall include:

(a) Testing and certification of nursing assistants.

(b) Maintaining a list of board approved training programs.

(c) Recertifying nursing assistants.

(d) Maintaining a registry of all certified nursing assistants.

(e) Assessing fees.

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

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

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

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

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

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

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

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

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

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

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

1. Revoke the license to practice.

2. Suspend the license to practice.

3. Enter a decree of censure, which may require that restitution be made to an aggrieved party.

4. Issue an order fixing a period and terms of probation best adapted to protect the public health and safety and rehabilitate the licensed person.

5. Impose a civil penalty for each violation of this chapter, not to exceed one thousand dollars, either singly or in combination with any disciplinary action permitted under this subsection.

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

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

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

Sec. 15. Section 32-3233, Arizona Revised Statutes, is amended to read:

32-3233. Lasers; IPL devices; authorized use; authorized supervision

A. A health professional may register, operate and use a laser or IPL device registered with the agency or administer drugs or devices for cosmetic purposes to the extent the use is allowed by the health professional's scope of practice and the health professional has completed any training required by the health professional's regulatory board and the agency.

B. A health professional may supervise another health professional in the use of a laser or IPL device for cosmetic purposes to the extent the supervision is allowed or required by the supervising health professional's scope of practice and the supervising health professional has completed any training required by the supervising health professional's regulatory board and the agency.

C. The health professional's regulatory board shall investigate any complaint from the public or another board or agency involving the training, education, supervision or use of a laser or IPL device. A health professional shall report to the agency any complaint received about the training or performance of a laser technician.

D. A health professional may supervise a laser technician in the use of a laser or IPL device for cosmetic purposes if:

1. The health professional is licensed pursuant to chapter 13, 14, 15, 17 or 25 of this title and the supervision is within the health professional's scope of practice.

2. The supervision does not conflict with the requirements of this article.

3. The laser technician has been certified by the agency to use a laser or IPL device for hair removal or other cosmetic procedures.

E. A laser technician who wishes to perform cosmetic laser procedures and procedures using IPL devices must:

1. Successfully complete forty hours of didactic training as required by agency rules at an agency certified training program. The program shall provide a provisional certificate to the applicant verifying the successful completion of the didactic training.

2. For hair removal, complete hands-on training that is supervised by a health professional who is acting within the health professional's scope of practice or by a laser technician who has a minimum of one hundred hours of hands-on experience per procedure. The health professional or laser technician must be present in the room during twenty-four hours of ~~actual~~ hands-on use of lasers or IPL devices. The supervising health professional or supervising laser technician shall verify that the laser technician has completed the training and supervision as prescribed by this section.

3. For other cosmetic laser and IPL device procedures, complete a minimum of an additional twenty-four hours of hands-on training of at least

ten cosmetic procedures for each type of procedure that is supervised by a health professional who is acting within the health professional's scope of practice or by a laser technician who has a minimum of one hundred hours of hands-on experience per procedure. The health professional or laser technician must be present in the room during twenty-four hours of ~~actual~~ hands-on use of lasers or IPL devices. The supervising health professional or supervising laser technician shall verify that the laser technician has completed the training and supervision as prescribed by this section.

4. Submit to the agency the provisional certificate from the training program and certification by the health professional or laser technician who directly supervised the applicant in the room during the hands-on training.

F. The agency shall issue a laser technician certificate authorizing the use of lasers and IPL devices only for hair removal if the applicant meets the applicable requirements of subsection E, or for hair removal and other cosmetic procedures if the applicant meets the applicable requirements of subsection E. The agency shall maintain a current register of those laser technicians in good standing and whether certification is only for hair removal or for hair removal and other cosmetic procedures. The agency may establish a fee for the registration of laser technicians and the issuance of certificates pursuant to this subsection. THE AGENCY SHALL DEPOSIT MONIES COLLECTED PURSUANT TO THIS SUBSECTION IN THE LASER SAFETY FUND ESTABLISHED BY SECTION 32-3234.

G. A laser technician who has been using laser and IPL devices before the effective date of THIS AMENDMENT TO this section may continue to do so if the laser technician applies for and receives a certificate pursuant to this section ~~within one year after the effective date of this section~~ BEFORE OCTOBER 1, 2010.

