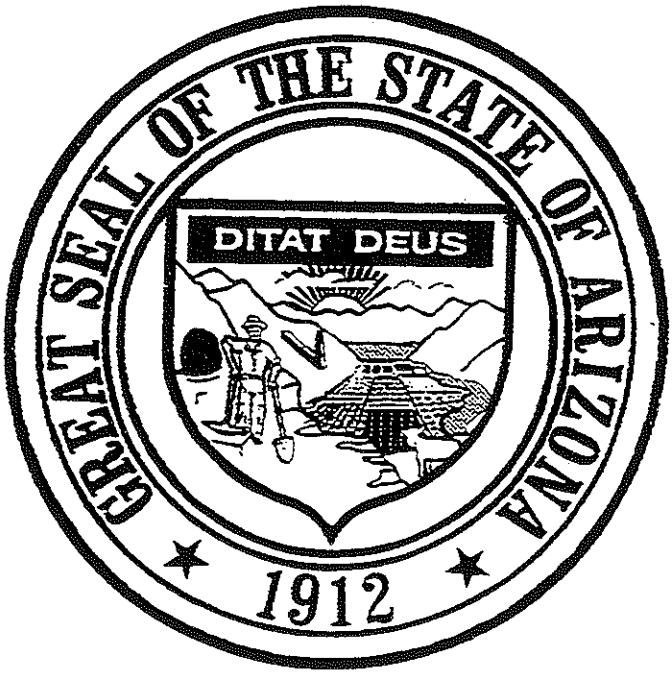
2015
BLENDS



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June 2, 2015

Pursuant to authority of section 41-1304.03, Arizona Revised Statutes, the attached sections are presented as blends or combination sections of law. The blends are based on multiple amendment activity that occurred in the First Regular Session.

For each blend the publisher will be instructed to indicate in the source note each of the Laws 2015 chapter versions and to include a reviser's note to explain the blend.

Unless otherwise noted, the effective date of each of the following blends is July 3, 2015.

The following blend sections are included:

1.	5-568	Chs. 16 and 245
2.	6-126	Chs. 163 and 165
3.	6-991.07	Chs. 97 and 102
4.	8-807	Chs. 259, 261 and 320
5.	8-811	Chs. 257 and 261
6.	9-481	Chs. 268 and 323
7.	9-808	Chs. 88, 152 and 191
8.	11-352	Chs. 275 and 287
9.	11-483	Chs. 79 and 259
10.	11-484	Chs. 79 and 259
11.	11-661	Chs. 268 and 323
12.	11-861	Chs. 88, 152 and 191
13.	13-703	Chs. 51 and 74
14.	13-1204	Chs. 95 and 109
15.	13-3601.01	Chs. 73 and 194 *(Effective 1/1/16)*
16.	15-189	Chs. 15 and 141
17.	15-393	Chs. 15 and 309
18.	15-701.01	Chs. 1, 127 and 145
19.	15-808	Chs. 145 and 147
20.	15-1473	Chs. 268 and 323

21.	15-1809	Chs. 69 and 257
22.	15-2011	Chs. 35 and 152
23.	16-153	Chs. 79 and 259
24.	16-322	Chs. 292 and 293
25.	16-901	Chs. 286 and 297
26.	16-902	Chs. 286 and 297
27.	20-224	Chs. 10 and 220
28.	26-152	Chs. 12 and 208
29.	28-101	Chs. 33, 235 and 279
30.	28-454	Chs. 79 and 259
31.	28-2351	Chs. 59, 96 and 124
32.	28-2403	Chs. 59, 96 and 124
33.	28-6501	Chs. 59, 96 and 124
34.	28-6991	Chs. 59, 96 and 124
35.	28-6991	Chs. 59, 96, 124 and 294 *(Conditionally Effective)*
36.	28-6993	Chs. 59, 96 and 124
37.	32-1854	Chs. 135 and 313
38.	32-1855	Chs. 135 and 252
39.	39-123	Chs. 79 and 259
40.	39-124	Chs. 79 and 259
41.	41-619.51	Chs. 94, 257 and 315
42.	41-1279.07	Chs. 268 and 323
43.	41-1750	Chs. 143 and 160
44.	41-1758	Chs. 94 and 315
45	41-1758.01	Chs. 94 and 315
46.	41-1830.51	Chs. 265 and 307
47.	42-2003	Chs. 85 and 199
48.	42-5029	Chs. 10 and 306
49.	42-5063	Chs. 6 and 72 *(Effective 8/1/15)*
50.	42-5071	Chs. 72 and 230
51.	42-5075	Chs. 4, 72 and 230
52.	42-5159	Chs. 4, 6 and 230 *(Effective 8/1/15)*
53.	42-12009	Chs. 49 and 233
54.	42-17103	Chs. 268 and 323
55.	43-1088	Chs. 204 and 250
56.	43-1089.01	Chs. 47 and 217
57.	43-1503	Chs. 217 and 301
58.	43-1603	Chs. 217 and 301
59.	48-805	Chs. 152 and 162
60.	48-820	Chs. 162 and 236
61.	48-822	Chs. 162 and 236

EXPLANATION OF BLEND
SECTION 5-568

Laws 2015, Chapters 16 and 245

Laws 2015, Ch. 16, section 1	Effective July 3, 2015
Laws 2015, Ch. 245, section 2	Effective April 9, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 16 and Ch. 245 text changes to section 5-568 are blended in the form shown on the following page.

BLEND OF SECTION 5-568
Laws 2015, Chapters 16 and 245

5-568. Disposition of unclaimed prize money

Unclaimed prize money for the prize on a winning ticket or share shall be retained for the person entitled to the prize for one hundred eighty days after the drawing in which the prize was won in the case of a drawing prize and for one hundred eighty days after the announced end of the game in question in the case of a prize determined in any manner other than by means of a drawing. If a claim is not made for the money within the applicable period, THE MONEY SHALL BE TRANSFERRED IN THE FOLLOWING AMOUNTS:

Chs. 16 and 245

Ch. 16

1. ~~Seventy~~ [~~per cent~~] FIFTY-FIVE [PERCENT] of the prize money shall be held in the state lottery prize fund for use as additional prizes in future games [~~and~~], EXCEPT THAT IF THE AMOUNT OF MONIES TRANSFERRED BY THE COMMISSION PURSUANT TO SECTION 5-554, SUBSECTION H, PARAGRAPH 1 IS LESS THAN NINE HUNDRED THOUSAND DOLLARS EACH FISCAL YEAR, THE DIFFERENCE SHALL BE TRANSFERRED TO THE INTERNET CRIMES AGAINST CHILDREN ENFORCEMENT FUND ESTABLISHED BY SECTION 41-199 AND IF THE MONIES TRANSFERRED BY THE COMMISSION PURSUANT TO SECTION 5-554, SUBSECTION H, PARAGRAPH 2 IS LESS THAN ONE HUNDRED THOUSAND DOLLARS EACH FISCAL YEAR, THE DIFFERENCE SHALL BE TRANSFERRED TO THE VICTIMS' RIGHTS ENFORCEMENT FUND ESTABLISHED BY SECTION 41-1727[.]

Chs. 16 and 245

Ch. 245

Chs. 16 and 245

2. Thirty [~~per cent~~ PERCENT] shall be transferred ~~monthly~~ QUARTERLY to the court appointed special advocate fund established by section 8-524.

3. FIFTEEN PERCENT SHALL BE TRANSFERRED MONTHLY TO THE TRIBAL COLLEGE DUAL ENROLLMENT PROGRAM FUND ESTABLISHED BY SECTION 15-244.01. THE AMOUNT TRANSFERRED MAY NOT EXCEED ONE HUNDRED SIXTY THOUSAND DOLLARS IN ANY FISCAL YEAR.

Ch. 16

EXPLANATION OF BLEND
SECTION 6-126

Laws 2015, Chapters 163 and 165

Laws 2015, Ch. 163, section 1	Effective July 3, 2015
Laws 2015, Ch. 165, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 163 and Ch. 165 text changes to section 6-126 are blended in the form shown on the following pages.

BLEND OF SECTION 6-126
Laws 2015, Chapters 163 and 165

6-126. Application fees for financial institutions and enterprises

A. The following nonrefundable fees are payable to the department with the filing of the following applications:

1. To apply for a banking permit, ~~ten~~ FIVE thousand dollars.

2. To apply for an amendment to a banking or savings and loan association permit, one thousand dollars. Ch. 163

3. To establish each banking branch office, ~~one thousand five hundred~~ SEVEN HUNDRED FIFTY dollars. Ch. 163

4. To move a banking office to other than an established office of a bank, one thousand dollars.

5. To apply for a savings and loan association permit, ~~ten~~ FIVE thousand dollars. Ch. 165

6. To establish each savings and loan association branch office, one thousand five hundred dollars.

7. To move an office of a savings and loan association to other than an established office, one thousand dollars.

8. To organize and establish a credit union, one hundred dollars.

9. To establish each credit union branch or to move a credit union office to other than an established office of a credit union, two hundred fifty dollars.

10. To organize and establish any other financial institutions for which an application or investigation fee is not otherwise provided by law, two thousand five hundred dollars.

11. To acquire control of a financial institution, other than a consumer lender, five thousand dollars.

12. To apply for a trust company license, five thousand dollars.

13. To apply for a commercial mortgage banker, mortgage banker, escrow agent or consumer lender license, one thousand five hundred dollars.

14. To apply for a mortgage broker, commercial mortgage broker, sales finance company or debt management company license, eight hundred dollars.

15. To apply for a collection agency license, one thousand five hundred dollars.

16. To apply for a deferred presentment company license, one thousand dollars.

17. To apply for a motor vehicle dealer license, three hundred dollars.

18. To apply for a branch office of an escrow agent, consumer lender, commercial mortgage banker, mortgage banker, trust company, money transmitter, collection agency or deferred presentment company, five hundred dollars.

19. To apply for a branch office of a mortgage broker, commercial mortgage broker, debt management company or sales finance company, two hundred fifty dollars.

20. To apply for approval of the articles of incorporation of a business development corporation, five hundred dollars.

21. To apply for approval for the merger or consolidation of two or more financial institutions, five thousand dollars per institution.

22. To apply for approval to convert from a national bank or federal savings and loan charter to a state chartered institution, five thousand dollars.

23. To apply for approval to convert from a federal credit union to a state chartered credit union, one thousand dollars.

24. To apply for approval to merge or consolidate two or more credit unions, five hundred dollars per credit union.

25. To move an established office of an enterprise to other than an established office, fifty dollars.

26. To issue a duplicate or replace a lost enterprise's license, one hundred dollars.

27. To change a responsible person on a mortgage broker's, commercial mortgage broker's, commercial mortgage banker's or a mortgage banker's license, two hundred fifty dollars.

28. To change an active manager on a collection agency license or a manager of a money transmitter branch office license, two hundred fifty dollars.

29. To change the licensee name on a financial institution or enterprise license, not more than two hundred fifty dollars.

30. To apply for a money transmitter license, one thousand five hundred dollars plus twenty-five dollars for each branch office and authorized delegate to a maximum of four thousand five hundred dollars.

31. To acquire control of any money transmitter or controlling person pursuant to chapter 12 of this title, two thousand five hundred dollars.

32. To receive the following publications:

(a) Quarterly bank and savings and loan statement of condition, not more than ten dollars per copy.

(b) Monthly summary of actions report, not more than five dollars per copy.

(c) A list of licensees, a monthly pending actions report and all other in-house prepared reports or listings made available to the public, not more than one dollar per page.

33. To apply for a loan originator license, an amount to be determined by the superintendent.

34. To apply for a loan originator license transfer, an amount to be determined by the superintendent.

35. To apply for a conversion from a mortgage banker license to a mortgage broker license, an amount to be determined by the superintendent.

B. On issuance of a license or permit for a financial institution or enterprise, the superintendent shall collect the first year's annual assessment or renewal fee for the financial institution or enterprise prorated according to the number of quarters remaining until the date of the next annual assessment or renewal.

C. The following annual renewal fees shall be paid each year:

1. For an escrow agent, or trust company, one thousand dollars plus two hundred fifty dollars for each branch office.

2. For a debt management company or sales finance company, five hundred dollars plus two hundred dollars for each branch office.

3. For a collection agency, six hundred dollars plus two hundred dollars for each branch office.

4. For a motor vehicle dealer, one hundred fifty dollars.

5. For an inactive mortgage broker or commercial mortgage broker, two hundred fifty dollars.

6. For a mortgage banker that negotiates or closes in the aggregate one hundred loans or less in the immediately preceding calendar year, seven hundred fifty dollars, and for a mortgage banker that negotiates or closes in the aggregate over one hundred loans in the immediately preceding calendar year, one thousand two hundred fifty dollars. In addition, a mortgage banker shall pay two hundred fifty dollars for each branch office.

7. For a commercial mortgage banker, one thousand two hundred fifty dollars. In addition, a commercial mortgage banker shall pay two hundred fifty dollars for each branch office.

8. For a mortgage broker or commercial mortgage broker that negotiates or closes in the aggregate fifty loans or less in the immediately preceding calendar year, two hundred fifty dollars and for a mortgage broker or commercial mortgage broker that negotiates or closes in the aggregate more than fifty loans in the immediately preceding calendar year, five hundred dollars. In addition, a mortgage broker or commercial mortgage broker shall pay two hundred dollars for each branch office.

9. For a consumer lender, one thousand dollars plus two hundred dollars for each branch office.

10. For a money transmitter, five hundred dollars plus twenty-five dollars for each branch office and each authorized delegate to a maximum of two thousand five hundred dollars.

11. For a deferred presentment company, four hundred dollars. In addition, a deferred presentment company shall pay two hundred dollars for each branch office.

12. For a loan originator, an amount to be determined by the superintendent.

13. For an inactive status loan originator, an amount to be determined by the superintendent.

D. The license, renewal or branch office permit fee for a premium finance company for each calendar year or part thereof shall not be less than one hundred dollars or more than three hundred dollars as set by the superintendent. If the license is issued or the branch office is opened after June 30 in any year, the fees shall not be less than fifty dollars or more than one hundred fifty dollars for that year.

EXPLANATION OF BLEND
SECTION 6-991.07

Laws 2015, Chapters 97 and 102

Laws 2015, Ch. 97, section 2	Effective July 3, 2015
Laws 2015, Ch. 102, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 97 and Ch. 102 text changes to section 6-991.07 are blended in the form shown on the following page.

BLEND OF SECTION 6-991.07
Laws 2015, Chapters 97 and 102

6-991.07. Examination; fee; definition

A. Each applicant for an original loan originator license, before issuance of the license, shall take and pass an examination THAT IS DEVELOPED OR OTHERWISE DEEMED ACCEPTABLE BY THE NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY ESTABLISHED BY THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT OF 2008 (P.L. 110-289; 122 STAT. 2810; 12 UNITED STATES CODE SECTIONS 5101 THROUGH 5116) OR ITS SUCCESSOR AND THAT IS given under the supervision of the department or its designee. The examination must reasonably examine the applicant's knowledge of all of the following:

Ch. 102

1. The obligations between principal and agent.
2. The applicable canons of business ethics.
~~3. This article and the rules adopted under this article.~~
~~4.~~ 3. The arithmetical computations common to mortgage brokerage.
~~5.~~ 4. The principles of real estate lending.
~~6.~~ 5. The general purposes and legal effect of mortgages, deeds of trust and security agreements.
~~7.~~ 6. The terms and conditions of conforming and nonconforming residential mortgage products.

Ch. 102 ~~8. The principles of appraisal independence.~~

B. The examination is subject to the superintendent's approval.

C. An applicant may take the examination three consecutive times with each consecutive taking occurring at least thirty days after the preceding examination. An applicant who fails the examination on three consecutive occasions must wait at least six months before taking the examination again.

D. All examinations shall be given, conducted and graded in a fair and impartial manner and without unfair discrimination between individuals

Ch. 97 examined. The ~~committee or the~~ department's designee shall inform the applicant of the result of the examination within thirty days ~~of~~ AFTER the examination.

E. The superintendent ~~may determine~~ SHALL SET the fee for each

Ch. 102 examination THAT IS CONSISTENT WITH THE REQUIREMENTS ESTABLISHED BY THE NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY ESTABLISHED BY THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT OF 2008 (P.L. 110-289; 122 STAT. 2810; 12 UNITED STATES CODE SECTIONS 5101 THROUGH 5116) OR ITS SUCCESSOR. The superintendent may contract for the examination for the licensing of applicants. If the superintendent contracts for the examination, the fee for examination for licenses pursuant to this section is payable directly to the contractor by the applicant for examination.

F. For the purposes of this section, "applicant" means a person who has submitted a completed application in the form prescribed by the superintendent.

EXPLANATION OF BLEND
SECTION 8-807

Laws 2015, Chapters 259, 261 and 320

Laws 2015, Ch. 259, section 1	Effective July 3, 2015
Laws 2015, Ch. 261, section 4	Effective July 3, 2015
Laws 2015, Ch. 320, section 1	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 259, Ch. 261 and Ch. 320 text changes to section 8-807 are blended in the form shown on the following pages.

BLEND OF SECTION 8-807
Laws 2015, Chapters 259, 261 and 320

8-807. DCS information; public record; use; confidentiality; violation; classification; definition

A. DCS information shall be maintained by the department as required by federal law as a condition of the allocation of federal monies to this state. All exceptions for the public release of DCS information shall be construed as openly as possible under federal law.

B. The department, or a person who receives DCS information pursuant to this subsection, shall provide DCS information to a federal agency, a state agency, a tribal agency, a county or municipal agency, a law enforcement agency, a prosecutor, an attorney or a guardian ad litem representing a child victim of crime pursuant to article II, section 2.1, Constitution of Arizona, a school, a community service provider, a contract service provider or any other person that is providing services pursuant to this article or article 9, 10, 11, 12, 13 or 14 of this chapter:

Ch. 261

1. To meet its duties to provide for the safety~~,~~ AND permanency ~~and well-being~~ of a child, provide services to a parent, guardian or custodian or provide services to family members to strengthen the family pursuant to this article or article 9, 10, 11, 12, 13 or 14 of this chapter.

2. To enforce or prosecute any violation involving child abuse or neglect OR TO ASSERT THE RIGHTS OF THE CHILD AS A VICTIM OF A CRIME.

3. To provide information to a defendant after a criminal charge has been filed as required by an order of the criminal court.

4. To help investigate and prosecute any violation involving domestic violence as defined in section 13-3601 or violent sexual assault as prescribed in section 13-1423.

C. The department shall disclose DCS information to a court, a party in a dependency or termination of parental rights proceeding or the party's attorney, the foster care review board or a court appointed special advocate for the purposes of and as prescribed in this title.

D. The department shall disclose DCS information to a domestic relations, family or conciliation court if the DCS information is necessary to promote the safety and well-being of children. The court shall notify the parties that it has received the DCS information.

E. A person or agent of a person who is the subject of DCS information shall have access to DCS information concerning that person.

F. The department MAY PROVIDE:

Ch. 261

1. ~~May provide~~ DCS information to confirm, clarify ~~or~~, correct OR SUPPLEMENT information concerning an allegation or actual instance of child abuse or neglect that has been made public by A SOURCE OR sources outside the department.

~~2. Shall promptly provide DCS information to the public regarding a case of child abuse, abandonment or neglect that has resulted in a fatality or near fatality as follows:~~

~~(a) The department shall provide preliminary information including at a minimum:~~

~~(i) The name, age and city, town or general location of residence of the child who has suffered a near fatality or fatality.~~

~~(ii) The fact that a child suffered a near fatality or fatality as the result of abuse, abandonment or neglect.~~

~~(iii) The name, age and city, town or general location of residence of the alleged perpetrator, if available.~~

~~(iv) Whether there have been reports, or any current or past cases, of abuse, abandonment or neglect involving the child and the current alleged abusive or neglectful parent, guardian or custodian.~~

~~(v) Actions taken by the department in response to the fatality or near fatality of the child.~~

~~(vi) A detailed synopsis of prior reports or cases of abuse, abandonment or neglect involving the child and the current alleged abusive or neglectful parent, guardian or custodian and of the actions taken or determinations made by the department in response to these reports or cases.~~

~~(b) On request by any person, the department shall promptly provide additional DCS information to the requestor. Before releasing additional DCS information, the department shall promptly notify the county attorney of any decision to release that information, and the county attorney shall promptly inform the department if it believes the release would cause a specific, material harm to a criminal investigation. After consulting with the county attorney, pursuant to subdivision (c) of this paragraph, the department shall produce to the requestor as much additional DCS information as promptly as possible about a case of child abuse, abandonment or neglect that resulted in a fatality or near fatality.~~

~~(c) On request, the department shall continue to provide DCS information promptly to the public about a fatality or near fatality unless:~~

~~(i) After consultation with the county attorney, the county attorney demonstrates that release of particular DCS information would cause a specific, material harm to a criminal investigation.~~

~~(ii) The release would violate subsection A or L of this section or the privacy of victims of crime pursuant to article II, section 2.1, subsection C, Constitution of Arizona.~~

~~(d) If any person believes that the county attorney has failed to demonstrate that release would cause a specific, material harm to a criminal investigation, that person may file an action in superior court pursuant to title 39, chapter 1, article 2 and subsection J of this section and request the court to review the DCS information in camera and order disclosure.~~

~~3.~~ 2. ~~May provide~~ DCS information to a person who is conducting bona fide research, the results of which might provide DCS information that is beneficial in improving the department.

~~4.~~ 3. ~~May provide~~ Access to DCS information to the parent, guardian or custodian of a child if the DCS information is reasonably necessary to promote the safety, permanency and well-being of the child.

4. DCS INFORMATION IF AN EMPLOYEE OF THE DEPARTMENT HAS A REASONABLE BELIEF THAT EXIGENT CIRCUMSTANCES EXIST. FOR THE PURPOSES OF THIS PARAGRAPH, "EXIGENT CIRCUMSTANCES" MEANS A CONDITION OR SITUATION IN WHICH THE DEATH OF OR SERIOUS INJURY TO A CHILD WILL LIKELY RESULT IN THE NEAR FUTURE WITHOUT IMMEDIATE INTERVENTION.

G. The department shall disclose DCS information to a county medical examiner or an alternate medical examiner directing an investigation into the circumstances surrounding a death pursuant to section 11-593.

H. Access to DCS information in the central registry shall be provided as prescribed in section 8-804.

I. To provide oversight of the department, the department shall provide access to DCS information to the following persons, if the DCS information is reasonably necessary for the person to perform the person's official duties:

1. Federal or state auditors.

2. Persons conducting any accreditation deemed necessary by the department.

3. A standing committee of the legislature or a committee appointed by the president of the senate or the speaker of the house of representatives for purposes of conducting investigations related to the legislative oversight of the department. This information shall not be further disclosed unless a court has ordered the disclosure of this information, the information has been disclosed in a public or court record, or the information has been disclosed in the course of a public meeting or court proceeding.

4. A legislator who requests DCS information in the regular course of the legislator's duties. A LEGISLATOR MAY DISCUSS THIS INFORMATION WITH ANOTHER LEGISLATOR IF THE OTHER LEGISLATOR HAS SIGNED THE FORM PRESCRIBED IN SUBDIVISION (d) OF THIS PARAGRAPH IN REGARD TO THE SPECIFIC FILE THAT WILL BE DISCUSSED. This information shall not be further disclosed unless a court has ordered the disclosure of this information, the information has been disclosed in a public or court record, or the information has been disclosed in the course of a public meeting or court proceeding. To request a file pursuant to this paragraph:

Ch. 320

(a) The legislator shall submit a written request for DCS information to the presiding officer of the body of which the state legislator is a member. The request shall state the name of the person whose case file is to be reviewed and any other information that will assist the department in locating the file.

(b) The presiding officer shall forward the request to the department within five working days of the receipt of the request.

(c) The department shall make the necessary arrangements for the legislator to review the file at an office of the department, chosen by the legislator, within ten working days.

(d) The legislator shall sign a form, consistent with the requirements of this paragraph and paragraph 3 of this subsection, before reviewing the file, that outlines the confidentiality laws governing department files and penalties for further release of the information.

5. A citizen review panel as prescribed by federal law, a child fatality review team as provided in title 36, chapter 35 and the office of ombudsman-citizens aide.

6. A HUMAN RIGHTS COMMITTEE ESTABLISHED PURSUANT TO SECTION 41-3801.

Ch. 261

J. A person who has been denied DCS information regarding a fatality or near fatality caused by abuse, abandonment or neglect pursuant to ~~subsection F, paragraph 2 or~~ subsection L of this section OR SECTION 8-807.01

may bring a special action pursuant to section 39-121.02 in the superior court to order the department to release that DCS information. A legislator has standing to bring or to join a special action regarding the release of DCS information or to challenge the redaction of released DCS information. The plaintiff shall provide notice to the county attorney, who has standing and may participate in the action. The court shall review the requested records in camera and order disclosure consistent with ~~subsection~~ SUBSECTIONS A~~, subsection F, paragraph 2~~ and ~~subsection~~ L of this section AND SECTION 8-807.01. The court shall take reasonable steps to prevent any clearly unwarranted invasions of privacy and protect the privacy and dignity of victims of crime pursuant to article II, section 2.1, subsection C, Constitution of Arizona.

Ch. 261

K. The department or a person who is not specifically authorized by this section to obtain DCS information may petition a judge of the superior court to order the department to release DCS information. The plaintiff shall provide notice to the county attorney AND TO THE ATTORNEY AND GUARDIAN AD LITEM FOR THE CHILD, who ~~has~~ HAVE standing and may participate in the action. The court shall review the requested records in camera and shall balance the rights of the parties who are entitled to confidentiality pursuant to this section against the rights of the parties who are seeking the release of the DCS information. The court may release otherwise confidential DCS information only if the rights of the parties seeking the DCS information and any benefits from releasing the DCS information outweigh the rights of the parties who are entitled to confidentiality and any harm that may result from releasing the DCS information. The court shall take reasonable steps to prevent any clearly unwarranted invasions of privacy and protect the privacy and dignity of victims of crime pursuant to article II, section 2.1, subsection C, Constitution of Arizona.

Ch. 261

L. Except as provided in subsection M of this section, before it releases records under this section OR SECTION 8-807.01, the department shall take whatever precautions it determines are reasonably necessary to protect the identity and safety of a person who reports child abuse or neglect and to protect any other person if the department believes that disclosure of the DCS information would be likely to endanger the life or safety of any person. The department is not required by this section to disclose DCS information if the department demonstrates that disclosure would cause a specific, material harm to a department investigation. The department is not required by this section to disclose DCS information if, in consultation with the county attorney, the county attorney demonstrates that disclosure would cause a specific, material harm to a criminal investigation OR PROSECUTION.

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Ch. 261

M. A person who is the subject of an unfounded report or complaint made pursuant to this article or article 9, 10, 11, 12, 13 or 14 of this chapter and who believes that the report or complaint was made in bad faith or with malicious intent may petition a judge of the superior court to order the department to release the DCS information. The petition shall specifically set forth reasons supporting the person's belief that the report or complaint was made in bad faith or with malicious intent. The court shall review the DCS information in camera and the person filing the petition shall be allowed to present evidence in support of the petition. If the court determines that there is a reasonable question of fact as to whether the

report or complaint was made in bad faith or with malicious intent and that disclosure of the identity of the person making the report or complaint would not be likely to endanger the life or safety of the person making the report or complaint, it shall provide a copy of the DCS information to the person filing the petition and the original DCS information is subject to discovery in a subsequent civil action regarding the making of the report or complaint.

N. The department shall provide the person who conducts a forensic medical evaluation with any records the person requests, including social history and family history regarding the child, the child's siblings and the child's parents or guardians.

O. The department shall provide DCS information on request to a prospective adoptive parent, foster parent or guardian, if the information concerns a child the prospective adoptive parent, foster parent or guardian seeks to adopt or provide care for.

P. If the department receives information that is confidential by law, the department shall maintain the confidentiality of the information as prescribed in the applicable law.

Q. A person may authorize the release of DCS information about the person but may not waive the confidentiality of DCS information concerning any other person.

R. The department may provide a summary of the outcome of a department investigation to the person who reported the suspected child abuse or neglect.

S. The department shall adopt rules to facilitate the accessibility of DCS information.

T. THE DEPARTMENT OR A PERSON WHO RECEIVES DCS INFORMATION PURSUANT TO SUBSECTION B OF THIS SECTION SHALL PROVIDE DCS INFORMATION TO LAW ENFORCEMENT AND A COURT TO PROTECT THE SAFETY OF ANY EMPLOYEE OF THE DEPARTMENT OR THE OFFICE OF THE ATTORNEY GENERAL OR TO PROTECT A FAMILY MEMBER OF SUCH AN EMPLOYEE.

Ch. 259

U. A PERSON WHO RECEIVES DCS INFORMATION SHALL MAINTAIN THE CONFIDENTIALITY OF THE INFORMATION AND SHALL NOT FURTHER DISCLOSE THE INFORMATION UNLESS THE DISCLOSURE IS AUTHORIZED BY LAW OR A COURT ORDER.

~~T.~~ V. The department may charge a fee for copying costs required to prepare DCS information for release pursuant to this section OR SECTION 8-807.01.

~~U.~~ W. A person who violates this section is guilty of a class 2 misdemeanor.

~~V.~~ X. For the purposes of this section, ~~:~~

~~1.~~ "DCS information" includes all information the department gathers during the course of an investigation conducted under this chapter from the time a file is opened and until it is closed. DCS information does not include information that is contained in child welfare agency licensing records.

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~~2. "Near fatality" means an act that, as certified by a physician, including the child's treating physician, places a child in serious or critical condition.~~

EXPLANATION OF BLEND
SECTION 8-811

Laws 2015, Chapters 257 and 261

Laws 2015, Ch. 257, section 16	Effective July 3, 2015
Laws 2015, Ch. 261, section 6	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 257 and Ch. 261 text changes to section 8-811 are blended in the form shown on the following pages.

BLEND OF SECTION 8-811
Laws 2015, Chapters 257 and 261

8-811. Hearing process; definitions

A. The department shall notify a person who is alleged to have abused or neglected a child that the department intends to substantiate the allegation in the central registry pursuant to section 8-804 and of that person's right:

1. To receive a copy of the report containing the allegation.

2. To a hearing before the entry into the central registry ~~pursuant to section 8-456, subsection D, paragraph 3, subdivision (a)~~.

B. The department shall send the notice prescribed in subsection A of this section by first class mail no more than fourteen days after completion of the investigation. Ch. 257

C. A request for a hearing on the proposed finding must be received by the department within ~~fourteen~~ TWENTY days after ~~receipt~~ THE MAILING of the notice BY THE DEPARTMENT.

D. The department shall not disclose any information related to the investigation of the allegation except as provided in sections 8-456, 8-807[, 8-807.01] and 13-3620. Ch. 261

E. If a request for a hearing is made pursuant to subsection C of this section, the department shall conduct a review before the hearing. The department shall provide an opportunity for the accused person to provide written or verbal information to support the position that the department should not substantiate the allegation. If the department determines that there is no probable cause that the accused person engaged in the alleged conduct, the department shall amend the information or finding in the report and shall notify the person and a hearing shall not be held.

F. Notwithstanding section 41-1092.03, the notification prescribed in subsection A of this section shall also state that if the department does not amend the information or finding in the report as prescribed in subsection E of this section within sixty days after it receives the request for a hearing the person has a right to a hearing unless:

1. The person is a party in a PENDING civil, criminal or administrative proceeding in which the allegations of abuse or neglect are at issue.

2. THE PERSON IS A PARTY IN A PENDING JUVENILE PROCEEDING IN WHICH THE ALLEGATIONS OF ABUSE OR NEGLECT ARE AT ISSUE.

~~2.~~ 3. A court or administrative law judge has made findings as to the alleged abuse or neglect. Ch. 257

~~3.~~ 4. A ~~finding has been made by a~~ court ~~pursuant to section 8-844, subsection C~~ HAS FOUND that a child is dependent OR HAS TERMINATED A PARENT'S RIGHTS based ~~upon~~ ON an allegation of abuse or neglect.

G. IF THE COURT OR ADMINISTRATIVE LAW JUDGE IN A PENDING PROCEEDING DESCRIBED IN SUBSECTION F, PARAGRAPH 1 OR 2 OF THIS SECTION DOES NOT MAKE A

FINDING OF ABUSE OR NEGLECT AND THE MATTER IS NO LONGER PENDING IN THAT FORUM, THE PERSON HAS A RIGHT TO A HEARING PURSUANT TO SUBSECTION F OF THIS SECTION.

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H. IF THE COURT OR ADMINISTRATIVE LAW JUDGE IN A PROCEEDING DESCRIBED IN SUBSECTION F OF THIS SECTION HAS MADE A FINDING OF ABUSE OR NEGLECT, THE FINDING SHALL BE ENTERED INTO THE CENTRAL REGISTRY AS A SUBSTANTIATED REPORT.

~~G.~~ I. If the department does not amend the information or finding in the report as prescribed in subsection E of this section, the department shall notify the office of administrative hearings of the request for a hearing no later than five days after completion of the review. The department shall forward all records, reports and other relevant information with the request for hearing within ten days. The department shall redact the identity of the reporting source before transmitting the information to the office of administrative hearings.

~~H.~~ J. The office of administrative hearings shall hold a hearing pursuant to title 41, chapter 6, article 10, with the following exceptions:

1. A child who is the victim of or a witness to abuse or neglect is not required to testify at the hearing.

2. A child's hearsay statement is admissible if the time, content and circumstances of that statement are sufficiently indicative of its reliability.

3. The identity of the reporting source of the abuse or neglect shall not be disclosed without the permission of the reporting source.

4. The reporting source is not required to testify.

5. A written statement from the reporting source may be admitted if the time, content and circumstances of that statement are sufficiently indicative of its reliability.

6. If the person requesting the hearing fails to appear, the hearing shall be vacated and a substantiated finding of abuse or neglect shall be entered. On good cause shown, the hearing may be rescheduled if the request is made within fifteen calendar days after the date of the notice vacating the hearing for failure to appear.

~~I.~~ K. On completion of the presentation of evidence, the administrative law judge shall determine if probable cause exists to sustain the department's finding that the parent, guardian or custodian abused or neglected the child. IF THE ADMINISTRATIVE LAW JUDGE DETERMINES THAT PROBABLE CAUSE EXISTS TO SUSTAIN THE DEPARTMENT'S FINDING OF ABUSE OR NEGLECT, THE SUSTAINED FINDING SHALL BE ENTERED INTO THE CENTRAL REGISTRY AS A SUBSTANTIATED REPORT. If the administrative law judge determines that probable cause does not exist to sustain the department's finding, the administrative law judge shall order the department to amend the information or finding in the report.

Ch. 257

~~J.~~ L. When the department is requested to verify pursuant to section 8-807, if the central registry contains a substantiated report about a specific person, the department shall determine if the report was taken after January 1, 1998. If the report was taken after January 1, 1998, the department shall notify the requestor of the substantiated finding. If the report was taken before January 1, 1998, the department shall notify the person of the person's right to request an administrative hearing. The department shall not send this notification if the person was a party in a

civil, criminal or administrative proceeding in which the allegations of abuse or neglect were at issue. The provisions of this section shall apply to the person's appeal.

~~K.~~ M. The department shall provide the parent, guardian or custodian who is the subject of the investigation and the person who reported the suspected child abuse or neglect if that person is the child's parent, guardian or custodian with a copy of the outcome of the investigation at one of the following times:

1. If the report is unsubstantiated.

2. If probable cause exists that abuse or neglect has occurred but a specific person is not identified as having abused or neglected the child.

3. After the time to request a hearing has lapsed pursuant to subsection C of this section without the department receiving a request for a hearing.

4. After a final administrative decision has been made pursuant to section 41-1092.08.

~~L.~~ N. For the purposes of this section:

1. "Amend the finding" means to change the finding from substantiated to unsubstantiated.

2. "Amend the information" means to change information identifying the accused of having abused or neglected a child.

EXPLANATION OF BLEND
SECTION 9-481

Laws 2015, Chapters 268 and 323

Laws 2015, Ch. 268, section 1	Effective July 3, 2015
Laws 2015, Ch. 323, section 1	Effective July 3, 2015

Explanation

Since these two enactments are identical, the Laws 2015, Ch. 268 and Ch. 323 text changes to section 9-481 are blended in the form shown on the following pages.

BLEND OF SECTION 9-481
Laws 2015, Chapters 268 and 323

9-481. Audits of cities and towns; posting; budget

A. The governing body of each incorporated city or town shall cause an audit to be made by a certified public accountant or public accountant who is currently licensed by the Arizona state board of accountancy and who is not an employee of the city or town. Audits shall be made for each fiscal year for all incorporated cities. Audits shall be made at least once for every two fiscal years for all incorporated towns, and the audit shall include financial transactions during both fiscal years.

B. The audit and the audit report shall include all of the accounts and funds of the city or town, including operating, special, utility, debt, trust~~,~~ AND pension, and all other money or property for which the city or town, or any department or officer of the city or town, is responsible either directly or indirectly. The audits shall be made in accordance with generally accepted auditing standards. The consequent audit report shall contain financial statements that are in conformity with generally accepted municipal accounting principles and shall set forth the financial position and results of the operations for each fund and account of the city or town. The audit report shall also include the following:

Chs. 268 and 323

1. The professional opinion of the accountant or accountants with respect to the financial statements or, if an opinion cannot be expressed, a declaration of the reasons an opinion cannot be expressed.

2. ~~Beginning with fiscal year 2003-2004,~~ A determination as to whether highway user revenue fund monies received by the city or town pursuant to title 28, chapter 18, article 2 and any other dedicated state transportation revenues received by the city or town are being used solely for the authorized transportation purposes.

C. The audit shall begin as soon as possible after the close of the fiscal year[,] although interim auditing may be performed during the year or years under audit. The audit shall be completed and the final audit report shall be submitted within six months after the close of the fiscal year or years audited.

Chs. 268 and 323

D. ~~Not less than three~~ AT LEAST FOUR copies of the audit report shall be signed by the auditor and filed with the city or town. The city or town shall immediately DO THE FOLLOWING:

1. Make one copy of the report a public record ~~which shall be~~ THAT IS open to the public for inspection. ~~and~~

2. FILE ONE COPY OF THE REPORT WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07, SUBSECTION C.

3. SUBMIT one copy ~~shall be deposited with the Arizona state library, archives and public records~~ OF THE REPORT TO THE SECRETARY OF STATE.

E. THE FINANCIAL STATEMENTS REQUIRED TO BE FILED WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07, INCLUDING THE AUDIT REPORT, MUST BE POSTED IN A PROMINENT LOCATION ON THE OFFICIAL WEBSITE OF THE CITY OR TOWN NO LATER THAN SEVEN BUSINESS DAYS AFTER THE DATE OF FILING THE FINANCIAL STATEMENTS WITH THE AUDITOR GENERAL. THE FINANCIAL STATEMENTS MUST BE RETAINED AND ACCESSIBLE IN A PROMINENT LOCATION ON THE OFFICIAL WEBSITE FOR AT LEAST SIXTY MONTHS. IF THE FINANCIAL STATEMENTS ARE NOT FILED PURSUANT TO SECTION 41-1279.07, THE FORM AS PRESCRIBED BY SUBSECTION F OF THIS SECTION SHALL BE POSTED ON THE WEBSITE OF THE CITY OR TOWN IN PLACE OF THE FINANCIAL STATEMENTS UNTIL THE FINANCIAL STATEMENTS ARE FILED.

Chs. 268 and 323

F. IF THE FINANCIAL STATEMENTS FOR A CITY OR TOWN ARE NOT COMPLETED AND FILED AS PRESCRIBED BY SECTION 41-1279.07 ON OR BEFORE THE ADOPTION OF THE CITY OR TOWN BUDGET IN THE SUBSEQUENT FISCAL YEAR, THE GOVERNING BODY SHALL INCLUDE A FORM, AS PRESCRIBED BY THE AUDITOR GENERAL, IN THE PUBLISHED BUDGET IN THE SUBSEQUENT FISCAL YEAR PURSUANT TO SECTIONS 42-17103 AND 42-17105 STATING THAT THE FINANCIAL STATEMENTS REQUIRED TO BE FILED WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07 ARE PENDING, THE REASONS FOR THE DELAY AND THE ESTIMATED DATE OF COMPLETION.

G. IF THE GOVERNING BODY OF A CITY OR TOWN IS REQUIRED TO COMPLETE THE FORM AS PRESCRIBED BY SUBSECTION F OF THIS SECTION, THE GOVERNING BODY SHALL SEND A COPY OF THE FORM TO THE AUDITOR GENERAL, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE.

EXPLANATION OF BLEND
SECTION 9-808

Laws 2015, Chapters 88, 152 and 191

Laws 2015, Ch. 88, section 1	Effective July 3, 2015
Laws 2015, Ch. 152, section 1	Effective July 3, 2015
Laws 2015, Ch. 191, section 2	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 88, Ch. 152 and Ch. 191 text changes to section 9-808 are blended in the form shown on all the following pages.

BLEND OF SECTION 9-808
Laws 2015, Chapters 88, 152 and 191

9-808. Fire apparatus access road or approved route; fire watch requirements; enforcement; intent; state preemption; definitions

A. A municipality may not adopt any, or part of any, fire code, ordinance, stipulation or other legal requirement for an approved fire apparatus access road or a fire apparatus access road extension, or both, or an approved route or a route extension, or both, that directly or indirectly requires a one or two family residence or a utility or miscellaneous accessory building or structure to install fire sprinklers. A fire code official may increase or extend an approved fire apparatus access road or a fire apparatus access road extension, or both, or an approved route or a route extension, or both, to comply with this section. Compliance with this section [may not be] SUBSECTION [IS NOT] grounds to deny or suspend a license or permit. (Chs. 88, 152 and 191)

B. NOTHING IN THIS SECTION PROHIBITS A MUNICIPALITY FROM ADOPTING FIRE CODES OR ORDINANCES TO PROVIDE SUFFICIENT FIRE ACCESS AND FIRE ROUTES THAT ENSURE PUBLIC HEALTH AND SAFETY. (Ch. 191)

C. IF A MUNICIPALITY'S FIRE CODE REQUIRES THE USE OF A FIRE WATCH, AN EMPLOYEE WHO WORKS AT THE BUILDING IN WHICH A FIRE WATCH IS REQUIRED MAY SERVE AS THE FIRE WATCH. A PERSON WHO IS DESIGNATED AS A FIRE WATCH SHALL BE EQUIPPED WITH MEANS TO CONTACT THE LOCAL FIRE DEPARTMENT, AND THE PERSON'S ONLY DUTY WHILE KEEPING WATCH FOR FIRES SHALL BE TO PERFORM CONSTANT PATROLS OF THE PROTECTED PREMISES. THE MUNICIPALITY SHALL PROVIDE THE FIRE WATCH WITH PRINTED INSTRUCTIONS FROM THE STATE FIRE MARSHAL AND MAY PROVIDE A FREE TRAINING SESSION BEFORE THE PERSON'S DEPLOYMENT AS THE FIRE WATCH BEGINS. (Ch. 152)

D. THIS SECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF, INCLUDING AN INJUNCTION, MAY BE AWARDED AGAINST A MUNICIPALITY. THE COURT SHALL AWARD REASONABLE ATTORNEY FEES, DAMAGES, LOST OPPORTUNITY COSTS, INTEREST AND THE COST OF THE SPRINKLER SYSTEM TO A PARTY THAT PREVAILS IN AN ACTION AGAINST A MUNICIPALITY FOR A VIOLATION OF THIS SECTION.

E. THE LEGISLATURE FINDS AND DETERMINES THAT PROPERTY RIGHTS ARE A MATTER OF STATEWIDE CONCERN AND A FUNDAMENTAL ELEMENT OF FREEDOM. A PROPERTY OWNER'S RIGHT TO USE THE PROPERTY OWNER'S PROPERTY MUST BE PROTECTED FROM UNREASONABLE ABRIDGMENT BY MUNICIPAL REGULATION AND ENFORCEMENT. THIS SECTION SUPERSEDES AND PREEMPTS ANY REGULATION ADOPTED BY A MUNICIPALITY REGARDING AN APPROVED FIRE APPARATUS ACCESS ROAD, FIRE APPARATUS ACCESS ROAD EXTENSION, APPROVED ROUTE OR ROUTE EXTENSION. (Ch. 88)

~~B.~~ F. For the purposes of this section:

1. "Fire code" includes the international fire code, however denominated.

Ch. 152

2. "FIRE WATCH" MEANS A PERSON WHO IS STATIONED IN A BUILDING OR IN A PLACE RELATIVE TO A BUILDING TO OBSERVE THE BUILDING AND ITS OPENINGS WHEN THE FIRE PROTECTION SYSTEM FOR THE BUILDING IS TEMPORARILY NONOPERATIONAL OR ABSENT.

~~2.~~ 3. "Utility or miscellaneous accessory building or structure" includes an agricultural building, aircraft hangar, accessory to a residence, barn, carport, fence that is more than six feet high, grain silo, greenhouse, livestock shelter, private garage, retaining wall, shed, stable, tank or tower.

EXPLANATION OF BLEND
SECTION 11-352

Laws 2015, Chapters 275 and 287

Laws 2015, Ch. 275, section 1	Effective July 3, 2015
Laws 2015, Ch. 287, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 275 and Ch. 287 text changes to section 11-352 are blended in the form shown on the following page.

The Laws 2015, Ch. 287 version of section 11-352 made technical changes in subsection B, paragraph 8 and subsection C. The Ch. 275 version struck subsection B, paragraph 8 and subsection C. Since this would not produce a substantive change, the blend version reflects the Ch. 275 version.

BLEND OF SECTION 11-352
Laws 2015, Chapters 275 and 287

11-352. Adoption of limited county employee merit system by resolution; precinct committeemen

A. Any county may by resolution of the board adopt a limited county employee merit system ~~for all county appointive officers and employees~~. THIS SYSTEM MAY BE APPLIED TO COUNTY-APPOINTED OFFICERS AND EMPLOYEES. Elected officers shall not be included in such a merit system.

~~B. Any county may by resolution of the board remove certain administrative positions from the county employee merit system. The positions that may be removed from the county employee merit system are:~~

~~1. County manager.~~

~~2. Deputy county manager.~~

~~3. Assistant county manager.~~

~~4. Chief deputies to elected officials.~~

~~5. Department directors.~~

~~6. Deputy directors, not to exceed three in each department.~~

Ch. 275 ~~7. One position in each department that reports directly to the director or deputy director as designated by the director and deputy director.~~

~~8. An administrative position declared exempt after August 8, 1985. The number of positions declared exempt under this paragraph shall not exceed ten [per cent] of the total number of county appointive officers and employees.~~ Chs. 275 and 287

~~C. Any employee who was included as a covered employee in the county employee merit system at the time the employee assumed the employee's present position and whose position becomes exempt under subsection B may elect to remain included under the merit system, but if terminated the employee must be afforded the opportunity to accept another vacant position within the merit system for which the employee is qualified.~~

Ch. 287 B. NOTWITHSTANDING ANY OTHER LAW, RULE OR ORDINANCE, A COUNTY EMPLOYEE MAY SERVE IN THE OFFICE OF PRECINCT COMMITTEEMAN.

EXPLANATION OF BLEND
SECTION 11-483

Laws 2015, Chapters 79 and 259

Laws 2015, Ch. 79, section 1	Effective July 3, 2015
Laws 2015, Ch. 259, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 79 and Ch. 259 text changes to section 11-483 are blended in the form shown on the following pages.

BLEND OF SECTION 11-483
Laws 2015, Chapters 79 and 259

11-483. Records maintained by county recorder; confidentiality; definitions

A. Notwithstanding any other provision of this article, in any county an eligible person may request that the general public be prohibited from accessing the unique identifier and the recording date contained in indexes of recorded instruments maintained by the county recorder and may request the county recorder to prohibit access to that person's residential address and telephone number contained in instruments or writings recorded by the county recorder.

B. An eligible person may request this action by filing an affidavit that states all of the following on an application form developed by the administrative office of the courts in agreement with an association of counties, an organization of peace officers and the motor vehicle division of the department of transportation:

1. The person's full legal name and residential address.

2. The full legal description and parcel number of the person's property.

3. Unless the person is the spouse of a peace officer or the spouse or minor child of a deceased peace officer or the person is a former public
Ch. 79 — official OR FORMER JUDGE, the position the person currently holds and a description of the person's duties, except that an eligible person who is protected under an order of protection or injunction against harassment shall instead attach a copy of the order of protection or injunction against harassment or an eligible person who is a participant in the address confidentiality program shall instead attach a copy of the participant's current and valid address confidentiality program authorization card issued pursuant to section 41-163 and a statement of certification provided by the secretary of state's office.

4. The reasons the person reasonably believes that the person's life or safety or that of another person is in danger and that restricting access pursuant to this section will serve to reduce the danger.

5. The document locator number and recording date of each instrument for which the person requests access restriction pursuant to this section.

6. A copy of pages from each instrument that includes the document locator number and the person's full legal name and residential address or full legal name and telephone number.

C. If an eligible person is also requesting pursuant to section 11-484 that the general public be prohibited from accessing records maintained by the county assessor and county treasurer, the eligible person may combine the request pursuant to subsection B of this section with the request pursuant to section 11-484 by filing one affidavit. The affidavit and subsequent action by the appropriate authorities shall meet all of the requirements of this section and section 11-484.