H. A laser technician may use a laser or IPL device in the following circumstances:

1. For hair removal under the indirect supervision of a health professional whose scope of practice permits the supervision.

2. For cosmetic purposes other than hair removal if the laser technician is directly supervised by a health professional whose scope of practice permits the supervision.

I. The supervising health professional, the employer of a laser technician and the registrant who owns or operates the laser or IPL device are subject to disciplinary action by the appropriate regulatory board for any errors made by a laser technician or for the use of a laser or IPL device not allowed by this article. A person who employs a person who operates a laser or IPL device must report any misuse of a laser or IPL device to the operator's regulatory board and to the agency.

J. The agency shall investigate any complaint from a member of the public or another board or agency involving the training, education, practice or complaint of harm resulting from a laser technician performing procedures for cosmetic purposes under this article and shall take appropriate

disciplinary action as necessary including revocation of the laser technician's certification or revocation of a registrant's or employer's license to own or operate a laser or IPL device.

Sec. 16. Section 33-809, Arizona Revised Statutes, is amended to read:

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

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

Request for Notice

Request is hereby made that a copy of any notice of sale under the trust deed recorded in docket or book _____ at page _____, records of _____ county, Arizona, _____, _____,

(legal description of trust property)

Executed by _____ as trustor, in which _____ is named as beneficiary and _____ as trustee, be mailed to _____ at _____.

Dated this _____ day of _____, _____.

_____

Signature

(Acknowledgement)

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

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

2. To each person who, at the time of recording of the notice of sale, appears on the records of the county recorder in the county in which any part of the trust property is situated to have an interest in any of the trust property. The copy of the notice sent pursuant to this paragraph shall be addressed to the person whose interest appears of record at the address set forth in the document. If no address for the person is set forth in the

1 document, the copy of the notice may be addressed in care of the person to
2 whom the recorded document evidencing such interest was directed to be mailed
3 at the time of its recording or to any other address of the person known or
4 ascertained by the trustee. If the interest that appears on the records of
5 the county recorder is a deed of trust, a copy of the notice only needs to be
6 mailed to the beneficiary under the deed of trust. If any person having an
7 interest of record or the trustor, or any person who has recorded a request
8 for notice, desires to change the address to which notice shall be mailed,
9 the change shall be accomplished by a request as provided under this section.
10 3. FOR SINGLE FAMILY RESIDENTIAL PROPERTIES ONLY, TO THE PROPERTY
11 ADDRESS, EXCEPT THAT THE COPY MAILED PURSUANT TO THIS PARAGRAPH MAY BE MAILED
12 BY FIRST CLASS MAIL.
13 C. The trustee, within five business days after the recordation of a
14 notice of sale, shall mail by certified or registered mail, with postage
15 prepaid, a copy of the notice of sale to each of the persons who were parties
16 to the trust deed except the trustee. The copy of the notice mailed to the
17 parties need not show the recording date of the notice. The notice sent
18 pursuant to this subsection shall be addressed to the mailing address
19 specified in the trust deed. In addition, notice to each party shall contain
20 a statement that a breach or nonperformance of the trust deed or the contract
21 or contracts secured by the trust deed, or both, has occurred, and setting
22 forth the nature of such breach or nonperformance and of the beneficiary's
23 election to sell or cause to be sold the trust property under the trust deed
24 and the additional notice shall be signed by the beneficiary or the
25 beneficiary's agent. A copy of the additional notice shall also be sent with
26 the notice provided for in subsection B, paragraph 2 of this section to all
27 persons whose interest in the trust property is subordinate in priority to
28 that of the deed of trust along with a written statement that the interest
29 may be subject to being terminated by the trustee's sale. The written
30 statement may be contained in the statement of breach or nonperformance.
31 D. No request for a copy of a notice recorded pursuant to this
32 section, nor any statement or allegation in any request, nor any record of
33 request, shall affect the title to the trust property or be deemed notice to
34 any person that a person requesting a copy of notice of sale has or claims
35 any interest in, or claim upon, the trust property.
36 E. At any time that the trust deed is subject to reinstatement
37 pursuant to section 33-813, but not sooner than thirty days after recordation
38 of the notice of trustee's sale, the trustee shall upon receipt of a written
39 request, provide, if actually known to the trustee, the following information
40 relating to the trustee's sale and the trust property:
41 1. The unpaid principal balance of the note or other obligation which
42 is secured by the deed of trust.
43 2. The name and address of record of the owner of the trust property
44 as of the date of recordation of the notice of trustee's sale.