D. The affidavit shall be filed with the presiding judge of the superior court in the county in which the affiant resides. To prevent multiple filings, an eligible person who is a peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member shall deliver the affidavit to the peace officer's commanding officer, or to the head of the prosecuting, public defender, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, who shall file the affidavits at one time. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier presentation, the commanding officer, or the head of the prosecuting, public defender, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, shall not file affidavits more often than quarterly.

E. On receipt of an affidavit or affidavits, the presiding judge of the superior court shall file with the clerk of the superior court a petition on behalf of all requesting affiants. Each affidavit presented shall be attached to the petition. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier consideration, the presiding judge may accumulate affidavits and file a petition at the end of each quarter.

F. The presiding judge of the superior court shall review the petition and each attached affidavit to determine whether the action requested by each affiant should be granted. If the presiding judge of the superior court concludes that the action requested by the affiant will reduce a danger to the life or safety of the affiant or another person, the presiding judge of the superior court shall order that the county recorder prohibit access for five years to the affiant's residential address and telephone number contained in instruments or writings recorded by the county recorder and made available on the internet. If the presiding judge of the superior court concludes that the affiant or another person is in actual danger of physical harm from a person or persons with whom the affiant has had official dealings and that action pursuant to this section will reduce a danger to the life or safety of the affiant or another person, the presiding judge of the superior court shall order that the general public be prohibited for five years from accessing the unique identifier and the recording date contained in indexes of recorded instruments maintained by the county recorder and identified pursuant to subsection B of this section.

G. On motion to the court, if the presiding judge of the superior court concludes that an instrument or writing recorded by the county recorder has been redacted or sealed in error, that the original affiant no longer lives at the address listed in the original affidavit, that the cause for the original affidavit no longer exists or that temporary access to the instrument or writing is needed, the presiding judge may temporarily stay or permanently vacate all or part of the court order prohibiting public access to the recorded instrument or writing.

H. On entry of the court order, the clerk of the superior court shall file the court order and a copy of the affidavit required by subsection B of this section with the county recorder. No more than ten days after the date

on which the county recorder receives the court order, the county recorder shall restrict access to the information as required by subsection F of this section.

I. If the court denies an affiant's request pursuant to this section, the affiant may request a court hearing. The hearing shall be conducted by the court in the county where the petition was filed.

J. The county recorder shall remove the restrictions on all records restricted pursuant to this section by January 5 in the year after the court order expires. The county recorder shall send by mail one notice to either the former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member, ~~or~~ law enforcement support staff member or EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT OR the employing agency of a peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member who was granted an order pursuant to this section of the order's expiration date at least six months before the expiration date. If the notice is sent to the employing agency, the employing agency shall immediately notify the person who was granted the order of the upcoming expiration date. The county recorder may coordinate with the county assessor and county treasurer to prevent multiple notices from being sent to the same person.

Ch. 259

K. To include subsequent recordings in the court order, the eligible person shall present to the county recorder at the time of recordation a certified copy of the court order or shall provide to the county recorder the recording number of the court order. The county recorder shall ensure that public access shall be restricted pursuant to subsection A of this section.

L. This section shall not be interpreted to restrict access to public records for the purposes of perfecting a lien pursuant to title 12, chapter 9, article 2.

M. This section does not prohibit access to the records of the county recorder by parties to the instrument, a law enforcement officer performing the officer's official duties pursuant to subsection N of this section, a title insurer, a title insurance agent or an escrow agent licensed by the department of insurance or the department of financial institutions.

N. A law enforcement officer is deemed to be performing the officer's official duties if the officer provides a subpoena, court order or search warrant for the records.

O. For the purposes of this section:

1. "Code enforcement officer" means a person who is employed by a state or local government and whose duties include performing field inspections of buildings, structures or property to ensure compliance with and enforce national, state and local laws, ordinances and codes.

2. "Commissioner" means a commissioner of the superior court.

3. "Corrections support staff member" means an adult or juvenile corrections employee who has direct contact with inmates.

4. "Eligible person" means a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, justice, judge, commissioner, public defender, prosecutor, code enforcement

officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of executive clemency, law enforcement support staff member, EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment, person who is a participant in the address confidentiality program pursuant to title 41, chapter 1, article 3 or firefighter who is assigned to the Arizona counterterrorism center in the department of public safety.

Ch. 259

5. "Former public official" means a person who was duly elected or appointed to Congress, the legislature or a statewide office, who ceased serving in that capacity and who was the victim of a dangerous offense as defined in section 13-105 while in office.

6. "Indexes" means only those indexes that are maintained by and located in the office of the county recorder, that are accessed electronically and that contain information beginning from and after January 1, 1987.

7. "Judge" means a judge OR FORMER JUDGE of the United States district court, the United States court of appeals, the United States magistrate court, the United States bankruptcy court, THE UNITED STATES IMMIGRATION COURT, the Arizona court of appeals, the superior court or a municipal court.

Ch. 79

8. "Justice" means a justice of the United States or Arizona supreme court or a justice of the peace.

9. "Law enforcement support staff member" means a person who serves in the role of an investigator or prosecutorial assistant in an agency that investigates or prosecutes crimes, who is integral to the investigation or prosecution of crimes and whose name or identity will be revealed in the course of public proceedings.

10. "Peace officer" means any person vested by law, or formerly vested by law, with a duty to maintain public order and make arrests.

11. "Prosecutor" means a county attorney, a municipal prosecutor, the attorney general or a United States attorney and includes an assistant or deputy United States attorney, county attorney, municipal prosecutor or attorney general.

12. "Public defender" means a federal public defender, county public defender, county legal defender or county contract indigent defense counsel and includes an assistant or deputy federal public defender, county public defender or county legal defender.

EXPLANATION OF BLEND
SECTION 11-484

Laws 2015, Chapters 79 and 259

Laws 2015, Ch. 79, section 2	Effective July 3, 2015
Laws 2015, Ch. 259, section 3	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 79 and Ch. 259 text changes to section 11-484 are blended in the form shown on the following pages.

BLEND OF SECTION 11-484
Laws 2015, Chapters 79 and 259

11-484. Records maintained by county assessor and county treasurer; redaction; definitions

A. Notwithstanding any other provision of this article, in any county an eligible person may request that the general public be prohibited from accessing that person's residential address and telephone number that are contained in instruments, writings and information maintained by the county assessor and the county treasurer.

B. An eligible person may request this action by filing an affidavit that states all of the following on an application form developed by the administrative office of the courts in agreement with an association of counties, an organization of peace officers and the motor vehicle division of the department of transportation:

1. The person's full legal name and residential address.

2. The full legal description and parcel number of the person's property.

3. Unless the person is the spouse of a peace officer or the spouse or minor child of a deceased peace officer or the person is a former public
Ch. 79— official OR FORMER JUDGE, the position the person currently holds and a description of the person's duties, except that an eligible person who is protected under an order of protection or injunction against harassment shall attach a copy of the order of protection or injunction against harassment or an eligible person who is a participant in the address confidentiality program shall instead attach a copy of the participant's current and valid address confidentiality program authorization card issued pursuant to section 41-163 and a statement of certification provided by the secretary of state's office.

4. The reasons the person reasonably believes that the person's life or safety or that of another person is in danger and that redacting the residential address and telephone number will serve to reduce the danger.

C. If an eligible person is also requesting pursuant to section 11-483 that the general public be prohibited from accessing records maintained by the county recorder, the eligible person may combine the request pursuant to subsection B of this section with the request pursuant to section 11-483 by filing one affidavit. The affidavit and subsequent action by the appropriate authorities shall meet all of the requirements of this section and section 11-483.

D. The affidavit shall be filed with the presiding judge of the superior court in the county in which the affiant resides. To prevent multiple filings, an eligible person who is a peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member shall deliver the affidavit to the peace officer's commanding officer, or to the head of the prosecuting, public defender, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, who shall file the affidavits at one time. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier presentation, the commanding officer, or the head of the prosecuting, public defender, code enforcement, law enforcement,

corrections or detention agency, as applicable, or that person's designee, shall not file affidavits more often than quarterly.

E. On receipt of an affidavit or affidavits, the presiding judge of the superior court shall file with the clerk of the superior court a petition on behalf of all requesting affiants. Each affidavit presented shall be attached to the petition. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier consideration, the presiding judge may accumulate affidavits and file a petition at the end of each quarter.

F. The presiding judge of the superior court shall review the petition and each attached affidavit to determine whether the action requested by each affiant should be granted. If the presiding judge of the superior court concludes that the action requested by the affiant will reduce a danger to the life or safety of the affiant or another person, the presiding judge of the superior court shall order the redaction of the affiant's residential address and telephone number that are contained in instruments, writings and information maintained by the county assessor and the county treasurer. The redaction shall be in effect for five years.

G. On motion to the court, if the presiding judge of the superior court concludes that an instrument or writing maintained by the county assessor or the county treasurer has been redacted or sealed in error, that the original affiant no longer lives at the address listed in the original affidavit, that the cause for the original affidavit no longer exists or that temporary access to the instrument or writing is needed, the presiding judge may temporarily stay or permanently vacate all or part of the court order prohibiting public access to the instrument or writing.

H. On entry of the court order, the clerk of the superior court shall file the court order and a copy of the affidavit required by subsection B of this section with the county assessor and the county treasurer. No more than ten days after the date on which the county assessor and the county treasurer receive the court order, the county assessor and the county treasurer shall restrict access to the information as required by subsection F of this section.

I. If the court denies an affiant's request pursuant to this section, the affiant may request a court hearing. The hearing shall be conducted by the court in the county where the petition was filed.

J. The county assessor and the county treasurer shall remove the restrictions on all records that are redacted pursuant to this section by January 5 in the year after the court order expires. The county assessor or the county treasurer shall send by mail one notice to either the former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member, ~~or~~ law enforcement support staff member or EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT OR the employing agency of a peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member who was granted an order pursuant to this section of the order's expiration date at least six months before the expiration date. If the notice is sent to the

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employing agency, the employing agency shall immediately notify the person who was granted the order of the upcoming expiration date. The county assessor or county treasurer may coordinate with the county recorder to prevent multiple notices from being sent to the same person.

K. For the purposes of this section:

1. "Code enforcement officer" means a person who is employed by a state or local government and whose duties include performing field inspections of buildings, structures or property to ensure compliance with and enforce national, state and local laws, ordinances and codes.

2. "Commissioner" means a commissioner of the superior court.

3. "Corrections support staff member" means an adult or juvenile corrections employee who has direct contact with inmates.

4. "Eligible person" means a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, justice, judge, commissioner, public defender, prosecutor, code enforcement officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of executive clemency, law enforcement support staff member, EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment, person who is a participant in the address confidentiality program pursuant to title 41, chapter 1, article 3, or firefighter who is assigned to the Arizona counterterrorism center in the department of public safety.

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5. "Former public official" means a person who was duly elected or appointed to Congress, the legislature or a statewide office, who ceased serving in that capacity and who was the victim of a dangerous offense as defined in section 13-105 while in office.

6. "Judge" means a judge OR FORMER JUDGE of the United States district court, the United States court of appeals, the United States magistrate court, the United States bankruptcy court, THE UNITED STATES IMMIGRATION COURT, the Arizona court of appeals, the superior court or a municipal court.

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7. "Justice" means a justice of the United States or Arizona supreme court or a justice of the peace.

8. "Law enforcement support staff member" means a person who serves in the role of an investigator or prosecutorial assistant in an agency that investigates or prosecutes crimes, who is integral to the investigation or prosecution of crimes and whose name or identity will be revealed in the course of public proceedings.

9. "Peace officer" means any person vested by law, or formerly vested by law, with a duty to maintain public order and make arrests.

10. "Prosecutor" means a county attorney, a municipal prosecutor, the attorney general or a United States attorney and includes an assistant or deputy United States attorney, county attorney, municipal prosecutor or attorney general.

11. "Public defender" means a federal public defender, county public defender, county legal defender or county contract indigent defense counsel and includes an assistant or deputy federal public defender, county public defender or county legal defender.

EXPLANATION OF BLEND
SECTION 11-661

Laws 2015, Chapters 268 and 323

Laws 2015, Ch. 268, section 2	Effective July 3, 2015
Laws 2015, Ch. 323, section 2	Effective July 3, 2015

Explanation

Since these two enactments are identical, the Laws 2015, Ch. 268 and Ch. 323 text changes to section 11-661 are blended in the form shown on the following page.

BLEND OF SECTION 11-661
Laws 2015, Chapters 268 and 323

11-661. Posting of financial statements; budget

A. THE FINANCIAL STATEMENTS REQUIRED TO BE FILED WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07 MUST BE POSTED IN A PROMINENT LOCATION ON THE OFFICIAL WEBSITE OF THE COUNTY NO LATER THAN SEVEN BUSINESS DAYS AFTER THE DATE OF FILING THE FINANCIAL STATEMENTS WITH THE AUDITOR GENERAL. THE FINANCIAL STATEMENTS MUST BE RETAINED AND ACCESSIBLE IN A PROMINENT LOCATION ON THE OFFICIAL WEBSITE FOR AT LEAST SIXTY MONTHS. IF THE FINANCIAL STATEMENTS ARE NOT FILED PURSUANT TO SECTION 41-1279.07, THE FORM AS PRESCRIBED BY SUBSECTION B OF THIS SECTION SHALL BE POSTED ON THE WEBSITE OF THE COUNTY IN PLACE OF THE FINANCIAL STATEMENTS UNTIL THE FINANCIAL STATEMENTS ARE FILED.

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B. IF THE FINANCIAL STATEMENTS FOR A COUNTY ARE NOT COMPLETED AND FILED AS PRESCRIBED BY SECTION 41-1279.07 ON OR BEFORE THE ADOPTION OF THE COUNTY BUDGET IN THE SUBSEQUENT FISCAL YEAR, THE BOARD OF SUPERVISORS MUST INCLUDE A FORM, PRESCRIBED BY THE AUDITOR GENERAL, IN THE PUBLISHED BUDGET IN THE SUBSEQUENT FISCAL YEAR PURSUANT TO SECTIONS 42-17103 AND 42-17105 STATING THAT THE FINANCIAL STATEMENTS REQUIRED TO BE FILED WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07 ARE PENDING, THE REASONS FOR THE DELAY AND THE ESTIMATED DATE OF COMPLETION.

C. IF THE BOARD OF SUPERVISORS OF A COUNTY IS REQUIRED TO COMPLETE THE FORM AS PRESCRIBED BY SUBSECTION B OF THIS SECTION, THE BOARD OF SUPERVISORS SHALL SEND A COPY OF THE FORM TO THE AUDITOR GENERAL, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE.

EXPLANATION OF BLEND
SECTION 11-861

Laws 2015, Chapters 88, 152 and 191

Laws 2015, Ch. 88, section 2	Effective July 3, 2015
Laws 2015, Ch. 152, section 2	Effective July 3, 2015
Laws 2015, Ch. 191, section 3	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 88, Ch. 152 and Ch. 191 text changes to section 11-861 are blended in the form shown on the following pages.

BLEND OF SECTION 11-861
Laws 2015, Chapters 88, 152 and 191

11-861. Adoption of codes by reference; limitations; method of adoption; fire sprinklers; fire apparatus access roads or approved routes; intent; state preemption; fire watch requirements; pool barrier gates

A. In any county that has adopted zoning pursuant to this chapter, the board of supervisors may adopt and enforce, for the unincorporated areas of the county so zoned, a building code and other related codes to regulate the quality, type of material and workmanship of all aspects of construction of buildings or structures, except that the board may authorize that areas zoned rural or unclassified may be exempt from the provisions of the code adopted. The codes may be adopted by reference after notice and hearings before the county planning and zoning commission and board of supervisors as provided in this chapter for amendments to the zoning ordinance of the county.

B. The board of supervisors may adopt a fire prevention code in the unincorporated areas of the county in which a fire district has not adopted a nationally recognized fire code pursuant to section 48-805. Any fire code adopted by a board of supervisors pursuant to this subsection shall remain in effect until a fire district is established and adopts a code applicable within the boundaries of the district.

C. For the purpose of this article, codes authorized by subsections A and B of this section shall be limited to the following:

1. Any building, electrical, plumbing or mechanical code that has been adopted by any national organization or association that is organized and conducted for the purpose of developing codes or that has been adopted by the largest city in that county. If the board of supervisors adopts a city code, it shall adopt, within ninety days after receiving a written notification of a change to the city code, the same change or shall terminate the adopted city code.

2. Any fire prevention code that has been adopted by a national organization or association organized or conducted for the purpose of developing fire prevention codes and that is as stringent as the state fire code adopted pursuant to section 41-2146.

D. The board of supervisors may adopt a current wildland-urban interface code. The code may be adapted from a model code adopted by a national or international organization or association for mitigating the hazard to life and property. The board must follow written public procedures in the development and adoption of the code and any revisions to the code to provide effective, early and continuous public participation through:

1. The broad dissemination and publicity of the proposed code and any revisions to the code.

2. The opportunity for submission and consideration of written public comments.

3. Open discussions, communications programs and information services.

4. Consultation with federal agencies and state and local officials.

E. The board of supervisors shall not adopt a code or ordinance or part of a uniform code or ordinance that prohibits a person or entity from choosing to install or equip or not install or equip fire sprinklers in a single family detached residence or any residential building that contains not more than two dwelling units. The board of supervisors shall not impose any fine, penalty or other requirement on any person or entity for choosing to install or equip or not install or equip fire sprinklers in such a residence. This subsection does not apply to any code or ordinance that requires fire sprinklers in a residence and that was adopted before December 31, 2009. THE PROVISIONS OF THIS SUBSECTION SHALL BE INCLUDED ON ALL FIRE SPRINKLER PERMIT APPLICATIONS THAT ARE FOR A SINGLE FAMILY DETACHED RESIDENCE OR ANY RESIDENTIAL BUILDING THAT CONTAINS NOT MORE THAN TWO DWELLING UNITS.

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F. A FIRE SPRINKLER PERMIT APPLICATION MAY BE IN EITHER PRINT OR ELECTRONIC FORMAT.

~~F.~~ G. A board of supervisors may not adopt any, or part of any, fire code, ordinance, stipulation or other legal requirement for an approved fire apparatus access road or a fire apparatus access road extension, or both, or an approved route or a route extension, or both, that directly or indirectly requires a one or two family residence or a utility or miscellaneous accessory building or structure to install fire sprinklers. A fire code official may increase or extend an approved fire apparatus access road or a fire apparatus access road extension, or both, or an approved route or a route extension, or both, to comply with this subsection. Compliance with this subsection ~~may not be~~ IS NOT grounds to deny or suspend a license or permit. THIS SUBSECTION MAY BE ENFORCED IN A PRIVATE CIVIL ACTION AND RELIEF, INCLUDING AN INJUNCTION, MAY BE AWARDED AGAINST A COUNTY. THE COURT SHALL AWARD REASONABLE ATTORNEY FEES, DAMAGES, LOST OPPORTUNITY COSTS, INTEREST AND THE COST OF THE SPRINKLER SYSTEM TO A PARTY THAT PREVAILS IN AN ACTION AGAINST A COUNTY FOR A VIOLATION OF THIS SUBSECTION. THE LEGISLATURE FINDS AND DETERMINES THAT PROPERTY RIGHTS ARE A MATTER OF STATEWIDE CONCERN AND A FUNDAMENTAL ELEMENT OF FREEDOM. A PROPERTY OWNER'S RIGHT TO USE THE PROPERTY OWNER'S PROPERTY MUST BE PROTECTED FROM UNREASONABLE ABRIDGMENT BY COUNTY REGULATION AND ENFORCEMENT. THIS SUBSECTION SUPERSEDES AND PREEMPTS ANY REGULATION ADOPTED BY A COUNTY REGARDING AN APPROVED FIRE APPARATUS ACCESS ROAD, FIRE APPARATUS ACCESS ROAD EXTENSION, APPROVED ROUTE OR ROUTE EXTENSION. For the purposes of this subsection:

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1. "Fire code" includes the international fire code, however denominated.

2. "Utility or miscellaneous accessory building or structure" includes an agricultural building, aircraft hangar, accessory to a residence, barn, carport, fence that is more than six feet high, grain silo, greenhouse, livestock shelter, private garage, retaining wall, shed, stable, tank or tower.

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H. IF A FIRE CODE ADOPTED BY A BOARD OF SUPERVISORS REQUIRES THE USE OF A FIRE WATCH, AN EMPLOYEE WHO WORKS AT THE BUILDING IN WHICH A FIRE WATCH IS REQUIRED MAY SERVE AS THE FIRE WATCH. A PERSON WHO IS DESIGNATED AS A FIRE WATCH SHALL BE EQUIPPED WITH MEANS TO CONTACT THE LOCAL FIRE DEPARTMENT, AND THE PERSON'S ONLY DUTY WHILE KEEPING WATCH FOR FIRES SHALL BE TO PERFORM CONSTANT PATROLS OF THE PROTECTED PREMISES. THE COUNTY SHALL PROVIDE THE FIRE WATCH WITH PRINTED INSTRUCTIONS FROM THE STATE FIRE MARSHAL AND MAY PROVIDE A FREE TRAINING SESSION BEFORE THE PERSON'S DEPLOYMENT AS THE FIRE WATCH BEGINS. FOR THE PURPOSES OF THIS SUBSECTION, "FIRE WATCH" MEANS A PERSON WHO IS STATIONED IN A BUILDING OR IN A PLACE RELATIVE TO A BUILDING TO OBSERVE THE BUILDING AND ITS OPENINGS WHEN THE FIRE PROTECTION SYSTEM FOR THE BUILDING IS TEMPORARILY NONOPERATIONAL OR ABSENT.

~~G.~~ I. From and after December 31, 2014, a code or ordinance or part of a uniform code or ordinance that is adopted by the board of supervisors applies to locking devices for pool barrier gates used for means of ingress or egress for semipublic swimming pools. Any new construction or major renovation of a semipublic swimming pool from and after December 31, 2014 must meet the requirements of the code or ordinance or part of the uniform code or ordinance that is adopted by the board of supervisors. This subsection does not apply to a locking device for a pool barrier gate used for means of ingress or egress for a semipublic swimming pool that was installed before January 1, 2015, if the locking device meets the requirements prescribed in section 36-1681, subsection B, paragraph 3.

EXPLANATION OF BLEND
SECTION 13-703

Laws 2015, Chapters 51 and 74

Laws 2015, Ch. 51, section 1	Effective July 3, 2015
Laws 2015, Ch. 74, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 51 and Ch. 74 text changes to section 13-703 are blended in the form shown on the following pages.

BLEND OF SECTION 13-703
Laws 2015, Chapters 51 and 74

13-703. Repetitive offenders; sentencing

A. ~~A person shall be sentenced as a category one repetitive offender~~ If ~~the~~ A person is convicted of ~~two~~ MULTIPLE felony offenses that were not committed on the same occasion but that either are consolidated for trial purposes or are not historical prior felony convictions, ~~.~~ THE PERSON SHALL BE SENTENCED AS A FIRST TIME FELONY OFFENDER PURSUANT TO SECTION 13-702 FOR THE FIRST OFFENSE, AS A CATEGORY ONE REPETITIVE OFFENDER FOR THE SECOND OFFENSE, AND

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~~B. A person shall be sentenced~~ as a category two repetitive offender FOR THE THIRD AND SUBSEQUENT OFFENSES. ~~if the person either:~~

~~1. Is convicted of three or more felony offenses that were not committed on the same occasion but that either are consolidated for trial purposes or are not historical prior felony convictions.~~

~~2.~~ B. Except as provided in section 13-704 or 13-705, A PERSON SHALL BE SENTENCED AS A CATEGORY TWO REPETITIVE OFFENDER IF THE PERSON is at least eighteen years of age or has been tried as an adult and stands convicted of a felony and has one historical prior felony conviction.

C. Except as provided in section 13-704 or 13-705, a person shall be sentenced as a category three repetitive offender if the person is at least eighteen years of age or has been tried as an adult and stands convicted of a felony and has two or more historical prior felony convictions.

D. The presumptive term set by this section may be aggravated or mitigated within the range under this section pursuant to section 13-701, subsections C, D and E.

E. If a person is sentenced as a category one repetitive offender pursuant to subsection A of this section and if at least two aggravating circumstances listed in section 13-701, subsection D apply or at least two mitigating circumstances listed in section 13-701, subsection E apply, the court may impose a mitigated or aggravated sentence pursuant to subsection H of this section.

F. If a person is sentenced as a category two repetitive offender pursuant to subsection B of this section and if at least two aggravating circumstances listed in section 13-701, subsection D apply or at least two mitigating circumstances listed in section 13-701, subsection E apply, the court may impose a mitigated or aggravated sentence pursuant to subsection I of this section.

G. If a person is sentenced as a category three repetitive offender pursuant to subsection C of this section and at least two aggravating circumstances listed in section 13-701, subsection D or at least two mitigating circumstances listed in section 13-701, subsection E apply, the court may impose a mitigated or aggravated sentence pursuant to subsection J of this section.

H. A category one repetitive offender shall be sentenced within the following ranges:

Felony	Mitigated	Minimum	Presumptive	Maximum	Aggravated
Class 2	3 years	4 years	5 years	10 years	12.5 years
Class 3	2 years	2.5 years	3.5 years	7 years	8.75 years
Class 4	1 year	1.5 years	2.5 years	3 years	3.75 years
Class 5	.5 years	.75 years	1.5 years	2 years	2.5 years
Class 6	.25 years	.5 years	1 year	1.5 years	2 years

I. A category two repetitive offender shall be sentenced within the following ranges:

Felony	Mitigated	Minimum	Presumptive	Maximum	Aggravated
Class 2	4.5 years	6 years	9.25 years	18.5 years	23 years
Class 3	3.25 years	4.5 years	6.5 years	13 years	16.25 years
Class 4	2.25 years	3 years	4.5 years	6 years	7.5 years
Class 5	1 year	1.5 years	2.25 years	3 years	3.75 years
Class 6	.75 years	1 year	1.75 years	2.25 years	2.75 years

J. A category three repetitive offender shall be sentenced within the following ranges:

Felony	Mitigated	Minimum	Presumptive	Maximum	Aggravated
Class 2	10.5 years	14 years	15.75 years	28 years	35 years
Class 3	7.5 years	10 years	11.25 years	20 years	25 years
Class 4	6 years	8 years	10 years	12 years	15 years
Class 5	3 years	4 years	5 years	6 years	7.5 years
Class 6	2.25 years	3 years	3.75 years	4.5 years	5.75 years

K. The aggravated or mitigated term imposed pursuant to subsection H, I or J of this section may be imposed only if at least two of the aggravating circumstances are found beyond a reasonable doubt to be true by the trier of fact or are admitted by the defendant, except that an aggravating circumstance under section 13-701, subsection D, paragraph 11 shall be found to be true by the court, or in mitigation of the crime are found to be true by the court, on any evidence or information introduced or submitted to the court or the trier of fact before sentencing or any evidence presented at trial, and factual findings and reasons in support of these findings are set forth on the record at the time of sentencing.

L. Convictions for two or more offenses committed on the same occasion shall be counted as only one conviction for the purposes of subsection B, paragraph 2 and subsection C of this section.

Ch. 74 — M. ~~For the purposes of subsection B, paragraph 2 and subsection C of this section,~~ A person who has been convicted in any court outside the jurisdiction of this state of an offense that was punishable by that jurisdiction as a felony is subject to this section. A person who has been convicted as an adult of an offense punishable as a felony under the provisions of any prior code in this state or the jurisdiction in which the offense was committed is subject to this section. A person who has been convicted of a felony weapons possession violation in any court outside the jurisdiction of this state that would not be punishable as a felony under the laws of this state is not subject to this section.

N. The penalties prescribed by this section shall be substituted for the penalties otherwise authorized by law if an allegation of prior conviction is charged in the indictment or information and admitted or found

by the court. The release provisions prescribed by this section shall not be substituted for any penalties required by the substantive offense or a provision of law that specifies a later release or completion of the sentence imposed before release. The court shall allow the allegation of a prior conviction at any time before the date the case is actually tried unless the allegation is filed fewer than twenty days before the case is actually tried and the court finds on the record that the person was in fact prejudiced by the untimely filing and states the reasons for these findings. If the allegation of a prior conviction is filed, the state must make available to the person a copy of any material or information obtained concerning the prior conviction. The charge of previous conviction shall not be read to the jury. For the purposes of this subsection, "substantive offense" means the felony offense that the trier of fact found beyond a reasonable doubt the person committed. Substantive offense does not include allegations that, if proven, would enhance the sentence of imprisonment or fine to which the person otherwise would be subject.

O. A person who is sentenced pursuant to this section is not eligible for suspension of sentence, probation, pardon or release from confinement on any basis, except as specifically authorized by section 31-233, subsection A or B, until the sentence imposed by the court has been served, the person is eligible for release pursuant to section 41-1604.07 or the sentence is commuted.

P. The court shall inform all of the parties before sentencing occurs of its intent to impose an aggravated or mitigated sentence pursuant to subsection H, I or J of this section. If the court fails to inform the parties, a party waives its right to be informed unless the party timely objects at the time of sentencing.

Q. The court in imposing a sentence shall consider the evidence and opinions presented by the victim or the victim's immediate family at any aggravation or mitigation proceeding or in the presentence report.

EXPLANATION OF BLEND
SECTION 13-1204

Laws 2015, Chapters 95 and 109

Laws 2015, Ch. 95, section 1	Effective July 3, 2015
Laws 2015, Ch. 109, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 95 and Ch. 109 text changes to section 13-1204 are blended in the form shown on the following pages.

BLEND OF SECTION 13-1204
Laws 2015, Chapters 95 and 109

13-1204. Aggravated assault; classification; definitions

A. A person commits aggravated assault if the person commits assault as prescribed by section 13-1203 under any of the following circumstances:

1. If the person causes serious physical injury to another.

2. If the person uses a deadly weapon or dangerous instrument.

3. If the person commits the assault by any means of force that causes temporary but substantial disfigurement, temporary but substantial loss or impairment of any body organ or part or a fracture of any body part.

4. If the person commits the assault while the victim is bound or otherwise physically restrained or while the victim's capacity to resist is substantially impaired.

5. If the person commits the assault after entering the private home of another with the intent to commit the assault.

6. If the person is eighteen years of age or older and commits the assault on a minor under fifteen years of age.

7. If the person commits assault as prescribed by section 13-1203, subsection A, paragraph 1 or 3 and the person is in violation of an order of protection issued against the person pursuant to section 13-3602 or 13-3624.

8. If the person commits the assault knowing or having reason to know that the victim is any of the following:

(a) A peace officer, or a person summoned and directed by the officer while engaged in the execution of any official duties OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE PEACE OFFICER'S OFFICIAL DUTIES.

(b) A constable, or a person summoned and directed by the constable while engaged in the execution of any official duties OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE CONSTABLE'S OFFICIAL DUTIES.

Ch. 95 (c) A firefighter, fire investigator, fire inspector, emergency medical technician or paramedic engaged in the execution of any official duties, or a person summoned and directed by such individual while engaged in the execution of any official duties OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE OFFICIAL DUTIES OF THE FIREFIGHTER, FIRE INVESTIGATOR, FIRE INSPECTOR, EMERGENCY MEDICAL TECHNICIAN OR PARAMEDIC.

(d) A teacher or other person employed by any school and the teacher or other employee is on the grounds of a school or grounds adjacent to the school or is in any part of a building or vehicle used for school purposes, any teacher or school nurse visiting a private home in the course of the teacher's or nurse's professional duties or any teacher engaged in any authorized and organized classroom activity held on other than school grounds.

(e) A health care practitioner who is certified or licensed pursuant to title 32, chapter 13, 15, 17 or 25, or a person summoned and directed by the licensed health care practitioner while engaged in the person's professional duties. This subdivision does not apply if the person who commits the assault is seriously mentally ill, as defined in section 36-550, or is afflicted with alzheimer's disease or related dementia.

(f) A prosecutor WHILE ENGAGED IN THE EXECUTION OF ANY OFFICIAL DUTIES OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE PROSECUTOR'S OFFICIAL DUTIES.

(g) A code enforcement officer as defined in section 39-123 WHILE ENGAGED IN THE EXECUTION OF ANY OFFICIAL DUTIES OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE CODE ENFORCEMENT OFFICER'S OFFICIAL DUTIES.

(h) A state or municipal park ranger WHILE ENGAGED IN THE EXECUTION OF ANY OFFICIAL DUTIES OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE PARK RANGER'S OFFICIAL DUTIES.

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(i) A public defender WHILE ENGAGED IN THE EXECUTION OF ANY OFFICIAL DUTIES OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE PUBLIC DEFENDER'S OFFICIAL DUTIES.

(j) A JUDICIAL OFFICER WHILE ENGAGED IN THE EXECUTION OF ANY OFFICIAL DUTIES OR IF THE ASSAULT RESULTS FROM THE EXECUTION OF THE JUDICIAL OFFICER'S OFFICIAL DUTIES.

9. If the person knowingly takes or attempts to exercise control over any of the following:

(a) A peace officer's or other officer's firearm and the person knows or has reason to know that the victim is a peace officer or other officer employed by one of the agencies listed in paragraph 10, subdivision (a), item (i), (ii), (iii), (iv) or (v) of this subsection and is engaged in the execution of any official duties.

(b) Any weapon other than a firearm that is being used by a peace officer or other officer or that the officer is attempting to use, and the person knows or has reason to know that the victim is a peace officer or other officer employed by one of the agencies listed in paragraph 10, subdivision (a), item (i), (ii), (iii), (iv) or (v) of this subsection and is engaged in the execution of any official duties.

(c) Any implement that is being used by a peace officer or other officer or that the officer is attempting to use, and the person knows or has reason to know that the victim is a peace officer or other officer employed by one of the agencies listed in paragraph 10, subdivision (a), item (i), (ii), (iii), (iv) or (v) of this subsection and is engaged in the execution of any official duties. For the purposes of this subdivision, "implement" means an object that is designed for or that is capable of restraining or injuring an individual. Implement does not include handcuffs.

10. If the person meets both of the following conditions:

(a) Is imprisoned or otherwise subject to the custody of any of the following:

(i) The state department of corrections.

(ii) The department of juvenile corrections.

(iii) A law enforcement agency.

(iv) A county or city jail or an adult or juvenile detention facility of a city or county.

(v) Any other entity that is contracting with the state department of corrections, the department of juvenile corrections, a law enforcement agency, another state, any private correctional facility, a county, a city or the federal bureau of prisons or other federal agency that has responsibility for sentenced or unsentenced prisoners.

(b) Commits an assault knowing or having reason to know that the victim is acting in an official capacity as an employee of any of the entities listed in subdivision (a) of this paragraph.

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B. A person commits aggravated assault if the person commits assault by either intentionally, knowingly or recklessly causing any physical injury to another person, intentionally placing another person in reasonable apprehension of imminent physical injury or knowingly touching another person with the intent to injure the person, and both of the following occur:

1. The person intentionally or knowingly impedes the normal breathing or circulation of blood of another person by applying pressure to the throat or neck or by obstructing the nose and mouth either manually or through the use of an instrument.

2. Any of the circumstances exists that are set forth in section 13-3601, subsection A, paragraph 1, 2, 3, 4, 5 or 6.

C. A person who is convicted of intentionally or knowingly committing aggravated assault on a peace officer while the officer is engaged in the execution of any official duties pursuant to subsection A, paragraph 1 or 2 of this section shall be sentenced to imprisonment for not less than the presumptive sentence authorized under chapter 7 of this title and is not eligible for suspension of sentence, commutation or release on any basis until the sentence imposed is served.

D. Except pursuant to subsections E and F of this section, aggravated assault pursuant to subsection A, paragraph 1 or 2, ~~or~~ paragraph 9, subdivision (a) OR PARAGRAPH 11 of this section is a class 3 felony except if THE AGGRAVATED ASSAULT IS A VIOLATION OF SUBSECTION A, PARAGRAPH 1 OR 2 OR PARAGRAPH 9, SUBDIVISION (a) OF THIS SECTION AND the victim is under fifteen years of age ~~in which case~~ it is a class 2 felony punishable pursuant to section 13-705. Aggravated assault pursuant to subsection A, paragraph 3 or subsection B of this section is a class 4 felony. Aggravated assault pursuant to subsection A, paragraph 9, subdivision (b) or paragraph 10 of this section is a class 5 felony. Aggravated assault pursuant to subsection A, paragraph 4, 5, 6, 7 or 8 or paragraph 9, subdivision (c) of this section is a class 6 felony.

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E. Aggravated assault pursuant to subsection A, paragraph 1 or 2 of this section committed on a peace officer while the officer is engaged in the execution of any official duties is a class 2 felony. Aggravated assault pursuant to subsection A, paragraph 3 of this section committed on a peace officer while the officer is engaged in the execution of any official duties is a class 3 felony. Aggravated assault pursuant to subsection A, paragraph 8, subdivision (a) of this section committed on a peace officer while the officer is engaged in the execution of any

official duties is a class 5 felony unless the assault results in any physical injury to the peace officer while the officer is engaged in the execution of any official duties, in which case it is a class 4 felony.

F. Aggravated assault pursuant to:

1. Subsection A, paragraph 1 or 2 of this section is a class 2 felony if committed on a prosecutor.

2. Subsection A, paragraph 3 of this section is a class 3 felony if committed on a prosecutor.

3. Subsection A, paragraph 8, subdivision (f) of this section is a class 5 felony if the assault results in physical injury to a prosecutor.

G. For the purposes of this section: ~~,~~

Ch. 95

1. "JUDICIAL OFFICER" MEANS A JUSTICE OF THE SUPREME COURT, JUDGE, JUSTICE OF THE PEACE, MAGISTRATE OR A COMMISSIONER OR HEARING OFFICER OF A STATE, COUNTY OR MUNICIPAL COURT.

2. "Prosecutor" means a county attorney, a municipal prosecutor or the attorney general and includes an assistant or deputy county attorney, municipal prosecutor or attorney general.

EXPLANATION OF BLEND
SECTION 13-3601.01

Laws 2015, Chapters 73 and 194

Laws 2015, Ch. 73, section 2	Effective July 3, 2015
Laws 2015, Ch. 194, section 1	Effective January 1, 2016

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 73 and Ch. 194 text changes to section 13-3601.01 are blended effective from and after December 31, 2015 in the form shown on the following pages. However, both the blend version and the Ch. 73 version of section 13-3601.01 will be published since the Ch. 73 version becomes effective before the Ch. 194 version. The publisher will automatically delete the Ch. 73 version on publication of the appropriate pocket part.

BLEND OF SECTION 13-3601.01
Laws 2015, Chapters 73 and 194

13-3601.01. Domestic violence; treatment; definition

A. The judge shall order a person who is convicted of a misdemeanor domestic violence offense to complete a domestic violence offender
Ch. 194 — treatment program that is provided by a facility approved by the COURT PURSUANT TO RULES ADOPTED BY THE SUPREME COURT, THE department of health
Ch. 73 — services, THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS or a probation department. If a person has previously been ordered to complete a domestic violence offender treatment program pursuant to this section, the judge shall order the person to complete a domestic violence offender treatment program unless the judge deems that alternative sanctions are more appropriate. The department of health services shall adopt and enforce guidelines that establish standards for domestic violence offender treatment program approval.

B. On conviction of a misdemeanor domestic violence offense, if a person within a period of sixty months has previously been convicted of a violation of a domestic violence offense or is convicted of a misdemeanor domestic violence offense and has previously been convicted of an act in another state, a court of the United States or a tribal court that if committed in this state would be a domestic violence offense, the judge may order the person to be placed on supervised probation and the person may be incarcerated as a condition of probation. If the court orders supervised probation, the court may conduct an intake assessment when the person begins the term of probation and may conduct a discharge summary when the person is released from probation. If the person is incarcerated and the court receives confirmation that the person is employed or is a student, the court, on pronouncement of any jail sentence, may provide in the sentence that the person, if the person is employed or is a student and can continue the person's employment or studies, may continue the employment or studies for not more than twelve hours a day nor more than five days a week. The person shall spend the remaining day, days or parts of days in jail until the sentence is served and shall be allowed out of jail only long enough to complete the actual hours of employment or studies.

C. A person who is ordered to complete a domestic violence offender treatment program shall pay the cost of the program.

D. If a person is ordered to attend a domestic violence offender treatment program pursuant to this section, the program shall report to the court whether the person has attended the program and has successfully completed the program.

E. For the purposes of this section, prior convictions for misdemeanor domestic violence offenses apply to convictions for offenses that were committed on or after January 1, 1999.

F. For the purposes of this section, "domestic violence offense" means an offense involving domestic violence as defined in section 13-3601.

EXPLANATION OF BLEND
SECTION 15-189

Laws 2015, Chapters 15 and 141

Laws 2015, Ch. 15, section 2	Effective July 3, 2015
Laws 2015, Ch. 141, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 15 and Ch. 141 text changes to section 15-189 are blended in the form shown on the following page.

BLEND OF SECTION 15-189
Laws 2015, Chapters 15 and 141

15-189. Charter schools; vacant buildings; list; used equipment

Ch. 15

A. The ~~department of education~~ SCHOOL FACILITIES BOARD, in conjunction with the department of administration, shall annually publish a list of vacant and unused buildings and vacant and unused portions of buildings that are owned by this state or by school districts in this state and that may be suitable for the operation of a charter school. The ~~department of education~~ SCHOOL FACILITIES BOARD shall make the list available to applicants for charter schools and to existing charter schools. The list shall include the address of each building, a short description of the building, ~~and~~ the name of the owner of the building AND ANY OTHER PERTINENT INFORMATION RELATED TO THE VACANCY OF THE BUILDING. THE SCHOOL FACILITIES BOARD SHALL ANNUALLY SUBMIT THE LIST TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND PROVIDE A COPY OF THE LIST TO THE SECRETARY OF STATE.

Ch. 141

IF A SCHOOL DISTRICT DECIDES TO SELL OR LEASE A VACANT AND UNUSED BUILDING OR A VACANT AND UNUSED PORTION OF A BUILDING, THE SCHOOL DISTRICT MAY NOT PROHIBIT A CHARTER SCHOOL FROM NEGOTIATING TO BUY OR LEASE THE PROPERTY IN THE SAME MANNER AS OTHER POTENTIAL BUYERS OR LESSEES. A SCHOOL DISTRICT SHALL ATTEMPT TO OBTAIN THE HIGHEST POSSIBLE VALUE UNDER CURRENT MARKET CONDITIONS FOR THE SALE OR LEASE OF THE VACANT AND UNUSED BUILDING OR THE VACANT AND UNUSED PORTION OF A BUILDING. Nothing in this section requires the owner of a building on the list to sell or lease the building or a portion of the building to a charter school or to any other school or to any other prospective buyer or tenant.

B. A school district may sell used equipment to a charter school before the school district attempts to sell or dispose of the equipment by other means.

EXPLANATION OF BLEND
SECTION 15-393

Laws 2015, Chapters 15 and 309

Laws 2015, Ch. 15, section 3	Effective July 3, 2015
Laws 2015, Ch. 309, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 15 and Ch. 309 text changes to section 15-393 are blended in the form shown on the following pages.

BLEND OF SECTION 15-393
Laws 2015, Chapters 15 and 309

15-393. Joint technical education district governing board; report; definitions

A. The management and control of the joint district are vested in the joint technical education district governing board, including the content and quality of the courses offered by the district, the quality of teachers who provide instruction on behalf of the district, the salaries of teachers who provide instruction on behalf of the district and the reimbursement of other entities for the facilities used by the district. Unless the governing boards of the school districts participating in the formation of the joint district vote to implement an alternative election system as provided in subsection B of this section, the joint board shall consist of five members elected from five single member districts formed within the joint district. The single member district election system shall be submitted as part of the plan for the joint district pursuant to section 15-392 and shall be established in the plan as follows:

1. The governing boards of the school districts participating in the formation of the joint district shall define the boundaries of the single member districts so that the single member districts are as nearly equal in population as is practicable, except that if the joint district lies in part in each of two or more counties, at least one single member district may be entirely within each of the counties comprising the joint district if this district design is consistent with the obligation to equalize the population among single member districts.

2. The boundaries of each single member district shall follow election precinct boundary lines, as far as practicable, in order to avoid further segmentation of the precincts.

3. A person who is a registered voter of this state and who is a resident of the single member district is eligible for election to the office of joint board member from the single member district. The terms of office of the members of the joint board shall be as prescribed in section 15-427, subsection B. An employee of a joint technical education district or the spouse of an employee shall not hold membership on a governing board of a joint technical education district by which the employee is employed. A member of one school district governing board or joint technical education district governing board is ineligible to be a candidate for nomination or election to or serve simultaneously as a member of any other governing board, except that a member of a governing board may be a candidate for nomination or election for any other governing board if the member is serving in the last year of a term of office. A member of a governing board shall resign the member's seat on the governing board before becoming a candidate for nomination or election to the governing board of any other school district or joint technical education district, unless the member of the governing board is serving in the last year of a term of office.

4. Nominating petitions shall be signed by the number of qualified electors of the single member district as provided in section 16-322.

B. The governing boards of the school districts participating in the formation of the joint district may vote to implement any other alternative election system for the election of joint district board members. If an alternative election system is selected, it shall be submitted as part of the plan for the joint district pursuant to section 15-392, and the implementation of the system shall be as approved by the United States justice department.

C. The joint technical education district shall be subject to the following provisions of this title:

1. Chapter 1, articles 1 through 6.
2. Sections 15-208, 15-210, 15-213 and 15-234.
3. Articles 2, 3 and 5 of this chapter.
4. Section 15-361.
5. Chapter 4, articles 1, 2 and 5.
6. Chapter 5, articles 1, 2 and 3.
7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729 and 15-730.
8. Chapter 7, article 5.
9. Chapter 8, articles 1, 3 and 4.
10. Sections 15-828 and 15-829.
11. Chapter 9, article 1, article 6, except for section 15-995, and article 7.
12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
13. Sections 15-1101 and 15-1104.
14. Chapter 10, articles 2, 3, 4 and 8.

D. Notwithstanding subsection C of this section, the following apply to a joint technical education district:

1. A joint district may issue bonds for the purposes specified in section 15-1021 and in chapter 4, article 5 of this title to an amount in the aggregate, including the existing indebtedness, not exceeding one ~~per cent~~ PERCENT of the taxable property used for secondary tax purposes, as determined pursuant to title 42, chapter 15, article 1, within the joint technical education district as ascertained by the last property tax assessment previous to issuing the bonds.

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2. The number of governing board members for a joint district shall be as prescribed in subsection A of this section.

3. The student count for the first year of operation of a joint technical education district as provided in this article shall be determined as follows:

(a) Determine the estimated student count for joint district classes that will operate in the first year of operation. This estimate shall be based on actual registration of pupils as of March 30 scheduled to attend classes that will be operated by the joint district. The student count for the district of residence of the pupils registered at the joint district shall be adjusted. The adjustment shall cause the district of residence to reduce the student count for the pupil to reflect the courses to be taken at the joint district. The district of residence shall review and approve the adjustment of its own student count as provided in this subdivision before

the pupils from the school district can be added to the student count of the joint district.

(b) The student count for the new joint district shall be the student count as determined in subdivision (a) of this paragraph.

(c) For the first year of operation, the joint district shall revise the student count to the actual average daily membership as prescribed in section 15-901, subsection A, paragraph 1 for students attending classes in the joint district. A joint district shall revise its student count, the base support level as provided in section 15-943.02, the revenue control limit as provided in section 15-944.01 and the district additional assistance as provided in section 15-962.01 prior to May 15. A joint district that overestimated its student count shall revise its budget prior to May 15. A joint district that underestimated its student count may revise its budget prior to May 15.

(d) After March 15 of the first year of operation, the district of residence shall adjust its student count by reducing it to reflect the courses actually taken at the joint district. The district of residence shall revise its student count, the base support level as provided in section 15-943, the revenue control limit as provided in section 15-944 and the district additional assistance as provided in section 15-962.01 prior to May 15. A district that underestimated the student count for students attending the joint district shall revise its budget prior to May 15. A district that overestimated the student count for students attending the joint district may revise its budget prior to May 15.

(e) A joint district for the first year of operation shall not be eligible for adjustment pursuant to section 15-948.

(f) The procedures for implementing this paragraph shall be as prescribed in the uniform system of financial records.

(g) Pupils in an approved joint technical education district centralized program may generate an average daily membership of 1.0 during any day of the week and at any time between July 1 and June 30 of each fiscal year.

For the purposes of this paragraph, "district of residence" means the district that included the pupil in its average daily membership for the year before the first year of operation of the joint district and that would have included the pupil in its student count for the purposes of computing its base support level for the fiscal year of the first year of operation of the joint district if the pupil had not enrolled in the joint district.

4. A student includes any person enrolled in the joint district without regard to the person's age or high school graduation status, except that:

(a) A student in a kindergarten program or in grades one through nine who enrolls in courses offered by the joint technical education district shall not be included in the joint district's student count or average daily membership.

(b) A student in a kindergarten program or in grades one through nine who is enrolled in career and technical education courses shall not be funded in whole or in part with monies provided by a joint technical education district, except that a pupil in grade eight or nine may be funded with

monies generated by the five cent qualifying tax rate authorized in subsection F of this section.

(c) A student who is over twenty-one years of age shall not be included in the student count of the joint district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

5. A joint district may operate for more than one hundred eighty days per year, with expanded hours of service.

6. A joint district may use the carryforward provisions of section 15-943.01.

7. A school district that is part of a joint district shall use any monies received pursuant to this article to supplement and not supplant base year career and technical education courses, and directly related equipment and facilities, except that a school district that is part of a joint technical education district and that has used monies received pursuant to this article to supplant career and technical education courses that were offered before the first year that the school district participated in the joint district or the first year that the school district used monies received pursuant to this article or that used the monies for purposes other than for career and technical education courses shall use one hundred ~~per cent~~ PERCENT of the monies received pursuant to this article to supplement and not supplant base year career and technical education courses.

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8. A joint technical education district shall use any monies received pursuant to this article to enhance and not supplant career and technical education courses and directly related equipment and facilities.

9. A joint technical education district or a school district that is part of a joint district OR A CHARTER SCHOOL shall only include pupils in grades ten through twelve in the calculation of student count or average daily membership if the pupils are enrolled in courses that are approved jointly by the governing board of the joint technical education district and each participating school district OR CHARTER SCHOOL for satellite courses taught within the participating school district OR CHARTER SCHOOL, or approved solely by the joint technical education district for centrally located courses. Student count and average daily membership from courses that are not part of an approved program for career and technical education shall not be included in student count and average daily membership of a joint technical education district.

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E. The joint board shall appoint a superintendent as the executive officer of the joint district.

F. Taxes may be levied for the support of the joint district as prescribed in chapter 9, article 6 of this title, except that a joint technical education district shall not levy a property tax pursuant to law that exceeds five cents per one hundred dollars assessed valuation except for bond monies pursuant to subsection D, paragraph 1 of this section. Except for the taxes levied pursuant to section 15-994, such taxes shall be obtained from a levy of taxes on the taxable property used for secondary tax purposes.

G. The schools in the joint district are available to all persons who reside in the joint district and to pupils whose district of residence within this state is paying tuition on behalf of the pupils to a district of attendance that is a member of the joint technical education district, subject to the rules for admission prescribed by the joint board.

H. The joint board may collect tuition for adult students and the attendance of pupils who are residents of school districts that are not participating in the joint district pursuant to arrangements made between the governing board of the district and the joint board.

I. The joint board may accept gifts, grants, federal monies, tuition and other allocations of monies to erect, repair and equip buildings and for the cost of operation of the schools of the joint district.

J. One member of the joint board shall be selected chairman. The chairman shall be selected annually on a rotation basis from among the participating school districts. The chairman of the joint board shall be a voting member.

K. A joint board and a community college district may enter into agreements for the provision of administrative, operational and educational services and facilities.

L. Any agreement between the governing board of a joint technical education district and another joint technical education district, a school district, a charter school or a community college district shall be in the form of an intergovernmental agreement or other written contract. The auditor general shall modify the uniform system of financial records and budget forms in accordance with this subsection. The intergovernmental agreement or other written contract shall completely and accurately specify each of the following:

1. The financial provisions of the intergovernmental agreement or other written contract and the format for the billing of all services.

2. The accountability provisions of the intergovernmental agreement or other written contract.

3. The responsibilities of each joint technical education district, each school district, each charter school and each community college district that is a party to the intergovernmental agreement or other written contract.

4. The type of instruction that will be provided under the intergovernmental agreement or other written contract, including individualized education programs pursuant to section 15-763.

5. The quality of the instruction that will be provided under the intergovernmental agreement or other written contract.

6. The transportation services that will be provided under the intergovernmental agreement or other written contract and the manner in which transportation costs will be paid.

7. The amount that the joint technical education district will contribute to a course and the amount of support required by the school district or the community college.

8. That the services provided by the joint technical education district, the school district, the charter school or the community college district be proportionally calculated in the cost of delivering the service.

9. That the payment for services shall not exceed the cost of the services provided.

M. On or before December 31 of each year, each joint technical education district shall submit a detailed report to the career and technical education division of the department of education. The career and technical education division of the department of education shall collect, summarize and analyze the data submitted by the joint districts, shall submit an annual

report that summarizes the data submitted by the joint districts to the governor, the speaker of the house of representatives, the president of the senate and the state board of education and shall submit a copy of this report to the secretary of state. The data submitted by each joint technical education district shall include the following:

1. The average daily membership of the joint district.

2. The program listings and program descriptions of programs offered by the joint district, including the course sequences for each program.

3. The costs associated with each program offered by the joint district.

4. The completion rate for each program offered by the joint district. For the purposes of this paragraph, "completion rate" means the completion rate for students who are designated as concentrators in that program by the department of education under the career and technology approved plan.

5. The graduation rate from the school district of residence of students who have completed a program in the joint district.

6. A detailed description of the career opportunities available to students after completion of the program offered by the joint district.

7. A detailed description of the career placement of students who have completed the program offered by the joint district.

8. Any other data deemed necessary by the department of education to carry out its duties under this subsection.

N. If the career and technical education division of the department of education determines that a course does not meet the criteria for approval as a joint technical education course, the governing board of the joint technical education district may appeal this decision to the state board of education acting as the state board of vocational education.

O. Notwithstanding any other law, the average daily membership for a pupil who is enrolled in a joint technical education course defined in section 15-391 and who does not meet the criteria specified in subsection Q or R of this section shall be 0.25 for each course, except the sum of the average daily membership shall not exceed the limits prescribed by subsection D, Q or R of this section, as applicable.

P. If a career and technical education course or program is provided on a satellite campus, the sum of the average daily membership, as provided in section 15-901, subsection A, paragraph 1, for that pupil in ~~both~~ the school district OR CHARTER SCHOOL and joint technical education district shall not exceed 1.25. The school district OR CHARTER SCHOOL and the joint district shall determine the apportionment of the average daily membership for that pupil between the school district OR CHARTER SCHOOL and the joint district. A pupil who attends a course or program at a satellite campus and who is not enrolled in the school district OR CHARTER SCHOOL where the satellite campus is located may generate the average daily membership pursuant to this subsection if the pupil is enrolled in a school district that is a member district in the same joint technical education district.

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Q. The sum of the average daily membership of a pupil who is enrolled in both the school district and joint technical education district course or program provided at a community college pursuant to subsection K of this section or at a centralized campus shall not exceed 1.75. The member school district and the joint district shall determine the apportionment of the

average daily membership and student enrollment for that pupil between the member school district and the joint district, except that the amount apportioned shall not exceed 1.0 for either entity. Notwithstanding any other law, the average daily membership for a pupil in grade ten, eleven or twelve who is enrolled in a course that meets for at least one hundred fifty minutes per class period at a centralized campus shall be 0.75. To qualify for funding pursuant to this subsection, a centralized campus shall offer programs and courses to all eligible students in each member district of the joint technical education district.

R. The average daily membership for a pupil in grade ten, eleven or twelve who is enrolled in a course that meets for at least one hundred fifty minutes per class period at a leased centralized campus shall not exceed 0.75. The sum of the average daily membership, as provided in section 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the school district and in joint technical education district courses provided at a leased centralized campus shall not exceed 1.75 if all of the following conditions are met:

1. The course qualifies as a joint technical education course as defined in section 15-391.

2. The course is offered to all eligible students in each member district of the joint technical education district and enrolls students from multiple high schools.

3. The joint technical education district program in which the course is included addresses a specific industry need and has been developed in cooperation with that industry, or the leased facility is a state or federal asset that would otherwise be unused or underutilized.

4. The lease is established at fair market value if the lease is executed for a facility located on the site of a member district and was approved by the joint committee on capital review, except that a lease that was executed or renewed before December 31, 2012 is not subject to approval by the joint committee on capital review. The requirement prescribed in this paragraph does not apply from and after December 31, 2016.

S. A student who is enrolled in an accommodation school as defined in section 15-101 may be treated as a student of the school district in which the student physically resides for the purposes of enrollment in a joint technical education district and shall be included in the calculation of average daily membership for either the joint technical education district or the accommodation school, or both.

Chs. 15 and 309 — T. Notwithstanding any other law, ~~beginning in fiscal year 2011-2012,~~ the student count for a joint technical education district shall be equivalent to the joint technical education district's average daily membership.

Ch. 15 — U. BEGINNING IN FISCAL YEAR 2016-2017, BASE SUPPORT LEVEL FUNDING THAT A SCHOOL DISTRICT OR CHARTER SCHOOL RECEIVES FOR A PUPIL WHO IS ENROLLED IN BOTH A SCHOOL DISTRICT OR CHARTER SCHOOL AND A JOINT TECHNICAL EDUCATION DISTRICT SATELLITE CAMPUS PROGRAM SHALL BE FUNDED AT NINETY-TWO AND ONE-HALF PERCENT OF THE BASE SUPPORT LEVEL FUNDING THAT THE SCHOOL DISTRICT OR CHARTER SCHOOL WOULD OTHERWISE RECEIVE FOR THAT PUPIL.

V. BEGINNING IN FISCAL YEAR 2016-2017, BASE SUPPORT LEVEL FUNDING THAT A JOINT TECHNICAL EDUCATION DISTRICT RECEIVES FOR A PUPIL WHO IS ENROLLED IN BOTH A SCHOOL DISTRICT OR CHARTER SCHOOL AND A JOINT TECHNICAL EDUCATION DISTRICT SHALL BE FUNDED AT NINETY-TWO AND ONE-HALF PERCENT OF THE BASE SUPPORT LEVEL FUNDING THAT THE JOINT TECHNICAL EDUCATION DISTRICT WOULD OTHERWISE RECEIVE FOR THAT PUPIL.

W. A SCHOOL DISTRICT MAY NOT PROHIBIT OR DISCOURAGE STUDENTS WHO ARE ENROLLED IN THAT SCHOOL DISTRICT FROM ATTENDING COURSES OFFERED BY A JOINT TECHNICAL EDUCATION DISTRICT.

X. NOTWITHSTANDING SUBSECTION D, PARAGRAPH 7 OF THIS SECTION, A SCHOOL DISTRICT OR CHARTER SCHOOL THAT EXPERIENCES A REDUCTION IN ITS BASE SUPPORT LEVEL FUNDING PURSUANT TO SUBSECTION U OF THIS SECTION MAY USE A PORTION OF JOINT TECHNICAL EDUCATION DISTRICT MONIES THAT IT RECEIVES PURSUANT TO THIS SECTION IN ORDER TO OFFSET THE LOSS OF REGULAR EDUCATION FUNDING THAT IT EXPERIENCES PURSUANT TO SUBSECTION U OF THIS SECTION. THE AMOUNT OF JOINT TECHNICAL EDUCATION MONIES THAT THE SCHOOL DISTRICT OR CHARTER SCHOOL MAY USE TO OFFSET THE LOSS OF FUNDING THAT IT EXPERIENCES PURSUANT TO SUBSECTION U OF THIS SECTION MAY NOT EXCEED THE REDUCTION IN BASE SUPPORT LEVEL FUNDING THAT IT EXPERIENCES PURSUANT TO SUBSECTION U OF THIS SECTION.

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Y. THE GOVERNING BOARD OF THE JOINT TECHNICAL EDUCATION DISTRICT MAY CONTRACT WITH ANY CHARTER SCHOOL THAT IS LOCATED WITHIN THE BOUNDARIES OF THE JOINT TECHNICAL EDUCATION DISTRICT TO ALLOW THAT CHARTER SCHOOL TO OFFER CAREER AND TECHNICAL EDUCATION COURSES OR PROGRAMS AS A SATELLITE CAMPUS.

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~~U.~~ Z. For the purposes of this section:

1. "Base year" means the complete school year in which voters of a school district elected to join a joint technical education district.

2. "Centralized campus" means a facility that is owned and operated by a joint technical education district for the purpose of offering joint technical education programs or joint technical education courses as defined in section 15-391.

3. "Lease" means a written agreement in which the right of occupancy or use of real property is conveyed from one person or entity to another person or entity for a specified period of time.

4. "Leased centralized campus" means a facility that is leased and operated by a joint technical education district for the purpose of offering joint technical education programs or joint technical education courses as defined in section 15-391.

5. "Satellite campus" means a facility that is owned or operated by a

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school district OR CHARTER SCHOOL for the purpose of offering joint technical education programs or joint technical education courses as defined in section 15-391.

EXPLANATION OF BLEND
SECTION 15-701.01

Laws 2015, Chapters 1, 127 and 145

Laws 2015, Ch. 1, section 1	Effective July 3, 2015
Laws 2015, Ch. 127, section 1	Effective July 3, 2015
Laws 2015, Ch. 145, section 1 (as amended by Laws 2015, Ch. 1, section 1)	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 1, Ch. 127 and Ch. 145 text changes to section 15-701.01 are blended in the form shown on the following pages.

BLEND OF SECTION 15-701.01
Laws 2015, Chapters 1, 127 and 145

15-701.01. High school; graduation; requirements; community college or university courses; transfer from private schools; academic credit

A. The state board of education shall:

1. Prescribe a minimum course of study, as defined in section 15-101 and incorporating the academic standards adopted by the state board of education, for the graduation of pupils from high school.

2. Prescribe competency requirements for the graduation of pupils from high school incorporating the academic standards in at least the areas of reading, writing, mathematics, science and social studies. The academic standards prescribed by the state board of education in social studies shall include personal finance. This paragraph does not allow the state board of education to establish a required separate personal finance course for the purpose of the graduation of pupils from high school. BEGINNING IN THE 2016-2017 SCHOOL YEAR, THE COMPETENCY REQUIREMENTS FOR SOCIAL STUDIES SHALL INCLUDE A REQUIREMENT THAT, IN ORDER TO GRADUATE FROM HIGH SCHOOL OR OBTAIN A HIGH SCHOOL EQUIVALENCY DIPLOMA, A PUPIL MUST CORRECTLY ANSWER AT LEAST SIXTY OF THE ONE HUNDRED QUESTIONS LISTED ON A TEST THAT IS IDENTICAL TO THE CIVICS PORTION OF THE NATURALIZATION TEST USED BY THE UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES. A DISTRICT SCHOOL OR CHARTER SCHOOL SHALL DOCUMENT ON THE PUPIL'S TRANSCRIPT THAT THE PUPIL HAS PASSED A TEST THAT IS IDENTICAL TO THE CIVICS PORTION OF THE NATURALIZATION TEST USED BY THE UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES AS REQUIRED BY THIS SECTION.

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3. Develop and adopt competency tests pursuant to section 15-741. English language learners who are subject to article 3.1 of this chapter are subject to the assessments prescribed in section 15-741.

B. The governing board of a school district shall:

1. Prescribe curricula that include the academic standards in the required subject areas pursuant to subsection A, paragraph 1 of this section.

2. Prescribe criteria for the graduation of pupils from the high schools in the school district. These criteria shall include accomplishment of the academic standards in at least reading, writing, mathematics, science and social studies, as determined by district assessment. Other criteria may include additional measures of academic achievement and attendance. Pursuant to the prescribed graduation requirements adopted by the state board of education, the governing board may approve a rigorous computer science course that would fulfill a mathematics course required for graduation from high school. The governing board may approve a rigorous computer science course only if the rigorous computer science course includes significant mathematics content and the governing board determines the high school where the rigorous computer science course is offered has sufficient capacity, infrastructure

and qualified staff, including competent teachers of computer science. THE SCHOOL DISTRICT GOVERNING BOARD OR CHARTER SCHOOL GOVERNING BODY MAY DETERMINE THE METHOD AND MANNER IN WHICH TO ADMINISTER A TEST THAT IS IDENTICAL TO THE CIVICS PORTION OF THE NATURALIZATION TEST USED BY THE UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES. A PUPIL WHO DOES NOT OBTAIN A PASSING SCORE ON THE TEST THAT IS IDENTICAL TO THE CIVICS PORTION OF THE NATURALIZATION TEST MAY RETAKE THE TEST UNTIL THE PUPIL OBTAINS A PASSING SCORE.

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C. The governing board may prescribe the course of study and competency requirements for the graduation of pupils from high school that are in addition to or higher than the course of study and competency requirements that the state board prescribes.

D. The governing board may prescribe competency requirements for the passage of pupils in courses that are required for graduation from high school.

E. A teacher shall determine whether to pass or fail a pupil in a course in high school as provided in section 15-521, paragraph 4 on the basis of the competency requirements, if any have been prescribed. The governing board, if it reviews the decision of a teacher to pass or fail a pupil in a course in high school as provided in section 15-342, paragraph 11, shall base its decision on the competency requirements, if any have been prescribed.

F. Graduation requirements established by the governing board may be met by a pupil who passes courses in the required or elective subjects at a community college or university, if the course is at a higher level than the course taught in the high school attended by the pupil or, if the course is not taught in the high school, the level of the course is equal to or higher than the level of a high school course. The governing board shall determine if the subject matter of the community college or university course is appropriate to the specific requirement the pupil intends it to fulfill and if the level of the community college or university course is less than, equal to or higher than a high school course, and the governing board shall award one-half of a carnegie unit for each three semester hours of credit the pupil earns in an appropriate community college or university course. If a pupil is not satisfied with the decision of the governing board regarding the amount of credit granted or the subjects for which credit is granted, the pupil may request that the state board of education review the decision of the governing board, and the state board shall make the final determination of the amount of credit to be given the pupil and for which subjects. The governing board shall not limit the number of credits that is required for high school graduation and that may be met by taking community college or university courses. For the purposes of this subsection:

1. "Community college" means an educational institution that is operated by a community college district as defined in section 15-1401 or a postsecondary educational institution under the jurisdiction of an Indian tribe recognized by the United States department of the interior.

2. "University" means a university under the jurisdiction of the Arizona board of regents.

G. A pupil who transfers from a private school shall be provided with a list that indicates those credits that have been accepted and denied by the school district. A pupil may request to take an examination in each

particular course in which credit has been denied. The school district shall accept the credit for each particular course in which the pupil takes an examination and receives a passing score on a test designed and evaluated by a teacher in the school district who teaches the subject matter on which the examination is based. In addition to the above requirements, the governing board of a school district may prescribe requirements for the acceptance of the credits of pupils who transfer from a private school.

H. If a pupil who was previously enrolled in a charter school or school district enrolls in a school district in this state, the school district shall accept credits earned by the pupil in courses or instructional programs at the charter school or school district. The governing board of a school district may adopt a policy concerning the application of transfer credits for the purpose of determining whether a credit earned by a pupil who was previously enrolled in a school district or charter school will be assigned as an elective or core credit.

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I. A pupil who transfers CREDIT from a charter school ~~or~~, school district OR ARIZONA ONLINE INSTRUCTION shall be provided with a list that indicates which credits have been accepted as an elective credit and which credits have been accepted as a core credit by the school district OR CHARTER SCHOOL. Within ten school days after receiving the list, a pupil may request to take an examination in each particular course in which core credit has been denied. The school district OR CHARTER SCHOOL shall accept the credit as a core credit for each particular course in which the pupil takes an examination and receives a passing score on a test, ALIGNED TO THE COMPETENCY REQUIREMENTS ADOPTED PURSUANT TO THIS SECTION, designed and evaluated by a teacher in the school district OR CHARTER SCHOOL who teaches the subject matter on which the examination is based. IF A PUPIL IS ENROLLED IN A SCHOOL DISTRICT OR CHARTER SCHOOL AND THAT PUPIL ALSO PARTICIPATES IN ARIZONA ONLINE INSTRUCTION BETWEEN MAY 1 AND JULY 31, THE SCHOOL DISTRICT OR CHARTER SCHOOL SHALL NOT REQUIRE PROOF OF PAYMENT AS A CONDITION OF THE SCHOOL DISTRICT OR CHARTER SCHOOL ACCEPTING CREDITS EARNED FROM THE ONLINE COURSE PROVIDER.

J. The state board of education shall adopt rules to allow high school pupils who can demonstrate competency in a particular academic course or subject to obtain academic credit for the course or subject without enrolling in the course or subject.

K. Pupils who earn a Grand Canyon diploma pursuant to article 6 of this chapter are exempt from the graduation requirements prescribed in this section. Pupils who earn a Grand Canyon diploma are entitled to all the rights and privileges of persons who graduate with a high school diploma issued pursuant to this section, including access to postsecondary scholarships and other forms of student financial aid and access to all forms of postsecondary education. Notwithstanding any other law, a pupil who is eligible for a Grand Canyon diploma may elect to remain in high school through grade twelve and shall not be prevented from enrolling at a high school after the pupil becomes eligible for a Grand Canyon diploma. A pupil who is eligible for a Grand Canyon diploma and who elects not to pursue one of the options prescribed in section 15-792.03 may only be readmitted to that high school or another high school in this state pursuant to policies adopted by the school district of readmission.

EXPLANATION OF BLEND
SECTION 15-808

Laws 2015, Chapters 145 and 147

Laws 2015, Ch. 145, section 2	Effective July 3, 2015
Laws 2015, Ch. 147, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 145 and Ch. 147 text changes to section 15-808 are blended in the form shown on the following pages.

BLEND OF SECTION 15-808
Laws 2015, Chapters 145 and 147

15-808. Arizona online instruction; reports; definitions

A. Arizona online instruction shall be instituted to meet the needs of pupils in the information age. The state board of education shall select ~~traditional~~ DISTRICT public schools and ~~the state board for charter schools~~ STATE-APPROVED CHARTER AUTHORIZERS shall sponsor charter schools to be online course providers or online schools. The state board of education and ~~the state board for charter schools~~ STATE-APPROVED CHARTER AUTHORIZERS shall ~~jointly~~ develop standards for the approval of online course providers and online schools based on the following criteria:

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1. The depth and breadth of curriculum choices.

2. The variety of educational methodologies employed by the school and the means of addressing the unique needs and learning styles of targeted pupil populations, including computer[-]assisted learning systems, virtual classrooms, virtual laboratories, electronic field trips, electronic mail, virtual tutoring, online help desk, group chat sessions and noncomputer[-]based activities performed under the direction of a certificated teacher.

3. The availability of an intranet or private network to safeguard pupils against predatory and pornographic elements of the internet.

4. The availability of filtered research access to the internet.

5. The availability of private individual electronic mail between pupils, teachers, administrators and parents in order to protect the confidentiality of pupil records and information.

6. The availability of faculty members who are experienced with computer networks, the internet and computer animation.

7. The extent to which the school intends to develop partnerships with universities, community colleges and private businesses.

8. The services offered to populations with developmental disabilities.

9. The grade levels that will be served.

B. Each new school that provides online instruction shall provide online instruction on a probationary status. After a new school that provides online instruction has clearly demonstrated the academic integrity of its instruction through the actual improvement of the academic performance of its students, the school may apply to be removed from probationary status. The state board of education or the ~~state board for charter schools~~ STATE-APPROVED CHARTER AUTHORIZER THAT SPONSORED THE CHARTER SCHOOL shall remove from Arizona online instruction any probationary school that fails to clearly demonstrate improvement in academic performance within three years

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measured against goals in the approved application and the state's accountability system. ~~The state board of education and the state board for charter schools shall review the effectiveness of each participating school and other information that is contained in the annual report prescribed in subsection D of this section.~~ All pupils who participate in Arizona online

instruction shall reside in this state. Pupils who participate in Arizona online instruction are subject to the testing requirements prescribed in chapter 7, article 3 of this title. On enrollment, the school shall notify the parents or guardians of the pupil of the state testing requirements. If a pupil fails to comply with the testing requirements and the school administers the tests pursuant to this subsection to less than ninety-five ~~per cent~~ PERCENT of the pupils in Arizona online instruction, the pupil shall not be allowed to participate in Arizona online instruction.

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C. The state board of education and ~~the state board for charter schools~~ STATE-APPROVED CHARTER AUTHORIZERS shall develop annual reporting mechanisms for schools that participate in Arizona online instruction.

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D. The department of education shall compile the information submitted in the annual reports by schools participating in Arizona online instruction. The department of education shall submit the compiled report to the governor, the speaker of the house of representatives and the president of the senate by November 15 of each year.

E. Each school selected for Arizona online instruction shall ensure that a daily log is maintained for each pupil who participates in Arizona online instruction. The daily log shall describe the amount of time spent by each pupil participating in Arizona online instruction pursuant to this section on academic tasks. The daily log shall be used by the school district or charter school to qualify the pupils who participate in Arizona online instruction in the school's average daily attendance calculations pursuant to subsection F of this section.

F. If a pupil is enrolled in a school district or charter school and also participates in Arizona online instruction, the sum of the average daily membership, which includes enrollment as prescribed in section 15-901, subsection A, paragraph 1, subdivisions (a) and (b) and daily attendance as prescribed in section 15-901, subsection A, paragraph 5, for that pupil in the school district or charter school and in Arizona online instruction shall not exceed 1.0. If the pupil is enrolled in a school district or a charter school and also participates in Arizona online instruction and the sum of the daily membership or daily attendance for that pupil is greater than 1.0, the sum shall be reduced to 1.0 and shall be apportioned between the school district, unless the school district is a joint technical education district subject to the apportionment requirements of section 15-393, or charter school and Arizona online instruction based on the percentage of total time that the pupil is enrolled or in attendance in the school district or charter school and Arizona online instruction. The uniform system of financial records shall include guidelines for the apportionment of the pupil enrollment and attendance as provided in this subsection. Pupils in Arizona online instruction do not incur absences for purposes of this subsection and may generate an average daily attendance of 1.0 for attendance hours during any hour of the day, during any day of the week and at any time between July 1 and June 30 of each fiscal year. For kindergarten programs and grades one through eight, average daily membership shall be calculated by dividing the instructional hours as reported in the daily log required in subsection E of this section by the applicable hourly requirements prescribed in section 15-901. For grades nine through twelve, average daily membership shall be calculated by dividing the instructional hours as reported in the daily log

required in subsection E of this section by nine hundred. The average daily membership of a pupil who participates in online instruction shall not exceed 1.0. Average daily membership shall not be calculated on the one hundredth day of instruction for the purposes of this section. Funding shall be determined as follows:

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1. A pupil who is enrolled full-time in Arizona online instruction shall be funded for online instruction at ninety-five ~~per cent~~ PERCENT of the base support level that would be calculated for that pupil if that pupil were enrolled as a full-time student in a school district or charter school that does not participate in Arizona online instruction. Charter additional assistance and district additional assistance shall be calculated in the same manner they would be calculated if the student were enrolled in a district or charter school that does not participate in Arizona online instruction.

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2. A pupil who is enrolled part-time in Arizona online instruction shall be funded for online instruction at eighty-five ~~per cent~~ PERCENT of the base support level that would be calculated for that pupil if that pupil were enrolled as a part-time student in a school district or charter school that does not participate in Arizona online instruction. Charter additional assistance and district additional assistance shall be calculated in the same manner they would be calculated if the student were enrolled in a district or charter school that does not participate in Arizona online instruction.

G. If the academic achievement of a pupil declines while the pupil is participating in Arizona online instruction, the pupil's parents, the pupil's teachers and the principal or head teacher of the school shall confer to evaluate whether the pupil should be allowed to continue to participate in Arizona online instruction.

H. To ensure the academic integrity of pupils who participate in online instruction, Arizona online instruction shall include multiple diverse assessment measures and the proctored administration of required state standardized tests.

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I. A SCHOOL DISTRICT OR CHARTER SCHOOL MAY NOT CHARGE A FEE TO A PUPIL WHO TAKES AN EXAMINATION IN A PARTICULAR COURSE TO OBTAIN ACADEMIC CREDIT, PURSUANT TO SECTION 15-701.01, SUBSECTION I, FROM THE SCHOOL DISTRICT OR CHARTER SCHOOL IF THE ACADEMIC CREDIT FOR A COURSE WAS PREVIOUSLY EARNED IN AN ARIZONA ONLINE INSTRUCTION COURSE OR AT ANY PUBLIC SCHOOL IN THIS STATE. ANY TEST ADMINISTERED PURSUANT TO THIS SUBSECTION SHALL BE AN ASSESSMENT THAT IS ALIGNED TO THE COURSE RELEVANT STATE ACADEMIC STANDARDS.

~~I.~~ J. For the purposes of this section:

1. "Full-time student" means:

(a) A student who is at least five years of age before September 1 of a school year and who is enrolled in a school kindergarten program that meets at least three hundred forty-six hours during the school year.

(b) A student who is at least six years of age before September 1 of a school year, who has not graduated from the highest grade taught in the school and who is regularly enrolled in a course of study required by the state board of education. For first, second and third grade students, the instructional program shall meet at least seven hundred twelve hours. For fourth, fifth and sixth grade students, the instructional program shall meet at least eight hundred ninety hours during the school year.

(c) Seventh and eighth grade students or ungraded students who are at least twelve, but under fourteen, years of age on or before September 1 and who are enrolled in an instructional program of courses that meets at least one thousand sixty-eight hours during the school year.

(d) For high schools, a student not graduated from the highest grade taught in the school district, or an ungraded student at least fourteen years of age on or before September 1, and who is enrolled in at least four courses throughout the year that meet at least nine hundred hours during the school year. A full-time student shall not be counted more than once for computation of average daily membership.

2. "Online course provider" means a school other than an online school that is selected by the state board of education or ~~the state board for charter schools~~ A STATE-APPROVED CHARTER AUTHORIZER to participate in Arizona online instruction pursuant to this section and that provides at least one online academic course that is approved by the state board of education.

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3. "Online school" means a school that provides at least four online academic courses or one or more online courses for the equivalent of at least five hours each day for one hundred eighty school days and that is a charter school that is sponsored by ~~the state board for charter schools~~ A STATE-APPROVED CHARTER AUTHORIZER or a ~~traditional~~ DISTRICT public school that is selected by the state board of education to participate in Arizona online instruction.

4. "Part-time student" means:

(a) Any student who is enrolled in a program that does not meet the definition in paragraph 1 of this subsection shall be funded at eighty-five ~~per cent~~ PERCENT of the base support level that would be calculated for that pupil if that pupil were enrolled as a part-time student in a school district or charter school that does not participate in Arizona online instruction.

(b) A part-time student of seventy-five ~~per cent~~ PERCENT average daily membership shall be enrolled in at least three subjects throughout the year that offer for first, second and third grade students at least five hundred thirty-four instructional hours in a school year and for fourth, fifth and sixth grade students at least six hundred sixty-eight instructional hours in a school year. A part-time student of fifty ~~per cent~~ PERCENT average daily membership shall be enrolled in at least two subjects throughout the year that offer for first, second and third grade students at least three hundred fifty-six instructional hours in a school year and for fourth, fifth and sixth grade students at least four hundred forty-five instructional hours in a school year. A part-time student of twenty-five ~~per cent~~ PERCENT average daily membership shall be enrolled in at least one subject throughout the year that offers for first, second and third grade students at least one hundred seventy-eight instructional hours in a school year and for fourth, fifth and sixth grade students at least two hundred twenty-three instructional hours in a school year.

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(c) For seventh and eighth grade students, a part-time student of seventy-five ~~per cent~~ PERCENT average daily membership shall be enrolled in at least three subjects throughout the year that offer at least eight hundred one instructional hours in a school year. A part-time student of fifty ~~per cent~~ PERCENT average daily membership shall be enrolled in at least two subjects throughout the year that offer at least five hundred thirty-four instructional hours in a school year. A part-time student of twenty-five ~~per cent~~ PERCENT average daily membership shall be enrolled in at least one subject throughout the year that offers at least two hundred sixty-seven instructional hours in a school year.

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(d) For high school students, a part-time student of seventy-five ~~per cent~~ PERCENT average daily membership shall be enrolled in at least three subjects throughout the year that offer at least six hundred seventy-five instructional hours in a school year. A part-time student of fifty ~~per cent~~ PERCENT average daily membership shall be enrolled in at least two subjects throughout the year that offer at least four hundred fifty instructional hours in a school year. A part-time student of twenty-five ~~per cent~~ PERCENT average daily membership shall be enrolled in at least one subject throughout the year that offers at least two hundred twenty-five instructional hours in a school year.

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5. "STATE-APPROVED CHARTER AUTHORIZER" MEANS ANY CHARTER SCHOOL SPONSOR AUTHORIZED PURSUANT TO SECTION 15-183.

EXPLANATION OF BLEND
SECTION 15-1473

Laws 2015, Chapters 268 and 323

Laws 2015, Ch. 268, section 3	Effective July 3, 2015
Laws 2015, Ch. 323, section 3	Effective July 3, 2015

Explanation

Since these two enactments are identical, the Laws 2015, Ch. 268 and Ch. 323 text changes to section 15-1473 are blended in the form shown on the following page.

BLEND OF SECTION 15-1473
Laws 2015, Chapters 268 and 323

15-1473. Uniform system of accounting for community college districts; duties of auditor general; posting; budget

A. The auditor general shall determine the accounting systems, accounting methods and accounting procedures for use by the community college districts.

B. The auditor general, in conjunction with the community college districts, shall prescribe a uniform system of accounting as provided in section 41-1279.21 for use by all community college districts.

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C. THE FINANCIAL STATEMENTS REQUIRED TO BE FILED WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07 MUST BE POSTED IN A PROMINENT LOCATION ON THE OFFICIAL WEBSITE OF THE COMMUNITY COLLEGE DISTRICT NO LATER THAN SEVEN BUSINESS DAYS AFTER THE DATE OF FILING THE FINANCIAL STATEMENTS WITH THE AUDITOR GENERAL. THE FINANCIAL STATEMENTS MUST BE RETAINED AND ACCESSIBLE IN A PROMINENT LOCATION ON THE OFFICIAL WEBSITE FOR AT LEAST SIXTY MONTHS. IF THE FINANCIAL STATEMENTS ARE NOT FILED PURSUANT TO SECTION 41-1279.07, THE FORM AS PRESCRIBED BY SUBSECTION D OF THIS SECTION SHALL BE POSTED ON THE WEBSITE OF THE COMMUNITY COLLEGE DISTRICT IN PLACE OF THE FINANCIAL STATEMENTS UNTIL THE FINANCIAL STATEMENTS ARE FILED.

D. IF THE FINANCIAL STATEMENTS FOR A COMMUNITY COLLEGE DISTRICT ARE NOT COMPLETED AND FILED AS PRESCRIBED BY SECTION 41-1279.07 ON OR BEFORE THE ADOPTION OF THE COMMUNITY COLLEGE DISTRICT BUDGET IN THE SUBSEQUENT FISCAL YEAR, THE BOARD OF DIRECTORS MUST INCLUDE A FORM, PRESCRIBED BY THE AUDITOR GENERAL, IN THE PUBLISHED BUDGET IN THE SUBSEQUENT FISCAL YEAR PURSUANT TO SECTION 15-1461 STATING THAT THE FINANCIAL STATEMENTS REQUIRED TO BE FILED WITH THE AUDITOR GENERAL PURSUANT TO SECTION 41-1279.07 ARE PENDING, THE REASONS FOR THE DELAY AND THE ESTIMATED DATE OF COMPLETION.

E. IF THE COMMUNITY COLLEGE DISTRICT BOARD OF DIRECTORS IS REQUIRED TO COMPLETE THE FORM AS PRESCRIBED BY SUBSECTION D OF THIS SECTION, THE BOARD OF DIRECTORS SHALL SEND A COPY OF THE FORM TO THE AUDITOR GENERAL, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE.

EXPLANATION OF BLEND
SECTION 15-1809

Laws 2015, Chapters 69 and 257

Laws 2015, Ch. 69, section 1	Effective July 3, 2015
Laws 2015, Ch. 257, section 19	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 69 and Ch. 257 text changes to section 15-1809 are blended in the form shown on the following pages.

BLEND OF SECTION 15-1809
Laws 2015, Chapters 69 and 257

15-1809. Tuition waiver for persons formerly in foster care; pilot program; report; definition

A. The Arizona board of regents shall develop a five-year pilot program to provide a tuition waiver scholarship at any university under the jurisdiction of the Arizona board of regents and each community college district shall develop a five-year pilot program to provide a tuition waiver scholarship at any community college in that community college district to any person who meets each of the following conditions:

1. Resides in this state.

2. Either:

(a) Is currently in foster care and is at least sixteen years of age.

(b) Was in foster care when the person was at least sixteen years of age.

(c) Was adopted from foster care and the adoption was finalized after the person was sixteen years of age.

3. Is a United States citizen or is a noncitizen who is lawfully present in this country.

4. Has total personal assets, not including scholarships or grants received by the person, that are worth less than ten thousand dollars.

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5. Is under ~~twenty-one~~ TWENTY-THREE years of age ~~when the first tuition waiver scholarship is awarded to that person pursuant to this section. If the person has been previously awarded a tuition waiver scholarship pursuant to this section and the person is making satisfactory progress toward a baccalaureate degree, an associate's degree or a certificate at the time the person reaches twenty-one years of age, the person may continue to be awarded a tuition waiver scholarship until the person reaches twenty-three years of age~~.

6. Is accepted into or enrolled in a degree, certificate or other accredited program at a university under the jurisdiction of the Arizona board of regents or a community college under the jurisdiction of a community college district. The person must demonstrate continuous progress toward a degree or certificate in order to remain eligible for a tuition waiver scholarship issued.

7. Has completed and submitted to the United States department of education a free application for federal student aid before each year in which the person receives a tuition waiver scholarship pursuant to this section.

8. After the first academic year in which the person receives a tuition waiver scholarship pursuant to this section, annually completes at least thirty hours of volunteer service during the previous academic year.

9. Remains in good standing with the policies established by the university or community college at which the person is enrolled.

B. A tuition waiver scholarship provided pursuant to this section shall be reduced by the amount of any other federal aid scholarships or public grants and any other public aid received by that person from or through the university or community college at which the person is enrolled, except that a tuition waiver scholarship shall not be reduced by the amount of federal grants received by the person from the department of economic security CHILD SAFETY under the Arizona education and training voucher program.

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C. The auditor general shall review the pilot programs and on or before June 30, 2017 shall submit a report to the governor, the president of the senate and the speaker of the house of representatives that evaluates the effectiveness of the pilot programs. The auditor general shall provide a copy of this report to the secretary of state.

D. If the pilot program is terminated before a tuition waiver scholarship recipient obtains an associate's degree, a baccalaureate degree or a certificate and before the recipient reaches twenty-three years of age, that person shall continue to be awarded a tuition waiver scholarship until the person reaches twenty-three years of age or obtains a baccalaureate degree, an associate's degree or a certificate, whichever occurs first, if the person continues to meet the scholarship criteria prescribed by this section.

E. For the purposes of this section, "tuition" means tuition and mandatory fees charged by the university or community college.

EXPLANATION OF BLEND
SECTION 15-2011

Laws 2015, Chapters 35 and 152

Laws 2015, Ch. 35, section 1	Effective July 3, 2015
Laws 2015, Ch. 152, section 3	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 35 and Ch. 152 text changes to section 15-2011 are blended in the form shown on the following pages.

BLEND OF SECTION 15-2011
Laws 2015, Chapters 35 and 152

15-2011. Minimum school facility adequacy requirements; definition

A. The school facilities board, as determined and prescribed in this chapter, shall provide funding to school districts for new construction as the number of pupils in the district fills the existing school facilities and requires more pupil space.

B. School buildings in a school district are adequate if all of the following requirements are met:

1. The buildings contain sufficient and appropriate space and equipment that comply with the minimum school facility adequacy guidelines established pursuant to subsection F of this section. The state shall not fund facilities for elective courses that require the school district facilities to exceed minimum school facility adequacy requirements. The school facilities board shall determine whether a school building meets the requirements of this paragraph by analyzing the total square footage that is available for each pupil in conjunction with the need for specialized spaces and equipment.

2. The buildings are in compliance with federal, state and local building and fire codes and laws that are applicable to the particular building, EXCEPT THAT A SCHOOL WITH AN AGGREGATE AREA OF LESS THAN FIVE THOUSAND SQUARE FEET IS SUBJECT TO PERMITTING AND INSPECTION BY A LOCAL FIRE MARSHAL AND IS ONLY SUBJECT TO REGULATION OR INSPECTION BY THE STATE FIRE MARSHAL IF THE COUNTY, CITY OR TOWN IN WHICH THE SCHOOL IS LOCATED DOES NOT EMPLOY A LOCAL FIRE MARSHAL. An existing school building is not required to comply with current requirements for new buildings unless this compliance is specifically mandated by law or by the building or fire code of the jurisdiction where the building is located.

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3. The building systems, including roofs, plumbing, telephone systems, electrical systems, heating systems and cooling systems, are in working order and are capable of being properly maintained.

4. The buildings are structurally sound.

C. The standards that shall be used by the school facilities board to determine whether a school building meets the minimum adequate gross square footage requirements are as follows:

1. For a school district that provides instruction to pupils in programs for preschool children with disabilities, kindergarten programs and grades one through six, eighty square feet per pupil in programs for preschool children with disabilities, kindergarten programs and grades one through six.

2. For a school district that provides instruction to up to eight hundred pupils in grades seven and eight, eighty-four square feet per pupil in grades seven and eight.

3. For a school district that provides instruction to more than eight hundred pupils in grades seven and eight, eighty square feet per pupil in grades seven and eight or sixty-seven thousand two hundred square feet, whichever is more.

4. For a school district that provides instruction to up to four hundred pupils in grades nine through twelve, one hundred twenty-five square feet per pupil in grades nine through twelve.

5. For a school district that provides instruction to more than four hundred and up to one thousand pupils in grades nine through twelve, one hundred twenty square feet per pupil in grades nine through twelve or fifty thousand square feet, whichever is more.

6. For a school district that provides instruction to more than one thousand and up to one thousand eight hundred pupils in grades nine through twelve, one hundred twelve square feet per pupil in grades nine through twelve or one hundred twenty thousand square feet, whichever is more.

7. For a school district that provides instruction to more than one thousand eight hundred pupils in grades nine through twelve, ninety-four square feet per pupil in grades nine through twelve or two hundred one thousand six hundred square feet, whichever is more.

D. The school facilities board may modify the square footage requirements prescribed in subsection C of this section or modify the amount of monies awarded to cure the square footage deficiency pursuant to this section for particular school districts based on extraordinary circumstances for any of the following considerations:

1. The number of pupils served by the school district.

2. Geographic factors.

3. Grade configurations other than those prescribed in subsection C of this section.

E. In measuring the square footage per pupil requirements of subsection C of this section, the school facilities board shall:

1. Use the most recent one hundredth day average daily membership.

2. For each school, use the lesser of either:

(a) Total gross square footage.

(b) Student capacity multiplied by the appropriate square footage per pupil prescribed by subsection C of this section.

3. Consider the total space available in all schools in use in the school district, except that the school facilities board shall allow an exclusion of the square footage for certain schools and the pupils within the schools' boundaries if the school district demonstrates to the board's satisfaction unusual or excessive busing of pupils or unusual attendance boundary changes between schools.

4. Compute the gross square footage of all buildings by measuring from exterior wall to exterior wall. Square footage used solely for district administration, storage of vehicles and other nonacademic purposes shall be excluded from the net square footage.

5. Include all portable and modular buildings.

6. Include in the net square footage new construction funded wholly or partially by the school facilities board based on the square footage funded by the school facilities board. If the new construction is to exceed the square footage funded by the school facilities board, the excess square

footage shall not be included in the net square footage if any of the following applies:

(a) The excess square footage was constructed before July 1, 2002 or funded by a class B bond, impact aid revenue bond or capital outlay override approved by the voters after August 1, 1998 and before June 30, 2002 or funded from unrestricted capital outlay expended before June 30, 2002.

(b) The excess square footage of new school facilities does not exceed twenty-five ~~per cent~~ PERCENT of the minimum square footage requirements pursuant to subsection C of this section.

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(c) The excess square footage of expansions to school facilities does not exceed twenty-five ~~per cent~~ PERCENT of the minimum square footage requirements pursuant to subsection C of this section.

7. Exclude square footage built under a developer agreement according to section 15-342, paragraph 33 until the school facilities board provides funding for the square footage under section 15-2041, subsection O.

8. Include square footage that a school district has leased to another entity, including square footage leased to a charter school that is sponsored by a school district pursuant to section 15-183.

F. The school facilities board shall adopt rules establishing minimum school facility adequacy guidelines. The guidelines shall provide the minimum quality and quantity of school buildings and facilities and equipment necessary and appropriate to enable pupils to achieve the academic standards pursuant to section 15-203, subsection A, paragraphs 12 and 13 and sections 15-701 and 15-701.01. At a minimum, the school facilities board shall address all of the following in developing these guidelines:

1. School sites.
2. Classrooms.
3. Libraries and media centers, or both.
4. Cafeterias.
5. Auditoriums, multipurpose rooms or other multiuse space.
6. Technology.
7. Transportation.
8. Facilities for science, arts and physical education.
9. Other facilities and equipment that are necessary and appropriate to achieve the academic standards prescribed pursuant to section 15-203, subsection A, paragraphs 12 and 13 and sections 15-701 and 15-701.01.
10. Appropriate combinations of facilities or uses listed in this section.

G. The board shall consider the facilities and equipment of the schools with the highest academic productivity scores, as prescribed in section 15-2002, subsection A, paragraph 9, subdivision (d), and the highest parent quality ratings in the establishment of the guidelines.

H. The school facilities board may consider appropriate combinations of facilities or uses in making assessments of and curing existing deficiencies pursuant to section 15-2002, subsection A, paragraph 1 and in certifying plans for new school facilities pursuant to section 15-2002, subsection A, paragraph 5.

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~~I. A child care facility that provides services utilizing the practice of a documented educational philosophy including least restrictive environment pursuant to section 36-883.05 may incorporate the minimum school facility adequacy guidelines pursuant to subsection F of this section when selecting a facility if the guidelines do not conflict with facility requirements established by the department of health services.~~

~~J.~~ I. For the purposes of this section, "student capacity" means the capacity adjusted to include any additions to or deletions of space, including modular or portable buildings at the school. The school facilities board shall determine the student capacity for each school in conjunction with each school district, recognizing each school's allocation of space as of July 1, 1998, to achieve the academic standards prescribed pursuant to section 15-203, subsection A, paragraphs 12 and 13 and sections 15-701 and 15-701.01.

EXPLANATION OF BLEND
SECTION 16-153

Laws 2015, Chapters 79 and 259

Laws 2015, Ch. 79, section 3	Effective July 3, 2015
Laws 2015, Ch. 259, section 5	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 79 and Ch. 259 text changes to section 16-153 are blended in the form shown on the following pages.

BLEND OF SECTION 16-153
Laws 2015, Chapters 79 and 259

16-153. Voter registration; confidentiality; definitions

A. Eligible persons, and any other registered voter who resides at the same residence address as the eligible person, may request that the general public be prohibited from accessing the residential address, telephone number and voting precinct number contained in their voter registration record.

B. Eligible persons may request this action by filing an affidavit that states all of the following on an application form developed by the administrative office of the courts in agreement with an association of counties and an organization of peace officers:

1. The person's full legal name, residential address and date of birth.

2. Unless the person is the spouse of a peace officer or the spouse or minor child of a deceased peace officer or the person is a former public
Ch. 79— official OR FORMER JUDGE, the position the person currently holds and a description of the person's duties, except that an eligible person who is protected under an order of protection or injunction against harassment shall instead attach a copy of the order of protection or injunction against harassment.

3. The reasons for reasonably believing that the person's life or safety or that of another person is in danger and that sealing the residential address, telephone number and voting precinct number of the person's voting record will serve to reduce the danger.

C. The affidavit shall be filed with the presiding judge of the superior court in the county in which the affiant resides. To prevent multiple filings, an eligible person who is a peace officer, prosecutor, public defender, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member shall deliver the affidavit to the peace officer's commanding officer, or to the head of the prosecuting, public defender, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, who shall file the affidavits at one time. In the absence of an affidavit that contains a request for immediate action and is supported by facts justifying an earlier presentation, the commanding officer, or the head of the prosecuting, public defender, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, shall not file affidavits more often than quarterly.

D. On receipt of an affidavit or affidavits, the presiding judge of the superior court shall file with the clerk of the superior court a petition on behalf of all requesting affiants. The petition shall have attached each affidavit presented. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier consideration, the presiding judge may accumulate affidavits and file a petition at the end of each quarter.

E. The presiding judge of the superior court shall review the petition and each attached affidavit to determine whether the action requested by each affiant should be granted. The presiding judge of the superior court shall order the sealing for five years of the information contained in the voter record of the affiant and, on request, any other registered voter who resides at the same residence address if the presiding judge concludes that this action will reduce a danger to the life or safety of the affiant.

F. The recorder shall remove the restrictions on all voter records submitted pursuant to subsection E of this section by January 5 in the year after the court order expires. The county recorder shall send by mail one notice to either the former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member, ~~or~~ law enforcement support staff member or EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT OR the employing agency of a peace officer, public defender, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member who was granted an order pursuant to this section of the order's expiration date at least six months before the expiration date. If the notice is sent to the employing agency, the employing agency shall immediately notify the person who was granted the order of the upcoming expiration date. The county recorder may coordinate with the county assessor and county treasurer to prevent multiple notices from being sent to the same person.

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G. On entry of the court order, the clerk of the superior court shall file the court order with the county recorder. On receipt of the court order the county recorder shall seal the voter registration of the persons listed in the court order no later than one hundred twenty days from the date of receipt of the court order. To include a subsequent voter registration in the court order, a person listed in the court order shall present to the county recorder at the time of registration a certified copy of the court order or shall provide the county recorder the recording number of the court order. The information in the registration shall not be disclosed and is not a public record.

H. If the court denies an affiant's requested sealing of the voter registration record, the affiant may request a court hearing. The hearing shall be conducted by the court where the petition was filed.