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

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

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

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

Sec. 17. Section 33-814, Arizona Revised Statutes, as amended by Laws 2009, chapter 68, section 1, is amended to read:

33-814. <u>Action to recover balance after sale or foreclosure on property under trust deed</u>

A. Except as provided in subsections F and G of this section, within ninety days after the date of sale of trust property under a trust deed pursuant to section 33-807, an action may be maintained to recover a deficiency judgment against any person directly, indirectly or contingently liable on the contract for which the trust deed was given as security including any guarantor of or surety for the contract and any partner of a trustor or other obligor which is a partnership. In any such action against such a person, the deficiency judgment shall be for an amount equal to the

1 sum of the total amount owed the beneficiary as of the date of the sale, as
2 determined by the court less the fair market value of the trust property on
3 the date of the sale as determined by the court or the sale price at the
4 trustee's sale, whichever is higher. A written application for determination
5 of the fair market value of the real property may be filed by a judgment
6 debtor with the court in the action for a deficiency judgment or in any other
7 action on the contract which has been maintained. Notice of the filing of an
8 application and the hearing shall be given to all parties to the action. The
9 fair market value shall be determined by the court at a priority hearing upon
10 such evidence as the court may allow. The court shall issue an order
11 crediting the amount due on the judgment with the greater of the sales price
12 or the fair market value of the real property. For the purposes of this
13 subsection, "fair market value" means the most probable price, as of the date
14 of the execution sale, in cash, or in terms equivalent to cash, or in other
15 precisely revealed terms, after deduction of prior liens and encumbrances
16 with interest to the date of sale, for which the real property or interest
17 therein would sell after reasonable exposure in the market under conditions
18 requisite to fair sale, with the buyer and seller each acting prudently,
19 knowledgeably and for self-interest, and assuming that neither is under
20 duress. Any deficiency judgment recovered shall include interest on the
21 amount of the deficiency from the date of the sale at the rate provided in
22 the deed of trust or in any of the contracts evidencing the debt, together
23 with any costs and disbursements of the action.
24 B. If a trustee's sale is a sale of less than all of the trust
25 property or is a sale pursuant to one of two or more trust deeds securing the
26 same obligation, the ninety day time limitations of subsection A of this
27 section shall begin on either the date of the trustee's sale of the last of
28 the trust property to be sold or the date of sale under the last trust deed
29 securing the obligation, whichever occurs last.
30 C. The obligation of a person who is not a trustor to pay, satisfy or
31 purchase all or a part of the balance due on a contract secured by a trust
32 deed may be enforced, if the person has so agreed, in an action regardless of
33 whether a trustee's sale is held. If, however, a trustee's sale is held, the
34 liability of a person who is not a trustor for the deficiency is determined
35 pursuant to subsection A of this section and any judgment for the deficiency
36 against the person shall be reduced in accordance with subsection A of this
37 section. If any such action is commenced after a trustee's sale has been
38 held, it is subject, in addition, to the ninety day time limitations of
39 subsections A and B of this section.
40 D. If no action is maintained for a deficiency judgment within the
41 time period prescribed in subsections A and B of this section, the proceeds
42 of the sale, regardless of amount, shall be deemed to be in full satisfaction
43 of the obligation and no right to recover a deficiency in any action shall
44 exist.

E. Except as provided in subsection F of this section, the provisions of this chapter do not preclude a beneficiary from foreclosing a deed of trust in the same manner as a real property mortgage. In an action for the foreclosure of a deed of trust as a real property mortgage the provisions of chapter 6, article 2 of this title are applicable.

F. A deed of trust may, by express language, validly prohibit the recovery of any balance due after trust property is sold pursuant to the trustee's power of sale, or the trust deed is foreclosed in the manner provided by law for the foreclosure of mortgages on real property.