I. On motion to the court, if the presiding judge of the superior court concludes that a voter registration record has been sealed in error or that the cause for the original affidavit no longer exists, the presiding judge may vacate the court order prohibiting public access to the voter registration record.

J. On request by a person who is protected under an order of protection or injunction against harassment and presentation of an order of protection issued pursuant to section 13-3602, an injunction against harassment issued pursuant to section 12-1809 or an order of protection or injunction against harassment issued by a court in another state or a program participant in the address confidentiality program pursuant to title 41, chapter 1, article 3, the county recorder shall seal the voter registration

record of the person who is protected and, on request, any other registered voter who resides at the residence address of the protected person. The record shall be sealed no later than one hundred twenty days from the date of receipt of the court order. The information in the registration shall not be disclosed and is not a public record.

K. For the purposes of this section:

1. "Code enforcement officer" means a person who is employed by a state or local government and whose duties include performing field inspections of buildings, structures or property to ensure compliance with and enforce national, state and local laws, ordinances and codes.

2. "Commissioner" means a commissioner of the superior court.

3. "Corrections support staff member" means an adult or juvenile corrections employee who has direct contact with inmates.

4. "Eligible person" means a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, border patrol agent, justice, judge, commissioner, public defender, prosecutor, code enforcement officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of executive clemency, law enforcement support staff member, EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment or firefighter who is assigned to the Arizona counterterrorism center in the department of public safety.

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5. "Former public official" means a person who was duly elected or appointed to Congress, the legislature or a statewide office, who ceased serving in that capacity and who was the victim of a dangerous offense as defined in section 13-105 while in office.

6. "Judge" means a judge OR FORMER JUDGE of the United States district court, the United States court of appeals, the United States magistrate court, the United States bankruptcy court, THE UNITED STATES IMMIGRATION COURT, the Arizona court of appeals, the superior court or a municipal court.

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7. "Justice" means a justice of the United States or Arizona supreme court or a justice of the peace.

8. "Law enforcement support staff member" means a person who serves in the role of an investigator or prosecutorial assistant in an agency that investigates or prosecutes crimes, who is integral to the investigation or prosecution of crimes and whose name or identity will be revealed in the course of public proceedings.

9. "Prosecutor" means a United States attorney, a county attorney, a municipal prosecutor or the attorney general and includes an assistant or deputy United States attorney, county attorney, municipal prosecutor or attorney general.

10. "Public defender" means a federal public defender, county public defender, county legal defender or county contract indigent defense counsel and includes an assistant or deputy federal public defender, county public defender or county legal defender.

EXPLANATION OF BLEND
SECTION 16-322

Laws 2015, Chapters 292 and 293

Laws 2015, Ch. 292, section 2	Effective July 3, 2015
Laws 2015, Ch. 293, section 3	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 292 and Ch. 293 text changes to section 16-322 are blended in the form shown on the following pages.

The Laws 2015, Ch. 292 version of section 16-322 made technical changes in subsection A, paragraph 1 and paragraph 5, subdivision (a). The Ch. 293 version struck most of subsection A, paragraph 1 and all of subsection A, paragraph 5, subdivision (a). Since this would not produce a substantive change, the blend version reflects the Ch. 293 version.

BLEND OF SECTION 16-322
Laws 2015, Chapters 292 and 293

16-322. Number of signatures required on nomination petitions

A. Nomination petitions shall be signed BY A NUMBER OF QUALIFIED SIGNERS EQUAL TO:

1. If for a candidate for the office of United States senator or for a state office, excepting members of the legislature and superior court judges, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ~~one-half of one [per cent] of the voter registration of the party of the candidate in at least three counties in the state, but not less than one-half~~ ONE-FOURTH of one [~~per cent~~] ~~nor~~ [PERCENT] BUT NOT more than ten [~~per cent~~ PERCENT] of the total ~~voter registration of the candidate's party~~ NUMBER OF QUALIFIED SIGNERS in the state. Chs. 292 and 293

2. If for a candidate for the office of representative in Congress, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ONE-HALF OF one [~~per cent~~ PERCENT] but not more than ten [~~per cent~~ PERCENT] of the total ~~voter registration of the party designated~~ NUMBER OF QUALIFIED SIGNERS in the district from which such representative shall be elected except that if for a candidate for a special election to fill a vacancy in the office of representative in Congress, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ~~one-half~~ ONE-FOURTH of one [~~per cent~~ PERCENT] but not more than ten [~~per cent~~ PERCENT] of the total ~~voter registration of the party designated~~ NUMBER OF QUALIFIED SIGNERS in the district from which such representative shall be elected. Chs. 292 and 293 Ch. 293

3. If for a candidate for the office of member of the legislature, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ONE-HALF OF one [~~per cent~~ PERCENT] but not more than three [~~per cent~~ PERCENT] of the total ~~voter registration of the party designated~~ NUMBER OF QUALIFIED SIGNERS in the district from which the member of the legislature may be elected. Chs. 292 and 293

4. If for a candidate for a county office or superior court judge, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ~~two [per cent]~~ ONE [PERCENT] but not more than ten [~~per cent~~ PERCENT] of the total ~~voter registration of the party designated~~ NUMBER OF QUALIFIED SIGNERS in the county or district, ~~provided that in counties~~ EXCEPT THAT IF FOR A CANDIDATE FROM A COUNTY with a population of two hundred thousand persons or more, ~~a candidate for a county office shall have nomination petitions signed by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ~~one-half~~ ONE-FOURTH of one [~~per cent~~ PERCENT] but not more than ten [~~per cent~~ PERCENT] Chs. 292 and 293

of the total ~~voter registration of the party designated~~ NUMBER OF QUALIFIED SIGNERS in the county or district.

5. If for a candidate for a community college district, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least:

~~(a) Through June 30, 2012, one-half of one~~ [~~per cent~~] ~~but not more than ten per cent of the total voter registration in the precinct as established pursuant to section 15-1441.~~

~~(b) Beginning July 1, 2012,~~ one-quarter of one [~~per cent~~ PERCENT] but not more than ten ~~per cent~~ PERCENT of the total voter registration in the precinct as established pursuant to section 15-1441. Notwithstanding the total voter registration in the community college district, the maximum number of signatures required by this subdivision is one thousand.

6. If for a candidate for county precinct committeeman, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least two [~~per cent~~ PERCENT] but not more than ten ~~per cent~~ PERCENT of the party voter registration in the precinct or ten signatures, whichever is less.

7. If for a candidate for justice of the peace or constable, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least ~~two~~ [~~per cent~~] ONE [PERCENT] but not more than ten [~~per cent~~ PERCENT] of the ~~party voter registration~~ NUMBER OF QUALIFIED SIGNERS in the precinct.

8. If for a candidate for mayor or other office nominated by a city at large, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least five ~~per cent~~ PERCENT and not more than ten ~~per cent~~ PERCENT of the designated party vote in the city, except that a city that chooses to hold nonpartisan elections may by ordinance provide that the minimum number of signatures required for the candidate be one thousand signatures or five ~~per cent~~ PERCENT of the vote in the city, whichever is less, but not more than ten ~~per cent~~ PERCENT of the vote in the city.

9. If for an office nominated by ward, precinct or other district of a city, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least five ~~per cent~~ PERCENT and not more than ten ~~per cent~~ PERCENT of the designated party vote in the ward, precinct or other district, except that a city that chooses to hold nonpartisan elections may provide by ordinance that the minimum number of signatures required for the candidate be two hundred fifty signatures or five ~~per cent~~ PERCENT of the vote in the district, whichever is less, but not more than ten ~~per cent~~ PERCENT of the vote in the district.

10. If for a candidate for an office nominated by a town at large, by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to at least five ~~per cent~~ PERCENT and not more than ten ~~per cent~~ PERCENT of the vote in the town, except that a town that chooses to hold nonpartisan elections may provide by ordinance that the minimum number of signatures required for the candidate be one thousand signatures or five ~~per cent~~ PERCENT of the vote in the town, whichever is less[,] but not more than ten ~~per cent~~ PERCENT of the vote in the town.

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11. If for a candidate for a governing board of a school district [OR A JOINT TECHNICAL EDUCATION [DISTRICT], ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least one-half of one [~~per cent~~ [PERCENT] of the total voter registration in the school district OR JOINT TECHNICAL EDUCATION DISTRICT if the ~~governing~~ board members are elected at large or one [~~per cent~~ [PERCENT] of the total voter registration in the single member district if governing board members ~~or joint technical education district board members~~ are elected from single member districts OR ONE-HALF OF ONE PERCENT OF THE TOTAL VOTER REGISTRATION IN THE SINGLE MEMBER DISTRICT IF JOINT TECHNICAL EDUCATION DISTRICT BOARD MEMBERS ARE ELECTED FROM SINGLE MEMBER DISTRICTS. Notwithstanding the total voter registration in the school district, JOINT TECHNICAL EDUCATION DISTRICT or single member district OF THE SCHOOL DISTRICT OR JOINT TECHNICAL EDUCATION DISTRICT, the maximum number of signatures required by this paragraph is four hundred.

12. If for a candidate for a governing body of a special district as described in title 48, ~~by a number of qualified electors who are qualified to vote for the candidate whose nomination petition they are signing equal to~~ at least one-half of one ~~per cent~~ PERCENT of the vote in the special district but not more than two hundred fifty and not fewer than five signatures.

B. The basis of percentage in each instance referred to in subsection A of this section, except in cities, towns and school districts, shall be the number of ~~voters registered in the designated party of the candidate~~ QUALIFIED SIGNERS AS DETERMINED FROM THE VOTER REGISTRATION TOTALS as reported pursuant to section 16-168, subsection G on March 1 of the year in which the general election is held. In cities, the basis of percentage shall be the vote of the party for mayor at the last preceding election at which a mayor was elected. In towns, the basis of percentage shall be the highest vote cast for an elected official of the town at the last preceding election at which an official of the town was elected. In school districts OR JOINT TECHNICAL EDUCATION DISTRICTS, the basis of percentage shall be the total number of ACTIVE REGISTERED voters ~~registered~~ in the school district OR JOINT TECHNICAL EDUCATION DISTRICT or single member district, whichever applies. The total number of ACTIVE REGISTERED voters ~~registered~~ for school districts OR JOINT TECHNICAL EDUCATION DISTRICTS shall be calculated using the periodic reports prepared by the county recorder pursuant to section 16-168, subsection G. The count that is reported on March 1 of the year in which the general election is held shall be the basis for the calculation of total voter registration for school districts OR JOINT TECHNICAL EDUCATION DISTRICTS.

C. In primary elections the signature requirement for party nominees, other than nominees of the parties entitled to continued representation pursuant to section 16-804, is at least one-tenth of one ~~per cent~~ PERCENT of the total vote for the winning candidate or candidates for governor or presidential electors at the last general election within the district. Signatures must be obtained from qualified electors who are qualified to vote for the candidate whose nomination petition they are signing.

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D. If new boundaries for congressional districts, legislative districts, supervisorial districts, justice precincts or election precincts are established and effective subsequent to March 1 of the year of a general election and prior to the date for filing of nomination petitions, the basis for determining the required number of nomination petition signatures is the ~~number of registered voters in the designated party of the candidate~~ NUMBER OF QUALIFIED SIGNERS in the elective office, district or precinct on the day the new districts or precincts are effective. Ch. 293

EXPLANATION OF BLEND
SECTION 16-901

Laws 2015, Chapters 286 and 297

Laws 2015, Ch. 286, section 1	Effective July 3, 2015 (Retroactive to November 5, 2014)
Laws 2015, Ch. 297, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 286 and Ch. 297 text changes to section 16-901 are blended in the form shown on the following pages.

BLEND OF SECTION 16-901
Laws 2015, Chapters 286 and 297

16-901. Definitions

In this chapter, unless the context otherwise requires:

1. "Agent" means, with respect to any person other than a candidate, any person who has oral or written authority, either express or implied, to make or authorize the making of expenditures as defined in this section on behalf of a candidate, any person who has been authorized by the treasurer of a political committee to make or authorize the making of expenditures or a political consultant for a candidate or political committee.

2. "Candidate" means an individual who receives or gives consent for receipt of a contribution for his nomination for or election to any office in this state other than a federal office.

3. "Candidate's campaign committee" means a political committee designated and authorized by a candidate.

4. "Clearly identified candidate" means that the name, a photograph or a drawing of the candidate appears or the identity of the candidate is otherwise apparent by unambiguous reference.

5. "Contribution" means any gift, subscription, loan, advance or deposit of money or anything of value made for the purpose of influencing an election including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer and:

(a) Includes all of the following:

(i) A contribution made to retire campaign debt.

(ii) Money or the fair market value of anything directly or indirectly given or loaned to an elected official for the purpose of defraying the expense of communications with constituents, regardless of whether the elected official has declared his candidacy.

(iii) The entire amount paid to a political committee to attend a fund-raising or other political event and the entire amount paid to a political committee as the purchase price for a fund-raising meal or item, except that no contribution results if the actual cost of the meal or fund-raising item, based on the amount charged to the committee by the vendor, constitutes the entire amount paid by the purchaser for the meal or item, the meal or item is for the purchaser's personal use and not for resale and the actual cost is the entire amount paid by the purchaser in connection with the event. This exception does not apply to auction items.

(iv) Unless specifically exempted, the provision of goods or services without charge or at a charge that is less than the usual and normal charge for such goods and services. The acquisition or use of campaign assets by a committee that are paid for with the candidate's personal monies, including campaign signs and other similar promotional materials, is a contribution and is reportable by the candidate's campaign committee as a contribution to the campaign.

(b) Does not include any of the following:

(i) The value of services provided without compensation by any individual who volunteers on behalf of a candidate, a candidate's campaign committee or any other political committee.

(ii) Money or the value of anything directly or indirectly provided to defray the expense of an elected official meeting with constituents if the elected official is engaged in the performance of the duties of his office or provided by the state or a political subdivision to an elected official for communication with constituents if the elected official is engaged in the performance of the duties of his office.

(iii) The use of real or personal property, including a church or community room used on a regular basis by members of a community for noncommercial purposes, that is obtained by an individual in the course of volunteering personal services to any candidate, candidate's committee or political party, and the cost of invitations, food and beverages voluntarily provided by an individual to any candidate, candidate's campaign committee or political party in rendering voluntary personal services on the individual's residential premises or in the church or community room for candidate-related or political party-related activities, to the extent that the cumulative value of the invitations, food and beverages provided by the individual on behalf of any single candidate does not exceed one hundred dollars with respect to any single election.

(iv) Any unreimbursed payment for personal travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate.

(v) The payment by a political party for party operating expenses, party staff and personnel, party newsletters and reports, voter registration and efforts to increase voter turnout, party organization building and maintenance and printing and postage expenses for slate cards, sample ballots, other written materials that substantially promote three or more nominees of the party for public office and other election activities not related to a specific candidate, except that this item does not apply to costs incurred with respect to a display of the listing of candidates made on telecommunications systems or in newspapers, magazines or similar types of general circulation advertising.

(vi) Independent expenditures.

(vii) Monies loaned by a state bank, a federally chartered depository institution or a depository institution the deposits or accounts of which are insured by the federal deposit insurance corporation or the national credit union administration, other than an overdraft made with respect to a checking or savings account, that is made in accordance with applicable law and in the ordinary course of business. In order for this exemption to apply, this loan shall be deemed a loan by each endorser or guarantor, in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors, the loan shall be made on a basis that assures repayment, evidenced by a written instrument, shall be subject to a due date or amortization schedule and shall bear the usual and customary interest rate of the lending institution.

(viii) A gift, subscription, loan, advance or deposit of money or anything of value to a national or a state committee of a political party specifically designated to defray any cost for the construction or purchase of an office facility not acquired for the purpose of influencing the election of a candidate in any particular election.

(ix) Legal or accounting services rendered to or on behalf of a political committee or a candidate, if the only person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of compliance with this title.

(x) The payment by a political party of the costs of campaign materials, including pins, bumper stickers, handbills, brochures, posters, party tabloids and yard signs, used by the party in connection with volunteer activities on behalf of any nominee of the party or the payment by a state or local committee of a political party of the costs of voter registration and get-out-the-vote activities conducted by the committee if the payments are not for the costs of campaign materials or activities used in connection with any telecommunication, newspaper, magazine, billboard, direct mail or similar type of general public communication or political advertising.

(xi) Transfers between political committees to distribute monies raised through a joint fund-raising effort in the same proportion to each committee's share of the fund-raising expenses and payments from one political committee to another in reimbursement of a committee's proportionate share of its expenses in connection with a joint fund-raising effort.

(xii) An extension of credit for goods and services made in the ordinary course of the creditor's business if the terms are substantially similar to extensions of credit to nonpolitical debtors that are of similar risk and size of obligation and if the creditor makes a commercially reasonable attempt to collect the debt, except that any extension of credit under this item made for the purpose of influencing an election that remains unsatisfied by the candidate after six months, notwithstanding good faith collection efforts by the creditor, shall be deemed receipt of a contribution by the candidate but not a contribution by the creditor.

(xiii) Interest or dividends earned by a political committee on any bank accounts, deposits or other investments of the political committee.

6. "Earmarked" means a designation, instruction or encumbrance that results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's campaign committee.

7. "Election" means any election for any initiative, referendum or other BALLOT measure, QUESTION or proposition or a primary, general, recall, special or runoff election for any office in this state other than the office of precinct committeeman and other than a federal office. ~~Unless otherwise provided by law~~ FOR THE PURPOSES OF SECTIONS 16-903 AND 16-905, the general election ~~does not include~~ INCLUDES the primary election.

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8. "ELECTION CYCLE" MEANS THE PERIOD BEGINNING TWENTY-ONE DAYS AFTER A GENERAL ELECTION AND ENDING TWENTY DAYS AFTER THE NEXT SUCCESSIVE GENERAL ELECTION FOR A PARTICULAR ELECTED OFFICE FOR THE PURPOSES OF SECTIONS 16-903 AND 16-905.

~~8.~~ 9. "Expenditures" includes any purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made by a person for the purpose of influencing an election in this state including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer and a contract, promise or agreement to make an expenditure resulting in an extension of credit and the value of any in-kind contribution received. Expenditure does not include any of the following:

(a) A news story, commentary or editorial distributed through the facilities of any telecommunications system, newspaper, magazine or other periodical publication, unless the facilities are owned or controlled by a political committee, political party or candidate.

(b) Nonpartisan activity designed to encourage individuals to vote or to register to vote.

(c) The payment by a political party of the costs of preparation, display, mailing or other distribution incurred by the party with respect to any printed slate card, sample ballot or other printed listing of three or more candidates for any public office for which an election is held, except that this subdivision does not apply to costs incurred by the party with respect to a display of any listing of candidates made on any telecommunications system or in newspapers, magazines or similar types of general public political advertising.

(d) The payment by a political party of the costs of campaign materials, including pins, bumper stickers, handbills, brochures, posters, party tabloids and yard signs, used by the party in connection with volunteer activities on behalf of any nominee of the party or the payment by a state or local committee of a political party of the costs of voter registration and get-out-the-vote activities conducted by the committee if the payments are not for the costs of campaign materials or activities used in connection with any telecommunications system, newspaper, magazine, billboard, direct mail or similar type of general public communication or political advertising.

(e) Any deposit or other payment filed with the secretary of state or any other similar officer to pay any portion of the cost of printing an argument in a publicity pamphlet advocating or opposing a ballot measure.

~~9.~~ 10. "Exploratory committee" means a political committee that is formed for the purpose of determining whether an individual will become a candidate and that receives contributions or makes expenditures of more than five hundred dollars in connection with that purpose.

~~10.~~ 11. "Family contribution" means any contribution that is provided to a candidate's campaign committee by a parent, grandparent, spouse, child or sibling of the candidate or a parent or spouse of any of those persons.

~~11.~~ 12. "Filing officer" means the office that is designated by section 16-916 to conduct the duties prescribed by this chapter.

~~12.~~ 13. "Identification" means:

(a) For an individual, his name and mailing address, his occupation and the name of his employer.

(b) For any other person, including a political committee, the full name and mailing address of the person. For a political committee,

identification includes the identification number issued on the filing of a statement of organization pursuant to section 16-902.01.

~~13.~~ 14. "Incomplete contribution" means any contribution received by a political committee for which the contributor's mailing address, occupation, employer or identification number has not been obtained and is not in the possession of the political committee.

~~14.~~ 15. "Independent expenditure" means an expenditure by a person or political committee, other than a candidate's campaign committee, that expressly advocates the election or defeat of a clearly identified candidate, that is made without cooperation or consultation with any candidate or committee or agent of the candidate and that is not made in concert with or at the request or suggestion of a candidate, or any committee or agent of the candidate. Independent expenditure includes an expenditure that is subject to the requirements of section 16-917, which requires a copy of campaign literature or advertisement to be sent to a candidate named or otherwise referred to in the literature or advertisement.

~~15.~~ 16. "In-kind contribution" means a contribution of goods or services or anything of value and not a monetary contribution. The use by a candidate's campaign committee of a distinctive trade name, trademark or trade dress item, including a logo, that is owned by a business or other entity that is owned by that candidate or in which the candidate has a controlling interest is deemed to be an in-kind contribution to the candidate's campaign committee and shall be reported as otherwise prescribed by law.

~~16.~~ 17. "Itemized" means that each contribution received or expenditure made is set forth separately.

~~17.~~ 18. "Literature or advertisement" means information or materials that are mailed, distributed or placed in some medium of communication for the purpose of influencing the outcome of an election.

~~18.~~ 19. "Personal monies" means any of the following:

Ch. 286 (a) Except as prescribed in paragraph ~~15~~ 16 of this section, assets to which the candidate has a legal right of access or control at the time he becomes a candidate and with respect to which the candidate has either legal title or an equitable interest.

(b) Salary and other earned income from bona fide employment of the candidate, dividends and proceeds from the sale of the stocks or investments of the candidate, bequests to the candidate, income to the candidate from trusts established before candidacy, income to the candidate from trusts established by bequest after candidacy of which the candidate is a beneficiary, gifts to the candidate of a personal nature that have been customarily received before the candidacy and proceeds received by the candidate from lotteries and other legal games of chance.

(c) The proceeds of loans obtained by the candidate that are not contributions and for which the collateral or security is covered by subdivision (a) or (b) of this paragraph.

(d) Family contributions.

~~19.~~ 20. "Political committee" means ~~a candidate or any association or combination of persons that is organized, conducted or combined for the purpose of influencing the result of any election or to determine whether an individual will become a candidate for election in this state or in any~~ Ch. 297

~~county, city, town, district or precinct in this state, that engages in political activity in behalf of or against a candidate for election or retention or in support of or opposition to an initiative, referendum or recall or any other measure or proposition and that applies for a serial number and circulates petitions and, in the case of a candidate for public office except those exempt pursuant to section 16-903, that receives contributions or makes expenditures of more than two hundred fifty dollars in connection therewith, notwithstanding that the association or combination of persons may be part of a larger association, combination of persons or sponsoring organization not primarily organized, conducted or combined for the purpose of influencing the result of any election in this state or in any county, city, town or precinct in this state. Political committee includes the following types of committees~~ ANY OF THE FOLLOWING:

(a) A CANDIDATE OR A candidate's campaign committee.

(b) A separate, segregated fund established ~~by a corporation or labor organization~~ pursuant to section 16-920, subsection A, paragraph 3.

(c) ~~A committee acting~~ AN ASSOCIATION OR COMBINATION OF PERSONS THAT CIRCULATES PETITIONS in support of ~~or opposition to~~ the qualification~~, passage or defeat~~ of a ballot measure, question or proposition.

(d) ~~A committee organized to circulate or oppose a recall petition or to influence the result of a~~ AN ASSOCIATION OR COMBINATION OF PERSONS THAT CIRCULATES A PETITION TO recall ~~election~~ A PUBLIC OFFICER.

Ch. 297 (e) A political party.

~~(f) A committee organized for the purpose of making independent expenditures.~~

~~(g) A committee organized in support of or opposition to one or more candidates.~~

(f) AN ASSOCIATION OR COMBINATION OF PERSONS THAT MEETS BOTH OF THE FOLLOWING REQUIREMENTS:

(i) IS ORGANIZED, CONDUCTED OR COMBINED FOR THE PRIMARY PURPOSE OF INFLUENCING THE RESULT OF ANY ELECTION IN THIS STATE OR IN ANY COUNTY, CITY, TOWN OR OTHER POLITICAL SUBDIVISION IN THIS STATE, INCLUDING A JUDICIAL RETENTION ELECTION.

(ii) KNOWINGLY RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES OF MORE THAN FIVE HUNDRED DOLLARS IN CONNECTION WITH ANY ELECTION DURING A CALENDAR YEAR, INCLUDING A JUDICIAL RETENTION ELECTION.

~~(h)~~ (g) A political organization.

~~(i)~~ (h) An exploratory committee.

~~20.~~ 21. "Political organization" means an organization that is formally affiliated with and recognized by a political party including a district committee organized pursuant to section 16-823.

~~21.~~ 22. "Political party" means the state committee as prescribed by section 16-825 or the county committee as prescribed by section 16-821 of an organization that meets the requirements for recognition as a political party

Ch. 297 pursuant to section 16-801, 16-802 or ~~section~~ 16-804~~, subsection A~~.

~~22.~~ 23. "Sponsoring organization" means any organization that establishes, administers or contributes financial support to the administration of, or that has common or overlapping membership or officers with, a political committee other than a candidate's campaign committee.

~~23.~~ 24. "Standing political committee" means a political committee that satisfies all of the following:

(a) Is active in more than one reporting jurisdiction in this state for more than one year.

(b) Files a statement of organization as prescribed by section 16-902.01, subsection ~~E~~ F.

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(c) Is any of the following as defined by paragraph ~~19~~ 20 of this section:

(i) A separate, segregated fund.

(ii) A political party.

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(iii) A POLITICAL committee AS PRESCRIBED BY PARAGRAPH 20, SUBDIVISION (f) OF THIS SECTION AND THAT IS organized for the purpose of making independent expenditures.

(iv) A political organization.

~~24.~~ 25. "Statewide office" means the office of governor, secretary of state, state treasurer, attorney general, superintendent of public instruction, corporation commissioner or mine inspector.

~~25.~~ 26. "Surplus monies" means those monies of a political committee remaining after all of the committee's expenditures have been made and its debts have been extinguished.

EXPLANATION OF BLEND
SECTION 16-902

Laws 2015, Chapters 286 and 297

Laws 2015, Ch. 286, section 2	Effective July 3, 2015 (Retroactive to November 5, 2014)
Laws 2015, Ch. 297, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 286 and Ch. 297 text changes to section 16-902 are blended in the form shown on the following page.

The Laws 2015, Ch. 297 version of section 16-902 made a technical change in subsection D. The Ch. 286 version struck subsection D. Since this would not produce a substantive change, the blend version reflects the Ch. 286 version.

BLEND OF SECTION 16-902
Laws 2015, Chapters 286 and 297

16-902. Organization of political committees

A. Each political committee shall have a chairman and treasurer. The position of chairman and treasurer of a single political committee may not be held by the same individual, except that a candidate may be chairman and
Ch. 286 — treasurer of ~~his~~ THE CANDIDATE'S own campaign committee.

B. The name of each political committee shall include the name of any sponsoring organization, and, in the case of a candidate's campaign committee, the committee's name shall include the name of the candidate, or, if for an exploratory committee, the individual, who designated the committee pursuant to section 16-903.

C. ~~Before~~ A political committee THAT accepts ~~a contribution~~ CONTRIBUTIONS or makes ~~an expenditure it~~ EXPENDITURES shall ~~designate~~ DEPOSIT CONTRIBUTIONS AND MAKE EXPENDITURES FROM one or more state banks, federally chartered depository institutions or depository institutions the deposits or accounts of which are insured by the federal deposit insurance corporation or the national credit union administration as its campaign depository or
Ch. 297 — depositories. The political committee shall notify the filing officer of the ~~designation~~ NAME of the financial institution ~~either~~ at the time of filing the statement of organization pursuant to section 16-902.01 or ~~within five business days after opening an account~~ 16-903. ON MEETING THE DEFINITION OF POLITICAL COMMITTEE PURSUANT TO SECTION 16-901, all withdrawals or disbursements from these accounts require the signature of the treasurer or a designated agent of the political committee.

~~D. If a committee receives contributions designated for use in the general election before the primary election, the committee must use an~~
Ch. 286 — ~~acceptable accounting method to distinguish between contributions received for the primary election and contributions received for the general election. Acceptable accounting methods include designating separate accounts for each election or establishing separate books and records for each election.~~

EXPLANATION OF BLEND
SECTION 20-224

Laws 2015, Chapters 10 and 220

Laws 2015, Ch. 10, section 1 — Effective July 3, 2015

Laws 2015, Ch. 220, section 1 — Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 10 and Ch. 220 text changes to section 20-224 are blended in the form shown on the following pages.

The Laws 2015, Ch. 10 version of section 20-224 made technical changes in subsection B. The Ch. 220 version struck a portion of subsection B. Since this would not produce a substantive change, the blend version reflects the Ch. 220 version.

BLEND OF SECTION 20-224
Laws 2015, Chapters 10 and 220

20-224. Premium tax; reports

A. On or before March 1 of each year each authorized domestic insurer, each other insurer and each formerly authorized insurer referred to in section 20-206, subsection B shall file with the director a report in a form prescribed by the director showing total direct premium income including policy membership and other fees and all other considerations for insurance from all classes of business whether designated as a premium or otherwise received by it during the preceding calendar year on account of policies and contracts covering property, subjects or risks located, resident or to be performed in this state, after deducting from such total direct premium income applicable cancellations, returned premiums, the amount of reduction in or refund of premiums allowed to industrial life policyholders for payment of premiums direct to an office of the insurer and all policy dividends, refunds, savings coupons and other similar returns paid or credited to policyholders within this state and not reapplied as premiums for new, additional or extended insurance. No deduction shall be made of the cash surrender values of policies or contracts. Considerations received on annuity contracts, as well as the unabsorbed portion of any premium deposit, shall not be included in total direct premium income, and neither shall be subject to tax. The report shall separately indicate the total direct fire insurance premium income received from property located in the incorporated cities and towns certified by the state fire marshal pursuant to section 9-951, subsection B, as procuring the services of a private fire company.

B. Coincident with the filing of such tax report each insurer shall pay to the director for deposit, pursuant to sections 35-146 and 35-147, a tax ~~of 2.0~~ [~~per cent~~] ~~of~~ ON such net premiums~~, except that the tax on fire insurance premiums on property located in an incorporated city or town certified by the state fire marshal pursuant to section 9-951, subsection B, as procuring the services of a private fire company is .66 [per cent], the tax on all other fire insurance premiums is 2.2 [per cent] and the tax on health care service and disability insurance premiums is as prescribed under sections 20-837, 20-1010 and 20-1060~~ AT THE FOLLOWING RATES: Ch. 10

1. FOR FIRE INSURANCE:

(a) ON PROPERTY LOCATED IN A CITY OR TOWN CERTIFIED BY THE STATE FIRE MARSHAL PURSUANT TO SECTION 9-951, SUBSECTION B, AS PROCURING THE SERVICES OF A PRIVATE FIRE COMPANY, .66 PERCENT. Ch. 220

(b) ON ALL OTHER PROPERTY, 2.2 PERCENT.

2. FOR DISABILITY INSURANCE, 2.0 PERCENT.

3. FOR HEALTH CARE SERVICE PLANS, THE RATES PRESCRIBED UNDER SECTIONS 20-837, 20-1010 AND 20-1060.

4. FOR OTHER INSURANCE:

(a) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2016, 1.99 PERCENT.

(b) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2017, 1.98 PERCENT.
(c) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2018, 1.95 PERCENT.
(d) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2019, 1.92 PERCENT.
(e) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2020, 1.89 PERCENT.
(f) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2021, 1.86 PERCENT.
Ch. 220 (g) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2022, 1.83 PERCENT.
(h) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2023, 1.80 PERCENT.
(i) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2024, 1.77 PERCENT.
(j) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2025, 1.74 PERCENT.
(k) FOR PREMIUMS RECEIVED IN CALENDAR YEAR 2026, 1.70 PERCENT AND FOR EACH SUBSEQUENT CALENDAR YEAR, 1.70 PERCENT.

C. Any payments of tax pursuant to subsection ~~E~~ F of this section shall be deducted from the tax payable pursuant to ~~this~~ subsection B OF THIS SECTION. Each insurer shall reflect the cost savings attributable to the lower tax in fire insurance premiums charged on property located in an incorporated city or town certified by the state fire marshal pursuant to section 9-951, subsection B, as procuring the services of a private fire company. No insurer shall be liable to the state or to any other person, or shall be subject to regulatory action, relating to the calculation or submittal of fire insurance premium taxes based in good faith ~~upon~~ ON the state fire marshal's certification.

~~C.~~ D. Eighty-five ~~per cent~~ PERCENT of the tax paid under this section by an insurer on account of premiums received for fire insurance shall be separately specified in the report and shall be apportioned in the manner provided by sections 9-951, 9-952 and 9-972, except that all of the tax so allocated to a fund of a municipality or fire district that has no volunteer ~~fire fighters~~ FIREFIGHTERS or pension obligations to volunteer ~~fire fighters~~ FIREFIGHTERS shall be appropriated to the account of the municipality or fire district in the public safety personnel retirement system and all of the tax so allocated to a fund of a municipality or fire district that has both full-time paid ~~fire fighters~~ FIREFIGHTERS and volunteer ~~fire fighters~~ FIREFIGHTERS or pension obligations to full-time paid ~~fire fighters~~ FIREFIGHTERS or volunteer ~~fire fighters~~ FIREFIGHTERS shall be appropriated to the account of the municipality or fire district in the public safety personnel retirement system where it shall be reallocated by actuarial procedures proportionately to the municipality or fire district for the account of the full-time paid ~~fire fighters~~ FIREFIGHTERS and to the municipality or fire district for the account of the volunteer ~~fire fighters~~ FIREFIGHTERS. A municipality or fire district shall provide to the public safety personnel retirement system all information that the system deems necessary to perform the reallocation prescribed by this section. A full accounting of such reallocation shall be forwarded to the municipality or fire district and their local boards.
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~~D.~~ E. This section shall not apply to title insurance, and such insurers shall be taxed as provided in section 20-1566.

~~E.~~ F. Any insurer that paid or is required to pay a tax of two thousand dollars or more on net premiums received during the preceding calendar year, pursuant to subsection B of this section and sections 20-224.01, 20-837, 20-1010, 20-1060 and 20-1097.07, shall file on or before the fifteenth day of each month from March through August a report for that

Chs. 10 and 220 month, on a form prescribed by the director, accompanied by a payment in an amount equal to fifteen ~~per cent~~ PERCENT of the amount paid or required to be paid during the preceding calendar year pursuant to subsection B of this section and sections 20-224.01, 20-837, 20-1010, 20-1060 and 20-1097.07. The payments are due and payable on or before the fifteenth day of each month and shall be made to the director for deposit, pursuant to sections 35-146 and 35-147.

Ch. 220 ~~F.~~ G. Except for the tax paid on fire insurance premiums pursuant to subsections B and ~~G~~ D of this section, an insurer may claim a premium tax credit if the insurer qualifies for a credit pursuant to section 20-224.03, 20-224.04, 20-224.06 or 20-224.07.

~~G.~~ H. On receipt of a properly documented claim, a refund shall be provided to an insurer from available funds for the excess amount of any fire insurance premium improperly paid by the insurer. The insurer shall reflect the refund in the fire insurance premiums charged on the property that was charged the excessive amount.

Ch. 10 I. ON OR BEFORE SEPTEMBER 30 OF EACH YEAR, THE DIRECTOR OF INSURANCE SHALL REPORT TO THE DIRECTORS OF THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING ON THE AMOUNT OF INSURANCE PREMIUM TAX CREDITS ESTABLISHED BY SECTIONS 20-224.02, 20-224.03, 20-224.04, 20-224.05, 20-224.06 AND 20-224.07 THAT WERE USED DURING THE PREVIOUS FISCAL YEAR.

Ch. 220 J. FOR THE PURPOSES OF:

1. SUBSECTION B OF THIS SECTION, FIRE INSURANCE IS ONE HUNDRED PERCENT OF FIRE LINES, FORTY PERCENT OF COMMERCIAL MULTIPLE PERIL LINES, THIRTY-FIVE PERCENT OF HOMEOWNERS' MULTIPLE PERIL LINES, TWENTY-FIVE PERCENT OF MULTIPLE PERIL LINES AND TWENTY PERCENT OF ALLIED LINES.

2. SECTION 20-416, FIRE INSURANCE IS EIGHTY-FIVE PERCENT OF FIRE AND ALLIED LINES.

EXPLANATION OF BLEND
SECTION 26-152

Laws 2015, Chapters 12 and 208

Laws 2015, Ch. 12, section 2	Effective July 3, 2015
Laws 2015, Ch. 208, section 3	Effective July 3, 2015

Explanation

Since the Ch. 208 version includes all of the changes made by the Ch. 12 version, the Laws 2015, Ch. 208 amendment of section 26-152 is the blend of both the Laws 2015, Ch. 12 and Ch. 208 versions.

BLEND OF SECTION 26-152
Laws 2015, Chapters 12 and 208

26-152. National guard fund; camp Navajo fund

A. The national guard fund is established consisting of monies appropriated to the national guard. THE ADJUTANT GENERAL SHALL ADMINISTER THE FUND. ON NOTICE FROM THE ADJUTANT GENERAL, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED TO THE NATIONAL GUARD AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS. **Chs. 12 and 208**

B. The fund may be drawn [~~upon~~ ON] by the adjutant general, OR THE ADJUTANT GENERAL'S DESIGNEE, for any purpose commensurate with the purpose and mission of the national guard.

C. The amount of the national guard fund appropriated for capital outlay or improvements shall be exempt from the provisions of section 35-190 relating to lapsing appropriations.

Ch. 208

D. ~~All proceeds from the rental or use of armories received by the general staff pursuant to the authority of section 26-115, subsection E~~ THE ADJUTANT GENERAL IS AUTHORIZED TO UTILIZE ANY NATIONAL GUARD FACILITY FOR COMMERCIAL PURPOSES. ALL PROCEEDS FROM COMMERCIAL ACTIVITIES shall be deposited, pursuant to sections 35-146 and 35-147, in a separate account in the national guard fund, and the monies are continuously appropriated to the department for the OPERATION, maintenance ~~of armories~~, SUPPORT AND CAPITAL IMPROVEMENTS OF ANY NATIONAL GUARD FACILITY. Monies in the account are exempt from the provisions of section 35-190 relating to lapsing of appropriations. ~~, except that any monies remaining in the account for one hundred eighty days after the end of the fiscal year in which they were received revert to the state general fund.~~

E. A camp Navajo fund is established for the operation, maintenance, capital improvements and personal services necessary for the national guard to operate a regional training site and storage facility at Bellemont. The fund consists of monies received from storage of commodities and services provided as approved by the adjutant general. The adjutant general shall administer the fund. On notice from the adjutant general, the state treasurer shall invest and divest monies in the fund as provided by section 35-313, and monies earned from investment shall be credited to the fund. Monies in the fund are continuously appropriated to the national guard and are exempt from the provisions of section 35-190 relating to lapsing of appropriations.

F. AFTER ALL BUDGETED OPERATIONAL, MAINTENANCE, SUPPORT AND CAPITAL IMPROVEMENT REQUIREMENTS ARE MET AT CAMP NAVAJO, THE ADJUTANT GENERAL MAY USE THE REMAINING MONIES IN THE CAMP NAVAJO FUND TO PROVIDE FOR THE OPERATION, MAINTENANCE, SUPPORT AND CAPITAL IMPROVEMENTS OF ANY NATIONAL GUARD FACILITY. FOR THE PURPOSES OF THIS SUBSECTION, "FACILITY" MEANS ALL PROPERTY UNDER THE CONTROL AND ADMINISTRATION OF THE ADJUTANT GENERAL.

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EXPLANATION OF BLEND
SECTION 28-101

Laws 2015, Chapters 33, 235 and 279

Laws 2015, Ch. 33, section 1	Effective July 3, 2015
Laws 2015, Ch. 235, section 2	Effective July 3, 2015
Laws 2015, Ch. 279, section 1	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 33, Ch. 235 and Ch. 279 text changes to section 28-101 are blended in the form shown on the following pages.

BLEND OF SECTION 28-101
Laws 2015, Chapters 33, 235 and 279

28-101. Definitions

In this title, unless the context otherwise requires:

1. "Alcohol" means any substance containing any form of alcohol, including ethanol, methanol, propynol and isopropynol.

2. "Alcohol concentration" if expressed as a percentage means either:

(a) The number of grams of alcohol per one hundred milliliters of blood.

(b) The number of grams of alcohol per two hundred ten liters of breath.

3. "All-terrain vehicle" means either of the following:

(a) A motor vehicle that satisfies all of the following:

(i) Is designed primarily for recreational nonhighway all-terrain travel.

(ii) Is fifty or fewer inches in width.

(iii) Has an unladen weight of one thousand two hundred pounds or less.

(iv) Travels on three or more nonhighway tires.

(v) Is operated on a public highway.

(b) A recreational off-highway vehicle that satisfies all of the following:

(i) Is designed primarily for recreational nonhighway all-terrain travel.

(ii) Is sixty-five or fewer inches in width.

(iii) Has an unladen weight of one thousand eight hundred pounds or less.

(iv) Travels on four or more nonhighway tires.

4. "Authorized emergency vehicle" means any of the following:

(a) A fire department vehicle.

(b) A police vehicle.

(c) An ambulance or emergency vehicle of a municipal department or public service corporation that is designated or authorized by the department or a local authority.

(d) Any other ambulance, fire truck or rescue vehicle that is authorized by the department in its sole discretion and that meets liability insurance requirements prescribed by the department.

Ch. 33 — 5. "AUTOCYCLE" MEANS A THREE-WHEELED MOTORCYCLE ON WHICH THE DRIVER AND PASSENGERS RIDE IN A COMPLETELY ENCLOSED SEATING AREA THAT IS EQUIPPED WITH A ROLL CAGE, SAFETY BELTS FOR EACH OCCUPANT AND ANTILOCK BRAKES AND THAT IS DESIGNED TO BE CONTROLLED WITH A STEERING WHEEL AND PEDALS.

~~5.~~ 6. "Aviation fuel" means all flammable liquids composed of a mixture of selected hydrocarbons expressly manufactured and blended for the purpose of effectively and efficiently operating an internal

combustion engine for use in an aircraft but does not include fuel for jet or turbine powered aircraft.

~~6.~~ 7. "Bicycle" means a device, including a racing wheelchair, that is propelled by human power and on which a person may ride and that has either:

(a) Two tandem wheels, either of which is more than sixteen inches in diameter.

(b) Three wheels in contact with the ground, any of which is more than sixteen inches in diameter.

~~7.~~ 8. "Board" means the transportation board.

~~8.~~ 9. "Bus" means a motor vehicle designed for carrying sixteen or more passengers, including the driver.

~~9.~~ 10. "Business district" means the territory contiguous to and including a highway if there are buildings in use for business or industrial purposes within any six hundred feet along the highway, including hotels, banks or office buildings, railroad stations and public buildings that occupy at least three hundred feet of frontage on one side or three hundred feet collectively on both sides of the highway.

~~10.~~ 11. "Combination of vehicles" means a truck or truck tractor and semitrailer and any trailer that it tows but does not include a forklift designed for the purpose of loading or unloading the truck, trailer or semitrailer.

~~11.~~ 12. "Controlled substance" means a substance so classified under section 102(6) of the controlled substances act (21 United States Code section 802(6)) and includes all substances listed in schedules I through V of 21 Code of Federal Regulations part 1308.

~~12.~~ 13. "Conviction" means:

(a) An unvacated adjudication of guilt or a determination that a person violated or failed to comply with the law in a court of original jurisdiction or by an authorized administrative tribunal.

(b) An unvacated forfeiture of bail or collateral deposited to secure the person's appearance in court.

(c) A plea of guilty or no contest accepted by the court.

(d) The payment of a fine or court costs.

Ch. 235 ~~13.~~ 14. "County highway" means a public road THAT IS constructed and maintained by a county.

~~14.~~ 15. "Dealer" means a person who is engaged in the business of buying, selling or exchanging motor vehicles, trailers or semitrailers and who has an established place of business.

~~15.~~ 16. "Department" means the department of transportation acting directly or through its duly authorized officers and agents.

Ch. 235 17. "DIGITAL NETWORK OR SOFTWARE APPLICATION" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-9551.

~~16.~~ 18. "Director" means the director of the department of transportation.

~~17.~~ 19. "Drive" means to operate or be in actual physical control of a motor vehicle.

~~18.~~ 20. "Driver" means a person who drives or is in actual physical control of a vehicle.

~~19.~~ 21. "Driver license" means a license that is issued by a state to an individual and that authorizes the individual to drive a motor vehicle.

~~20.~~ 22. "Electric personal assistive mobility device" means a self-balancing two nontandem wheeled device with an electric propulsion system that limits the maximum speed of the device to fifteen miles per hour or less and that is designed to transport only one person.

~~21.~~ 23. "Farm" means any lands primarily used for agriculture production.

~~22.~~ 24. "Farm tractor" means a motor vehicle designed and used primarily as a farm implement for drawing implements of husbandry.

~~23.~~ 25. "Foreign vehicle" means a motor vehicle, trailer or semitrailer that is brought into this state other than in the ordinary course of business by or through a manufacturer or dealer and that has not been registered in this state.

~~24.~~ 26. "Golf cart" means a motor vehicle that has not less than three wheels in contact with the ground, that has an unladen weight of less than one thousand eight hundred pounds, that is designed to be and is operated at not more than twenty-five miles per hour and that is designed to carry not more than four persons including the driver.

~~25.~~ 27. "Hazardous material" means a material, and its mixtures or solutions, that the United States department of transportation determines under 49 Code of Federal Regulations is, or any quantity of a material listed as a select agent or toxin under 42 Code of Federal Regulations part 73 that is, capable of posing an unreasonable risk to health, safety and property if transported in commerce and that is required to be placarded or marked as required by the department's safety rules prescribed pursuant to chapter 14 of this title.

~~26.~~ 28. "Implement of husbandry" means a vehicle designed primarily for agricultural purposes and used exclusively in the conduct of agricultural operations, including an implement or vehicle whether self-propelled or otherwise that meets both of the following conditions:

(a) Is used solely for agricultural purposes including the preparation or harvesting of cotton, alfalfa, grains and other farm crops.

(b) Is only incidentally operated or moved on a highway whether as a trailer or self-propelled unit. For the purposes of this subdivision, "incidentally operated or moved on a highway" means travel between a farm and another part of the same farm, from one farm to another farm or between a farm and a place of repair, supply or storage.

~~27.~~ 29. "Limousine" means a motor vehicle providing prearranged ground transportation service for an individual passenger, or a group of passengers, that is arranged in advance or is operated on a regular route or between specified points and includes ground transportation under a contract or agreement for services that includes a fixed rate or time and is provided in a motor vehicle with a seating capacity not exceeding fifteen passengers including the driver.

~~28.~~ 30. "Livery vehicle" means a motor vehicle that:

(a) Has a seating capacity not exceeding fifteen passengers including the driver.

(b) Provides passenger services for a fare determined by a flat rate or flat hourly rate between geographic zones or within a geographic area.

(c) Is available for hire on an exclusive or shared ride basis.

(d) May do any of the following:

(i) Operate on a regular route or between specified places.

(ii) Offer prearranged ground transportation service as defined in section 28-141.

(iii) Offer on demand ground transportation service pursuant to a contract with a public airport, licensed business entity or organization.

~~29.~~ 31. "Local authority" means any county, municipal or other local board or body exercising jurisdiction over highways under the constitution and laws of this state.

~~30.~~ 32. "Manufacturer" means a person engaged in the business of manufacturing motor vehicles, trailers or semitrailers.

~~31.~~ 33. "Moped" means a bicycle that is equipped with a helper motor if the vehicle has a maximum piston displacement of fifty cubic centimeters or less, a brake horsepower of one and one-half or less and a maximum speed of twenty-five miles per hour or less on a flat surface with less than a one ~~per cent~~ PERCENT grade.

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~~32.~~ 34. "Motor driven cycle" means a motorcycle, including every motor scooter, with a motor that produces not more than five horsepower.

~~33.~~ 35. "Motor vehicle":

(a) Means either:

(i) A self-propelled vehicle.

(ii) For the purposes of the laws relating to the imposition of a tax on motor vehicle fuel, a vehicle that is operated on the highways of this state and that is propelled by the use of motor vehicle fuel.

(b) Does not include a motorized wheelchair, an electric personal assistive mobility device or a motorized skateboard. For the purposes of this subdivision:

(i) "Motorized skateboard" means a self-propelled device that has a motor, a deck on which a person may ride and at least two tandem wheels in contact with the ground.

(ii) "Motorized wheelchair" means a self-propelled wheelchair that is used by a person for mobility.

~~34.~~ 36. "Motor vehicle fuel" includes all products that are commonly or commercially known or sold as gasoline, including casinghead gasoline, natural gasoline and all flammable liquids, and that are composed of a mixture of selected hydrocarbons expressly manufactured and blended for the purpose of effectively and efficiently operating internal combustion engines. Motor vehicle fuel does not include inflammable liquids that are specifically manufactured for racing motor vehicles and that are distributed for and used by racing motor vehicles at a racetrack, use fuel as defined in section 28-5601, aviation fuel, fuel for jet or turbine powered aircraft or the mixture created at the interface of two different substances being transported through a pipeline, commonly known as transmix.

~~35.~~ 37. "Motorcycle" means a motor vehicle that has a seat or saddle for the use of the rider and that is designed to travel on not more than three wheels in contact with the ground but ~~excluding~~ EXCLUDES a tractor and a moped.

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38. "MOTORIZED QUADRICYCLE" MEANS A SELF-PROPELLED MOTOR VEHICLE TO WHICH ALL OF THE FOLLOWING APPLY:

(a) THE VEHICLE IS SELF-PROPELLED BY AN EMISSION-FREE ELECTRIC MOTOR AND MAY INCLUDE PEDALS OPERATED BY THE PASSENGERS.

(b) THE VEHICLE HAS AT LEAST FOUR WHEELS IN CONTACT WITH THE GROUND.

(c) THE VEHICLE SEATS AT LEAST EIGHT PASSENGERS, INCLUDING THE DRIVER.

(d) THE VEHICLE IS OPERABLE ON A FLAT SURFACE USING SOLELY THE ELECTRIC MOTOR WITHOUT ASSISTANCE FROM THE PEDALS OR PASSENGERS.

(e) THE VEHICLE IS A COMMERCIAL MOTOR VEHICLE AS DEFINED IN SECTION 28-5201.

(f) THE VEHICLE IS LICENSED BY THE DEPARTMENT OF WEIGHTS AND MEASURES TO OPERATE AS A LIMOUSINE PURSUANT TO SECTION 28-9503.

(g) THE VEHICLE IS MANUFACTURED BY A MOTOR VEHICLE MANUFACTURER THAT IS LICENSED PURSUANT TO CHAPTER 10 OF THIS TITLE.

(h) THE VEHICLE COMPLIES WITH THE DEFINITION AND STANDARDS FOR LOW-SPEED VEHICLES SET FORTH IN FEDERAL MOTOR VEHICLE SAFETY STANDARD 500 AND 49 CODE OF FEDERAL REGULATIONS SECTION 571.3(b) AND 571.500, RESPECTIVELY.

~~36.~~ 39. "Neighborhood electric vehicle" means a self-propelled electrically powered motor vehicle to which all of the following apply:

(a) The vehicle is emission free.

(b) The vehicle has at least four wheels in contact with the ground.

(c) The vehicle complies with the definition and standards for low speed vehicles set forth in federal motor vehicle safety standard 500 and 49 Code of Federal Regulations sections 571.3(b) and 571.500, respectively.

~~37.~~ 40. "Nonresident" means a person who is not a resident of this state as defined in section 28-2001.

~~38.~~ 41. "Off-road recreational motor vehicle" means a motor vehicle that is designed primarily for recreational nonhighway all-terrain travel and that is not operated on a public highway. Off-road recreational motor vehicle does not mean a motor vehicle used for construction, building trade, mining or agricultural purposes.

~~39.~~ 42. "Operator" means a person who drives a motor vehicle on a highway, who is in actual physical control of a motor vehicle on a highway or who is exercising control over or steering a vehicle being towed by a motor vehicle.

~~40.~~ 43. "Owner" means:

(a) A person who holds the legal title of a vehicle.

(b) If a vehicle is the subject of an agreement for the conditional sale or lease with the right of purchase on performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, the conditional vendee or lessee.

(c) If a mortgagor of a vehicle is entitled to possession of the vehicle, the mortgagor.

~~41.~~ 44. "Pedestrian" means any person afoot. A person who uses an electric personal assistive mobility device or a manual or motorized wheelchair is considered a pedestrian unless the manual wheelchair qualifies as a bicycle. For the purposes of this paragraph, "motorized wheelchair" means a self-propelled wheelchair that is used by a person for mobility.

~~42.~~ 45. "Power sweeper" means an implement, with or without motive power, that is only incidentally operated or moved on a street or highway and that is designed for the removal of debris, dirt, gravel, litter or sand whether by broom, vacuum or regenerative air system from asphaltic concrete or cement concrete surfaces, including parking lots, highways, streets and warehouses, and a vehicle on which the implement is permanently mounted.

~~43.~~ 46. "Public transit" means the transportation of passengers on scheduled routes by means of a conveyance on an individual passenger fare-paying basis excluding transportation by a ~~sight-seeing~~ SIGHTSEEING bus, school bus or taxi or a vehicle not operated on a scheduled route basis.

~~44.~~ 47. "Reconstructed vehicle" means a vehicle that has been assembled or constructed largely by means of essential parts, new or used, derived from vehicles or makes of vehicles of various names, models and types or that, if originally otherwise constructed, has been materially altered by the removal of essential parts or by the addition or substitution of essential parts, new or used, derived from other vehicles or makes of vehicles. For the purposes of this paragraph, "essential parts" means integral and body parts, the removal, alteration or substitution of which will tend to conceal the identity or substantially alter the appearance of the vehicle.

~~45.~~ 48. "Residence district" means the territory contiguous to and including a highway not comprising a business district if the property on the highway for a distance of three hundred feet or more is in the main improved with residences or residences and buildings in use for business.

~~46.~~ 49. "Right-of-way" when used within the context of the regulation of the movement of traffic on a highway means the privilege of the immediate use of the highway. Right-of-way when used within the context of the real property on which transportation facilities and appurtenances to the facilities are constructed or maintained means the lands or interest in lands within the right-of-way boundaries.

~~47.~~ 50. "School bus" means a motor vehicle that is designed for carrying more than ten passengers and that is either:

(a) Owned by any public or governmental agency or other institution and operated for the transportation of children to or from home or school on a regularly scheduled basis.

(b) Privately owned and operated for compensation for the transportation of children to or from home or school on a regularly scheduled basis.

~~48.~~ 51. "Semitrailer" means a vehicle that is with or without motive power, other than a pole trailer, that is designed for carrying

persons or property and for being drawn by a motor vehicle and that is constructed so that some part of its weight and that of its load rests on or is carried by another vehicle. For the purposes of this paragraph, "pole trailer" has the same meaning prescribed in section 28-601.

~~49.~~ 52. "State" means a state of the United States and the District of Columbia.

~~50.~~ 53. "State highway" means a state route or portion of a state route that is accepted and designated by the board as a state highway and that is maintained by the state.

~~51.~~ 54. "State route" means a right-of-way whether actually used as a highway or not that is designated by the board as a location for the construction of a state highway.

~~52.~~ 55. "Street" or "highway" means the entire width between the boundary lines of every way if a part of the way is open to the use of the public for purposes of vehicular travel.

~~53.~~ 56. "Taxi" means a motor vehicle that has a seating capacity not exceeding fifteen passengers, including the driver, that is registered as a taxi in this state or any other state, that provides passenger services and that:

(a) Does not primarily operate on a regular route or between specified places.

(b) Offers local transportation for a fare determined on the basis of the distance traveled or prearranged ground transportation service as defined in section 28-141 for a predetermined fare.

~~54.~~ 57. "Traffic survival school" means a school that offers educational sessions to drivers who are required to attend and successfully complete educational sessions pursuant to this title that are designed to improve the safety and habits of drivers and that are approved by the department.

~~55.~~ 58. "Trailer" means a vehicle that is with or without motive power, other than a pole trailer, that is designed for carrying persons or property and for being drawn by a motor vehicle and that is constructed so that no part of its weight rests on the towing vehicle. A semitrailer equipped with an auxiliary front axle commonly known as a dolly is deemed to be a trailer. For the purposes of this paragraph, "pole trailer" has the same meaning prescribed in section 28-601.

59. "TRANSPORTATION NETWORK COMPANY" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-9551.

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60. "TRANSPORTATION NETWORK COMPANY VEHICLE" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-9551.

61. "TRANSPORTATION NETWORK SERVICE" HAS THE SAME MEANING PRESCRIBED IN SECTION 28-9551.

~~56.~~ 62. "Truck" means a motor vehicle designed or used primarily for the carrying of property other than the effects of the driver or passengers and includes a motor vehicle to which has been added a box, a platform or other equipment for such carrying.

~~57.~~ 63. "Truck tractor" means a motor vehicle that is designed and used primarily for drawing other vehicles and that is not constructed to carry a load other than a part of the weight of the vehicle and load drawn.

~~58.~~ 64. "Vehicle" means a device in, on or by which a person or property is or may be transported or drawn on a public highway, excluding devices moved by human power or used exclusively on stationary rails or tracks.

~~59.~~ 65. "Vehicle transporter" means either:

(a) A truck tractor capable of carrying a load and drawing a semitrailer.

(b) A truck tractor with a stinger-steered fifth wheel capable of carrying a load and drawing a semitrailer or a truck tractor with a dolly mounted fifth wheel that is securely fastened to the truck tractor at two or more points and that is capable of carrying a load and drawing a semitrailer.

EXPLANATION OF BLEND
SECTION 28-454

Laws 2015, Chapters 79 and 259

Laws 2015, Ch. 79, section 4	Effective July 3, 2015
Laws 2015, Ch. 259, section 6	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 79 and Ch. 259 text changes to section 28-454 are blended in the form shown on the following pages.

BLEND OF SECTION 28-454
Laws 2015, Chapters 79 and 259

28-454. Records maintained by department of transportation; redaction; definitions

A. Notwithstanding sections 28-447 and 28-455, an eligible person may request that persons be prohibited from accessing the eligible person's residential address and telephone number contained in any record maintained by the department.

B. An eligible person may request this action by filing an affidavit that states all of the following on an application form developed by the administrative office of the courts in agreement with an association of counties, an organization of peace officers and the department:

1. The person's full legal name and residential address.

2. Unless the person is the spouse of a peace officer or the spouse or minor child of a deceased peace officer or the person is a former public
Ch. 79 — official OR FORMER JUDGE, the position the person currently holds and a description of the person's duties, except that an eligible person who is protected under an order of protection or injunction against harassment shall attach a copy of the order of protection or injunction against harassment.

3. The reasons the person reasonably believes that the person's life or safety or that of another person is in danger and that redacting the residential address and telephone number from the department's public records will serve to reduce the danger.

C. The affidavit shall be filed with the presiding judge of the superior court in the county in which the affiant resides. To prevent multiple filings, an eligible person who is a peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, prosecutor, code enforcement officer, corrections or detention officer, corrections support staff member or law enforcement support staff member shall deliver the affidavit to the peace officer's commanding officer, or to the head of the prosecuting, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, who shall file the affidavits at one time. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier presentation, the commanding officer, or the head of the prosecuting, code enforcement, law enforcement, corrections or detention agency, as applicable, or that person's designee, shall not file affidavits more often than quarterly.

D. On receipt of an affidavit or affidavits, the presiding judge of the superior court shall file with the clerk of the superior court a petition on behalf of all requesting affiants. Each affidavit presented shall be attached to the petition. In the absence of an affidavit that contains a request for immediate action and that is supported by facts justifying an earlier consideration, the presiding judge may accumulate affidavits and file a petition at the end of each quarter.

E. The presiding judge of the superior court shall review the petition and each attached affidavit to determine whether the action requested by each affiant should be granted. The presiding judge of the superior court shall order the redaction of the residence address and telephone number from the public records maintained by the department if the judge concludes that this action will reduce a danger to the life or safety of the affiant or another person.

F. On entry of the court order, the clerk of the superior court shall file the court order with the department. No more than one hundred fifty days after the date the department receives the court order, the department shall redact the residence addresses and telephone numbers of the affiants listed in the court order from the public records of the department. The residence addresses and telephone numbers shall not be disclosed and are not part of a public record.

G. If the court denies an affiant's request pursuant to this section, the affiant may request a court hearing. The hearing shall be conducted by the court in the county where the petition was filed.

H. On motion to the court, if the presiding judge of the superior court concludes that a residential address or telephone number has been sealed in error or that the cause for the original affidavit no longer exists, the presiding judge may vacate the court order prohibiting public access to the residential address or telephone number.

I. Notwithstanding sections 28-447 and 28-455, the department shall not release a photograph of a peace officer if the peace officer has made a request as prescribed in this section that persons be prohibited from accessing the peace officer's residential address and telephone number in any record maintained by the department.

J. This section does not prohibit the use of a peace officer's photograph that is either:

1. Used by a law enforcement agency to assist a person who has a complaint against an officer to identify the officer.

2. Obtained from a source other than the department.

K. For the purposes of this section:

1. "Code enforcement officer" means a person who is employed by a state or local government and whose duties include performing field inspections of buildings, structures or property to ensure compliance with and enforce national, state and local laws, ordinances and codes.

2. "Corrections support staff member" means an adult or juvenile corrections employee who has direct contact with inmates.

3. "Eligible person" means a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased public
Ch. 79 — officer, justice, judge OR FORMER JUDGE, commissioner, public defender, prosecutor, code enforcement officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of
Ch. 259 — executive clemency, law enforcement support staff member, EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment or firefighter who is assigned to the Arizona counterterrorism center in the department of public safety.

4. "Former public official" means a person who was duly elected or appointed to Congress, the legislature or a statewide office, who ceased serving in that capacity and who was the victim of a dangerous offense as defined in section 13-105 while in office.

5. "Law enforcement support staff member" means a person who serves in the role of an investigator or prosecutorial assistant in an agency that investigates or prosecutes crimes, who is integral to the investigation or prosecution of crimes and whose name or identity will be revealed in the course of public proceedings.

6. "Prosecutor" means a county attorney, a municipal prosecutor or the attorney general and includes an assistant or deputy county attorney, municipal prosecutor or attorney general.

EXPLANATION OF BLEND
SECTION 28-2351

Laws 2015, Chapters 59, 96 and 124

Laws 2015, Ch. 59, section 1	Effective July 3, 2015
Laws 2015, Ch. 96, section 1	Effective July 3, 2015
Laws 2015, Ch. 124, section 1	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 text changes to section 28-2351 are blended in the form shown on the following page.

BLEND OF SECTION 28-2351
Laws 2015, Chapters 59, 96 and 124

28-2351. License plate provided; design

A. The department shall provide to every owner one license plate for each vehicle registered. At the request of the owner and on payment of any required fee, the department shall provide either one or two license plates for a vehicle for which a special plate is requested pursuant to this chapter, except that the department shall provide one license plate if the special plate is issued pursuant to section 28-2416 or 28-2416.01.

B. The license plate shall display the number assigned to the vehicle and to the owner of the vehicle and the name of this state, which may be abbreviated. The director shall coat the license plate with a reflective material that is consistent with the determination of the department regarding the color and design of license plates and special plates. The director shall design the license plate and the letters and numerals on the license plate to be of sufficient size to be plainly readable during daylight from a distance of one hundred feet. In addition to the standard license plate issued for a trailer before August 12, 2005, the director shall issue a license plate for trailers that has a design that is similar to the standard size license plate for trailers but that is the same size as the license plate for motorcycles. The trailer owner shall notify the department which size license plate the owner wants for the trailer.

C. Notwithstanding any other law, the department shall not contract with a nongovernmental entity to purchase or secure reflective material for the plates issued by the department unless the department has made a reasonable effort to secure qualified bids or proposals from as many individual responsible respondents as possible.

D. The department shall determine the color and design of the license plate. All other plates issued by the department, except the plates issued pursuant to sections 28-2404, 28-2412, 28-2413, 28-2414, 28-2416, 28-2416.01, 28-2417 through ~~28-2451~~ 28-2455, 28-2472, 28-2473, 28-2474, 28-2475 and 28-4533 and article 14 of this chapter, shall be the same color as and similar in design to the license plate as determined by the department.

Chs. 59, 96 and 124

E. A passenger motor vehicle rented without a driver shall receive the same type of license plate as issued for a private passenger motor vehicle.

EXPLANATION OF BLEND
SECTION 28-2403

Laws 2015, Chapters 59, 96 and 124

Laws 2015, Ch. 59, section 2	Effective July 3, 2015
Laws 2015, Ch. 96, section 2	Effective July 3, 2015
Laws 2015, Ch. 124, section 2	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 text changes to section 28-2403 are blended in the form shown on the following pages.

BLEND OF SECTION 28-2403
Laws 2015, Chapters 59, 96 and 124

28-2403. Special plates; transfers; violation; classification

A. Except as otherwise provided in this article, the department shall issue or renew special plates in lieu of the regular license plates pursuant to the following conditions and procedures and only if the requirements prescribed by this article for the requested special plates are met:

1. Except as provided in sections 28-2416 and 28-2416.01, a person who is the registered owner of a vehicle registered with the department or who applies for an original or renewal registration of a vehicle may submit to the department a completed application form as prescribed by the department with the fee prescribed by section 28-2402 for special plates in addition to the registration fee prescribed by section 28-2003.

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2. Except for plates issued pursuant to sections 28-2404, 28-2412, 28-2413, 28-2414, 28-2416, 28-2416.01, 28-2417 through ~~28-2451~~ 28-2455, 28-2472, 28-2473, 28-2474 and 28-2475 and article 14 of this chapter, the special plates shall be the same color as and similar to the design of the regular license plates that is determined by the department.

3. Except as provided in section 28-2416, the department shall issue special plates only to the owner or lessee of a vehicle that is currently registered, including any vehicle that has a declared gross weight, as defined in section 28-5431, of twenty-six thousand pounds or less.

4. Except as provided in sections 28-2416 and 28-2416.01, the department shall charge the fee prescribed by section 28-2402 for each annual renewal of special plates in addition to the registration fee prescribed by section 28-2003.

B. Except as provided in sections 28-2416 and 28-2416.01, on notification to the department and on payment of the transfer fee prescribed by section 28-2402, a person who is issued special plates may transfer the special plates to another vehicle the person owns or leases. Persons who are issued special plates for hearing impaired persons pursuant to section 28-2408 and international symbol of access special plates pursuant to section 28-2409 are exempt from the transfer fee. If a person who is issued special plates sells, trades or otherwise releases ownership of the vehicle on which the plates have been displayed, the person shall immediately report the transfer of the plates to the department or the person shall surrender the plates to the department as prescribed by the director. It is unlawful for a person to whom the plates have been issued to knowingly permit them to be displayed on a vehicle except the vehicle authorized by the department.

C. The special plates shall be affixed to the vehicle for which registration is sought in lieu of the regular license plates.

D. A person is guilty of a class 3 misdemeanor who:

1. Violates subsection B of this section.

2. Fraudulently gives false or fictitious information in the application for or renewal of special plates or placards issued pursuant to this article.

3. Conceals a material fact or otherwise commits fraud in the application for or renewal of special plates or placards issued pursuant to this article.

EXPLANATION OF BLEND
SECTION 28-6501

Laws 2015, Chapters 59, 96 and 124

Laws 2015, Ch. 59, section 4	Effective July 3, 2015
Laws 2015, Ch. 96, section 4	Effective July 3, 2015
Laws 2015, Ch. 124, section 5	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 text changes to section 28-6501 are blended in the form shown on the following page.

BLEND OF SECTION 28-6501
Laws 2015, Chapters 59, 96 and 124

28-6501. Definition of highway user revenues

In this article, unless the context otherwise requires or except as otherwise provided by statute, "highway user revenues" means all monies received in this state from licenses, taxes, penalties, interest and fees authorized by the following:

1. Chapters 2, 7, 8 and 15 of this title, except for:

(a) The special plate administration fees prescribed in sections 28-2404, 28-2412 through ~~28-2451~~ 28-2455 and 28-2514.

Chs. 59, 96 and 124

(b) The donations prescribed in sections 28-2404, 28-2412 through 28-2415, 28-2417 through ~~28-2451~~ 28-2455, 28-2473, 28-2474 and 28-2475.

2. Section 28-1177.

3. Chapters 10 and 11 of this title.

4. Chapter 16, articles 1, 2 and 4 of this title, except as provided in sections 28-5926 and 28-5927.

EXPLANATION OF BLEND
SECTION 28-6991

Laws 2015, Chapters 59, 96 and 124

Laws 2015, Ch. 59, section 5	Effective July 3, 2015
Laws 2015, Ch. 96, section 5	Effective July 3, 2015
Laws 2015, Ch. 124, section 6	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 text changes to section 28-6991 are blended in the form shown on the following pages.

Section 28-6991 was amended an additional time by Laws 2015, Ch. 294 with a conditional enactment that will require an additional blend and separate publication in addition to this blend.

BLEND OF SECTION 28-6991
Laws 2015, Chapters 59, 96 and 124

28-6991. State highway fund; sources

A state highway fund is established that consists of:

1. Monies distributed from the Arizona highway user revenue fund pursuant to chapter 18 of this title.

2. Monies appropriated by the legislature.

3. Monies received from donations for the construction, improvement or maintenance of state highways or bridges. These monies shall be credited to a special account and shall be spent only for the purpose indicated by the donor.

4. Monies received from counties under cooperative agreements, including proceeds from bond issues. The state treasurer shall deposit these monies to the credit of the fund in a special account on delivery to the treasurer of a concise written agreement between the department and the county stating the purposes for which the monies are surrendered by the county, and these monies shall be spent only as stated in the agreement.

5. Monies received from the United States under an act of Congress to provide aid for the construction of rural post roads, but monies received on projects for which the monies necessary to be provided by this state are wholly derived from sources mentioned in paragraphs 2 and 3 of this section shall be allotted by the department and deposited by the state treasurer in the special account within the fund established for each project. On completion of the project, on the satisfaction and discharge in full of all obligations of any kind created and on request of the department, the treasurer shall transfer the unexpended balance in the special account for the project into the state highway fund, and the unexpended balance and any further federal aid thereafter received on account of the project may be spent under the general provisions of this title.

6. Monies in the custody of an officer or agent of this state from any source that is to be used for the construction, improvement or maintenance of state highways or bridges.

7. Monies deposited in the state general fund and arising from the disposal of state personal property belonging to the department.

8. Receipts from the sale or disposal of any or all other property held by the department and purchased with state highway monies.

9. Monies generated pursuant to section 28-410.

10. Monies distributed pursuant to section 28-5808, subsection B, paragraph 2, subdivision (d).

11. Monies deposited pursuant to sections 28-1143, 28-2353 and 28-3003.

12. Except as provided in section 28-5101, the following monies:

(a) Monies deposited pursuant to section 28-2206 and section 28-5808, subsection B, paragraph 2, subdivision (e).

(b) One dollar of each registration fee and one dollar of each title fee collected pursuant to section 28-2003.

(c) Two dollars of each late registration penalty collected by the director pursuant to section 28-2162.

(d) The air quality compliance fee collected pursuant to section 49-542.

(e) The special plate administration fees collected pursuant to sections 28-2404, 28-2412 through 28-2416, 28-2416.01, 28-2417 through ~~28-2451~~ 28-2455 and 28-2514.

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(f) Monies collected pursuant to sections 28-372, 28-2155 and 28-2156 if the director is the registering officer.

13. Monies deposited pursuant to chapter 5, article 5 of this title.

14. Donations received pursuant to section 28-2269.

15. Dealer and registration monies collected pursuant to section 28-4304.

16. Abandoned vehicle administration monies deposited pursuant to section 28-4804.

17. Monies deposited pursuant to section 28-710, subsection D, paragraph 2.

18. Monies deposited pursuant to section 28-2065.

19. Monies deposited pursuant to section 28-7311.

20. Monies deposited pursuant to section 28-7059.

21. Monies deposited pursuant to section 28-1105.

22. Monies deposited pursuant to section 28-2448, subsection D.

23. Monies deposited pursuant to section 28-3415.

EXPLANATION OF BLEND
SECTION 28-6991

Laws 2015, Chapters 59, 96, 124 and 294

Laws 2015, Ch. 59, section 5	Effective July 3, 2015
Laws 2015, Ch. 96, section 5	Effective July 3, 2015
Laws 2015, Ch. 124, section 6	Effective July 3, 2015
Laws 2015, Ch. 294, section 4	Conditionally effective

Explanation

Since these four enactments are not incompatible, the Laws 2015, Ch. 59, Ch. 96, Ch. 124 and Ch. 294 text changes to section 28-6991 are blended in the form shown on the following pages. However, the publisher will print both this blend version and the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 blend version of section 28-6991 since this blend version does not become effective until the condition is met. If the condition is met, Laws 2015, Ch. 294 becomes effective and the publisher will delete the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 blend version of section 28-6991 on publication of the appropriate pocket part.

BLEND OF SECTION 28-6991
Laws 2015, Chapters 59, 96, 124 and 294

28-6991. State highway fund; sources

A state highway fund is established that consists of:

1. Monies distributed from the Arizona highway user revenue fund pursuant to chapter 18 of this title.

2. Monies appropriated by the legislature.

3. Monies received from donations for the construction, improvement or maintenance of state highways or bridges. These monies shall be credited to a special account and shall be spent only for the purpose indicated by the donor.

4. Monies received from counties under cooperative agreements, including proceeds from bond issues. The state treasurer shall deposit these monies to the credit of the fund in a special account on delivery to the treasurer of a concise written agreement between the department and the county stating the purposes for which the monies are surrendered by the county, and these monies shall be spent only as stated in the agreement.

5. Monies received from the United States under an act of Congress to provide aid for the construction of rural post roads, but monies received on projects for which the monies necessary to be provided by this state are wholly derived from sources mentioned in paragraphs 2 and 3 of this section shall be allotted by the department and deposited by the state treasurer in the special account within the fund established for each project. On completion of the project, on the satisfaction and discharge in full of all obligations of any kind created and on request of the department, the treasurer shall transfer the unexpended balance in the special account for the project into the state highway fund, and the unexpended balance and any further federal aid thereafter received on account of the project may be spent under the general provisions of this title.

6. Monies in the custody of an officer or agent of this state from any source that is to be used for the construction, improvement or maintenance of state highways or bridges.

7. Monies deposited in the state general fund and arising from the disposal of state personal property belonging to the department.

8. Receipts from the sale or disposal of any or all other property held by the department and purchased with state highway monies.

9. Monies generated pursuant to section 28-410.

10. Monies distributed pursuant to section 28-5808, subsection B, paragraph 2, subdivision (d).

11. Monies deposited pursuant to sections 28-1143, 28-2353 and 28-3003.

12. Except as provided in section 28-5101, the following monies:

(a) Monies deposited pursuant to section 28-2206 and section 28-5808, subsection B, paragraph 2, subdivision (e).

(b) One dollar of each registration fee and one dollar of each title fee collected pursuant to section 28-2003.

(c) Two dollars of each late registration penalty collected by the director pursuant to section 28-2162.

(d) The air quality compliance fee collected pursuant to section 49-542.

(e) The special plate administration fees collected pursuant to sections 28-2404, 28-2412 through 28-2416, 28-2416.01, 28-2417 through ~~28-2451~~ 28-2455 and 28-2514.

Chs. 59, 96 and 124

(f) Monies collected pursuant to sections 28-372, 28-2155 and 28-2156 if the director is the registering officer.

13. Monies deposited pursuant to chapter 5, article 5 of this title.

14. Donations received pursuant to section 28-2269.

15. Dealer and registration monies collected pursuant to section 28-4304.

16. Abandoned vehicle administration monies deposited pursuant to section 28-4804.

17. Monies deposited pursuant to section 28-710, subsection D, paragraph 2.

18. Monies deposited pursuant to section 28-2065.

19. Monies deposited pursuant to section 28-7311.

20. Monies deposited pursuant to section 28-7059.

21. Monies deposited pursuant to section 28-1105.

22. Monies deposited pursuant to section 28-2448, subsection D.

23. Monies deposited pursuant to section 28-3415.

24. MONIES DEPOSITED PURSUANT TO SECTION 28-3002, SUBSECTION A, PARAGRAPH 14.

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EXPLANATION OF BLEND
SECTION 28-6993

Laws 2015, Chapters 59, 96 and 124

Laws 2015, Ch. 59, section 6	Effective July 3, 2015
Laws 2015, Ch. 96, section 6	Effective July 3, 2015
Laws 2015, Ch. 124, section 7	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 59, Ch. 96 and Ch. 124 text changes to section 28-6993 are blended in the form shown on the following pages.

BLEND OF SECTION 28-6993
Laws 2015, Chapters 59, 96 and 124

28-6993. State highway fund; authorized uses

A. Except as provided in subsection B of this section and section 28-6538, the state highway fund shall be used for any of the following purposes in strict conformity with and subject to the budget as provided by this section and by sections 28-6997 through 28-7003:

1. To pay salaries, wages, necessary travel expenses and other expenses of officers and employees of the department and the incidental office expenses, including telegraph, telephone, postal and express charges and printing, stationery and advertising expenses.

2. To pay for both:

(a) Equipment, supplies, machines, tools, department offices and laboratories established by the department.

(b) The construction and repair of buildings or yards of the department.

3. To pay the cost of both:

(a) Engineering, construction, improvement and maintenance of state highways and parts of highways forming state routes.

(b) Highways under cooperative agreements with the United States that are entered into pursuant to this chapter and an act of Congress providing for the construction of rural post roads.

4. To pay land damages incurred by reason of establishing, opening, altering, relocating, widening or abandoning portions of a state route or state highway.

5. To reimburse the department revolving account.

6. To pay premiums on authorized indemnity bonds and on compensation insurance under the workers' compensation act.

7. To defray lawful expenses and costs required to administer and carry out the intent, purposes and provisions of this title, including repayment of obligations entered into pursuant to this title, payment of interest on obligations entered into pursuant to this title, repayment of loans and other financial assistance, including repayment of advances and interest on advances made to the department pursuant to section 28-7677, and payment of all other obligations and expenses of the board and department pursuant to chapter 21 of this title.

8. To pay lawful bills and charges incurred by the state engineer.

9. To acquire, construct or improve entry roads to state parks or roads within state parks.

10. To acquire, construct or improve entry roads to state prisons.

11. To pay the cost of relocating a utility facility pursuant to section 28-7156.

12. For the purposes provided in subsections C, D and E of this section and sections 28-1143, 28-2353 and 28-3003.

13. To pay the cost of issuing an Arizona centennial special plate pursuant to section 28-2448.

B. For each fiscal year, the department of transportation shall allocate and transfer monies in the state highway fund to the department of public safety for funding a portion of highway patrol costs in eight installments in each of the first eight months of a fiscal year that do not exceed ten million dollars.

C. Subject to legislative appropriation, the department may use the monies in the state highway fund as prescribed in section 28-6991, paragraph 12 to carry out the duties imposed by this title for registration or titling of vehicles, to operate joint title, registration and driver licensing offices, to cover the administrative costs of issuing the air quality compliance sticker, modifying the year validating tab and issuing the windshield sticker and to cover expenses and costs in issuing special plates pursuant to sections 28-2404, 28-2412 through ~~28-2451~~ 28-2455 and 28-2514. Chs. 59, 96 and 124

D. The department shall use monies deposited in the state highway fund pursuant to chapter 5, article 5 of this title only as prescribed by that article.

E. Monies deposited in the state highway fund pursuant to section 28-2269 shall be used only as prescribed by that section.

F. Monies deposited in the state highway fund pursuant to section 28-710, subsection D, paragraph 2 shall only be used for state highway work zone traffic control devices.

G. The department may exchange monies distributed to the state highway fund pursuant to section 28-6538, subsection A, paragraph 1 for local government surface transportation program federal monies suballocated to councils of government and metropolitan planning organizations if the local government scheduled to receive the federal monies concurs. An exchange of state highway fund monies pursuant to this subsection shall be in an amount that is at least equal to ninety ~~per cent~~ PERCENT of the federal obligation authority that exists in the project for which the exchange is proposed. Chs. 59, 96 and 124

EXPLANATION OF BLEND
SECTION 32-1854

Laws 2015, Chapters 135 and 313

Laws 2015, Ch. 135, section 15	Effective July 3, 2015
Laws 2015, Ch. 313, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 135 and Ch. 313 text changes to section 32-1854 are blended in the form shown on the following pages.

BLEND OF SECTION 32-1854
Laws 2015, Chapters 135 and 313

32-1854. Definition of unprofessional conduct

For the purposes of this chapter, "unprofessional conduct" includes the following acts, whether occurring in this state or elsewhere:

Ch. 135 — 1. ~~Wilfully~~ KNOWINGLY betraying a professional secret or wilfully violating a privileged communication except as either of these may otherwise be required by law. This paragraph does not prevent members of the board from exchanging information with the licensing and disciplinary boards of other states, territories or districts of the United States or with foreign countries or with osteopathic medical organizations located in this state or in any state, district or territory of this country or in any foreign country.

Ch. 135 — 2. Committing a felony~~, whether or not involving moral turpitude,~~ or a misdemeanor involving moral turpitude. In either case conviction by any court of competent jurisdiction is conclusive evidence of the commission OF THE OFFENSE.

3. Practicing medicine while under the influence of alcohol, A DANGEROUS DRUG AS DEFINED IN SECTION 13-3401, narcotic or hypnotic drugs or any substance that impairs or may impair the licensee's ability to safely and skillfully practice medicine.

4. Being diagnosed by a physician licensed under this chapter or chapter 13 of this title or a psychologist licensed under chapter 19.1 of this title as excessively or illegally using alcohol or a controlled substance.

5. Prescribing, dispensing or administering controlled substances or prescription-only drugs for other than accepted therapeutic purposes.

6. Engaging in the practice of medicine in a manner that harms or may harm a patient or that the board determines falls below the community standard.

7. Impersonating another physician.

8. Acting or assuming to act as a member of the board if this is not true.

9. Procuring, renewing or attempting to procure or renew a license to practice osteopathic medicine by fraud or misrepresentation.

10. Having professional connection with or lending one's name to an illegal practitioner of osteopathic medicine or any of the other healing arts.

11. Representing that a manifestly incurable disease, injury, ailment or infirmity can be permanently cured or that a curable disease, injury, ailment or infirmity can be cured within a stated time, if this is not true.

12. Failing to reasonably disclose and inform the patient or the patient's representative of the method, device or instrumentality the licensee uses to treat the patient's disease, injury, ailment or infirmity.

13. Refusing to divulge to the board on demand the means, method, device or instrumentality used in the treatment of a disease, injury, ailment or infirmity.

14. Charging a fee for services not rendered or dividing a professional fee for patient referrals. This paragraph does not apply to payments from a medical researcher to a physician in connection with identifying and monitoring patients for clinical trial regulated by the United States food and drug administration.

15. Knowingly making any false or fraudulent statement, written or oral, in connection with the practice of medicine or when applying for or renewing privileges at a health care institution or a health care program.

16. Advertising in a false, deceptive or misleading manner.

17. Representing or claiming to be an osteopathic medical specialist if the physician has not satisfied the applicable requirements of this chapter or board rules.

18. The denial of or disciplinary action against a license by any other state, territory, district or country, unless it can be shown that this occurred for reasons that did not relate to the person's ability to safely and skillfully practice osteopathic medicine or to any act of unprofessional conduct as provided in this section.

19. Any conduct or practice contrary to recognized standards of ethics of the osteopathic medical profession.

20. Violating or attempting to violate, directly or indirectly, or assisting in or abetting the violation of or conspiring to violate any of the provisions of this chapter.

21. Failing or refusing to establish and maintain adequate records on a patient as follows:

(a) If the patient is an adult, for at least ~~seven~~ SIX years after the last date the licensee provided the patient with medical or health care services.

(b) If the patient is a child, either for at least three years after the child's eighteenth birthday or for at least ~~seven~~ SIX years after the last date the licensee provided that patient with medical or health care services, whichever date occurs ~~first~~ LATER.

~~(c) If the patient dies before the expiration of the dates prescribed in subdivision (a) or (b) of this paragraph, for at least three years after the patient's death.~~

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22. Using controlled substances or prescription-only drugs unless they are provided by a medical practitioner, as defined in section 32-1901, as part of a lawful course of treatment.

23. Prescribing controlled substances to members of one's immediate family unless there is no other physician available within fifty miles to treat a member of the family and an emergency exists.

24. Nontherapeutic use of injectable amphetamines.

25. Violating a formal order, probation or a stipulation issued by the board under this chapter.

26. Charging or collecting an inappropriate fee. This paragraph does not apply to a fee that is fixed in a written contract between the physician and the patient and entered into before treatment begins.

27. Using experimental forms of therapy without adequate informed patient consent or without conforming to generally accepted criteria and complying with federal and state statutes and regulations governing experimental therapies.

28. Failing to make patient medical records in the physician's possession promptly available to a physician assistant, a nurse practitioner, a person licensed pursuant to this chapter or a podiatrist, chiropractor, naturopathic physician, physician or homeopathic physician licensed under chapter 7, 8, 13, 14 or 29 of this title on receipt of proper authorization to do so from the patient, a minor patient's parent, the patient's legal guardian or the patient's authorized representative or failing to comply with title 12, chapter 13, article 7.1.

29. Failing to allow properly authorized board personnel to have, on presentation of a subpoena, access to any documents, reports or records that are maintained by the physician and that relate to the physician's medical practice or medically related activities pursuant to section 32-1855.01.

30. Signing a blank, undated or predated prescription form.

31. Obtaining a fee by fraud, deceit or misrepresentation.

32. Failing to report to the board an osteopathic physician and surgeon who is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of medicine.

33. Referring a patient to a diagnostic or treatment facility or prescribing goods and services without disclosing that the physician has a direct pecuniary interest in the facility, goods or services to which the patient has been referred or prescribed. This paragraph does not apply to a referral by one physician to another physician within a group of physicians practicing together.

34. Lack of or inappropriate direction, collaboration or supervision of a licensed, certified or registered health care provider or office personnel employed by or assigned to the physician in the medical care of patients.

35. Violating a federal law, a state law or a rule applicable to the practice of medicine.

36. Prescribing or dispensing controlled substances or prescription-only medications without establishing and maintaining adequate patient records.

37. Failing to dispense drugs and devices in compliance with article 4 of this chapter.

38. Any conduct or practice that endangers a patient's or the public's health or may reasonably be expected to do so.

39. Any conduct or practice that impairs the licensee's ability to safely and skillfully practice medicine or that may reasonably be expected to do so.

40. With the exception of heavy metal poisoning, using chelation therapy in the treatment of arteriosclerosis or as any other form of therapy without adequate informed patient consent and without conforming to generally accepted experimental criteria, including protocols, detailed records, periodic analysis of results and periodic review by a medical peer review committee.

41. Prescribing, dispensing or administering anabolic-androgenic steroids to a person for other than therapeutic purposes.

42. Engaging in sexual conduct with a current patient or with a former patient within six months after the last medical consultation unless the patient was the licensee's spouse at the time of the contact or, immediately preceding the physician-patient relationship, was in a dating or engagement relationship with the licensee. For the purposes of this paragraph, "sexual conduct" includes:

(a) Engaging in or soliciting sexual relationships, whether consensual or nonconsensual.

(b) Making sexual advances, requesting sexual favors or engaging in any other verbal conduct or physical conduct of a sexual nature.

43. Fetal experiments conducted in violation of section 36-2302.

44. Conduct that the board determines constitutes gross negligence, repeated negligence or negligence that results in harm or death of a patient.

45. Conduct in the practice of medicine that evidences moral unfitness to practice medicine.

46. Engaging in disruptive or abusive behavior in a professional setting.

47. Failing to disclose to a patient that the licensee has a direct financial interest in a prescribed treatment, good or service if the treatment, good or service is available on a competitive basis. This paragraph does not apply to a referral by one licensee to another licensee within a group of licensees who practice together. A licensee meets the disclosure requirements of this paragraph if all of the following are true:

(a) The licensee makes the disclosure on a form prescribed by the board.

(b) The patient or the patient's guardian or parent acknowledges by signing the form that the licensee has disclosed the licensee's direct financial interest.

48. Prescribing, dispensing or furnishing a prescription medication or a prescription-only device to a person if the licensee has not conducted a physical or mental health status examination of that person or has not previously established a physician-patient relationship. The physical or mental health status examination may be conducted during a real-time telemedicine encounter with audio and video capability if the telemedicine audio and video capability meets the elements required by the centers for medicare and medicaid services, unless the examination is for the purpose of obtaining a written certification from the physician for the purposes of title 36, chapter 28.1. This paragraph does not apply to:

(a) Emergencies.

(b) A licensee who provides patient care on behalf of the patient's regular treating licensed health care professional or provides a consultation requested by the patient's regular treating licensed health care professional.

(c) Prescriptions written or antimicrobials dispensed to a contact as defined in section 36-661 who is believed to have had significant exposure risk as defined in section 36-661 with another person who has been diagnosed with a communicable disease as defined in section 36-661 by the prescribing or dispensing physician.

(d) Prescriptions for epinephrine auto-injectors written or dispensed for a school district or charter school to be stocked for emergency use pursuant to section 15-157.

(e) Prescriptions written by a licensee through a telemedicine program that is covered by the policies and procedures adopted by the administrator of a hospital or outpatient treatment center.

Ch. 313 (f) PRESCRIPTIONS FOR NALOXONE HYDROCHLORIDE OR ANY OTHER OPIATE ANTAGONIST APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION THAT ARE WRITTEN OR DISPENSED FOR USE PURSUANT TO SECTION 36-2228.

49. If a licensee provides medical care by computer, failing to disclose the licensee's license number and the board's address and telephone number.

EXPLANATION OF BLEND
SECTION 32-1855

Laws 2015, Chapters 135 and 252

Laws 2015, Ch. 135, section 16	Effective July 3, 2015
Laws 2015, Ch. 252, section 4	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 135 and Ch. 252 text changes to section 32-1855 are blended in the form shown on the following pages.

BLEND OF SECTION 32-1855
Laws 2015, Chapters 135 and 252

32-1855. Disciplinary action; duty to report; hearing; notice; independent medical examinations; surrender of license

A. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, the board on its own motion may investigate any information that appears to show that an osteopathic physician and surgeon is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of medicine. A PHYSICIAN WHO CONDUCTS AN INDEPENDENT MEDICAL EXAMINATION PURSUANT TO AN ORDER BY A COURT OR PURSUANT TO SECTION 23-1026 IS NOT SUBJECT TO A COMPLAINT FOR UNPROFESSIONAL CONDUCT UNLESS, IN THE CASE OF A COURT-ORDERED EXAMINATION, THE COMPLAINT IS MADE OR REFERRED BY A COURT TO THE BOARD, OR IN THE CASE OF AN EXAMINATION CONDUCTED PURSUANT TO SECTION 23-1026, THE COMPLAINT ALLEGES UNPROFESSIONAL CONDUCT BASED ON SOME ACT OTHER THAN A DISAGREEMENT WITH THE FINDINGS AND OPINIONS EXPRESSED BY THE PHYSICIAN AS A RESULT OF THE EXAMINATION. Any osteopathic physician or surgeon or the Arizona osteopathic medical association or any health care institution as defined in section 36-401 shall, and any other person may, report to the board any information the physician or surgeon, association, health care institution or other person may have that appears to show that an osteopathic physician and surgeon is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of medicine. The board shall notify the doctor about whom information has been received as to the content of the information as soon as reasonable after receiving the information. Any person who reports or provides information to the board in good faith is not subject to civil damages as a result of that action. If requested the board shall not disclose the informant's name unless it is essential to the disciplinary proceedings conducted pursuant to this section. It is an act of unprofessional conduct for any osteopathic physician or surgeon to fail to report as required by this section. The board shall report any health care institution that fails to report as required by this section to that institution's licensing agency. A person who reports information in good faith pursuant to this subsection is not subject to civil liability. FOR THE PURPOSES OF THIS SUBSECTION, "INDEPENDENT MEDICAL EXAMINATION" MEANS A PROFESSIONAL ANALYSIS OF MEDICAL STATUS THAT IS BASED ON A PERSON'S PAST AND PRESENT PHYSICAL, MEDICAL AND PSYCHIATRIC HISTORY AND CONDUCTED BY A LICENSEE OR GROUP OF LICENSEES ON A CONTRACT BASIS FOR A COURT OR FOR A WORKERS' COMPENSATION CARRIER, SELF-INSURED EMPLOYER OR CLAIMS PROCESSING REPRESENTATIVE IF THE EXAMINATION WAS CONDUCTED PURSUANT TO SECTION 23-1026.

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B. The board may require a physician under investigation pursuant to subsection A of this section to be interviewed by the board or its representatives. The board or the executive director may require a licensee

who is under investigation pursuant to subsection A of this section to undergo at the licensee's expense any combination of medical, physical or mental examinations the board finds necessary to determine the physician's competence.

C. If the board finds, based on the information it received under Ch. 135 — ~~subsections~~ SUBSECTION A ~~and~~ OR B of this section, that the public health, safety or welfare imperatively requires emergency action and incorporates a finding to that effect in its order, the board may order a summary suspension of a license pending proceedings for revocation or other action. If an order of summary suspension is issued, the licensee shall also be served with a written notice of complaint and formal hearing setting forth the charges made against the licensee and is entitled to a formal hearing on the charges pursuant to title 41, chapter 6, article 10. Formal proceedings shall be promptly instituted and determined.

D. If, after completing its investigation, the board finds that the information provided pursuant to this section is not of sufficient seriousness to merit direct action against the physician's license, it may take any combination of the following actions:

1. Dismiss if, in the opinion of the board, the information is without merit.

Ch. 135 — 2. ~~File~~ ISSUE a letter of concern.

3. In addition to the requirements of section 32-1825, require continuing medical education on subjects and within a time period determined by the board.

4. Issue a nondisciplinary order requiring the licensee to complete a prescribed number of hours of continuing education in an area or areas prescribed by the board to provide the licensee with the necessary understanding of current developments, skills, procedures or treatment.

E. If, in the opinion of the board, it appears that information provided pursuant to this section is or may be true, the board may request an investigative hearing with the physician concerned. At an investigative hearing the board may receive and consider sworn statements of persons who may be called as witnesses ~~in a formal hearing~~ and other pertinent documents. Legal counsel may be present and participate in the meeting. If the physician refuses the request or if the physician accepts the request and the results of the investigative hearing indicate suspension of more than twelve months or revocation of the license may be in order, a complaint shall be issued and an administrative hearing shall be held pursuant to title 41, Ch. 135 — chapter 6, article 10. ~~If,~~ After the investigative hearing and a mental, physical or medical competence examination as the board deems necessary, the board ~~finds the information provided pursuant to this section to be true but not of sufficient seriousness to merit suspension or revocation of the license, it~~ may take any of the following actions:

1. Dismiss if, in the opinion of the board, the information is without merit.

2. ~~File~~ ISSUE a letter of concern.

3. In addition to the requirements of section 32-1825, require continuing medical education on subjects and within a time period determined by the board.

4. Issue a decree of censure, which constitutes an official action against a physician's license.

5. Fix a period and terms of probation best adapted to protect the public health and safety and rehabilitate or educate the physician concerned. Any costs incidental to the terms of probation are at the physician's own expense.

6. Restrict or limit the physician's practice in a manner and for a time determined by the board.

7. Suspend the physician's license for not more than twelve months.

8. Impose a civil penalty of not to exceed five hundred dollars for each violation of this chapter.

9. Issue a nondisciplinary order requiring the licensee to complete a prescribed number of hours of continuing education in an area or areas prescribed by the board to provide the licensee with the necessary understanding of current developments, skills, procedures or treatment.

10. Issue an administrative warning.

F. If, in the opinion of the board, it appears the charge is of such magnitude as to warrant suspension for more than twelve months or revocation of the license, the board shall immediately initiate formal revocation or suspension proceedings pursuant to title 41, chapter 6, article 10. The board shall notify a licensee of a complaint and hearing by certified mail addressed to the licensee's last known address on record in the board's files.

~~G. If the physician wishes to be present at the investigative or administrative hearing in person or by representation, or both, the physician shall file with the board an answer to the charges in the complaint. The answer shall be in writing, verified under oath and filed within twenty days after service of the summons and complaint.~~

~~H. A physician who complies with subsection G of this section may be present at the hearing in person with counsel and witnesses.~~

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G. A LICENSEE SHALL RESPOND IN WRITING TO THE BOARD WITHIN THIRTY DAYS AFTER THE NOTICE OF FORMAL OR ADMINISTRATIVE HEARING IS SERVED. A LICENSEE WHO FAILS TO ANSWER THE CHARGES IN A COMPLAINT AND NOTICE OF FORMAL OR ADMINISTRATIVE HEARING ISSUED PURSUANT TO THIS ARTICLE AND TITLE 41, CHAPTER 6, ARTICLE 10 IS DEEMED TO ADMIT THE ACTS CHARGED IN THE COMPLAINT, AND THE BOARD MAY REVOKE OR SUSPEND THE LICENSE WITHOUT A HEARING.

~~I.~~ H. A physician who, after an investigative or administrative hearing, is found to be guilty of unprofessional conduct or is found to be mentally or physically unable safely to engage in the practice of osteopathic medicine is subject to any combination of censure, probation, suspension of license, revocation of license, an order to return patient fees, imposition of hearing costs, imposition of a civil penalty of not to exceed five hundred dollars for each violation for a period of time, or permanently, and under conditions the board deems appropriate for the protection of the public health and safety and just in the circumstances. The board may charge the costs of an investigative or administrative hearing to the licensee if pursuant to that hearing the board determines that the licensee violated this chapter or board rules.

~~J.~~ I. If the board acts to modify a physician's prescription writing privileges, it shall immediately notify the state board of pharmacy and the federal drug enforcement administration in the United States department of justice of the modification.

~~K.~~ J. The board shall report allegations of evidence of criminal wrongdoing to the appropriate criminal justice agency.