G. If trust property of two and one-half acres or less which is limited to and utilized for either a single one-family or a single two-family dwelling ~~by the trustor under the deed of trust for at least six consecutive months and for which a certificate of occupancy has been issued~~ is sold pursuant to the trustee's power of sale, no action may be maintained to recover any difference between the amount obtained by sale and the amount of the indebtedness and any interest, costs and expenses. ~~The trustor is responsible for demonstrating that the trust property was used by the trustor as a one-family or a single two-family dwelling for at least six consecutive months.~~

Sec. 18. Section 33-1322, Arizona Revised Statutes, is amended to read:

33-1322. Disclosure and tender of written rental agreement

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

1. The person authorized to manage the premises.

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

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

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

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

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

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

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

Sec. 19. Section 36-3291, Arizona Revised Statutes, is amended to read:

36-3291. Health care directives registry; website

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

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

C. The secretary of state may accept gifts, grants, donations, bequests and other forms of voluntary contributions to support, promote and maintain the registry. ~~The legislature or the secretary of state shall not appropriate or transfer state general fund or other state monies to support, promote and maintain the registry.~~

Sec. 20. Section 41-764, Arizona Revised Statutes, is amended to read:

41-764. Contribution of pro rata share for personnel division fund

A. State service agencies within the covered service shall contribute a pro rata share of the overall cost of personnel administration services provided by the department. The pro rata share shall be payable by payroll fund source and the resultant amount shall be deposited, pursuant to sections 35-146 and 35-147, in a personnel division fund for appropriation by the legislature for THE PERSONNEL BOARD AND the personnel division of the department. ~~Beginning July 1, 2007,~~ The pro rata share shall be ~~1.07~~ 1.10 per cent of the total payroll of the agency. OF THE 1.10 PER CENT PRO RATA SHARE, 0.03 PER CENT OF TOTAL PAYROLL SHALL BE DEPOSITED IN A SEPARATE SUBACCOUNT OF THE PERSONNEL DIVISION FUND FOR USE BY THE PERSONNEL BOARD AND SHALL BE SUBJECT TO LEGISLATIVE APPROPRIATION. Total payroll shall include all fund sources, including the state general fund, federal monies, special revenue funds, intergovernmental revenue monies, trust funds and other payroll fund sources.

B. A claim for the pro rata share percentage payment shall be submitted according to the fund source, with the accompanying payroll to the department for deposit in the personnel division fund.

C. Notwithstanding section 35-190, only monies in excess of five hundred thousand dollars revert to the state general fund at the end of each fiscal year. The state comptroller shall pay any monies determined to be owed to the federal government from the personnel division fund before calculating the reversion.

Sec. 21. Section 48-6203, Arizona Revised Statutes, is amended to read:

48-6203. Board of directors

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

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

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

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

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

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

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

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

Sec. 22. Laws 2007, chapter 260, section 6, as amended by Laws 2008, chapter 291, section 7, is amended to read:

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

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

B. In order to amend the existing memorandum of understanding or enter into a new memorandum of understanding with the commission pursuant to section 41-1505.09, Arizona Revised Statutes, a nonprofit corporation shall identify and document written agreements for private, philanthropic or governmental investments, except monies received for and belonging to the state, either for specific grants or for general grant investment areas that are equivalent to ~~$22,500,000 or more in fiscal year 2008-2009, $25,000,000 in fiscal year 2009-2010 and~~ $27,500,000 in fiscal year 2010-2011. Unless prohibited by the organization's governing documents, the private,

philanthropic or governmental investments shall be cash or auditable cash equivalent contributions to the nonprofit. State funds shall be drawn down incrementally as each cash or cash equivalent match is received or otherwise secured as part of the cost share for a written grant agreement by the nonprofit and documented by the commission.

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

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

Sec. 23. Repeal; department of administration certificates of participation

Laws 2008, chapter 289, section 2 is repealed.

Sec. 24. Annual budgets

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

Sec. 25. Appropriation reduction; military installation fund

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

Sec. 26. Declaration of emergency; limitation

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

Sec. 27. Tourism fund; transfer; limitation

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

Sec. 28. Moratorium on rule making relating to increased monetary or regulatory costs; exceptions; definitions

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

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

1. An authorization or requirement enacted by the legislature after January 1, 2009 or as authorized by the governor after January 22, 2009.

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

3. To prevent a threat to the public health, peace or safety.

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

5. To implement or comply with the fiscal year 2009-2010 state budget or the American recovery and reinvestment act of 2009 (P.L. 111-5).