~~L.~~ K. Notice of a complaint and administrative hearing is effective when a true copy of the notice is sent by certified mail to the licensee's last known address of record in the board's files and is complete on the date of its deposit in the mail. The board shall hold an administrative hearing within one hundred twenty days after that date.

~~M.~~ L. The board may accept the surrender of an active license from a licensee who admits in writing to having committed an act of unprofessional conduct, ~~or~~ to having violated this chapter or board rules OR TO BEING UNABLE TO SAFELY PRACTICE MEDICINE.

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EXPLANATION OF BLEND
SECTION 39-123

Laws 2015, Chapters 79 and 259

Laws 2015, Ch. 79, section 5	Effective July 3, 2015
Laws 2015, Ch. 259, section 7	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 79 and Ch. 259 text changes to section 39-123 are blended in the form shown on the following pages.

BLEND OF SECTION 39-123
Laws 2015, Chapters 79 and 259

39-123. Information identifying eligible persons; confidentiality; definitions

A. Nothing in this chapter requires disclosure from a personnel file by a law enforcement agency or employing state or local governmental entity of the home address or home telephone number of eligible persons.

B. The agency or governmental entity may release the information in subsection A of this section only if either:

1. The person consents in writing to the release.

2. The custodian of records of the agency or governmental entity determines that release of the information does not create a reasonable risk of physical injury to the person or the person's immediate family or damage to the property of the person or the person's immediate family.

C. A law enforcement agency may release a photograph of a peace officer if either:

1. The peace officer has been arrested or has been formally charged by complaint, information or indictment for a misdemeanor or a felony offense.

2. The photograph is requested by a representative of a newspaper for a specific newsworthy event unless:

(a) The peace officer is serving in an undercover capacity or is scheduled to be serving in an undercover capacity within sixty days.

(b) The release of the photograph is not in the best interest of this state after taking into consideration the privacy, confidentiality and safety of the peace officer.

(c) An order pursuant to section 28-454 is in effect.

D. This section does not prohibit the use of a peace officer's photograph that is either:

1. Used by a law enforcement agency to assist a person who has a complaint against an officer to identify the officer.

2. Obtained from a source other than the law enforcement agency.

E. This section does not apply to a certified peace officer or code enforcement officer who is no longer employed as a peace officer or code enforcement officer by a state or local government entity.

F. For the purposes of this section:

1. "Code enforcement officer" means a person who is employed by a state or local government and whose duties include performing field inspections of buildings, structures or property to ensure compliance with and enforce national, state and local laws, ordinances and codes.

2. "Commissioner" means a commissioner of the superior court.

3. "Corrections support staff member" means an adult or juvenile corrections employee who has direct contact with inmates.

4. "Eligible person" means a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, border patrol agent, justice, judge, commissioner, public defender,

prosecutor, code enforcement officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of executive clemency, law enforcement support staff member, EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment, firefighter who is assigned to the Arizona counterterrorism center in the department of public safety or victim of domestic violence or stalking who is protected under an order of protection or injunction against harassment.

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5. "Former public official" means a person who was duly elected or appointed to Congress, the legislature or a statewide office, who ceased serving in that capacity and who was the victim of a dangerous offense as defined in section 13-105 while in office.

6. "Judge" means a judge OR FORMER JUDGE of the United States district court, the United States court of appeals, the United States magistrate court, the United States bankruptcy court, THE UNITED STATES IMMIGRATION COURT, the Arizona court of appeals, the superior court or a municipal court.

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7. "Justice" means a justice of the United States or Arizona supreme court or a justice of the peace.

8. "Law enforcement support staff member" means a person who serves in the role of an investigator or prosecutorial assistant in an agency that investigates or prosecutes crimes, who is integral to the investigation or prosecution of crimes and whose name or identity will be revealed in the course of public proceedings.

9. "Peace officer" has the same meaning prescribed in section 13-105.

10. "Prosecutor" means a county attorney, a municipal prosecutor, the attorney general or a United States attorney and includes an assistant or deputy United States attorney, county attorney, municipal prosecutor or attorney general.

11. "Public defender" means a federal public defender, county public defender, county legal defender or county contract indigent defense counsel and includes an assistant or deputy federal public defender, county public defender or county legal defender.

EXPLANATION OF BLEND
SECTION 39-124

Laws 2015, Chapters 79 and 259

Laws 2015, Ch. 79, section 6	Effective July 3, 2015
Laws 2015, Ch. 259, section 8	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 79 and Ch. 259 text changes to section 39-124 are blended in the form shown on the following pages.

BLEND OF SECTION 39-124
Laws 2015, Chapters 79 and 259

39-124. Releasing information identifying an eligible person; violations; classification; definitions

A. Any person who is employed by a state or local government entity and who, in violation of section 39-123, knowingly releases the home address or home telephone number of an eligible person with the intent to hinder an investigation, cause physical injury to an eligible person or the eligible person's immediate family or cause damage to the property of an eligible person or the eligible person's immediate family is guilty of a class 6 felony.

B. Any person who is employed by a state or local government entity and who, in violation of section 39-123, knowingly releases a photograph of a peace officer with the intent to hinder an investigation, cause physical injury to a peace officer or the peace officer's immediate family or cause damage to the property of a peace officer or the peace officer's immediate family is guilty of a class 6 felony.

C. For the purposes of this section:

1. "Code enforcement officer" means a person who is employed by a state or local government and whose duties include performing field inspections of buildings, structures or property to ensure compliance with and enforce national, state and local laws, ordinances and codes.

2. "Commissioner" means a commissioner of the superior court.

3. "Corrections support staff member" means an adult or juvenile corrections employee who has direct contact with inmates.

4. "Eligible person" means a former public official, peace officer, spouse of a peace officer, spouse or minor child of a deceased peace officer, border patrol agent, justice, judge, commissioner, public defender, prosecutor, code enforcement officer, adult or juvenile corrections officer, corrections support staff member, probation officer, member of the board of executive clemency, law enforcement support staff member, EMPLOYEE OF THE DEPARTMENT OF CHILD SAFETY WHO HAS DIRECT CONTACT WITH FAMILIES IN THE COURSE OF EMPLOYMENT, national guard member who is acting in support of a law enforcement agency, person who is protected under an order of protection or injunction against harassment, firefighter who is assigned to the Arizona counterterrorism center in the department of public safety or victim of domestic violence or stalking who is protected under an order of protection or injunction against harassment.

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5. "Former public official" means a person who was duly elected or appointed to Congress, the legislature or a statewide office, who ceased serving in that capacity and who was the victim of a dangerous offense as defined in section 13-105 while in office.

6. "Judge" means a judge OR FORMER JUDGE of the United States district court, the United States court of appeals, the United States magistrate court, the United States bankruptcy court, THE UNITED STATES IMMIGRATION COURT, the Arizona court of appeals, the superior court or a municipal court.

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7. "Justice" means a justice of the United States or Arizona supreme court or a justice of the peace.

8. "Law enforcement support staff member" means a person who serves in the role of an investigator or prosecutorial assistant in an agency that investigates or prosecutes crimes, who is integral to the investigation or prosecution of crimes and whose name or identity will be revealed in the course of public proceedings.

9. "Peace officer" has the same meaning prescribed in section 13-105.

10. "Prosecutor" means a county attorney, a municipal prosecutor, the attorney general or a United States attorney and includes an assistant or deputy United States attorney, county attorney, municipal prosecutor or attorney general.

11. "Public defender" means a federal public defender, county public defender, county legal defender or county contract indigent defense counsel and includes an assistant or deputy federal public defender, county public defender or county legal defender.

EXPLANATION OF BLEND
SECTION 41-619.51

Laws 2015, Chapters 94, 257 and 315

Laws 2015, Ch. 94, section 3	Effective July 3, 2015
Laws 2015, Ch. 257, section 24	Effective July 3, 2015
Laws 2015, Ch. 315, section 14	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 94, Ch. 257 and Ch. 315 text changes to section 41-619.51 are blended in the form shown on the following pages.

BLEND OF SECTION 41-619.51
Laws 2015, Chapters 94, 257 and 315

41-619.51. Definitions

In this article, unless the context otherwise requires:

1. "Agency" means the supreme court, the department of economic security, the department of child safety, the department of education, the department of health services, the department of juvenile corrections, the department of emergency and military affairs, the department of transportation, the state real estate department, the state board of
Ch. 94 — appraisal, THE ARIZONA GAME AND FISH DEPARTMENT or the board of examiners of nursing care institution administrators and assisted living facility managers.

2. "Board" means the board of fingerprinting.

3. "Central registry exception" means notification to the
Ch. 257 — department of economic security, THE DEPARTMENT OF CHILD SAFETY or the department of health services, as appropriate, pursuant to section 41-619.57 that the person is not disqualified because of a central registry check conducted pursuant to section 8-804.

4. "Expedited review" means an examination, in accordance with board rule, of the documents an applicant submits by the board or its hearing officer without the applicant being present.

5. "Good cause exception" means the issuance of a fingerprint clearance card to an employee pursuant to section 41-619.55.

6. "Person" means a person who is required to be fingerprinted pursuant to this article or who is subject to a central registry check and any of the following:

(a) Section 8-105.
(b) Section 8-322.
(c) SECTION 8-463.
~~(c)~~ (d) Section 8-509.
~~(d)~~ (e) Section 8-802.
~~(e)~~ (f) Section 8-804.
~~(f) Section 8-804.01.~~
(g) Section 15-183.
(h) SECTION 15-503.
Ch. 94 — (i) SECTION 15-512.
~~(h)~~ (j) Section 15-534.
(k) SECTION 15-763.01.
~~(i)~~ (l) Section 15-782.02.
~~(j)~~ (m) Section 15-1330.
~~(k)~~ (n) Section 15-1881.
~~(l)~~ (o) Section 17-215.
~~(m) Section 26-103.~~
~~(n)~~ (p) Section 28-3413.

(q) SECTION 32-1232.
~~(o)~~ (r) Section 32-2108.01.
~~(p)~~ (s) Section 32-2123.
~~(q)~~ (t) Section 32-2371.
~~(r)~~ (u) Section 32-2372.
~~(s)~~ (v) Section 32-3620.
~~(t)~~ (w) Section 32-3668.
~~(u)~~ (x) Section 32-3669.
~~(v)~~ (y) Section 36-207.
~~(w)~~ (z) Section 36-411.
~~(x)~~ (aa) Section 36-425.03.
~~(y)~~ (bb) Section 36-446.04.
~~(z)~~ (cc) Section 36-594.01.
~~(aa)~~ (dd) Section 36-594.02.
~~(bb)~~ (ee) Section 36-882.
~~(cc)~~ (ff) Section 36-883.02.
~~(dd)~~ (gg) Section 36-897.01.
~~(ee)~~ (hh) Section 36-897.03.
~~(ff)~~ (ii) Section 36-3008.
~~(gg)~~ (jj) Section 41-619.53.
~~(hh)~~ (kk) Section 41-1964.
~~(ii)~~ (ll) Section 41-1967.01.
~~(jj)~~ (mm) Section 41-1968.
~~(kk)~~ (nn) Section 41-1969.
~~(ll)~~ (oo) Section 41-2814.
~~(mm)~~ (pp) Section 46-141, subsection A.
~~(nn)~~ (qq) Section 46-321.

EXPLANATION OF BLEND
SECTION 41-1279.07

Laws 2015, Chapters 268 and 323

Laws 2015, Ch. 268, section 4	Effective July 3, 2015
Laws 2015, Ch. 323, section 4	Effective July 3, 2015

Explanation

Since these two enactments are identical, the Laws 2015, Ch. 268 and Ch. 323 text changes to section 41-1279.07 are blended in the form shown on the following pages.

BLEND OF SECTION 41-1279.07
Laws 2015, Chapters 268 and 323

41-1279.07. Uniform expenditure reporting system; reports by counties, community college districts, cities and towns; certification and attestation; assistance by auditor general; violation; classification

A. The auditor general shall prescribe a uniform expenditure reporting system for all political subdivisions subject to the constitutional expenditure limitations prescribed by article IX, sections 20 and 21, Constitution of Arizona. The system shall include:

1. For counties:

(a) An annual expenditure limitation report that includes at least the following information:

(i) The expenditure limitation established for the reporting fiscal year by the economic estimates commission.

(ii) Total expenditures, by fund, for the reporting fiscal year.

(iii) Total exclusions from local revenues, as defined by article IX, section 20, Constitution of Arizona, by fund, for the reporting fiscal year.

(iv) Total amounts, by fund, of expenditures subject to the expenditure limitation for the reporting fiscal year.

(b) Annual financial statements prepared in accordance with generally accepted accounting principles.

(c) A reconciliation of the total expenditures reported within the financial statements to the total expenditures stated within the expenditure limitation report.

2. For community college districts:

(a) An annual budgeted expenditure limitation report that includes at least the following information:

(i) The expenditure limitation established for the reporting fiscal year by the economic estimates commission.

(ii) Total budgeted expenditures, by fund, for the reporting fiscal year.

(iii) Total exclusions from local revenues, as defined by article IX, section 21, Constitution of Arizona, by fund, for the reporting fiscal year.

(iv) Total amounts, by fund, of budgeted expenditures subject to the expenditure limitation for the reporting fiscal year.

(b) Annual financial statements prepared in accordance with generally accepted accounting principles.

(c) A reconciliation of the total expenditures reported within the financial statements to the total expenditures reported within the expenditure limitation report.

3. For cities and towns:

(a) An annual expenditure limitation report that includes at least the following information:

(i) The expenditure limitation established for the reporting fiscal year by the economic estimates commission and, if applicable, the voter approved alternative expenditure limitation.

(ii) Total expenditures, by fund, for the reporting fiscal year.

(iii) Total exclusions from local revenues, as defined by article IX, section 20, Constitution of Arizona, by fund, for the reporting fiscal year or, if applicable, the total exclusions from the voter approved alternative expenditure limitation.

(iv) Total amounts, by fund, of expenditures subject to the expenditure limitation for the reporting fiscal year.

(b) Financial statements prepared in accordance with generally accepted accounting principles.

(c) A reconciliation of the total expenditures reported within the financial statements to the total expenditures reported within the expenditure limitation report.

B. The auditor general shall provide detailed instructions for completion and submission of the reports described in subsection A of this section. The auditor general shall prescribe definitions for terms utilized in and the form of the reports described in subsection A of this section. The reports described in subsection A of this section are required of counties and community college districts beginning with fiscal year 1981-1982. The reports described in subsection A of this section are required of cities and towns beginning with the fiscal year the political subdivision is subject to the expenditure limitation. The annual reporting requirements also apply to political subdivisions subject to an alternative expenditure limitation enacted pursuant to article IX, section 20, subsection (9), Constitution of Arizona.

C. The reports described in subsection A of this section must be filed with the auditor general within ~~four~~ NINE months after the close of each fiscal year. ~~Upon written request, the auditor general may grant up to a one hundred twenty day extension, if extenuating circumstances exist that prevent submission of the reports within the required four month period.~~

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D. The auditor general or a certified public accountant or public accountant performing the annual audit required pursuant to sections 41-1279.21 and 9-481 shall attest to the expenditure limitation reports and financial statements for counties, community college districts and cities. The certified public accountant or public accountant performing the annual or biennial audit required pursuant to section 9-481 shall attest to the expenditure limitation reports and financial statements for towns.

E. Each political subdivision shall provide to the auditor general by July 31 each year the name of the chief fiscal officer designated by the governing board of the political subdivision to submit the current fiscal year's expenditure limitation report. The political subdivision shall notify the auditor general of any changes of individuals designated to file the required reports. The designated chief fiscal officer shall certify to the accuracy of the annual expenditure limitation report.

F. The auditor general shall prescribe forms for the uniform reporting system and may provide assistance to individuals, certified public accountants or public accountants responsible for attesting to the expenditure limitation reports and financial statements.

G. A chief fiscal officer, designated pursuant to subsection E of this section, who subsequent to July 1, 1983 refuses to file the reports required by this section within the prescribed time periods or who intentionally files

erroneous reports is guilty of a class 1 misdemeanor. A city or town exceeding the expenditure limitation prescribed or authorized pursuant to article IX, section 20, Constitution of Arizona, for any fiscal year, without authorization pursuant to such section, shall have the amount specified in subsection H of this section of its allocations of the state income tax, distributed pursuant to section 43-206, withheld and redistributed to other cities and towns in the same manner as determined pursuant to that section, except that the population of the city or town exceeding the expenditure limitation shall not be included in the computation, and the city or town exceeding the expenditure limitation shall not be entitled to share in the redistribution. A community college district exceeding the expenditure limitation prescribed pursuant to article IX, section 21, Constitution of Arizona, for any fiscal year, without authorization pursuant to such section or section 15-1471, shall have the amount specified in subsection H of this section of its allocations of state aid, distributed pursuant to section 15-1466, withheld.

H. The auditor general shall hold a hearing to determine if any political subdivision has exceeded the expenditure limitations prescribed pursuant to article IX, sections 20 and 21, Constitution of Arizona. If a county has exceeded the expenditure limitations prescribed pursuant to article IX, section 20, Constitution of Arizona, without authorization pursuant to that section, the auditor general shall notify the board of supervisors of the county to reduce the allowable levy of primary property taxes of the county pursuant to section 42-17051, subsection C. If any political subdivision other than a county has exceeded the expenditure limitations prescribed pursuant to article IX, sections 20 and 21, Constitution of Arizona, without authorization, the auditor general shall notify the state treasurer to withhold a portion of the political subdivision's allocations of the revenues described in subsection G of this section for the fiscal year subsequent to the auditor general's hearing as follows:

1. If the excess expenditures are less than five ~~per cent~~ PERCENT of the limitation, an amount equal to the excess expenditures.

2. If the excess expenditures are equal to or greater than five ~~per cent~~ PERCENT but less than ten ~~per cent~~ PERCENT of the limitation, or are less than five ~~per cent~~ PERCENT of the limitation but it is at least the second consecutive instance of excess expenditures, an amount equal to triple the excess expenditures.

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3. If the excess expenditures are equal to or greater than ten ~~per cent~~ PERCENT of the limitation, an amount equal to five times the excess expenditures or one-third of the allocation of the revenues described in subsection G of this section, whichever is less.

I. A county, city or town is not deemed to have exceeded the expenditure limitation if the county, city or town makes expenditures for capital improvements from utility revenues pursuant to title 9, chapter 5, article 3 or from excise taxes levied by the county, city or town for a specific purpose and the county, city or town repays the expenditure from the proceeds of bonds or other lawful long-term obligations before the hearing required by subsection H of this section.

EXPLANATION OF BLEND
SECTION 41-1750

Laws 2015, Chapters 143 and 160

Laws 2015, Ch. 143, section 2	Effective July 3, 2015
Laws 2015, Ch. 160, section 3	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 143 and Ch. 160 text changes to section 41-1750 are blended in the form shown on the following pages.

BLEND OF SECTION 41-1750
Laws 2015, Chapters 143 and 160

41-1750. Central state repository; department of public safety; duties; funds; accounts; definitions

A. The department is responsible for the effective operation of the central state repository in order to collect, store and disseminate complete and accurate Arizona criminal history records and related criminal justice information. The department shall:

1. Procure from all criminal justice agencies in this state accurate and complete personal identification data, fingerprints, charges, process control numbers and dispositions and such other information as may be pertinent to all persons who have been charged with, arrested for, convicted of or summoned to court as a criminal defendant for a felony offense or an offense involving domestic violence as defined in section 13-3601 or a violation of title 13, chapter 14 or title 28, chapter 4.

2. Collect information concerning the number and nature of offenses known to have been committed in this state and of the legal steps taken in connection with these offenses, such other information that is useful in the study of crime and in the administration of criminal justice and all other information deemed necessary to operate the statewide uniform crime reporting program and to cooperate with the federal government uniform crime reporting program.

3. Collect information concerning criminal offenses that manifest evidence of prejudice based on race, color, religion, national origin, sexual orientation, gender or disability.

4. Cooperate with the central state repositories in other states and with the appropriate agency of the federal government in the exchange of information pertinent to violators of the law.

5. Ensure the rapid exchange of information concerning the commission of crime and the detection of violators of the law among the criminal justice agencies of other states and of the federal government.

6. Furnish assistance to peace officers throughout this state in crime scene investigation for the detection of latent fingerprints and in the comparison of latent fingerprints.

7. Conduct periodic operational audits of the central state repository and of a representative sample of other agencies that contribute records to or receive criminal justice information from the central state repository or through the Arizona criminal justice information system.

8. Establish and enforce the necessary physical and system safeguards to ensure that the criminal justice information maintained and disseminated by the central state repository or through the Arizona criminal justice information system is appropriately protected from unauthorized inquiry, modification, destruction or dissemination as required by this section.

9. Aid and encourage coordination and cooperation among criminal justice agencies through the statewide and interstate exchange of criminal justice information.

10. Provide training and proficiency testing on the use of criminal justice information to agencies receiving information from the central state repository or through the Arizona criminal justice information system.

11. Operate and maintain the Arizona automated fingerprint identification system established by section 41-2411.

12. Provide criminal history record information to the fingerprinting division for the purpose of screening applicants for fingerprint clearance cards.

B. The director may establish guidelines for the submission and retention of criminal justice information as deemed useful for the study or prevention of crime and for the administration of criminal justice.

C. The chief officers of criminal justice agencies of this state or its political subdivisions shall provide to the central state repository fingerprints and information concerning personal identification data, descriptions, crimes for which persons are arrested, process control numbers and dispositions and such other information as may be pertinent to all persons who have been charged with, arrested for, convicted of or summoned to court as criminal defendants for felony offenses or offenses involving domestic violence as defined in section 13-3601 or violations of title 13, chapter 14 or title 28, chapter 4 that have occurred in this state.

D. The chief officers of law enforcement agencies of this state or its political subdivisions shall provide to the department such information as necessary to operate the statewide uniform crime reporting program and to cooperate with the federal government uniform crime reporting program.

E. The chief officers of criminal justice agencies of this state or its political subdivisions shall comply with the training and proficiency testing guidelines as required by the department to comply with the federal national crime information center mandates.

F. The chief officers of criminal justice agencies of this state or its political subdivisions also shall provide to the department information concerning crimes that manifest evidence of prejudice based on race, color, religion, national origin, sexual orientation, gender or disability.

G. The director shall authorize the exchange of criminal justice information between the central state repository, or through the Arizona criminal justice information system, whether directly or through any intermediary, only as follows:

1. With criminal justice agencies of the federal government, Indian tribes, this state or its political subdivisions and other states, on request by the chief officers of such agencies or their designated representatives, specifically for the purposes of the administration of criminal justice and for evaluating the fitness of current and prospective criminal justice employees.

2. With any noncriminal justice agency pursuant to a statute, ordinance or executive order that specifically authorizes the noncriminal justice agency to receive criminal history record information for the purpose of evaluating the fitness of current or prospective licensees, employees, contract employees or volunteers, on submission of the subject's fingerprints and the prescribed fee. Each statute, ordinance, or executive order that authorizes noncriminal justice agencies to receive criminal history record information for these purposes shall identify the specific categories of licensees, employees, contract employees or volunteers, and shall require that fingerprints of the specified individuals be submitted in conjunction with such requests for criminal history record information.

3. With the board of fingerprinting for the purpose of conducting good cause exceptions pursuant to section 41-619.55 and central registry exceptions pursuant to section 41-619.57.

4. With any individual for any lawful purpose on submission of the subject of record's fingerprints and the prescribed fee.

5. With the governor, if the governor elects to become actively involved in the investigation of criminal activity or the administration of criminal justice in accordance with the governor's constitutional duty to ensure that the laws are faithfully executed or as needed to carry out the other responsibilities of the governor's office.

6. With regional computer centers that maintain authorized computer-to-computer interfaces with the department, that are criminal justice agencies or under the management control of a criminal justice agency and that are established by a statute, ordinance or executive order to provide automated data processing services to criminal justice agencies specifically for the purposes of the administration of criminal justice or evaluating the fitness of regional computer center employees who have access to the Arizona criminal justice information system and the national crime information center system.

7. With an individual who asserts a belief that criminal history record information relating to the individual is maintained by an agency or in an information system in this state that is subject to this section. On submission of fingerprints, the individual may review this information for the purpose of determining its accuracy and completeness by making application to the agency operating the system. Rules adopted under this section shall include provisions for administrative review and necessary correction of any inaccurate or incomplete information. The review and challenge process authorized by this paragraph is limited to criminal history record information.

8. With individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide services required for the administration of criminal justice pursuant to that agreement if the agreement specifically authorizes access to data, limits the use of data to purposes for which given and ensures the security and confidentiality of the data consistent with this section.

9. With individuals and agencies for the express purpose of research, evaluative or statistical activities pursuant to an agreement with a criminal justice agency if the agreement specifically authorizes

access to data, limits the use of data to research, evaluative or statistical purposes and ensures the confidentiality and security of the data consistent with this section.

10. With the auditor general for audit purposes.

11. With central state repositories of other states for noncriminal justice purposes for dissemination in accordance with the laws of those states.

12. On submission of the fingerprint card, with the department of Ch. 143 — child safety AND A TRIBAL SOCIAL SERVICES AGENCY to provide criminal history record information on prospective adoptive parents for the purpose of conducting the preadoption certification investigation under title 8, chapter 1, article 1 if the department of economic security is conducting the investigation, or with an agency or a person appointed by the court, if the agency or person is conducting the investigation. Information received under this paragraph shall only be used for the purposes of the preadoption certification investigation.

Ch. 143 — 13. With the department of child safety, A TRIBAL SOCIAL SERVICES AGENCY and the superior court for the purpose of evaluating the fitness of custodians or prospective custodians of juveniles, including parents, relatives and prospective guardians. Information received under this paragraph shall only be used for the purposes of that evaluation. The information shall be provided on submission of either:

(a) The fingerprint card.

(b) The name, date of birth and social security number of the person.

14. On submission of a fingerprint card, provide criminal history record information to the superior court for the purpose of evaluating the fitness of investigators appointed under section 14-5303 or 14-5407, guardians appointed under section 14-5206 or 14-5304 or conservators appointed under section 14-5401.

15. With the supreme court to provide criminal history record information on prospective fiduciaries pursuant to section 14-5651.

16. With the department of juvenile corrections to provide criminal history record information pursuant to section 41-2814.

17. On submission of the fingerprint card, provide criminal history record information to the Arizona peace officer standards and training board or a board certified law enforcement academy to evaluate the fitness of prospective cadets.

18. With the internet sex offender web site database established pursuant to section 13-3827.

19. With licensees of the United States nuclear regulatory commission for the purpose of determining whether an individual should be granted unescorted access to the protected area of a commercial nuclear generating station on submission of the subject of record's fingerprints and the prescribed fee.

20. With the state board of education for the purpose of evaluating the fitness of a certificated teacher or administrator or an applicant for a teaching or an administrative certificate provided that the state board of education or its employees or agents have reasonable suspicion that the certificated person engaged in conduct that would be a criminal violation

of the laws of this state or was involved in immoral or unprofessional conduct or that the applicant engaged in conduct that would warrant disciplinary action if the applicant were certificated at the time of the alleged conduct. The information shall be provided on the submission of either:

(a) The fingerprint card.

(b) The name, date of birth and social security number of the person.

21. With each school district and charter school in this state. The state board of education and the state board for charter schools shall provide the department of public safety with a current list of e-mail addresses for each school district and charter school in this state and shall periodically provide the department of public safety with updated e-mail addresses. If the department of public safety is notified that a person who is required to have a fingerprint clearance card to be employed by or to engage in volunteer activities at a school district or charter school has been arrested for or convicted of an offense listed in section 41-1758.03, subsection B or has been arrested for or convicted of an offense that amounts to unprofessional conduct under section 15-550, the department of public safety shall notify each school district and charter school in this state that the person's fingerprint clearance card has been suspended or revoked.

Ch. 143 — 22. With A TRIBAL SOCIAL SERVICES AGENCY AND the department of child safety as provided by law, which currently is the Adam Walsh child protection and safety act of 2006 (42 United States Code section 16961), for the purposes of investigating or responding to reports of child abuse, neglect or exploitation. Information received pursuant to this paragraph from the national crime information center, the interstate identification index and the Arizona criminal justice information system network shall only be used for the purposes of investigating or responding as prescribed in this paragraph. The information shall be provided on submission to the department of public safety of either:

(a) The fingerprints of the person being investigated.

(b) The name, date of birth and social security number of the person.

23. With a nonprofit organization that interacts with children or vulnerable adults for the lawful purpose of evaluating the fitness of all current and prospective employees, contractors and volunteers of the organization. The criminal history record information shall be provided on submission of the applicant fingerprint card and the prescribed fee.

24. With the superior court for the purpose of determining an individual's eligibility for substance abuse and treatment courts in a family or juvenile case.

H. The director shall adopt rules necessary to execute this section.

I. The director, in the manner prescribed by law, shall remove and destroy records that the director determines are no longer of value in the detection or prevention of crime.

J. The director shall establish a fee in an amount necessary to cover the cost of federal noncriminal justice fingerprint processing for

criminal history record information checks that are authorized by law for noncriminal justice employment, licensing or other lawful purposes. An additional fee may be charged by the department for state noncriminal justice fingerprint processing. Fees submitted to the department for state noncriminal justice fingerprint processing are not refundable.

K. The director shall establish a fee in an amount necessary to cover the cost of processing copies of department reports, eight by ten inch black and white photographs or eight by ten inch color photographs of traffic accident scenes.

L. Except as provided in subsection O of this section, each agency authorized by this section may charge a fee, in addition to any other fees prescribed by law, in an amount necessary to cover the cost of state and federal noncriminal justice fingerprint processing for criminal history record information checks that are authorized by law for noncriminal justice employment, licensing or other lawful purposes.

M. A fingerprint account within the records processing fund is established for the purpose of separately accounting for the collection and payment of fees for noncriminal justice fingerprint processing by the department. Monies collected for this purpose shall be credited to the account, and payments by the department to the United States for federal noncriminal justice fingerprint processing shall be charged against the account. Monies in the account not required for payment to the United States shall be used by the department in support of the department's noncriminal justice fingerprint processing duties. At the end of each fiscal year, any balance in the account not required for payment to the United States or to support the department's noncriminal justice fingerprint processing duties reverts to the state general fund.

N. A records processing fund is established for the purpose of separately accounting for the collection and payment of fees for department reports and photographs of traffic accident scenes processed by the department. Monies collected for this purpose shall be credited to the fund and shall be used by the department in support of functions related to providing copies of department reports and photographs. At the end of each fiscal year, any balance in the fund not required for support of the functions related to providing copies of department reports and photographs reverts to the state general fund.

O. The department of child safety may pay from appropriated monies the cost of federal fingerprint processing or federal criminal history record information checks that are authorized by law for employees and volunteers of the department, guardians pursuant to section 8-453, subsection A, paragraph ~~7~~ 6, the licensing of foster parents or the certification of adoptive parents.

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P. The director shall adopt rules that provide for:

1. The collection and disposition of fees pursuant to this section.

2. The refusal of service to those agencies that are delinquent in paying these fees.

Q. The director shall ensure that the following limitations are observed regarding dissemination of criminal justice information obtained from the central state repository or through the Arizona criminal justice information system:

1. Any criminal justice agency that obtains criminal justice information from the central state repository or through the Arizona criminal justice information system assumes responsibility for the security of the information and shall not secondarily disseminate this information to any individual or agency not authorized to receive this information directly from the central state repository or originating agency.

2. Dissemination to an authorized agency or individual may be accomplished by a criminal justice agency only if the dissemination is for criminal justice purposes in connection with the prescribed duties of the agency and not in violation of this section.

3. Criminal history record information disseminated to noncriminal justice agencies or to individuals shall be used only for the purposes for which it was given. Secondary dissemination is prohibited unless otherwise authorized by law.

4. The existence or nonexistence of criminal history record information shall not be confirmed to any individual or agency not authorized to receive the information itself.

5. Criminal history record information to be released for noncriminal justice purposes to agencies of other states shall only be released to the central state repositories of those states for dissemination in accordance with the laws of those states.

6. Criminal history record information shall be released to noncriminal justice agencies of the federal government pursuant to the terms of the federal security clearance information act (P.L. 99-169).

R. This section and the rules adopted under this section apply to all agencies and individuals collecting, storing or disseminating criminal justice information processed by manual or automated operations if the collection, storage or dissemination is funded in whole or in part with monies made available by the law enforcement assistance administration after July 1, 1973, pursuant to title I of the crime control act of 1973, and to all agencies that interact with or receive criminal justice information from or through the central state repository and through the Arizona criminal justice information system.

S. This section does not apply to criminal history record information contained in:

1. Posters, arrest warrants, announcements or lists for identifying or apprehending fugitives or wanted persons.

2. Original records of entry such as police blotters maintained by criminal justice agencies, compiled chronologically and required by law or long-standing custom to be made public if these records are organized on a chronological basis.

3. Transcripts or records of judicial proceedings if released by a court or legislative or administrative proceedings.

4. Announcements of executive clemency or pardon.

5. Computer databases, other than the Arizona criminal justice information system, that are specifically designed for community notification of an offender's presence in the community pursuant to section 13-3825 or for public informational purposes authorized by section 13-3827.

T. Nothing in this section prevents a criminal justice agency from disclosing to the public criminal history record information that is reasonably contemporaneous to the event for which an individual is currently within the criminal justice system, including information noted on traffic accident reports concerning citations, blood alcohol tests or arrests made in connection with the traffic accident being investigated.

U. In order to ensure that complete and accurate criminal history record information is maintained and disseminated by the central state repository:

1. The arresting authority shall take legible ten-print fingerprints of all persons who are arrested for offenses listed in subsection C of this section including persons who are arrested and released pursuant to section 13-3903, subsection C. The arresting authority may transfer an arrestee to a booking agency for ten-print fingerprinting. IF THE BOOKING AGENCY CANNOT DETERMINE WHETHER LEGIBLE TEN-PRINT FINGERPRINTS WERE TAKEN FROM THE ARRESTEE, THE BOOKING AGENCY SHALL TAKE THE ARRESTEE'S TEN-PRINT FINGERPRINTS. The arresting authority or booking agency shall obtain a process control number and provide to the person fingerprinted a document that indicates proof of the fingerprinting and that informs the person that the document must be presented to the court.

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2. The mandatory fingerprint compliance form shall contain the following information:

(a) Whether ten-print fingerprints have been obtained from the person.

(b) Whether a process control number was obtained.

(c) The offense or offenses for which the process control number was obtained.

(d) Any report number of the arresting authority.

(e) Instructions on reporting for ten-print fingerprinting, including available times and locations for reporting for ten-print fingerprinting.

(f) Instructions that direct the person to provide the form to the court at the person's next court appearance.

3. Within ten days after a person is fingerprinted, the arresting authority or agency that took the fingerprints shall forward the fingerprints to the department in the manner or form required by the department.

4. On the issuance of a summons for a defendant who is charged with an offense listed in subsection C of this section, the summons shall direct the defendant to provide ten-print fingerprints to the appropriate law enforcement agency.

5. At the initial appearance or on the arraignment of a summoned defendant who is charged with an offense listed in subsection C of this section, if the person does not present a completed mandatory fingerprint compliance form to the court or if the court has not received the process control number, the court shall order that within twenty calendar days the defendant be ten-print fingerprinted at a designated time and place by the appropriate law enforcement agency.

6. If the defendant fails to present a completed mandatory fingerprint compliance form or if the court has not received the process control number, the court, on its own motion, may remand the defendant into custody for ten-print fingerprinting. If otherwise eligible for release, the defendant shall be released from custody after being ten-print fingerprinted.

7. In every criminal case in which the defendant is incarcerated or fingerprinted as a result of the charge, an originating law enforcement agency or prosecutor, within forty days of the disposition, shall advise the central state repository of all dispositions concerning the termination of criminal proceedings against an individual arrested for an offense specified in subsection C of this section. This information shall be submitted on a form or in a manner required by the department.

8. Dispositions resulting from formal proceedings in a court having jurisdiction in a criminal action against an individual who is arrested for an offense specified in subsection C of this section or section 8-341, subsection V, paragraph 3 shall be reported to the central state repository within forty days of the date of the disposition. This information shall be submitted on a form or in a manner specified by rules approved by the supreme court.

9. The state department of corrections or the department of juvenile corrections, within forty days, shall advise the central state repository that it has assumed supervision of a person convicted of an offense specified in subsection C of this section or section 8-341, subsection V, paragraph 3. The state department of corrections or the department of juvenile corrections shall also report dispositions that occur thereafter to the central state repository within forty days of the date of the dispositions. This information shall be submitted on a form or in a manner required by the department of public safety.

10. Each criminal justice agency shall query the central state repository before dissemination of any criminal history record information to ensure the completeness of the information. Inquiries shall be made before any dissemination except in those cases in which time is of the essence and the repository is technically incapable of responding within the necessary time period. If time is of the essence, the inquiry shall still be made and the response shall be provided as soon as possible.

V. The director shall adopt rules specifying that any agency that collects, stores or disseminates criminal justice information that is subject to this section shall establish effective security measures to protect the information from unauthorized access, disclosure, modification or dissemination. The rules shall include reasonable safeguards to protect the affected information systems from fire, flood, wind, theft, sabotage or other natural or man-made hazards or disasters.

W. The department shall make available to agencies that contribute to, or receive criminal justice information from, the central state repository or through the Arizona criminal justice information system a continuing training program in the proper methods for collecting, storing and disseminating information in compliance with this section.

X. Nothing in this section creates a cause of action or a right to bring an action including an action based on discrimination due to sexual orientation.

Y. For the purposes of this section:

1. "Administration of criminal justice" means performance of the detection, apprehension, detention, pretrial release, posttrial release, prosecution, adjudication, correctional supervision or rehabilitation of criminal offenders. Administration of criminal justice includes enforcement of criminal traffic offenses and civil traffic violations, including parking violations, when performed by a criminal justice agency. Administration of criminal justice also includes criminal identification activities and the collection, storage and dissemination of criminal history record information.

2. "Administrative records" means records that contain adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency and that are designed to furnish information to protect the rights of this state and of persons directly affected by the agency's activities.

3. "Arizona criminal justice information system" or "system" means the statewide information system managed by the director for the collection, processing, preservation, dissemination and exchange of criminal justice information and includes the electronic equipment, facilities, procedures and agreements necessary to exchange this information.

4. "Central state repository" means the central location within the department for the collection, storage and dissemination of Arizona criminal history records and related criminal justice information.

5. "Criminal history record information" and "criminal history record" means information that is collected by criminal justice agencies on individuals and that consists of identifiable descriptions and notations of arrests, detentions, indictments and other formal criminal charges, and any disposition arising from those actions, sentencing, formal correctional supervisory action and release. Criminal history record information and criminal history record do not include identification information to the extent that the information does not indicate involvement of the individual in the criminal justice system or information relating to juveniles unless they have been adjudicated as adults.

6. "Criminal justice agency" means either:

(a) A court at any governmental level with criminal or equivalent jurisdiction, including courts of any foreign sovereignty duly recognized by the federal government.

(b) A government agency or subunit of a government agency that is specifically authorized to perform as its principal function the administration of criminal justice pursuant to a statute, ordinance or executive order and that allocates more than fifty ~~per cent~~ PERCENT of its annual budget to the administration of criminal justice. This subdivision includes agencies of any foreign sovereignty duly recognized by the federal government.

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7. "Criminal justice information" means information that is collected by criminal justice agencies and that is needed for the performance of their legally authorized and required functions, such as criminal history record information, citation information, stolen property information, traffic accident reports, wanted persons information and system network log searches. Criminal justice information does not include the administrative records of a criminal justice agency.

8. "Disposition" means information disclosing that a decision has been made not to bring criminal charges or that criminal proceedings have been concluded or information relating to sentencing, correctional supervision, release from correctional supervision, the outcome of an appellate review of criminal proceedings or executive clemency.

9. "Dissemination" means the written, oral or electronic communication or transfer of criminal justice information to individuals and agencies other than the criminal justice agency that maintains the information. Dissemination includes the act of confirming the existence or nonexistence of criminal justice information.

10. "Management control":

(a) Means the authority to set and enforce:

(i) Priorities regarding development and operation of criminal justice information systems and programs.

(ii) Standards for the selection, supervision and termination of personnel involved in the development of criminal justice information systems and programs and in the collection, maintenance, analysis and dissemination of criminal justice information.

(iii) Policies governing the operation of computers, circuits and telecommunications terminals used to process criminal justice information to the extent that the equipment is used to process, store or transmit criminal justice information.

(b) Includes the supervision of equipment, systems design, programming and operating procedures necessary for the development and implementation of automated criminal justice information systems.

11. "Process control number" means the Arizona automated fingerprint identification system number that attaches to each arrest event at the time of fingerprinting and that is assigned to the arrest fingerprint card, disposition form and other pertinent documents.

12. "Secondary dissemination" means the dissemination of criminal justice information from an individual or agency that originally obtained the information from the central state repository or through the Arizona criminal justice information system to another individual or agency.

13. "Sexual orientation" means consensual homosexuality or heterosexuality.

14. "Subject of record" means the person who is the primary subject of a criminal justice record.

EXPLANATION OF BLEND
SECTION 41-1758

Laws 2015, Chapters 94 and 315

Laws 2015, Ch. 94, section 4	Effective July 3, 2015
Laws 2015, Ch. 315, section 15	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 94 and Ch. 315 text changes to section 41-1758 are blended in the form shown on the following pages.

BLEND OF SECTION 41-1758
Laws 2015, Chapters 94 and 315

41-1758. Definitions

In this article, unless the context otherwise requires:

1. "Agency" means the supreme court, the department of economic security, the department of child safety, the department of education, the department of health services, the department of juvenile corrections, the department of emergency and military affairs, the department of transportation, the state real estate department, the state board of appraisal, the board of fingerprinting, THE ARIZONA GAME AND FISH DEPARTMENT or the board of examiners of nursing care institution administrators and assisted living facility managers. (Ch. 94)

2. "Division" means the fingerprinting division in the department of public safety.

3. "Electronic or internet-based fingerprinting services" means a secure system for digitizing applicant fingerprints and transmitting the applicant data and fingerprints of a person or entity submitting fingerprints to the department of public safety for any authorized purpose under this title. For the purposes of this paragraph, "secure system" means a system that complies with the information technology security policy approved by the department of public safety.

4. "Good cause exception" means the issuance of a fingerprint clearance card to an ~~employee~~ APPLICANT pursuant to section 41-619.55. (Ch. 94)

5. "Person" means a person who is required to be fingerprinted pursuant to any of the following: (Ch. 94)

(a) Section 8-105.
(b) Section 8-322.
(c) SECTION 8-463.
~~(c)~~ (d) Section 8-509.
~~(d)~~ (e) Section 8-802.
~~(e)~~ (f) Section 15-183.
~~(f)~~ (g) Section 15-503.
~~(g)~~ (h) Section 15-512.
~~(h)~~ (i) Section 15-534.
(j) SECTION 15-763.01.
~~(i)~~ (k) Section 15-782.02.
~~(j)~~ (l) Section 15-1330.
~~(k)~~ (m) Section 15-1881.
~~(l)~~ (n) Section 17-215.
~~(m) Section 26-103.~~
~~(n)~~ (o) Section 28-3413.
(p) SECTION 32-1232. (Ch. 315)
~~(o)~~ (q) Section 32-2108.01.
~~(p)~~ (r) Section 32-2123.

~~(q)~~ (s) Section 32-2371.
~~(r)~~ (t) Section 32-2372.
~~(s)~~ (u) Section 32-3620.
~~(t)~~ (v) Section 32-3668.
~~(u)~~ (w) Section 32-3669.
~~(v)~~ (x) Section 36-207.
~~(w)~~ (y) Section 36-411.
~~(x)~~ (z) Section 36-425.03.
~~(y)~~ (aa) Section 36-446.04.
~~(z)~~ (bb) Section 36-594.01.
~~(aa)~~ (cc) Section 36-594.02.
~~(bb)~~ (dd) Section 36-882.
~~(cc)~~ (ee) Section 36-883.02.
~~(dd)~~ (ff) Section 36-897.01.
~~(ee)~~ (gg) Section 36-897.03.
~~(ff)~~ (hh) Section 36-3008.
~~(gg)~~ (ii) Section 41-619.52.
~~(hh)~~ (jj) Section 41-619.53.
~~(ii)~~ (kk) Section 41-1964.
~~(jj)~~ (ll) Section 41-1967.01.
~~(kk)~~ (mm) Section 41-1968.
~~(ll)~~ (nn) Section 41-1969.
~~(mm)~~ (oo) Section 41-2814.
~~(nn)~~ (pp) Section 46-141, subsection A.
~~(oo)~~ (qq) Section 46-321.

6. "Vulnerable adult" has the same meaning prescribed in section 13-3623.

EXPLANATION OF BLEND
SECTION 41-1758.01

Laws 2015, Chapters 94 and 315

Laws 2015, Ch. 94, section 5	Effective July 3, 2015
Laws 2015, Ch. 315, section 16	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 94 and Ch. 315 text changes to section 41-1758.01 are blended in the form shown on the following pages.

BLEND OF SECTION 41-1758.01
Laws 2015, Chapters 94 and 315

41-1758.01. Fingerprinting division; powers and duties

A. The fingerprinting division is established in the department of public safety and shall:

1. Conduct fingerprint background checks for persons and applicants who are seeking licenses from state agencies, employment with licensees, contract providers and state agencies or employment or educational opportunities with agencies that require fingerprint background checks pursuant to sections 8-105, 8-322, [8-463,] 8-509, 8-802, 15-183, 15-503, 15-512, 15-534, [15-763.01,] 15-782.02, 15-1330, 15-1881, 17-215, ~~26-103,~~ 28-3413, [32-1232,] 32-2108.01, 32-2123, 32-2371, 32-2372, 32-3620, 32-3668, 32-3669, 36-207, 36-411, 36-425.03, 36-446.04, 36-594.01, 36-594.02, 36-882, 36-883.02, 36-897.01, 36-897.03, 36-3008, 41-619.52, 41-619.53, 41-1964, 41-1967.01, 41-1968, 41-1969 and 41-2814, section 46-141, subsection A and section 46-321.

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2. Issue fingerprint clearance cards. On issuance, a fingerprint clearance card becomes the personal property of the cardholder and the cardholder shall retain possession of the fingerprint clearance card.

3. On submission of an application for a fingerprint clearance card, collect the fees established by the board of fingerprinting pursuant to section 41-619.53 and deposit, pursuant to sections 35-146 and 35-147, the monies collected in the board of fingerprinting fund.

4. Inform in writing each person who submits fingerprints for a fingerprint background check of the ~~person's~~ right to petition the board of fingerprinting for a good cause exception pursuant to ~~sections~~ SECTION 41-1758.03, ~~and~~ 41-1758.04 OR 41-1758.07.

5. IF AFTER CONDUCTING A STATE AND FEDERAL CRIMINAL HISTORY RECORDS CHECK THE DIVISION DETERMINES THAT IT IS NOT AUTHORIZED TO ISSUE A FINGERPRINT CLEARANCE CARD TO A PERSON, INFORM THE PERSON IN WRITING THAT THE DIVISION IS NOT AUTHORIZED TO ISSUE A FINGERPRINT CLEARANCE CARD. THE NOTICE SHALL INCLUDE THE CRIMINAL HISTORY INFORMATION ON WHICH THE DENIAL WAS BASED. THIS CRIMINAL HISTORY INFORMATION IS SUBJECT TO DISSEMINATION RESTRICTIONS PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544.

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6. NOTIFY THE PERSON IN WRITING IF THE DIVISION SUSPENDS, REVOKES OR PLACES A DRIVING RESTRICTION NOTATION ON A FINGERPRINT CLEARANCE CARD PURSUANT TO SECTION 41-1758.04. THE NOTICE SHALL INCLUDE THE CRIMINAL HISTORY INFORMATION ON WHICH THE SUSPENSION, REVOCATION OR PLACEMENT OF THE DRIVING RESTRICTION NOTATION WAS BASED. THIS CRIMINAL HISTORY INFORMATION IS SUBJECT TO DISSEMINATION RESTRICTIONS PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544.

~~5.~~ 7. Administer and enforce this article.

B. The fingerprinting division may contract for electronic or internet-based fingerprinting services through an entity or entities for the acquisition and transmission of applicant fingerprint and data submissions to the department, including identity verified fingerprints pursuant to section 15-106. The entity or entities contracted by the department of public safety may charge the applicant a fee for services provided pursuant to this article. The entity or entities contracted by the department of public safety shall comply with:

1. All information privacy and security measures and submission standards established by the department of public safety.

2. The information technology security policy approved by the department of public safety.

EXPLANATION OF BLEND
SECTION 41-1830.51

Laws 2015, Chapters 265 and 307

Laws 2015, Ch. 265, section 5	Effective July 3, 2015
Laws 2015, Ch. 307, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 265 and Ch. 307 text changes to section 41-1830.51 are blended in the form shown on the following pages.

BLEND OF SECTION 41-1830.51
Laws 2015, Chapters 265 and 307

41-1830.51. Vehicle towing; rules; contractual agreement for towing services; weight exemption

A. If a vehicle is towing another vehicle, the drawbar or other connection shall be of sufficient strength to pull all weight towed by the vehicle and the drawbar or other connection shall not exceed fifteen feet from one vehicle to the other, except the connection between any two vehicles transporting poles, pipe, machinery or other objects of a structural nature that cannot readily be dismembered. For the purposes of this subsection, "drawbar" means a rigid structure that connects a trailer and a towing vehicle and that articulates at the point of connection with the trailer and articulates at the point of connection with the towing vehicle.

B. If a vehicle is towing another vehicle and the connection consists of a chain, rope or cable, a white flag or cloth at least twelve inches square shall be displayed on the connection.

C. The director ~~of the department of public safety~~ shall:

1. Adopt and enforce rules that are not inconsistent with this ~~chapter~~ ARTICLE to govern the design and operation of all tow trucks.

2. ADOPT GUIDELINES TO PROTECT CONSUMERS AGAINST BEING OVERCHARGED FOR TOWING SERVICES. THE GUIDELINES SHALL SPECIFY THAT A LARGER CLASS OF TOW VEHICLE USED FOR LIGHTER TOWS MUST BE BILLED AT THE LIGHTER DUTY TOWING SERVICE RATES. Ch. 265

D. A person may not operate a tow truck for the purpose of towing vehicles without first registering with the director ~~of the department of public safety~~, ~~[obtaining a bond]~~ and obtaining a permit pursuant to the rules that govern tow trucks and that are adopted by the department ~~of public safety~~. Ch. 307

E. The director ~~of the department of public safety~~ or a county, city or town may enter into a contractual agreement with a towing firm or firms for towing or storage services, or both. At the time of application for a contractual agreement, a towing firm must disclose in writing the owners of the towing firm and, if the owners own other towing firms that are also applying for the same contractual agreement, the names of those towing firms. The contractual agreement shall comply with this section and all rules adopted under this section. Contracts shall be awarded on the basis of competitive bidding. The director ~~of the department of public safety~~ or a county, city or town shall reserve the right to reject all bids. If only one bid is received, the director ~~of the department of public safety~~ or a county, city or town may reject the bid and negotiate a contract without bidding if the negotiated contract is at a price lower than the bid price under the terms and conditions specified in the call for bids. Ch. 265

F. Except as provided in subsection G of this section, a towing firm may only have one contractual agreement per geographic towing area with the

Ch. 265 — department ~~of public safety~~ or a county, city or town for towing or storage services, or both. If an owner of a towing firm has a common ownership interest in another towing firm or the assets of another towing firm, the owner may not participate in any other application for a contractual agreement within the same geographic towing area.

G. If a towing firm that has a contractual agreement pursuant to this section acquires another towing firm that has a contractual agreement pursuant to this section, both contractual agreements remain valid for one

Ch. 307 — year after the date of the acquisition OR UNTIL THE END OF THE CONTRACTUAL AGREEMENT, WHICHEVER IS SHORTER.

H. Notwithstanding subsection F of this section, an agency may allow a towing firm to use resources from another towing firm if an agency deems the use of those resources is necessary for traffic incident management.

I. The total weight of a tow truck and the towed vehicle is exempt from the maximum total gross weight load allowed under section 28-1100 if a damaged, disabled or abandoned vehicle or vehicle combination is towed.

EXPLANATION OF BLEND
SECTION 42-2003

Laws 2015, Chapters 85 and 199

Laws 2015, Ch. 85, section 8	Effective July 3, 2015
Laws 2015, Ch. 199, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 85 and Ch. 199 text changes to section 42-2003 are blended in the form shown on the following pages.

BLEND OF SECTION 42-2003
Laws 2015, Chapters 85 and 199

42-2003. Authorized disclosure of confidential information

A. Confidential information relating to:

1. A taxpayer may be disclosed to the taxpayer, its successor in interest or a designee of the taxpayer who is authorized in writing by the taxpayer. A principal corporate officer of a parent corporation may execute a written authorization for a controlled subsidiary.

2. A corporate taxpayer may be disclosed to any principal officer, any person designated by a principal officer or any person designated in a resolution by the corporate board of directors or other similar governing body.

3. A partnership may be disclosed to any partner of the partnership. This exception does not include disclosure of confidential information of a particular partner unless otherwise authorized.

4. An estate may be disclosed to the personal representative of the estate and to any heir, next of kin or beneficiary under the will of the decedent if the department finds that the heir, next of kin or beneficiary has a material interest which will be affected by the confidential information.

5. A trust may be disclosed to the trustee or trustees, jointly or separately, and to the grantor or any beneficiary of the trust if the department finds that the grantor or beneficiary has a material interest that will be affected by the confidential information.

6. Any taxpayer may be disclosed if the taxpayer has waived any rights to confidentiality either in writing or on the record in any administrative or judicial proceeding.

7. The name and taxpayer identification numbers of persons issued direct payment permits may be publicly disclosed.

B. Confidential information may be disclosed to:

1. Any employee of the department whose official duties involve tax administration.

2. The office of the attorney general solely for its use in preparation for, or in an investigation that may result in, any proceeding involving tax administration before the department or any other agency or board of this state, or before any grand jury or any state or federal court.

3. The department of liquor licenses and control for its use in determining whether a spirituous liquor licensee has paid all transaction privilege taxes and affiliated excise taxes incurred as a result of the sale of spirituous liquor, as defined in section 4-101, at the licensed establishment and imposed on the licensed establishments by this state and its political subdivisions.

4. Other state tax officials whose official duties require the disclosure for proper tax administration purposes if the information is

sought in connection with an investigation or any other proceeding conducted by the official. Any disclosure is limited to information of a taxpayer who is being investigated or who is a party to a proceeding conducted by the official.

5. The following agencies, officials and organizations, if they grant substantially similar privileges to the department for the type of information being sought, pursuant to statute and a written agreement between the department and the foreign country, agency, state, Indian tribe or organization:

(a) The United States internal revenue service, alcohol and tobacco tax and trade bureau of the United States treasury, United States bureau of alcohol, tobacco, firearms and explosives of the United States department of justice, United States drug enforcement agency and federal bureau of investigation.

(b) A state tax official of another state.

(c) An organization of states, federation of tax administrators or multistate tax commission that operates an information exchange for tax administration purposes.

(d) An agency, official or organization of a foreign country with responsibilities that are comparable to those listed in subdivision (a), (b) or (c) of this paragraph.

(e) An agency, official or organization of an Indian tribal government with responsibilities comparable to the responsibilities of the agencies, officials or organizations identified in subdivision (a), (b) or (c) of this paragraph.

6. The auditor general, in connection with any audit of the department subject to the restrictions in section 42-2002, subsection D.

7. Any person to the extent necessary for effective tax administration in connection with:

(a) The processing, storage, transmission, destruction and reproduction of the information.

(b) The programming, maintenance, repair, testing and procurement of equipment for purposes of tax administration.

(c) The collection of the taxpayer's civil liability.

8. The office of administrative hearings relating to taxes administered by the department pursuant to section 42-1101, but the department shall not disclose any confidential information:

(a) Regarding income tax or withholding tax.

(b) On any tax issue relating to information associated with the reporting of income tax or withholding tax.

9. The United States treasury inspector general for tax administration for the purpose of reporting a violation of internal revenue code section 7213A (26 United States Code section 7213A), unauthorized inspection of returns or return information.

10. The financial management service of the United States treasury department for use in the treasury offset program.

11. The United States treasury department or its authorized agent for use in the state income tax levy program and in the electronic federal tax payment system.

12. The Arizona commerce authority for its use in:

(a) Qualifying renewable energy operations for the tax incentives under sections 42-12006, 43-1083.01 and 43-1164.01.

(b) Qualifying businesses with a qualified facility for income tax credits under sections 43-1083.03 and 43-1164.04.

(c) Fulfilling its annual reporting responsibility pursuant to section 41-1511, subsections U and V and section 41-1512, subsections U and V.

(d) Certifying computer data centers for tax relief under section 41-1519.

13. A prosecutor for purposes of section 32-1164, subsection C.

14. The state fire marshal for use in determining compliance with and enforcing title 41, chapter 16, article 3.1.

15. The department of transportation for its use in administering taxes, surcharges and penalties prescribed by title 28.

16. The Arizona health care cost containment system administration for its use in administering nursing facility provider assessments.

C. Confidential information may be disclosed in any state or federal judicial or administrative proceeding pertaining to tax administration pursuant to the following conditions:

1. One or more of the following circumstances must apply:

(a) The taxpayer is a party to the proceeding.

(b) The proceeding arose out of, or in connection with, determining the taxpayer's civil or criminal liability, or the collection of the taxpayer's civil liability, with respect to any tax imposed under this title or title 43.

(c) The treatment of an item reflected on the taxpayer's return is directly related to the resolution of an issue in the proceeding.

(d) Return information directly relates to a transactional relationship between a person who is a party to the proceeding and the taxpayer and directly affects the resolution of an issue in the proceeding.

2. Confidential information may not be disclosed under this subsection if the disclosure is prohibited by section 42-2002, subsection C or D.

D. Identity information may be disclosed for purposes of notifying persons entitled to tax refunds if the department is unable to locate the persons after reasonable effort.

E. The department, on the request of any person, shall provide the names and addresses of bingo licensees as defined in section 5-401, verify whether or not a person has a privilege license and number, a tobacco product distributor's license and number or a withholding license and number or disclose the information to be posted on the department's website or otherwise publicly accessible pursuant to section 42-1124, subsection F and section ~~42-3201, subsection A~~ 42-3401.

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F. A department employee, in connection with the official duties relating to any audit, collection activity or civil or criminal investigation, may disclose return information to the extent that disclosure is necessary to obtain information that is not otherwise reasonably available. These official duties include the correct determination of and liability for tax, the amount to be collected or the enforcement of other state tax revenue laws.

G. If an organization is exempt from this state's income tax as provided in section 43-1201 for any taxable year, the name and address of the

organization and the application filed by the organization on which the department made its determination for exemption together with any papers submitted in support of the application and any letter or document issued by the department concerning the application are open to public inspection.

H. Confidential information relating to transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and any other tax collected by the department on behalf of any jurisdiction may be disclosed to any county, city or town tax official if the information relates to a taxpayer who is or may be taxable by a county, city or town or who may be subject to audit by the department pursuant to section 42-6002. Any taxpayer information released by the department to the county, city or town:

1. May only be used for internal purposes, including audits.

2. May not be disclosed to the public in any manner that does not comply with confidentiality standards established by the department. The county, city or town shall agree in writing with the department that any release of confidential information that violates the confidentiality standards adopted by the department will result in the immediate suspension of any rights of the county, city or town to receive taxpayer information under this subsection.

I. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to any one taxpayer. The department may disclose statistical information gathered from confidential information, even if it discloses confidential information attributable to a taxpayer, to:

1. The state treasurer in order to comply with the requirements of section 42-5029, subsection A, paragraph 3.

Ch. 199 — 2. The joint legislative income tax credit review committee, ~~and~~ the joint legislative budget committee staff AND THE LEGISLATIVE STAFF in order to comply with the requirements of section 43-221.

J. The department may disclose the aggregate amounts of any tax credit, tax deduction or tax exemption enacted after January 1, 1994. Information subject to disclosure under this subsection shall not be disclosed if a taxpayer demonstrates to the department that such information would give an unfair advantage to competitors.

K. Except as provided in section 42-2002, subsection C, confidential information, described in section 42-2001, paragraph 1, subdivision (a), item (ii), may be disclosed to law enforcement agencies for law enforcement purposes.

L. The department may provide transaction privilege tax license information to property tax officials in a county for the purpose of identification and verification of the tax status of commercial property.

M. The department may provide transaction privilege tax, luxury tax, use tax, property tax and severance tax information to the ombudsman-citizens aide pursuant to title 41, chapter 8, article 5.

N. Except as provided in section 42-2002, subsection D, a court may order the department to disclose confidential information pertaining to a party to an action. An order shall be made only upon a showing of good cause and that the party seeking the information has made demand upon the taxpayer for the information.

O. This section does not prohibit the disclosure by the department of any information or documents submitted to the department by a bingo licensee. Before disclosing the information the department shall obtain the name and address of the person requesting the information.

P. If the department is required or permitted to disclose confidential information, it may charge the person or agency requesting the information for the reasonable cost of its services.

Q. Except as provided in section 42-2002, subsection D, the department of revenue shall release confidential information as requested by the department of economic security pursuant to section 42-1122 or 46-291. Information disclosed under this subsection is limited to the same type of information that the United States internal revenue service is authorized to disclose under section 6103(l)(6) of the internal revenue code.

R. Except as provided in section 42-2002, subsection D, the department of revenue shall release confidential information as requested by the courts and clerks of the court pursuant to section 42-1122.

S. To comply with the requirements of section 42-5031, the department may disclose to the state treasurer, to the county stadium district board of directors and to any city or town tax official that is part of the county stadium district confidential information attributable to a taxpayer's business activity conducted in the county stadium district.

T. The department shall release to the attorney general confidential information as requested by the attorney general for purposes of determining compliance with or enforcing any of the following:

1. Any public health control law relating to tobacco sales as provided under title 36, chapter 6, article 14.

2. Any law relating to reduced cigarette ignition propensity standards as provided under title 41, chapter 16, article 3.1.

3. Sections 44-7101 and 44-7111, the master settlement agreement referred to in those sections and all agreements regarding disputes under the master settlement agreement.

U. For proceedings before the department, the office of administrative hearings, the board of tax appeals or any state or federal court involving penalties that were assessed against a return preparer, an electronic return preparer or a payroll service company pursuant to section 42-1103.02, 42-1125.01 or 43-419, confidential information may be disclosed only before the judge or administrative law judge adjudicating the proceeding, the parties to the proceeding and the parties' representatives in the proceeding prior to its introduction into evidence in the proceeding. The confidential information may be introduced as evidence in the proceeding only if the taxpayer's name, the names of any dependents listed on the return, all social security numbers, the taxpayer's address, the taxpayer's signature and any attachments containing any of the foregoing information are redacted and if either:

1. The treatment of an item reflected on such return is or may be related to the resolution of an issue in the proceeding.

2. Such return or return information relates or may relate to a transactional relationship between a person who is a party to the proceeding and the taxpayer which directly affects the resolution of an issue in the proceeding.

3. The method of payment of the taxpayer's withholding tax liability or the method of filing the taxpayer's withholding tax return is an issue for the period.

V. The department and attorney general may share the information specified in subsection T of this section with any of the following:

1. Federal, state or local agencies for the purposes of enforcement of corresponding laws of other states.

2. A court, arbitrator, data clearinghouse or similar entity for the purpose of assessing compliance with or making calculations required by the master settlement agreement or agreements regarding disputes under the master settlement agreement, and with counsel for the parties or expert witnesses in any such proceeding, if the information otherwise remains confidential.

W. The department may provide the name and address of qualifying hospitals and qualifying health care organizations, as defined in section 42-5001, to a business classified and reporting transaction privilege tax under the utilities classification.

X. The department may disclose to an official of any city, town or county in a current agreement or considering a prospective agreement with the department as described in section 42-5032.02, subsection F any information relating to amounts subject to distribution required by section 42-5032.02. Information disclosed by the department under this subsection:

1. May only be used by the city, town or county for internal purposes.

2. May not be disclosed to the public in any manner that does not comply with confidentiality standards established by the department. The city, town or county must agree with the department in writing that any release of confidential information that violates the confidentiality standards will result in the immediate suspension of any rights of the city, town or county to receive information under this subsection.

EXPLANATION OF BLEND
SECTION 42-5029

Laws 2015, Chapters 10 and 306

Laws 2015, Ch. 10, section 5	Effective July 3, 2015
Laws 2015, Ch. 306, section 8	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 10 and Ch. 306 text changes to section 42-5029 are blended in the form shown on the following pages.

BLEND OF SECTION 42-5029
Laws 2015, Chapters 10 and 306

42-5029. Remission and distribution of monies; definition

A. The department shall deposit, pursuant to sections 35-146 and 35-147, all revenues collected under this article and articles 4, 5 and 8 of this chapter pursuant to section 42-1116, separately accounting for:

1. Payments of estimated tax under section 42-5014, subsection D.

2. Revenues collected pursuant to section 42-5070.

3. Revenues collected under this article and article 5 of this chapter from and after June 30, 2000 from sources located on Indian reservations in this state.

4. Revenues collected pursuant to section 42-5010, subsection G and section 42-5155, subsection D.

B. The department shall credit payments of estimated tax to an estimated tax clearing account and each month shall transfer all monies in the estimated tax clearing account to a fund designated as the transaction privilege and severance tax clearing account. The department shall credit all other payments to the transaction privilege and severance tax clearing account, separately accounting for the monies designated as distribution base under sections 42-5010, 42-5164, 42-5205 and 42-5353. Each month the department shall report to the state treasurer the amount of monies collected pursuant to this article and articles 4, 5 and 8 of this chapter.

C. On notification by the department, the state treasurer shall distribute the monies deposited in the transaction privilege and severance tax clearing account in the manner prescribed by this section and by sections 42-5164, 42-5205 and 42-5353, after deducting warrants drawn against the account pursuant to sections 42-1118 and 42-1254.

D. Of the monies designated as distribution base, AND SUBJECT TO THE REQUIREMENTS OF SECTION 42-5041, the department shall:

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1. Pay twenty-five ~~per cent~~ PERCENT to the various incorporated municipalities in this state in proportion to their population to be used by the municipalities for any municipal purpose.

2. Pay 38.08 ~~per cent~~ PERCENT to the counties in this state by averaging the following proportions:

(a) The proportion that the population of each county bears to the total state population.

(b) The proportion that the distribution base monies collected during the calendar month in each county under this article, section 42-5164, subsection B, section 42-5205, subsection B and section 42-5353 bear to the total distribution base monies collected under this article, section 42-5164, subsection B, section 42-5205, subsection B and section 42-5353 throughout the state for the calendar month.

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3. Pay an additional 2.43 ~~per cent~~ PERCENT to the counties in this state as follows:

(a) Average the following proportions:

(i) The proportion that the assessed valuation used to determine secondary property taxes of each county, after deducting that part of the assessed valuation that is exempt from taxation at the beginning of the month for which the amount is to be paid, bears to the total assessed valuations used to determine secondary property taxes of all the counties after deducting that portion of the assessed valuations that is exempt from taxation at the beginning of the month for which the amount is to be paid. Property of a city or town that is not within or contiguous to the municipal corporate boundaries and from which water is or may be withdrawn or diverted and transported for use on other property is considered to be taxable property in the county for purposes of determining assessed valuation in the county under this item.

(ii) The proportion that the distribution base monies collected during the calendar month in each county under this article, section 42-5164, subsection B, section 42-5205, subsection B and section 42-5353 bear to the total distribution base monies collected under this article, section 42-5164, subsection B, section 42-5205, subsection B and section 42-5353 throughout the state for the calendar month.

(b) If the proportion computed under subdivision (a) of this paragraph for any county is greater than the proportion computed under paragraph 2 of this subsection, the department shall compute the difference between the amount distributed to that county under paragraph 2 of this subsection and the amount that would have been distributed under paragraph 2 of this subsection using the proportion computed under subdivision (a) of this paragraph and shall pay that difference to the county from the amount available for distribution under this paragraph. Any monies remaining after all payments under this subdivision shall be distributed among the counties according to the proportions computed under paragraph 2 of this subsection.

4. After any distributions required by sections 42-5030, 42-5030.01, 42-5031, 42-5032, 42-5032.01 and 42-5032.02, and after making any transfer to the water quality assurance revolving fund as required by section 49-282, subsection B, credit the remainder of the monies designated as distribution base to the state general fund. From this amount the legislature shall annually appropriate to:

(a) The department of revenue sufficient monies to administer and enforce this article and articles 5 and 8 of this chapter.

(b) The department of economic security monies to be used for the purposes stated in title 46, chapter 1.

(c) The firearms safety and ranges fund established by section 17-273, fifty thousand dollars derived from the taxes collected from the retail classification pursuant to section 42-5061 for the current fiscal year.

E. If approved by the qualified electors voting at a statewide general election, all monies collected pursuant to section 42-5010, subsection G and section 42-5155, subsection D shall be distributed each fiscal year pursuant to this subsection. The monies distributed pursuant to this subsection are in addition to any other appropriation, transfer or other allocation of public or private monies from any other source and shall not supplant, replace or cause a reduction in other school district, charter school,

university or community college funding sources. The monies shall be distributed as follows:

1. If there are outstanding state school facilities revenue bonds pursuant to title 15, chapter 16, article 7, each month one-twelfth of the amount that is necessary to pay the fiscal year's debt service on outstanding state school improvement revenue bonds for the current fiscal year shall be transferred each month to the school improvement revenue bond debt service fund established by section 15-2084. The total amount of bonds for which these monies may be allocated for the payment of debt service shall not exceed a principal amount of eight hundred million dollars exclusive of refunding bonds and other refinancing obligations.

2. After any transfer of monies pursuant to paragraph 1 of this subsection, twelve per cent of the remaining monies collected during the preceding month shall be transferred to the technology and research initiative fund established by section 15-1648 to be distributed among the universities for the purpose of investment in technology and research-based initiatives.

3. After the transfer of monies pursuant to paragraph 1 of this subsection, three per cent of the remaining monies collected during the preceding month shall be transferred to the workforce development account established in each community college district pursuant to section 15-1472 for the purpose of investment in workforce development programs.

4. After transferring monies pursuant to paragraphs 1, 2 and 3 of this subsection, one-twelfth of the amount a community college that is owned, operated or chartered by a qualifying Indian tribe on its own Indian reservation would receive pursuant to section 15-1472, subsection D, paragraph 2 if it were a community college district shall be distributed each month to the treasurer or other designated depository of a qualifying Indian tribe. Monies distributed pursuant to this paragraph are for the exclusive purpose of providing support to one or more community colleges owned, operated or chartered by a qualifying Indian tribe and shall be used in a manner consistent with section 15-1472, subsection B. For the purposes of this paragraph, "qualifying Indian tribe" has the same meaning as defined in section 42-5031.01, subsection D.

5. After transferring monies pursuant to paragraphs 1, 2 and 3 of this subsection, one-twelfth of the following amounts shall be transferred each month to the department of education for the increased cost of basic state aid under section 15-971 due to added school days and associated teacher salary increases enacted in 2000:

(a) In fiscal year 2001-2002, $15,305,900.

(b) In fiscal year 2002-2003, $31,530,100.

(c) In fiscal year 2003-2004, $48,727,700.

(d) In fiscal year 2004-2005, $66,957,200.

(e) In fiscal year 2005-2006 and each fiscal year thereafter, $86,280,500.

6. After transferring monies pursuant to paragraphs 1, 2 and 3 of this subsection, seven million eight hundred thousand dollars is appropriated each fiscal year, to be paid in monthly installments, to the department of education to be used for school safety as provided in section 15-154 and two hundred thousand dollars is appropriated each fiscal year, to be paid in

monthly installments to the department of education to be used for the character education matching grant program as provided in section 15-154.01.

7. After transferring monies pursuant to paragraphs 1, 2 and 3 of this subsection, no more than seven million dollars may be appropriated by the legislature each fiscal year to the department of education to be used for accountability purposes as described in section 15-241 and title 15, chapter 9, article 8.

8. After transferring monies pursuant to paragraphs 1, 2 and 3 of this subsection, one million five hundred thousand dollars is appropriated each fiscal year, to be paid in monthly installments, to the failing schools tutoring fund established by section 15-241.

9. After transferring monies pursuant to paragraphs 1, 2 and 3 of this subsection, twenty-five million dollars shall be transferred each fiscal year to the state general fund to reimburse the general fund for the cost of the income tax credit allowed by section 43-1072.01.

10. After the payment of monies pursuant to paragraphs 1 through 9 of this subsection, the remaining monies collected during the preceding month shall be transferred to the classroom site fund established by section 15-977. The monies shall be allocated as follows in the manner prescribed by section 15-977:

(a) Forty per cent shall be allocated for teacher compensation based on performance.

(b) Twenty per cent shall be allocated for increases in teacher base compensation and employee related expenses.

(c) Forty per cent shall be allocated for maintenance and operation purposes.

F. The department shall credit the remainder of the monies in the transaction privilege and severance tax clearing account to the state general fund, subject to any distribution required by section 42-5030.01.

G. Notwithstanding subsection D of this section, if a court of competent jurisdiction finally determines that tax monies distributed under this section were illegally collected under this article or articles 5 and 8 of this chapter and orders the monies to be refunded to the taxpayer, the department shall compute the amount of such monies that was distributed to each city, town and county under this section. Each city's, town's and county's proportionate share of the costs shall be based on the amount of the original tax payment each municipality and county received. Each month the state treasurer shall reduce the amount otherwise distributable to the city, town and county under this section by one thirty-sixth of the total amount to be recovered from the city, town or county until the total amount has been recovered, but the monthly reduction for any city, town or county shall not exceed ten per cent of the full monthly distribution to that entity. The reduction shall begin for the first calendar month after the final disposition of the case and shall continue until the total amount, including interest and costs, has been recovered.

H. On receiving a certificate of default from the greater Arizona development authority pursuant to section 41-2257 or 41-2258 and to the extent not otherwise expressly prohibited by law, the state treasurer shall withhold from the next succeeding distribution of monies pursuant to this section due to the defaulting political subdivision the amount specified in

the certificate of default and immediately deposit the amount withheld in the greater Arizona development authority revolving fund. The state treasurer shall continue to withhold and deposit the monies until the greater Arizona development authority certifies to the state treasurer that the default has been cured. In no event may the state treasurer withhold any amount that the defaulting political subdivision certifies to the state treasurer and the authority as being necessary to make any required deposits then due for the payment of principal and interest on bonds of the political subdivision that were issued before the date of the loan repayment agreement or bonds and that have been secured by a pledge of distributions made pursuant to this section.

I. Except as provided by sections 42-5033 and 42-5033.01, the population of a county, city or town as determined by the most recent United States decennial census plus any revisions to the decennial census certified by the United States bureau of the census shall be used as the basis for apportioning monies pursuant to subsection D of this section.

J. Except as otherwise provided by this subsection, on notice from the department of revenue pursuant to section 42-6010, subsection B, the state treasurer shall withhold from the distribution of monies pursuant to this section to the affected city or town the amount of the penalty for business location municipal tax incentives provided by the city or town to a business entity that locates a retail business facility in the city or town. The state treasurer shall continue to withhold monies pursuant to this subsection until the entire amount of the penalty has been withheld. The state treasurer shall credit any monies withheld pursuant to this subsection to the state general fund as provided by subsection D, paragraph 4 of this section. The state treasurer shall not withhold any amount that the city or town certifies to the department of revenue and the state treasurer as being necessary to make any required deposits or payments for debt service on bonds or other long-term obligations of the city or town that were issued or incurred before the location incentives provided by the city or town.

K. On notice from the auditor general pursuant to section 9-626, subsection D, the state treasurer shall withhold from the distribution of monies pursuant to this section to the affected city the amount computed pursuant to section 9-626, subsection D. The state treasurer shall continue to withhold monies pursuant to this subsection until the entire amount specified in the notice has been withheld. The state treasurer shall credit any monies withheld pursuant to this subsection to the state general fund as provided by subsection D, paragraph 4 of this section.

L. For the purposes of this section, "community college district" means a community college district that is established pursuant to sections 15-1402 and 15-1403 and that is a political subdivision of this state and, unless otherwise specified, includes a ~~community college district established pursuant to section 15-1402.01 and a provisional~~ community college TUITION FINANCING district established pursuant to section 15-1409.

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EXPLANATION OF BLEND
SECTION 42-5063

Laws 2015, Chapters 6 and 72

Laws 2015, Ch. 6, section 2 — Effective August 1, 2015

Laws 2015, Ch. 72, section 1 — Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 6 and Ch. 72 text changes to section 42-5063 are blended in the form shown on the following pages.

BLEND OF SECTION 42-5063
Laws 2015, Chapters 6 and 72

42-5063. Utilities classification; definitions

A. The utilities classification is comprised of the business of:

1. Producing and furnishing or furnishing to consumers natural or artificial gas and water.

2. Providing to retail electric customers ancillary services, electric distribution services, electric generation services, electric transmission services and other services related to providing electricity.

B. The utilities classification does not include:

1. Sales of ancillary services, electric distribution services, electric generation services, electric transmission services and other services related to providing electricity, gas or water to a person who resells the services.

2. Sales of natural gas or liquefied petroleum gas used to propel a motor vehicle.

3. Sales of alternative fuel, as defined in section 1-215, to a used oil fuel burner who has received a permit to burn used oil or used oil fuel under section 49-426 or 49-480.

4. Sales of ancillary services, electric distribution services, electric generation services, electric transmission services and other services that are related to providing electricity to a retail electric customer who is located outside this state for use outside this state if the electricity is delivered to a point of sale outside this state.

5. Sales or other transfers of renewable energy credits or any other unit created to track energy derived from renewable energy resources. For the purposes of this paragraph, "renewable energy credit" means a unit created administratively by the corporation commission or governing body of a public power utility to track kilowatt hours of electricity derived from a renewable energy resource or the kilowatt hour equivalent of conventional energy resources displaced by distributed renewable energy resources.

6. THE LEASING OR RENTING OF SPACE TO MAKE ATTACHMENTS TO UTILITY POLES AS FOLLOWS:

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(a) BY A PERSON THAT IS ENGAGED IN BUSINESS UNDER THIS SECTION.

(b) TO A PERSON THAT IS ENGAGED IN BUSINESS UNDER THIS SECTION OR SECTION 42-5064 OR THAT IS A CABLE OPERATOR.

C. The tax base for the utilities classification is the gross proceeds of sales or gross income derived from the business, but the following shall be deducted from the tax base:

1. Revenues received by a municipally owned utility in the form of fees charged to persons constructing residential, commercial or industrial developments or connecting residential, commercial or industrial developments to a municipal utility system or systems if the fees are segregated and used only for capital expansion, system enlargement or debt service of the utility system or systems.

2. Revenues received by any person or persons owning a utility system in the form of reimbursement or contribution compensation for property and equipment installed to provide utility access to, on or across the land of an actual utility consumer if the property and equipment become the property of the utility. This deduction shall not exceed the value of such property and equipment.

3. Gross proceeds of sales or gross income derived from sales to:

(a) Qualifying hospitals as defined in section 42-5001.

(b) A qualifying health care organization as defined in section 42-5001 if the tangible personal property is used by the organization solely to provide health and medical related educational and charitable services.

4. The portion of gross proceeds of sales or gross income that is derived from sales to a qualified environmental technology manufacturer, producer or processor as defined in section 41-1514.02 of a utility product and that is used directly in environmental technology manufacturing, producing or processing. This paragraph shall apply for twenty full consecutive calendar or fiscal years from the date the first paper manufacturing machine is placed in service. In the case of a qualified environmental technology manufacturer, producer or processor who does not manufacture paper, the time period shall begin with the date the first manufacturing, processing or production equipment is placed in service.

5. The portion of gross proceeds of sales or gross income attributable to transfers of electricity by any retail electric customer owning a solar photovoltaic energy generating system to an electric distribution system, if the electricity transferred is generated by the customer's system.

6. Gross proceeds of sales or gross income derived from sales of electricity or natural gas to a business that is principally engaged in manufacturing or smelting operations and that uses at least fifty-one ~~per cent~~ PERCENT of the electricity or natural gas in the manufacturing or smelting operations. This paragraph does not apply to gas transportation services. For the purposes of this paragraph:

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(a) "Gas transportation services" means the services of transporting natural gas to a natural gas customer or to a natural gas distribution facility if the natural gas was purchased from a supplier other than the utility.

(b) "Manufacturing" means the performance as a business of an integrated series of operations that places tangible personal property in a form, composition or character different from that in which it was acquired and transforms it into a different product with a distinctive name, character or use. Manufacturing does not include processing, fabricating, job printing, mining, generating electricity or operating a restaurant.

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(c) "Principally engaged" means at least fifty-one ~~per cent~~ PERCENT of the business is a manufacturing or smelting operation.

(d) "Smelting" means to melt or fuse a metalliferous mineral, often with an accompanying chemical change, usually to separate the metal.

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7. GROSS PROCEEDS OF SALES OR GROSS INCOME DERIVED FROM SALES OF ELECTRICITY OR NATURAL GAS TO A BUSINESS THAT OPERATES AN INTERNATIONAL OPERATIONS CENTER IN THIS STATE AND THAT IS CERTIFIED BY THE ARIZONA COMMERCE AUTHORITY PURSUANT TO SECTION 41-1520.

D. For the purposes of this section:

1. "Ancillary services" means those services so designated in federal energy regulatory commission order 888 adopted in 1996 that include the services necessary to support the transmission of electricity from resources to loads while maintaining reliable operation of the transmission system according to good utility practice.

Ch. 72 — 2. "CABLE OPERATOR" HAS THE SAME MEANING PRESCRIBED IN SECTION 9-505.

~~2.~~ 3. "Electric distribution service" means distributing electricity to retail electric customers through the use of electric distribution facilities.

~~3.~~ 4. "Electric generation service" means providing electricity for sale to retail electric customers but excluding electric distribution or transmission services.

~~4.~~ 5. "Electric transmission service" means transmitting electricity to retail electric customers or to electric distribution facilities so classified by the federal energy regulatory commission or, to the extent permitted by law, so classified by the Arizona corporation commission.

~~5.~~ 6. "Other services" includes metering, meter reading services, billing and collecting services.

~~6.~~ 7. "Retail electric customer" means a person who purchases electricity for that person's own use, including use in that person's trade or business and not for resale, redistribution or retransmission.

Ch. 72 — 8. "UTILITY POLE" MEANS ANY WOODEN, METAL OR OTHER POLE USED FOR UTILITY PURPOSES AND THE POLE'S APPURTENANCES THAT ARE ATTACHED OR AUTHORIZED FOR ATTACHMENT BY THE PERSON CONTROLLING THE POLE.

EXPLANATION OF BLEND
SECTION 42-5071

Laws 2015, Chapters 72 and 230

Laws 2015, Ch. 72, section 4	Effective July 3, 2015
Laws 2015, Ch. 230, section 9	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 72 and Ch. 230 text changes to section 42-5071 are blended in the form shown on the following pages.

BLEND OF SECTION 42-5071
Laws 2015, Chapters 72 and 230

42-5071. Personal property rental classification; definitions

A. The personal property rental classification is comprised of the business of leasing or renting tangible personal property for a consideration. The tax does not apply to:

1. Leasing or renting films, tapes or slides used by theaters or movies, which are engaged in business under the amusement classification, or used by television stations or radio stations.

2. Activities engaged in by the Arizona exposition and state fair board or county fair commissions in connection with events sponsored by such entities.

3. Leasing or renting tangible personal property by a parent corporation to a subsidiary corporation or by a subsidiary corporation to another subsidiary of the same parent corporation if taxes were paid under this chapter on the gross proceeds or gross income accruing from the initial sale of the tangible personal property. For the purposes of this paragraph, "subsidiary" means a corporation of which at least eighty ~~per cent~~ PERCENT of the voting shares are owned by the parent corporation.

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4. Operating coin-operated washing, drying and dry cleaning machines or coin-operated car washing machines at establishments for the use of such machines.

5. Leasing or renting tangible personal property for incorporation into or comprising any part of a qualified environmental technology facility as described in section 41-1514.02. This paragraph shall apply for ten full consecutive calendar or fiscal years following the initial lease or rental by each qualified environmental technology manufacturer, producer or processor.

6. Leasing or renting aircraft, flight simulators or similar training equipment to students or staff by nonprofit, accredited educational institutions that offer associate or baccalaureate degrees in aviation or aerospace related fields.

7. Leasing or renting photographs, transparencies or other creative works used by this state on internet websites, in magazines or in other publications that encourage tourism.

8. Leasing or renting certified ignition interlock devices installed pursuant to the requirements prescribed by section 28-1461. For the purposes of this paragraph, "certified ignition interlock device" has the same meaning prescribed in section 28-1301.

9. THE LEASING OR RENTING OF SPACE TO MAKE ATTACHMENTS TO UTILITY POLES, AS FOLLOWS:

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(a) BY A PERSON THAT IS ENGAGED IN BUSINESS UNDER SECTION 42-5063 OR 42-5064 OR THAT IS A CABLE OPERATOR.

(b) TO A PERSON THAT IS ENGAGED IN BUSINESS UNDER SECTION 42-5063 OR 42-5064 OR THAT IS A CABLE OPERATOR.

B. The tax base for the personal property rental classification is the gross proceeds of sales or gross income derived from the business, but the

gross proceeds of sales or gross income derived from the following shall be deducted from the tax base:

1. Reimbursements by the lessee to the lessor of a motor vehicle for payments by the lessor of the applicable fees and taxes imposed by sections 28-2003, 28-2352, 28-2402, 28-2481 and 28-5801, title 28, chapter 15, article 2 and article IX, section 11, Constitution of Arizona, to the extent such amounts are separately identified as such fees and taxes and are billed to the lessee.

2. Leases or rentals of tangible personal property that, if it had been purchased instead of leased or rented by the lessee, would have been exempt under:

(a) Section 42-5061, subsection A, paragraph 8, 9, 12, 13, 25, 29, 49 or ~~54~~ 53.

(b) Section 42-5061, subsection B, except that a lease or rental of new machinery or equipment is not exempt pursuant to:

(i) Section 42-5061, subsection B, paragraph 13 if the lease is for less than two years.

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(ii) Section 42-5061, subsection B, paragraph 21.

(c) Section 42-5061, subsection ~~J~~ I, paragraph 1.

(d) Section 42-5061, subsection ~~N~~ M.

3. Motor vehicle fuel and use fuel that are subject to a tax imposed under title 28, chapter 16, article 1, sales of use fuel to a holder of a valid single trip use fuel tax permit issued under section 28-5739 and sales of aviation fuel that are subject to the tax imposed under section 28-8344.

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4. Leasing or renting a motor vehicle subject to and ~~upon~~ ON which the fee has been paid under title 28, chapter 16, article 4.

5. Amounts received by a motor vehicle dealer for the first month of a lease payment if the lease and the lease payment for the first month of the lease are transferred to a third-party leasing company.

C. Sales of tangible personal property to be leased or rented to a person engaged in a business classified under the personal property rental classification are deemed to be resale sales.

D. In computing the tax base, the gross proceeds of sales or gross income from the lease or rental of a motor vehicle does not include any amount attributable to the car rental surcharge under section 5-839, 28-5810 or 48-4234.

E. Until December 31, 1988, leasing or renting animals for recreational purposes is exempt from the tax imposed by this section. Beginning January 1, 1989, the gross proceeds or gross income from leasing or renting animals for recreational purposes is subject to taxation under this section. Tax liabilities, penalties and interest paid for taxable periods before January 1, 1989 shall not be refunded unless the taxpayer requesting the refund provides proof satisfactory to the department that the monies paid as taxes will be returned to the customer.

F. FOR THE PURPOSES OF THIS SECTION:

1. "CABLE OPERATOR" HAS THE SAME MEANING PRESCRIBED BY SECTION 9-505.

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2. "UTILITY POLE" MEANS ANY WOODEN, METAL OR OTHER POLE USED FOR UTILITY PURPOSES AND THE POLE'S APPURTENANCES THAT ARE ATTACHED OR AUTHORIZED FOR ATTACHMENT BY THE PERSON CONTROLLING THE POLE.

EXPLANATION OF BLEND
SECTION 42-5075

Laws 2015, Chapters 4, 72 and 230

Laws 2015, Ch. 4, section 11	Effective February 24, 2015 (Retroactive to January 1, 2015)
Laws 2015, Ch. 72, section 5 (as amended by Laws 2015, Ch. 4, section 11)	Effective July 3, 2015 (Retroactive to January 1, 2015)
Laws 2015, Ch. 230, section 11 (as amended by Laws 2015, Ch. 4, section 11)	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 4, Ch. 72 and Ch. 230 text changes to section 42-5075 are blended in the form shown on the following pages.

BLEND OF SECTION 42-5075
Laws 2015, Chapters 4, 72 and 230

42-5075. Prime contracting classification; exemptions; definitions

A. The prime contracting classification is comprised of the business of prime contracting and ~~dealership of manufactured buildings~~ THE BUSINESS OF MANUFACTURED BUILDING DEALER. Sales for resale to another ~~dealership of~~ manufactured ~~buildings~~ BUILDING DEALER are not subject to tax. Sales for resale do not include sales to a lessor of manufactured buildings. The sale of a used manufactured building is not taxable under this chapter. ~~The proceeds from alteration and repairs to a used manufactured building are taxable under this section.~~

Ch. 4

B. The tax base for the prime contracting classification is sixty-five ~~per cent~~ PERCENT of the gross proceeds of sales or gross income derived from the business. The following amounts shall be deducted from the gross proceeds of sales or gross income before computing the tax base:

1. The sales price of land, which shall not exceed the fair market value.

2. Sales and installation of groundwater measuring devices required under section 45-604 and groundwater monitoring wells required by law, including monitoring wells installed for acquiring information for a permit required by law.

3. The sales price of furniture, furnishings, fixtures, appliances and attachments that are not incorporated as component parts of or attached to a manufactured building or the setup site. The sale of such items may be subject to the taxes imposed by article 1 of this chapter separately and distinctly from the sale of the manufactured building.

4. The gross proceeds of sales or gross income received from a contract entered into for the ~~construction, addition, subtraction, improvement, movement, wrecking or demolition~~ MODIFICATION of any building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement located in a military reuse zone for providing aviation or aerospace services or for a manufacturer, assembler or fabricator of aviation or aerospace products within an active military reuse zone after the zone is initially established or renewed under section 41-1531. To be eligible to qualify for this deduction, before beginning work under the contract, the prime contractor must have applied for a letter of qualification from the department of revenue.

Ch. 4

5. The gross proceeds of sales or gross income derived from a contract to construct a qualified environmental technology manufacturing, producing or processing facility, as described in section 41-1514.02, and from subsequent construction and installation contracts that begin within ten years after the start of initial construction. To qualify for this deduction, before beginning work under the contract, the prime contractor must obtain a letter of qualification from the department of revenue. This paragraph shall apply

for ten full consecutive calendar or fiscal years after the start of initial construction.

6. The gross proceeds of sales or gross income from a contract to provide for one or more of the following actions, or a contract for site preparation, constructing, furnishing or installing machinery, equipment or other tangible personal property, including structures necessary to protect exempt incorporated materials or installed machinery or equipment, and tangible personal property incorporated into the project, to perform one or more of the following actions in response to a release or suspected release of a hazardous substance, pollutant or contaminant from a facility to the environment, unless the release was authorized by a permit issued by a governmental authority:

(a) Actions to monitor, assess and evaluate such a release or a suspected release.

(b) Excavation, removal and transportation of contaminated soil and its treatment or disposal.

(c) Treatment of contaminated soil by vapor extraction, chemical or physical stabilization, soil washing or biological treatment to reduce the concentration, toxicity or mobility of a contaminant.

(d) Pumping and treatment or in situ treatment of contaminated groundwater or surface water to reduce the concentration or toxicity of a contaminant.

(e) The installation of structures, such as cutoff walls or caps, to contain contaminants present in groundwater or soil and prevent them from reaching a location where they could threaten human health or welfare or the environment.

This paragraph does not include asbestos removal or the construction or use of ancillary structures such as maintenance sheds, offices or storage facilities for unattached equipment, pollution control equipment, facilities or other control items required or to be used by a person to prevent or control contamination before it reaches the environment.

7. The gross proceeds of sales or gross income that is derived from a contract for the installation, assembly, repair or maintenance of machinery, equipment or other tangible personal property that is either deducted from the tax base of the retail classification under section 42-5061, subsection B or that is exempt from use tax under section 42-5159, subsection B and that has independent functional utility, pursuant to the following provisions:

(a) The deduction provided in this paragraph includes the gross proceeds of sales or gross income derived from all of the following:

(i) Any activity performed on machinery, equipment or other tangible personal property with independent functional utility.

(ii) Any activity performed on any tangible personal property relating to machinery, equipment or other tangible personal property with independent functional utility in furtherance of any of the purposes provided for under subdivision (d) of this paragraph.

(iii) Any activity that is related to the activities described in items (i) and (ii) of this subdivision, including inspecting the installation of or testing the machinery, equipment or other tangible personal property.

(b) The deduction provided in this paragraph does not include gross proceeds of sales or gross income from the portion of any contracting

activity that consists of the development of, or modification to, real property in order to facilitate the installation, assembly, repair, maintenance or removal of machinery, equipment or other tangible personal property that is either deducted from the tax base of the retail classification under section 42-5061, subsection B or exempt from use tax under section 42-5159, subsection B.

(c) The deduction provided in this paragraph shall be determined without regard to the size or useful life of the machinery, equipment or other tangible personal property.

(d) For the purposes of this paragraph, "independent functional utility" means that the machinery, equipment or other tangible personal property can independently perform its function without attachment to real property, other than attachment for any of the following purposes:

(i) Assembling the machinery, equipment or other tangible personal property.

(ii) Connecting items of machinery, equipment or other tangible personal property to each other.

(iii) Connecting the machinery, equipment or other tangible personal property, whether as an individual item or as a system of items, to water, power, gas, communication or other services.

(iv) Stabilizing or protecting the machinery, equipment or other tangible personal property during operation by bolting, burying or performing other similar nonpermanent connections to either real property or real property improvements.

8. The gross proceeds of sales or gross income attributable to the purchase of machinery, equipment or other tangible personal property that is exempt from or deductible from transaction privilege and use tax under:

Ch. 230 — (a) Section 42-5061, subsection A, paragraph 25, 29, ~~or 58~~ 57 OR 59.

(b) Section 42-5061, subsection B.

(c) Section 42-5159, subsection A, paragraph 13, subdivision (a), (b), Ch. 230

Ch. 4 — (c), (d), (e), (f), ~~(i),~~ (j), (k) ~~or~~, [~~(l),~~] (m) OR (n) or paragraph 54

Ch. 230 — OR 56.

(d) Section 42-5159, subsection B.

9. The gross proceeds of sales or gross income received from a contract for the construction of an environmentally controlled facility for the raising of poultry for the production of eggs and the sorting, cooling and packaging of eggs.

10. The gross proceeds of sales or gross income that is derived from a contract entered into with a person who is engaged in the commercial production of livestock, livestock products or agricultural, horticultural, viticultural or floricultural crops or products in this state for the

Ch. 4 — ~~construction, alteration, repair, improvement, movement, wrecking or demolition or addition to or subtraction from~~ MODIFICATION OF any building, highway, road, excavation, manufactured building or other structure, project, development or improvement used directly and primarily to prevent, monitor, control or reduce air, water or land pollution.

11. The gross proceeds of sales or gross income that is derived from the installation, assembly, repair or maintenance of clean rooms that are deducted from the tax base of the retail classification pursuant to section 42-5061, subsection B, paragraph 16.

12. For taxable periods beginning from and after June 30, 2001, the gross proceeds of sales or gross income derived from a contract entered into for the construction of a residential apartment housing facility that qualifies for a federal housing subsidy for low income persons over sixty-two years of age and that is owned by a nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code.

13. For taxable periods beginning from and after December 31, 1996 and ending before January 1, 2017, the gross proceeds of sales or gross income derived from a contract to provide and install a solar energy device. The contractor shall register with the department as a solar energy contractor. By registering, the contractor acknowledges that it will make its books and records relating to sales of solar energy devices available to the department for examination.

14. The gross proceeds of sales or gross income derived from a contract entered into for the construction of a launch site, as defined in 14 Code of Federal Regulations section 401.5.

15. The gross proceeds of sales or gross income derived from a contract entered into for the construction of a domestic violence shelter that is owned and operated by a nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code.

16. The gross proceeds of sales or gross income derived from contracts to perform postconstruction treatment of real property for termite and general pest control, including wood destroying organisms.

17. The gross proceeds of sales or gross income received from contracts entered into before July 1, 2006 for constructing a state university research infrastructure project if the project has been reviewed by the joint committee on capital review before the university enters into the construction contract for the project. For the purposes of this paragraph, "research infrastructure" has the same meaning prescribed in section 15-1670.

18. The gross proceeds of sales or gross income received from a contract for the construction of any building, or other structure, project, development or improvement owned by a qualified business under section 41-1516 for harvesting or processing qualifying forest products removed from qualifying projects as defined in section 41-1516 if actual construction begins before January 1, 2024. To qualify for this deduction, the prime contractor must obtain a letter of qualification from the Arizona commerce authority before beginning work under the contract.

19. Any amount of the gross proceeds of sales or gross income attributable to development fees that are incurred in relation to a contract for construction, development or improvement of real property and that are paid by a prime contractor or subcontractor. For the purposes of this paragraph:

(a) The attributable amount shall not exceed the value of the development fees actually imposed.

(b) The attributable amount is equal to the total amount of development fees paid by the prime contractor or subcontractor, and the total development fees credited in exchange for the construction of, contribution to or dedication of real property for providing public infrastructure, public

safety or other public services necessary to the development. The real property must be the subject of the development fees.

(c) "Development fees" means fees imposed to offset capital costs of providing public infrastructure, public safety or other public services to a development and authorized pursuant to section 9-463.05, section 11-1102 or title 48 regardless of the jurisdiction to which the fees are paid.