6. A rule or other item that is exempt from title 41, chapter 6, Arizona Revised Statutes, pursuant to section 41-1005, Arizona Revised Statutes.

7. To eliminate or replace archaic or illegal rules.

C. An agency shall not conduct any informal or formal rule making pursuant to this section without the prior written approval of the office of the governor. This subsection does not apply to any agency that is independent of the office of the governor, including any agency that is headed by a single elected official or the corporation commission.

D. For the purposes of this section, "agency", "person", "rule" and "rule making" have the same meanings prescribed in section 41-1001, Arizona Revised Statutes.

Sec. 29. Federal stimulus funding; reporting; retroactivity

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

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

C. An agency may meet the requirements of subsection A by notifying the joint legislative budget committee that its report has been posted to the governor's office of economic recovery website, if the information provided through the website meets all of the requirements of subsection B.

D. This section is effective retroactively to from and after September 30, 2009.

Sec. 30. Calculation adjustments; fiscal year 2009-2010 closing state general fund balance

Notwithstanding any other law, for purposes of calculating the state general fund balance at the close of fiscal year 2009-2010, any monies appropriated from the state general fund that are exempted from lapsing

pursuant to section 35-190, Arizona Revised Statutes, and that remain unexpended and unencumbered at the close of fiscal year 2009-2010 shall be included in the closing balance as if the appropriations had lapsed or otherwise reverted to the state general fund.

Sec. 31. Unrestricted federal monies; retroactivity

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

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

Sec. 32. Required reduction in hours

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

Sec. 33. Notice filing fees; securities regulatory and enforcement fund; transfer

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

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

Sec. 34. Wireless equipment; reporting

A. On or before January 31, 2010, all state agencies, including universities and community colleges, shall report on their use of wireless telephones and any other mobile voice or data communications services in the first half of the fiscal year, regardless of fund source, to the joint committee on capital review.

B. The report shall include the number of devices in service, the number of devices purchased and the associated service expenditures by fund source and shall indicate what resources were used by employees in health and safety positions.

Sec. 35. Transportation board funding obligations

A. Notwithstanding section 28-7678, Arizona Revised Statutes, in fiscal year 2009-2010, if the transportation board is unable to sell board funding obligations to the state treasurer pursuant to section 28-7678, Arizona Revised Statutes, the transportation board may deliver nonnegotiable board funding obligations that are in a principal amount that is not more

than $200,000,000 and may sell those board funding obligations to a financial institution.

B. Except as otherwise provided in this section, section 28-7678, Arizona Revised Statutes, applies to any board funding obligation issued pursuant to subsection A of this section.

C. Before selling the board funding obligations, the transportation board shall submit the authorizing resolution to the joint committee on capital review for review.

Sec. 36. Performance management software; department of administration contract; report; delayed repeal

A. The department of administration shall allow vendors to demonstrate the availability of savings to this state through the use of software that is capable of performance management, including data fusion, fraud reduction, budgeting, planning, business intelligence, reporting and analysis, that has the ability to generate and use dashboards, that can interact with metrics and key performance indicators and that is capable of being implemented in every state agency. The department of administration shall enter into a contract with a software vendor or vendors for the purchase of the software only if the vendor or vendors agree to receive payment for the software through savings realized by this state through the use of the software. The criteria for selection of the contract shall also consider end-user ease of use and ease of administration and shall meet any related standards of the government information technology agency.

B. The procedure for entering into the contract specified in subsection A of this section is subject to the requirements of the state procurement code, title 41, chapter 23, Arizona Revised Statutes, and the department of administration may use any request for information issued pursuant to Laws 2008, chapter 285, section 2.

C. The department of administration shall annually quantify the savings realized from each state agency using the software. The department of administration shall submit a report of the savings by agency and program to the joint legislative budget committee and the joint legislative audit committee on or before July 1 each year. A copy of the report shall be provided to the secretary of state and the director of the Arizona state library, archives and public records.

D. This section is repealed from and after December 31, 2016.

Sec. 37. Office of administrative hearings; prompt hearings

Notwithstanding section 41-1092.05, subsection A, Arizona Revised Statutes, for fiscal year 2009-2010, the office of administrative hearings shall hold hearings for appealable agency actions and contested cases as soon as reasonably possible after a notice of appeal is filed or a request for a hearing is made.

Sec. 38. Department of liquor licenses and control; appropriation

A. The sum of $2,141,000 is appropriated in fiscal year 2009-2010 from the liquor licenses fund established by section 4-120, Arizona Revised Statutes, as added by this act, to the department of liquor licenses and control for operating expenditures.

B. In addition to the monies appropriated in subsection A of this section, the sum of $700,000 shall be deposited in fiscal year 2009-2010 in the liquor licenses fund established by section 4-120, Arizona Revised Statutes, as added by this act, from the monies collected pursuant to section 4-115, Arizona Revised Statutes, as amended by this act.

Sec. 39. Department of commerce; operating expenses

Notwithstanding any other law, for fiscal year 2009-2010, the department of commerce may use monies appropriated from the state general fund and monies in the bond fund, CEDC fund and state lottery fund to administer programs that attract and retain jobs in this state and to pay for associated direct, indirect and other costs.

Sec. 40. Department of insurance; operating expenses

Notwithstanding any other law, for fiscal year 2009-2010, the department of insurance may use up to $100,000 from the captive insurance regulatory and supervision fund established by section 20-1098.18, Arizona Revised Statutes, to administer programs in accordance with the department's statutory responsibilities.

Sec. 41. Development fees; moratorium; retroactivity

A. Notwithstanding any other law, beginning June 30, 2009 through June 30, 2011, a municipality shall not:

1. Impose any new development fees pursuant to section 9-463.05, Arizona Revised Statutes.

2. Increase any existing development fees authorized by section 9-463.05, Arizona Revised Statutes.

B. This section is effective retroactively to from and after June 29, 2009.

Sec. 42. Construction contracting tax rate increase; municipalities; moratorium; retroactivity

A. Notwithstanding any other law, beginning June 30, 2009 through June 30, 2011, a city or town shall not impose an increased tax rate that is levied on construction contracting by submitting the issue to the qualified electors of the city or town at an election or by action of the city or town council.

B. This section does not apply to any transaction privilege tax rate that is adopted before June 1, 2009.

C. This section is effective retroactively to from and after June 29, 2009.

1 Sec. 43. Statewide transportation acceleration needs;
2 restoration subaccount
3 The director of the department of transportation may transfer
4 $10,000,000 from any of the subaccounts of the statewide transportation
5 acceleration needs account established by section 28-7009, Arizona Revised
6 Statutes, to a subaccount established by the director to restore funding to a
7 project that was previously approved by the state transportation board
8 pursuant to section 28-7009, Arizona Revised Statutes, and that was in an
9 amount of less than $21,000,000.
10 Sec. 44. Conforming legislation
11 The legislative council staff shall prepare proposed legislation
12 conforming the Arizona Revised Statutes to the provisions of this act for
13 consideration in the forty-ninth legislature, second regular session.
14 Sec. 45. Applicability
15 Section 9-463.05, subsection F, Arizona Revised Statutes, as amended by
16 this act, does not apply to any development that received its final approval
17 before January 1, 2010.
18 Sec. 46. Effective date
19 Section 9-463.05, Arizona Revised Statutes, as amended by this act, is
20 effective from and after December 31, 2009.
21 Sec. 47. Retroactivity
22 A. Section 9-805, Arizona Revised Statutes, as added by this act,
23 applies retroactively to from and after June 29, 2009.
24 B. Section 33-814, Arizona Revised Statutes, as amended by Laws 2009,
25 chapter 68, section 1 and this act, applies retroactively to from and after
26 September 29, 2009.
27 C. Section 41-764, Arizona Revised Statutes, as amended by this act,
28 applies retroactively to from and after June 30, 2009.

Passed the House July 31, 2009

by the following vote: 35 Ayes,

11 Nays, 14 Not Voting

Speaker of the House

Chief Clerk of the House

Passed the Senate August 12, 2009

by the following vote: 16 Ayes,

9 Nays, 5 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20 day of August, 2009

at 2:38 o'clock P. M.

Secretary to the Governor

Approved this 4th day of

September

at 1:20 o'clock P. M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20_____

at _____ o'clock _____ M.

Secretary of State

Third Special Session
H.B. 2008