~~20. The gross proceeds of sales or gross income derived from a contract with the owner of real property for the maintenance, repair or replacement of existing property if the contract does not include modification activities. For the purposes of this paragraph, each contract or project is independent of another contract. A contractor that has gross proceeds of sales or gross income derived from a contract that is not subject to tax under this paragraph is subject to tax on a contract that includes modification activities.~~

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~~21.~~ 20. The gross proceeds of sales or gross income derived from a contract entered into for the construction of a mixed waste processing facility that is located on a municipal solid waste landfill and that is constructed for the purpose of recycling solid waste or producing renewable energy from landfill waste. For the purposes of this paragraph:

(a) "Mixed waste processing facility" means a solid waste facility that is owned, operated or used for the treatment, processing or disposal of solid waste, recyclable solid waste, conditionally exempt small quantity generator waste or household hazardous waste. For the purposes of this subdivision, "conditionally exempt small quantity generator waste", "household hazardous waste" and "solid waste facility" have the same meanings prescribed in section 49-701, except that solid waste facility does include a site that stores, treats or processes paper, glass, wood, cardboard, household textiles, scrap metal, plastic, vegetative waste, aluminum, steel or other recyclable material.

(b) "Municipal solid waste landfill" has the same meaning prescribed in section 49-701.

(c) "Recycling" means collecting, separating, cleansing, treating and reconstituting recyclable solid waste that would otherwise become solid waste, but does not include incineration or other similar processes.

(d) "Renewable energy" has the same meaning prescribed in section 41-1511.

C. Entitlement to the deduction pursuant to subsection B, paragraph 7 of this section is subject to the following provisions:

1. A prime contractor may establish entitlement to the deduction by both:

(a) Marking the invoice for the transaction to indicate that the gross proceeds of sales or gross income derived from the transaction was deducted from the base.

(b) Obtaining a certificate executed by the purchaser indicating the name and address of the purchaser, the precise nature of the business of the purchaser, the purpose for which the purchase was made, the necessary facts to establish the deductibility of the property under section 42-5061, subsection B, and a certification that the person executing the certificate is authorized to do so on behalf of the purchaser. The certificate may be

disregarded if the prime contractor has reason to believe that the information contained in the certificate is not accurate or complete.

2. A person who does not comply with paragraph 1 of this subsection may establish entitlement to the deduction by presenting facts necessary to support the entitlement, but the burden of proof is on that person.

3. The department may prescribe a form for the certificate described in paragraph 1, subdivision (b) of this subsection. The department may also adopt rules that describe the transactions with respect to which a person is not entitled to rely solely on the information contained in the certificate provided in paragraph 1, subdivision (b) of this subsection but must instead obtain such additional information as required in order to be entitled to the deduction.

4. If a prime contractor is entitled to a deduction by complying with paragraph 1 of this subsection, the department may require the purchaser who caused the execution of the certificate to establish the accuracy and completeness of the information required to be contained in the certificate that would entitle the prime contractor to the deduction. If the purchaser cannot establish the accuracy and completeness of the information, the purchaser is liable in an amount equal to any tax, penalty and interest that the prime contractor would have been required to pay under article 1 of this chapter if the prime contractor had not complied with paragraph 1 of this subsection. Payment of the amount under this paragraph exempts the purchaser from liability for any tax imposed under article 4 of this chapter. The amount shall be treated as a transaction privilege tax to the purchaser and as tax revenues collected from the prime contractor in order to designate the distribution base for purposes of section 42-5029.

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D. Subcontractors or others who perform ~~services in respect to any improvement, building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement~~ MODIFICATION ACTIVITIES are not subject to tax if they can demonstrate that the job was within the control of a prime contractor or contractors or a dealership of manufactured buildings and that the prime contractor or dealership is liable for the tax on the gross income, gross proceeds of sales or gross receipts attributable to the job and from which the subcontractors or others were paid.

E. Amounts received by a contractor for a project are excluded from the contractor's gross proceeds of sales or gross income derived from the business if the person who hired the contractor executes and provides a certificate to the contractor stating that the person providing the certificate is a prime contractor and is liable for the tax under article 1 of this chapter. The department shall prescribe the form of the certificate. If the contractor has reason to believe that the information contained on the certificate is erroneous or incomplete, the department may disregard the certificate. If the person who provides the certificate is not liable for the tax as a prime contractor, that person is nevertheless deemed to be the prime contractor in lieu of the contractor and is subject to the tax under this section on the gross receipts or gross proceeds received by the contractor.

F. Every person engaging or continuing in this state in the business of prime contracting or dealership of manufactured buildings shall present to

the purchaser of such prime contracting or manufactured building a written receipt of the gross income or gross proceeds of sales from such activity and shall separately state the taxes to be paid pursuant to this section.

G. For the purposes of section 42-5032.01, the department shall separately account for revenues collected under the prime contracting classification from any prime contractor engaged in the preparation or construction of a multipurpose facility, and related infrastructure, that is owned, operated or leased by the tourism and sports authority pursuant to title 5, chapter 8.

H. For the purposes of section 42-5032.02, from and after September 30, 2013, the department shall separately account for revenues reported and collected under the prime contracting classification from any prime contractor engaged in the construction of any buildings and associated improvements that are for the benefit of a manufacturing facility. For the purposes of this subsection, "associated improvements" and "manufacturing facility" have the same meanings prescribed in section 42-5032.02.

I. The gross proceeds of sales or gross income derived from a contract for lawn maintenance services are not subject to tax under this section if the contract does not include landscaping activities. Lawn maintenance service is a service pursuant to section 42-5061, subsection A, paragraph 1, and includes lawn mowing and edging, weeding, repairing sprinkler heads or drip irrigation heads, seasonal replacement of flowers, refreshing gravel, lawn de-thatching, seeding winter lawns, leaf and debris collection and removal, tree or shrub pruning or clipping, garden and gravel raking and applying pesticides, as defined in section 3-361, and fertilizer materials, as defined in section 3-262.

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J. EXCEPT AS PROVIDED IN SUBSECTION O OF THIS SECTION, the gross proceeds of sales or gross income derived from landscaping activities are subject to tax under this section. Landscaping includes installing lawns, grading or leveling ground, installing gravel or boulders, planting trees and other plants, felling trees, removing or mulching tree stumps, removing other imbedded plants, building ~~or modifying~~ irrigation berms, ~~repairing sprinkler or watering systems,~~ installing railroad ties and installing underground sprinkler or watering systems.

K. The portion of gross proceeds of sales or gross income attributable to the actual direct costs of providing architectural or engineering services that are incorporated in a contract is not subject to tax under this section. For the purposes of this subsection, "direct costs" means the portion of the actual costs that are directly expended in providing architectural or engineering services.

L. Operating a landfill or a solid waste disposal facility is not subject to taxation under this section, including filling, compacting and creating vehicle access to and from cell sites within the landfill. Constructing roads to a landfill or solid waste disposal facility and constructing cells within a landfill or solid waste disposal facility may be deemed prime contracting under this section.

M. The following apply in determining the taxable situs of sales of manufactured buildings:

1. For sales in this state where the manufactured building dealer contracts to deliver the building to a setup site or to perform the setup in this state, the taxable situs is the setup site.

2. For sales in this state where the manufactured building dealer does not contract to deliver the building to a setup site or does not perform the setup, the taxable situs is the location of the dealership where the building is delivered to the buyer.

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3. For sales in this state where the ~~dealership of~~ manufactured ~~buildings~~ BUILDING DEALER contracts to deliver the building to a setup site that is outside this state, the situs is outside this state and the transaction is excluded from tax.

N. The gross proceeds of sales or gross income attributable to a written contract for design phase services or professional services, executed before modification begins and with terms, conditions and pricing of all of these services separately stated in the contract from those for construction phase services, is not subject to tax under this section, regardless of whether the services are provided sequential to or concurrent with prime contracting activities that are subject to tax under this section. This subsection does not include the gross proceeds of sales or gross income attributable to construction phase services. For the purposes of this subsection:

1. "Construction phase services" means services for the execution and completion of any modification, including the following:

(a) Administration or supervision of any modification performed on the project, including team management and coordination, scheduling, cost controls, submittal process management, field management, safety program, close-out process and warranty period services.

(b) Administration or supervision of any modification performed pursuant to a punch list. For the purposes of this subdivision, "punch list" means minor items of modification work performed after substantial completion and before final completion of the project.

(c) Administration or supervision of any modification performed pursuant to change orders. For the purposes of this subdivision, "change order" means a written instrument issued after execution of a contract for modification work, providing for all of the following:

(i) The scope of a change in the modification work, contract for modification work or other contract documents.

(ii) The amount of an adjustment, if any, to the guaranteed maximum price as set in the contract for modification work. For the purposes of this item, "guaranteed maximum price" means the amount guaranteed to be the maximum amount due to a prime contractor for the performance of all modification work for the project.

(iii) The extent of an adjustment, if any, to the contract time of performance set forth in the contract.

(d) Administration or supervision of any modification performed pursuant to change directives. For the purposes of this subdivision, "change directive" means a written order directing a change in modification work before agreement on an adjustment of the guaranteed maximum price or contract time.

(e) Inspection to determine the dates of substantial completion or final completion.

(f) Preparation of any manuals, warranties, as-built drawings, spares or other items the prime contractor must furnish pursuant to the contract for modification work. For the purposes of this subdivision, "as-built drawing" means a drawing that indicates field changes made to adapt to field conditions, field changes resulting from change orders or buried and concealed installation of piping, conduit and utility services.

(g) Preparation of status reports after modification work has begun detailing the progress of work performed, including preparation of any of the following:

(i) Master schedule updates.

(ii) Modification work cash flow projection updates.

(iii) Site reports made on a periodic basis.

(iv) Identification of discrepancies, conflicts or ambiguities in modification work documents that require resolution.

(v) Identification of any health and safety issues that have arisen in connection with the modification work.

(h) Preparation of daily logs of modification work, including documentation of personnel, weather conditions and on-site occurrences.

(i) Preparation of any submittals or shop drawings used by the prime contractor to illustrate details of the modification work performed.

(j) Administration or supervision of any other activities for which a prime contractor receives a certificate for payment or certificate for final payment based on the progress of modification work performed on the project.

2. "Design phase services" means services for developing and completing a design for a project that are not construction phase services, including the following:

(a) Evaluating surveys, reports, test results or any other information on-site conditions for the project, including physical characteristics, legal limitations and utility locations for the site.

(b) Evaluating any criteria or programming objectives for the project to ascertain requirements for the project, such as physical requirements affecting cost or projected utilization of the project.

(c) Preparing drawings and specifications for architectural program documents, schematic design documents, design development documents, modification work documents or documents that identify the scope of or materials for the project.

(d) Preparing an initial schedule for the project, excluding the preparation of updates to the master schedule after modification work has begun.

(e) Preparing preliminary estimates of costs of modification work before completion of the final design of the project, including an estimate or schedule of values for any of the following:

(i) Labor, materials, machinery and equipment, tools, water, heat, utilities, transportation and other facilities and services used in the execution and completion of modification work, regardless of whether they are temporary or permanent or whether they are incorporated in the modifications.

(ii) The cost of labor and materials to be furnished by the owner of the real property.

(iii) The cost of any equipment of the owner of the real property to be assigned by the owner to the prime contractor.

(iv) The cost of any labor for installation of equipment separately provided by the owner of the real property that has been designed, specified, selected or specifically provided for in any design document for the project.

(v) Any fee paid by the owner of the real property to the prime contractor pursuant to the contract for modification work.

(vi) Any bond and insurance premiums.

(vii) Any applicable taxes.

(viii) Any contingency fees for the prime contractor that may be used before final completion of the project.

(f) Reviewing and evaluating cost estimates and project documents to prepare recommendations on site use, site improvements, selection of materials, building systems and equipment, modification feasibility, availability of materials and labor, local modification activity as related to schedules and time requirements for modification work.

(g) Preparing the plan and procedures for selection of subcontractors, including any prequalification of subcontractor candidates.

3. "Professional services" means architect services, assayer services, engineer services, geologist services, land surveying services or landscape architect services that are within the scope of those services as provided in title 32, chapter 1 and for which gross proceeds of sales or gross income has not otherwise been deducted under subsection K of this section.

O. The gross proceeds of sales or gross income derived from a contract with the owner of real property or ~~the person owning the~~ improvements to ~~the~~ real property for the maintenance, repair, replacement or alteration of existing property is not subject to tax under this section if the contract does not include modification activities, except as specified in this subsection. The gross proceeds of sales or gross income derived from a de minimis amount of modification activity ~~that is essential to the completion of the maintenance, repair, replacement or alteration contract~~ does not subject the ~~entire~~ contract OR ANY PART OF THE CONTRACT to tax under this section. For the purposes of this subsection: ~~, each contract or project is independent of any other contract.~~

1. TANGIBLE PERSONAL PROPERTY THAT IS INCORPORATED OR FABRICATED INTO A PROJECT DESCRIBED IN THIS SUBSECTION MAY BE SUBJECT TO THE AMOUNT PRESCRIBED IN SECTION 42-5008.01.

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2. EACH CONTRACT IS INDEPENDENT OF ANY OTHER CONTRACT, EXCEPT THAT ANY CHANGE ORDER THAT DIRECTLY RELATES TO THE SCOPE OF WORK OF THE ORIGINAL CONTRACT SHALL BE TREATED THE SAME AS THE ORIGINAL CONTRACT UNDER THIS CHAPTER, REGARDLESS OF THE AMOUNT OF MODIFICATION ACTIVITIES INCLUDED IN THE CHANGE ORDER. IF A CHANGE ORDER DOES NOT DIRECTLY RELATE TO THE SCOPE OF WORK OF THE ORIGINAL CONTRACT, THE CHANGE ORDER SHALL BE TREATED AS A NEW CONTRACT, WITH THE TAX TREATMENT OF ANY SUBSEQUENT CHANGE ORDER TO FOLLOW THE TAX TREATMENT OF THE CONTRACT TO WHICH THE SCOPE OF WORK OF THE SUBSEQUENT CHANGE ORDER DIRECTLY RELATES.

P. NOTWITHSTANDING SUBSECTION O OF THIS SECTION, A CONTRACT THAT PRIMARILY INVOLVES SURFACE OR SUBSURFACE IMPROVEMENTS TO LAND AND THAT IS SUBJECT TO TITLE 28, CHAPTER 19, 20 OR 22 OR TITLE 34, CHAPTER 2 OR 6 IS TAXABLE UNDER THIS SECTION, EVEN IF THE CONTRACT ALSO INCLUDES VERTICAL

IMPROVEMENTS. AGENCIES THAT ARE SUBJECT TO PROCUREMENT PROCESSES UNDER THOSE PROVISIONS SHALL INCLUDE IN THE REQUEST FOR PROPOSALS A NOTICE TO BIDDERS WHEN THOSE PROJECTS ARE SUBJECT TO THIS SECTION. THIS SUBSECTION DOES NOT APPLY TO CONTRACTS WITH:

1. COMMUNITY FACILITIES DISTRICTS, FIRE DISTRICTS, COUNTY TELEVISION IMPROVEMENT DISTRICTS, COMMUNITY PARK MAINTENANCE DISTRICTS, COTTON PEST CONTROL DISTRICTS, HOSPITAL DISTRICTS, PEST ABATEMENT DISTRICTS, HEALTH SERVICE DISTRICTS, AGRICULTURAL IMPROVEMENT DISTRICTS, COUNTY FREE LIBRARY DISTRICTS, COUNTY JAIL DISTRICTS, COUNTY STADIUM DISTRICTS, SPECIAL HEALTH CARE DISTRICTS, PUBLIC HEALTH SERVICES DISTRICTS, THEME PARK DISTRICTS, REGIONAL ATTRACTION DISTRICTS OR REVITALIZATION DISTRICTS.

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2. ANY SPECIAL TAXING DISTRICT NOT SPECIFIED IN PARAGRAPH 1 OF THIS SUBSECTION IF THE DISTRICT DOES NOT SUBSTANTIALLY ENGAGE IN THE MODIFICATION, MAINTENANCE, REPAIR, REPLACEMENT OR ALTERATION OF SURFACE OR SUBSURFACE IMPROVEMENTS TO LAND.

~~P.~~ Q. Notwithstanding subsection ~~Q~~ R, paragraph ~~8~~ 10 of this section, a person owning real property who enters into a contract for sale of the real property, who is responsible to the new owner of the property for modifications made to the property in the period subsequent to the transfer of title and who receives a consideration for the modifications is considered a prime contractor solely for purposes of taxing the gross proceeds of sale or gross income received for the modifications made subsequent to the transfer of title. The original owner's gross proceeds of sale or gross income received for the modifications shall be determined according to the following methodology:

1. If any part of the contract for sale of the property specifies amounts to be paid to the original owner for the modifications to be made in the period subsequent to the transfer of title, the amounts are included in the original owner's gross proceeds of sale or gross income under this section. Proceeds from the sale of the property that are received after transfer of title and that are unrelated to the modifications made subsequent to the transfer of title are not considered gross proceeds of sale or gross income from the modifications.

2. If the original owner enters into an agreement separate from the contract for sale of the real property providing for amounts to be paid to the original owner for the modifications to be made in the period subsequent to the transfer of title to the property, the amounts are included in the original owner's gross proceeds of sale or gross income received for the modifications made subsequent to the transfer of title.

3. If the original owner is responsible to the new owner for modifications made to the property in the period subsequent to the transfer of title and derives any gross proceeds of sale or gross income from the project subsequent to the transfer of title other than a delayed disbursement from escrow unrelated to the modifications, it is presumed that the amounts are received for the modifications made subsequent to the transfer of title unless the contrary is established by the owner through its books, records and papers kept in the regular course of business.

4. The tax base of the original owner is computed in the same manner as a prime contractor under this section.

~~Q.~~ R. For the purposes of this section:

1. "ALTERATION" MEANS AN ACTIVITY OR ACTION THAT CAUSES A DIRECT PHYSICAL CHANGE TO EXISTING PROPERTY. FOR THE PURPOSES OF THIS PARAGRAPH:

(a) FOR EXISTING PROPERTY THAT IS PROPERLY CLASSIFIED AS CLASS TWO PROPERTY UNDER SECTION 42-12002, PARAGRAPH 1, SUBDIVISION (c) OR PARAGRAPH 2, SUBDIVISION (c) AND THAT IS USED FOR RESIDENTIAL PURPOSES, CLASS THREE PROPERTY UNDER SECTION 42-12003 OR CLASS FOUR PROPERTY UNDER 42-12004, THIS PARAGRAPH DOES NOT APPLY IF THE CONTRACT AMOUNT IS MORE THAN TWENTY-FIVE PERCENT OF THE MOST RECENT FULL CASH VALUE ESTABLISHED UNDER CHAPTER 13, ARTICLE 2 OF THIS TITLE AS OF THE DATE OF ANY BID FOR THE WORK OR THE DATE OF THE CONTRACT, WHICHEVER VALUE IS HIGHER.

(b) FOR ALL EXISTING PROPERTY OTHER THAN EXISTING PROPERTY DESCRIBED IN SUBDIVISION (a) OF THIS PARAGRAPH, THIS PARAGRAPH DOES NOT APPLY IF ANY OF THE FOLLOWING IS TRUE:

(i) THE CONTRACT AMOUNT IS MORE THAN SEVEN HUNDRED FIFTY THOUSAND DOLLARS.

(ii) THE SCOPE OF WORK DIRECTLY RELATES TO MORE THAN FORTY PERCENT OF THE EXISTING SQUARE FOOTAGE OF THE EXISTING PROPERTY.

(iii) THE SCOPE OF WORK INVOLVES EXPANDING THE SQUARE FOOTAGE OF MORE THAN TEN PERCENT OF THE EXISTING PROPERTY.

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(c) PROJECT ELEMENTS MAY NOT BE ARTIFICIALLY SEPARATED FROM A CONTRACT TO CAUSE A PROJECT TO QUALIFY AS AN ALTERATION. THE DEPARTMENT HAS THE BURDEN OF PROOF THAT PROJECT ELEMENTS HAVE BEEN ARTIFICIALLY SEPARATED FROM A CONTRACT.

(d) IF A PROJECT FOR WHICH THE OWNER AND THE PERSON PERFORMING THE WORK REASONABLY BELIEVED, AT THE INCEPTION OF THE CONTRACT, WOULD BE TREATED AS AN ALTERATION UNDER THIS PARAGRAPH AND, ON COMPLETION OF THE PROJECT, THE PROJECT EXCEEDED THE APPLICABLE THRESHOLD DESCRIBED IN EITHER SUBDIVISION (a) OR (b) OF THIS PARAGRAPH BY NO MORE THAN TWENTY-FIVE PERCENT OF THE APPLICABLE THRESHOLD FOR ANY REASON, THE WORK PERFORMED UNDER THE CONTRACT QUALIFIES AS AN ALTERATION.

(e) A CHANGE ORDER THAT DIRECTLY RELATES TO THE SCOPE OF WORK OF THE ORIGINAL CONTRACT SHALL BE TREATED AS PART OF THE ORIGINAL CONTRACT, AND THE CONTRACT AMOUNT SHALL INCLUDE ANY AMOUNT ATTRIBUTABLE TO A CHANGE ORDER THAT DIRECTLY RELATES TO THE SCOPE OF WORK OF THE ORIGINAL CONTRACT.

(f) ALTERATION DOES NOT INCLUDE MAINTENANCE, REPAIR OR REPLACEMENT.

~~1.~~ 2. "Contracting" means engaging in business as a contractor.

~~2.~~ 3. "Contractor" is synonymous with the term "builder" and means any person or organization that undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does personally or by or through others, modify any building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement, or to do any part of such a project, including the erection of scaffolding or other structure or works in connection with such a project, and includes subcontractors and specialty contractors. For all purposes of taxation or deduction, this definition shall govern without regard to whether or not such contractor is acting in fulfillment of a contract.

~~3.~~ 4. "Manufactured building" means a manufactured home, mobile home or factory-built building, as defined in section 41-2142.

~~4.~~ 5. "Manufactured building dealer" means a dealer who either:

(a) Is licensed pursuant to title 41, chapter 16 and who sells manufactured buildings to the final consumer.

(b) Supervises, performs or coordinates the excavation and completion of site improvements or the setup or moving of a manufactured building including the contracting, if any, with any subcontractor or specialty contractor for the completion of the contract.

~~5.~~ 6. "Modification" means construction, ~~improvement, movement,~~ GRADING AND LEVELING GROUND, wreckage or demolition. MODIFICATION DOES NOT INCLUDE:

(a) ANY PROJECT DESCRIBED IN SUBSECTION O OF THIS SECTION.

(b) ANY WRECKAGE OR DEMOLITION OF EXISTING PROPERTY, OR ANY OTHER ACTIVITY THAT IS A NECESSARY COMPONENT OF A PROJECT DESCRIBED IN SUBSECTION O OF THIS SECTION.

(c) ANY MOBILIZATION OR DEMOBILIZATION RELATED TO A PROJECT DESCRIBED IN SUBSECTION O OF THIS SECTION, SUCH AS THE ERECTION OR REMOVAL OF TEMPORARY FACILITIES TO BE USED BY THOSE PERSONS WORKING ON THE PROJECT.

Ch. 4 ~~6.~~ 7. "Modify" means to ~~construct, improve, move, wreck or demolish~~ MAKE A MODIFICATION OR CAUSE A MODIFICATION TO BE MADE.

8. "OWNER" MEANS THE PERSON THAT HOLDS TITLE TO THE REAL PROPERTY OR IMPROVEMENTS TO REAL PROPERTY THAT IS THE SUBJECT OF THE WORK, AS WELL AS AN AGENT OF THE TITLE HOLDER AND ANY PERSON WITH THE AUTHORITY TO PERFORM OR AUTHORIZE WORK ON THE REAL PROPERTY OR IMPROVEMENTS, INCLUDING A TENANT AND A PROPERTY MANAGER. FOR THE PURPOSES OF SUBSECTION O OF THIS SECTION, A PERSON WHO IS HIRED BY A GENERAL CONTRACTOR THAT IS HIRED BY AN OWNER, OR A SUBCONTRACTOR OF A GENERAL CONTRACTOR THAT IS HIRED BY AN OWNER, IS CONSIDERED TO BE HIRED BY THE OWNER.

~~7.~~ 9. "Prime contracting" means engaging in business as a prime contractor.

~~8.~~ 10. "Prime contractor" means a contractor who supervises, performs or coordinates the modification of any building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement including the contracting, if any, with any subcontractors or specialty contractors and who is responsible for the completion of the

Ch. 4 contract. Except as provided in subsections E and ~~P~~ Q of this section, a person who owns real property, who engages one or more contractors to modify that real property and who does not itself modify that real property is not a prime contractor within the meaning of this paragraph regardless of the existence of a contract for sale or the subsequent sale of that real property.

11. "REPLACEMENT" MEANS THE REMOVAL [FROM SERVICE] OF ONE COMPONENT OR SYSTEM OF EXISTING PROPERTY OR TANGIBLE PERSONAL PROPERTY INSTALLED IN EXISTING PROPERTY, INCLUDING MACHINERY OR EQUIPMENT, AND THE INSTALLATION OF

Ch. 4 A NEW COMPONENT OR SYSTEM OR NEW TANGIBLE PERSONAL PROPERTY, INCLUDING MACHINERY OR EQUIPMENT, THAT PROVIDES THE SAME [SIMILAR] OR UPGRADED DESIGN OR FUNCTIONALITY, REGARDLESS OF THE CONTRACT AMOUNT [AND REGARDLESS OF WHETHER THE EXISTING COMPONENT OR SYSTEM OR EXISTING TANGIBLE PERSONAL PROPERTY IS PHYSICALLY REMOVED FROM THE EXISTING PROPERTY]. Ch. 72

~~9.~~ 12. "Sale of a used manufactured building" does not include a lease of a used manufactured building.

EXPLANATION OF BLEND
SECTION 42-5159

Laws 2015, Chapters 4, 6 and 230

Laws 2015, Ch. 4, section 12	Effective February 24, 2015 (Retroactive to January 1, 2015)
Laws 2015, Ch. 6, section 3	Effective August 1, 2015
Laws 2015, Ch. 230, section 12 (as amended by Laws 2015, Ch. 4, section 12)	Effective July 3, 2015

Explanation

Since these three enactments are not incompatible, the Laws 2015, Ch. 4, Ch. 6 and Ch. 230 text changes to section 42-5159 are blended in the form shown on the following pages.

BLEND OF SECTION 42-5159
Laws 2015, Chapters 4, 6 and 230

42-5159. Exemptions

A. The tax levied by this article does not apply to the storage, use or consumption in this state of the following described tangible personal property:

1. Tangible personal property sold in this state, the gross receipts from the sale of which are included in the measure of the tax imposed by articles 1 and 2 of this chapter.

2. Tangible personal property the sale or use of which has already been subjected to an excise tax at a rate equal to or exceeding the tax imposed by this article under the laws of another state of the United States. If the excise tax imposed by the other state is at a rate less than the tax imposed by this article, the tax imposed by this article is reduced by the amount of the tax already imposed by the other state.

3. Tangible personal property, the storage, use or consumption of which the constitution or laws of the United States prohibit this state from taxing or to the extent that the rate or imposition of tax is unconstitutional under the laws of the United States.

4. Tangible personal property that directly enters into and becomes an ingredient or component part of any manufactured, fabricated or processed article, substance or commodity for sale in the regular course of business.

5. Motor vehicle fuel and use fuel, the sales, distribution or use of which in this state is subject to the tax imposed under title 28, chapter 16, article 1, use fuel that is sold to or used by a person holding a valid single trip use fuel tax permit issued under section 28-5739, aviation fuel, the sales, distribution or use of which in this state is subject to the tax imposed under section 28-8344, and jet fuel, the sales, distribution or use of which in this state is subject to the tax imposed under article 8 of this chapter.

6. Tangible personal property brought into this state by an individual who was a nonresident at the time the property was purchased for storage, use or consumption by the individual if the first actual use or consumption of the property was outside this state, unless the property is used in conducting a business in this state.

7. Purchases of implants used as growth promotants and injectable medicines, not already exempt under paragraph 16 of this subsection, for livestock and poultry owned by, or in possession of, persons who are engaged in producing livestock, poultry, or livestock or poultry products, or who are engaged in feeding livestock or poultry commercially. For the purposes of this paragraph, "poultry" includes ratites.

8. Livestock, poultry, supplies, feed, salts, vitamins and other additives for use or consumption in the businesses of farming, ranching and feeding livestock or poultry, not including fertilizers, herbicides and

insecticides. For the purposes of this paragraph, "poultry" includes ratites.

9. Seeds, seedlings, roots, bulbs, cuttings and other propagative material for use in commercially producing agricultural, horticultural, viticultural or floricultural crops in this state.

10. Tangible personal property not exceeding two hundred dollars in any one month purchased by an individual at retail outside the continental limits of the United States for the individual's own personal use and enjoyment.

11. Advertising supplements that are intended for sale with newspapers published in this state and that have already been subjected to an excise tax under the laws of another state in the United States that equals or exceeds the tax imposed by this article.

12. Materials that are purchased by or for publicly funded libraries including school district libraries, charter school libraries, community college libraries, state university libraries or federal, state, county or municipal libraries for use by the public as follows:

(a) Printed or photographic materials, beginning August 7, 1985.

(b) Electronic or digital media materials, beginning July 17, 1994.

13. Tangible personal property purchased by:

(a) A hospital organized and operated exclusively for charitable purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(b) A hospital operated by this state or a political subdivision of this state.

(c) A licensed nursing care institution or a licensed residential care institution or a residential care facility operated in conjunction with a licensed nursing care institution or a licensed kidney dialysis center, which provides medical services, nursing services or health related services and is not used or held for profit.

(d) A qualifying health care organization, as defined in section 42-5001, if the tangible personal property is used by the organization solely to provide health and medical related educational and charitable services.

(e) A qualifying health care organization as defined in section 42-5001 if the organization is dedicated to providing educational, therapeutic, rehabilitative and family medical education training for blind and visually impaired children and children with ~~multidisabilities~~ MULTIPLE DISABILITIES from the time of birth to age twenty-one.

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(f) A nonprofit charitable organization that has qualified under section 501(c)(3) of the United States internal revenue code and that engages in and uses such property exclusively in programs for persons with mental or physical disabilities if the programs are exclusively for training, job placement, rehabilitation or testing.

(g) A person that is subject to tax under ~~article 1 of~~ this chapter by reason of being engaged in business classified ~~under the prime contracting classification~~ under section 42-5075, or a subcontractor working under the control of a ~~prime contractor~~ PERSON THAT IS ENGAGED IN BUSINESS CLASSIFIED UNDER SECTION 42-5075, if the tangible personal property is any of the following:

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(i) Incorporated or fabricated by the ~~contractor~~ PERSON into a structure, project, development or improvement in fulfillment of a contract.

(ii) INCORPORATED OR FABRICATED BY THE PERSON INTO ANY PROJECT DESCRIBED IN SECTION 42-5075, SUBSECTION O.

~~(ii)~~ (iii) Used in environmental response or remediation activities under section 42-5075, subsection B, paragraph 6.

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(h) A PERSON THAT IS NOT SUBJECT TO TAX UNDER SECTION 42-5075 AND THAT HAS BEEN PROVIDED A COPY OF A CERTIFICATE DESCRIBED IN SECTION 42-5009, SUBSECTION L, IF THE PROPERTY PURCHASED IS INCORPORATED OR FABRICATED BY THE PERSON INTO THE REAL PROPERTY, STRUCTURE, PROJECT, DEVELOPMENT OR IMPROVEMENT DESCRIBED IN THE CERTIFICATE.

~~(h)~~ (i) A nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code if the property is purchased from the parent or an affiliate organization that is located outside this state.

~~(i)~~ (j) A qualifying community health center as defined in section 42-5001.

~~(j)~~ (k) A nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code and that regularly serves meals to the needy and indigent on a continuing basis at no cost.

~~(k)~~ (l) A person engaged in business under the transient lodging classification if the property is a personal hygiene item or articles used by human beings for food, drink or condiment, except alcoholic beverages, which are furnished without additional charge to and intended to be consumed by the transient during the transient's occupancy.

~~(l)~~ (m) For taxable periods beginning from and after June 30, 2001, a nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code and that provides residential apartment housing for low income persons over sixty-two years of age in a facility that qualifies for a federal housing subsidy, if the tangible personal property is used by the organization solely to provide residential apartment housing for low income persons over sixty-two years of age in a facility that qualifies for a federal housing subsidy.

~~(m)~~ (n) A qualifying health sciences educational institution as defined in section 42-5001.

(o) A PERSON REPRESENTING OR WORKING ON BEHALF OF ANY PERSON DESCRIBED IN SUBDIVISION (a), (b), (c), (d), (e), (f), (i), (j), (k), (m) OR (n) OF THIS PARAGRAPH, IF THE TANGIBLE PERSONAL PROPERTY IS INCORPORATED OR FABRICATED INTO A PROJECT DESCRIBED IN SECTION 42-5075, SUBSECTION O.

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14. Commodities, as defined by title 7 United States Code section 2, that are consigned for resale in a warehouse in this state in or from which the commodity is deliverable on a contract for future delivery subject to the rules of a commodity market regulated by the United States commodity futures trading commission.

15. Tangible personal property sold by:

(a) Any nonprofit organization organized and operated exclusively for charitable purposes and recognized by the United States internal revenue service under section 501(c)(3) of the internal revenue code.

(b) A nonprofit organization that is exempt from taxation under section 501(c)(3)[, 501(c)(4)] or 501(c)(6) of the internal revenue code if

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the organization is associated with a major league baseball team or a national touring professional golfing association and no part of the organization's net earnings inures to the benefit of any private shareholder or individual.

(c) A nonprofit organization that is exempt from taxation under section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(7) or 501(c)(8) of the internal revenue code if the organization sponsors or operates a rodeo featuring primarily farm and ranch animals and no part of the organization's net earnings inures to the benefit of any private shareholder or individual.

16. Drugs and medical oxygen, including delivery hose, mask or tent, regulator and tank, on the prescription of a member of the medical, dental or veterinarian profession who is licensed by law to administer such substances.

17. Prosthetic appliances, as defined in section 23-501, prescribed or recommended by a person who is licensed, registered or otherwise professionally credentialed as a physician, dentist, podiatrist, chiropractor, naturopath, homeopath, nurse or optometrist.

18. Prescription eyeglasses and contact lenses.

19. Insulin, insulin syringes and glucose test strips.

20. Hearing aids as defined in section 36-1901.

21. Durable medical equipment that has a centers for medicare and medicaid services common procedure code, is designated reimbursable by medicare, is prescribed by a person who is licensed under title 32, chapter 7, 13, 17 or 29, can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of illness or injury and is appropriate for use in the home.

22. Food, as provided in and subject to the conditions of article 3 of this chapter and section 42-5074.

23. Items purchased with United States department of agriculture food stamp coupons issued under the food stamp act of 1977 (P.L. 95-113; 91 Stat. 958) or food instruments issued under section 17 of the child nutrition act (P.L. 95-627; 92 Stat. 3603; P.L. 99-661, section 4302; 42 United States Code section 1786).

24. Food and drink provided without monetary charge by a taxpayer that is subject to section 42-5074 to its employees for their own consumption on the premises during the employees' hours of employment.

25. Tangible personal property that is used or consumed in a business subject to section 42-5074 for human food, drink or condiment, whether simple, mixed or compounded.

26. Food, drink or condiment and accessory tangible personal property that are acquired for use by or provided to a school district or charter school if they are to be either served or prepared and served to persons for consumption on the premises of a public school in the school district or on the premises of the charter school during school hours.

27. Lottery tickets or shares purchased pursuant to title 5, chapter 5.1, article 1.

28. Textbooks, sold by a bookstore, that are required by any state university or community college.

29. Magazines, other periodicals or other publications produced by this state to encourage tourist travel.

30. Paper machine clothing, such as forming fabrics and dryer felts, purchased by a paper manufacturer and directly used or consumed in paper manufacturing.

31. Coal, petroleum, coke, natural gas, virgin fuel oil and electricity purchased by a qualified environmental technology manufacturer, producer or processor as defined in section 41-1514.02 and directly used or consumed in the generation or provision of on-site power or energy solely for environmental technology manufacturing, producing or processing or environmental protection. This paragraph shall apply for twenty full consecutive calendar or fiscal years from the date the first paper manufacturing machine is placed in service. In the case of an environmental technology manufacturer, producer or processor who does not manufacture paper, the time period shall begin with the date the first manufacturing, processing or production equipment is placed in service.

32. Motor vehicles that are removed from inventory by a motor vehicle dealer as defined in section 28-4301 and that are provided to:

(a) Charitable or educational institutions that are exempt from taxation under section 501(c)(3) of the internal revenue code.

(b) Public educational institutions.

(c) State universities or affiliated organizations of a state university if no part of the organization's net earnings inures to the benefit of any private shareholder or individual.

33. Natural gas or liquefied petroleum gas used to propel a motor vehicle.

34. Machinery, equipment, technology or related supplies that are only useful to assist a person ~~who has~~ WITH a physical disability as defined in section 46-191,~~.~~ OR A PERSON WHO has a developmental disability as defined in section 36-551 or has a head injury as defined in section 41-3201 to be more independent and functional.

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35. Liquid, solid or gaseous chemicals used in manufacturing, processing, fabricating, mining, refining, metallurgical operations, research and development and, beginning on January 1, 1999, printing, if using or consuming the chemicals, alone or as part of an integrated system of chemicals, involves direct contact with the materials from which the product is produced for the purpose of causing or permitting a chemical or physical change to occur in the materials as part of the production process. This paragraph does not include chemicals that are used or consumed in activities such as packaging, storage or transportation but does not affect any exemption for such chemicals that is otherwise provided by this section. For the purposes of this paragraph, "printing" means a commercial printing operation and includes job printing, engraving, embossing, copying and bookbinding.

36. Food, drink and condiment purchased for consumption within the premises of any prison, jail or other institution under the jurisdiction of the state department of corrections, the department of public safety, the department of juvenile corrections or a county sheriff.

37. A motor vehicle and any repair and replacement parts and tangible personal property becoming a part of such motor vehicle sold to a motor carrier who is subject to a fee prescribed in title 28, chapter 16, article 4 and who is engaged in the business of leasing or renting such property.

38. Tangible personal property that is or directly enters into and becomes an ingredient or component part of cards used as prescription plan identification cards.

39. Overhead materials or other tangible personal property that is used in performing a contract between the United States government and a manufacturer, modifier, assembler or repairer, including property used in performing a subcontract with a government contractor who is a manufacturer, modifier, assembler or repairer, to which title passes to the government under the terms of the contract or subcontract. For the purposes of this paragraph:

(a) "Overhead materials" means tangible personal property, the gross proceeds of sales or gross income derived from which would otherwise be included in the retail classification, that is used or consumed in the performance of a contract, the cost of which is charged to an overhead expense account and allocated to various contracts based on generally accepted accounting principles and consistent with government contract accounting standards.

(b) "Subcontract" means an agreement between a contractor and any person who is not an employee of the contractor for furnishing of supplies or services that, in whole or in part, are necessary to the performance of one or more government contracts, or under which any portion of the contractor's obligation under one or more government contracts is performed, undertaken or assumed, and that includes provisions causing title to overhead materials or other tangible personal property used in the performance of the subcontract to pass to the government or that includes provisions incorporating such title passing clauses in a government contract into the subcontract.

40. Through December 31, 1994, tangible personal property sold pursuant to a personal property liquidation transaction, as defined in section 42-5061. From and after December 31, 1994, tangible personal property sold pursuant to a personal property liquidation transaction, as defined in section 42-5061, if the gross proceeds of the sales were included in the measure of the tax imposed by article 1 of this chapter or if the personal property liquidation was a casual activity or transaction.

41. Wireless telecommunications equipment that is held for sale or transfer to a customer as an inducement to enter into or continue a contract for telecommunications services that are taxable under section 42-5064.

42. Alternative fuel, as defined in section 1-215, purchased by a used oil fuel burner who has received a permit to burn used oil or used oil fuel under section 49-426 or 49-480.

43. Tangible personal property purchased by a commercial airline and consisting of food, beverages and condiments and accessories used for serving the food and beverages, if those items are to be provided without additional charge to passengers for consumption in flight. For the purposes of this paragraph, "commercial airline" means a person holding a federal certificate of public convenience and necessity or foreign air carrier permit for air transportation to transport persons, property or United States mail in intrastate, interstate or foreign commerce.

44. Alternative fuel vehicles if the vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and equipment that is installed in a conventional diesel fuel motor vehicle to

convert the vehicle to operate on an alternative fuel, as defined in section 1-215.

45. Gas diverted from a pipeline, by a person engaged in the business of:

(a) Operating a natural or artificial gas pipeline, and used or consumed for the sole purpose of fueling compressor equipment that pressurizes the pipeline.

(b) Converting natural gas into liquefied natural gas, and used or consumed for the sole purpose of fueling compressor equipment used in the conversion process.

46. Tangible personal property that is excluded, exempt or deductible from transaction privilege tax pursuant to section 42-5063.

47. Tangible personal property purchased to be incorporated or installed as part of environmental response or remediation activities under section 42-5075, subsection B, paragraph 6.

48. Tangible personal property sold by a nonprofit organization that is exempt from taxation under section 501(c)(6) of the internal revenue code if the organization produces, organizes or promotes cultural or civic related festivals or events and no part of the organization's net earnings inures to the benefit of any private shareholder or individual.

49. Prepared food, drink or condiment donated by a restaurant as classified in section 42-5074, subsection A to a nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code and that regularly serves meals to the needy and indigent on a continuing basis at no cost.

50. Application services that are designed to assess or test student learning or to promote curriculum design or enhancement purchased by or for any school district, charter school, community college or state university. For the purposes of this paragraph:

(a) "Application services" means software applications provided remotely using hypertext transfer protocol or another network protocol.

(b) "Curriculum design or enhancement" means planning, implementing or reporting on courses of study, lessons, assignments or other learning activities.

51. Motor vehicle fuel and use fuel to a qualified business under section 41-1516 for off-road use in harvesting, processing or transporting qualifying forest products removed from qualifying projects as defined in section 41-1516.

52. Repair parts installed in equipment used directly by a qualified business under section 41-1516 in harvesting, processing or transporting qualifying forest products removed from qualifying projects as defined in section 41-1516.

53. Renewable energy credits or any other unit created to track energy derived from renewable energy resources. For the purposes of this paragraph, "renewable energy credit" means a unit created administratively by the corporation commission or governing body of a public power entity to track kilowatt hours of electricity derived from a renewable energy resource or the kilowatt hour equivalent of conventional energy resources displaced by distributed renewable energy resources.

54. Computer data center equipment purchased by the owner, operator or qualified colocation tenant of the computer data center or an authorized agent of the owner, operator or qualified colocation tenant during the qualification period for use in a computer data center that is certified by the Arizona commerce authority under section 41-1519. To qualify for this deduction, at the time of purchase, the owner, operator or qualified colocation tenant must present to the retailer its certificate that is issued pursuant to section 41-1519 and that establishes its qualification for the deduction. For the purposes of this paragraph, "computer data center", "computer data center equipment", "qualification period" and "qualified colocation tenant" have the same meanings prescribed in section 41-1519.

55. Coal acquired from an owner or operator of a power plant by a person who is responsible for refining coal if both of the following apply:

(a) The transfer of title or possession of the coal is for the purpose of refining the coal.

(b) The title or possession of the coal is transferred back to the owner or operator of the power plant after completion of the coal refining process. For the purposes of this subdivision, "coal refining process" means the application of a coal additive system that aids the reduction of power plant emissions during the combustion of coal and the treatment of flue gas.

56. TANGIBLE PERSONAL PROPERTY INCORPORATED OR FABRICATED INTO A PROJECT DESCRIBED IN SECTION 42-5075, SUBSECTION O, THAT IS LOCATED WITHIN THE EXTERIOR BOUNDARIES OF AN INDIAN RESERVATION FOR WHICH THE OWNER, AS DEFINED IN SECTION 42-5075, OF THE PROJECT IS AN INDIAN TRIBE OR AN AFFILIATED INDIAN. FOR THE PURPOSES OF THIS PARAGRAPH:

(a) "AFFILIATED INDIAN" MEANS AN INDIVIDUAL NATIVE AMERICAN INDIAN WHO IS DULY REGISTERED ON THE TRIBAL ROLLS OF THE INDIAN TRIBE FOR WHOSE BENEFIT THE INDIAN RESERVATION WAS ESTABLISHED.

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(b) "INDIAN RESERVATION" MEANS ALL LANDS THAT ARE WITHIN THE LIMITS OF AREAS SET ASIDE BY THE UNITED STATES FOR THE EXCLUSIVE USE AND OCCUPANCY OF AN INDIAN TRIBE BY TREATY, LAW OR EXECUTIVE ORDER AND THAT ARE RECOGNIZED AS INDIAN RESERVATIONS BY THE UNITED STATES DEPARTMENT OF THE INTERIOR.

(c) "INDIAN TRIBE" MEANS ANY ORGANIZED NATION, TRIBE, BAND OR COMMUNITY THAT IS RECOGNIZED AS AN INDIAN TRIBE BY THE UNITED STATES DEPARTMENT OF THE INTERIOR AND INCLUDES ANY ENTITY FORMED UNDER THE LAWS OF THE INDIAN TRIBE.

B. In addition to the exemptions allowed by subsection A of this section, the following categories of tangible personal property are also exempt:

1. Machinery, or equipment, used directly in manufacturing, processing, fabricating, job printing, refining or metallurgical operations. The terms "manufacturing", "processing", "fabricating", "job printing", "refining" and "metallurgical" as used in this paragraph refer to and include those operations commonly understood within their ordinary meaning. "Metallurgical operations" includes leaching, milling, precipitating, smelting and refining.

2. Machinery, or equipment, used directly in the process of extracting ores or minerals from the earth for commercial purposes, including equipment required to prepare the materials for extraction and handling, loading or transporting such extracted material to the surface. "Mining" includes

underground, surface and open pit operations for extracting ores and minerals.

3. Tangible personal property sold to persons engaged in business classified under the telecommunications classification under section 42-5064, INCLUDING A PERSON REPRESENTING OR WORKING ON BEHALF OF SUCH A PERSON IN A MANNER DESCRIBED IN SECTION 42-5075, SUBSECTION O, and consisting of central office switching equipment, switchboards, private branch exchange equipment, microwave radio equipment and carrier equipment including optical fiber, coaxial cable and other transmission media that are components of carrier systems.

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4. Machinery, equipment or transmission lines used directly in producing or transmitting electrical power, but not including distribution. Transformers and control equipment used at transmission substation sites constitute equipment used in producing or transmitting electrical power.

5. Neat animals, horses, asses, sheep, ratites, swine or goats used or to be used as breeding or production stock, including sales of breedings or ownership shares in such animals used for breeding or production.

6. Pipes or valves four inches in diameter or larger used to transport oil, natural gas, artificial gas, water or coal slurry, including compressor units, regulators, machinery and equipment, fittings, seals and any other part that is used in operating the pipes or valves.

7. Aircraft, navigational and communication instruments and other accessories and related equipment sold to:

(a) A person holding a federal certificate of public convenience and necessity, a supplemental air carrier certificate under federal aviation regulations (14 Code of Federal Regulations part 121) or a foreign air carrier permit for air transportation for use as or in conjunction with or becoming a part of aircraft to be used to transport persons, property or United States mail in intrastate, interstate or foreign commerce.

(b) Any foreign government, or sold to persons who are not residents of this state and who will not use such property in this state other than in removing such property from this state.

8. Machinery, tools, equipment and related supplies used or consumed directly in repairing, remodeling or maintaining aircraft, aircraft engines or aircraft component parts by or on behalf of a certificated or licensed carrier of persons or property.

9. Rolling stock, rails, ties and signal control equipment used directly to transport persons or property.

10. Machinery or equipment used directly to drill for oil or gas or used directly in the process of extracting oil or gas from the earth for commercial purposes.

11. Buses or other urban mass transit vehicles that are used directly to transport persons or property for hire or pursuant to a governmentally adopted and controlled urban mass transportation program and that are sold to bus companies holding a federal certificate of convenience and necessity or operated by any city, town or other governmental entity or by any person contracting with such governmental entity as part of a governmentally adopted and controlled program to provide urban mass transportation.

12. Groundwater measuring devices required under section 45-604.

13. New machinery and equipment consisting of tractors, tractor-drawn implements, self-powered implements, machinery and equipment necessary for extracting milk, and machinery and equipment necessary for cooling milk and livestock, and drip irrigation lines not already exempt under paragraph 6 of this subsection and that are used for commercial production of agricultural, horticultural, viticultural and floricultural crops and products in this state. For the purposes of this paragraph:

(a) "New machinery and equipment" means machinery or equipment that has never been sold at retail except pursuant to leases or rentals that do not total two years or more.

(b) "Self-powered implements" includes machinery and equipment that are electric-powered.

14. Machinery or equipment used in research and development. For the purposes of this paragraph, "research and development" means basic and applied research in the sciences and engineering, and designing, developing or testing prototypes, processes or new products, including research and development of computer software that is embedded in or an integral part of the prototype or new product or that is required for machinery or equipment otherwise exempt under this section to function effectively. Research and development do not include manufacturing quality control, routine consumer product testing, market research, sales promotion, sales service, research in social sciences or psychology, computer software research that is not included in the definition of research and development, or other nontechnological activities or technical services.

15. Tangible personal property that is used by either of the following to receive, store, convert, produce, generate, decode, encode, control or transmit telecommunications information:

(a) Any direct broadcast satellite television or data transmission service that operates pursuant to 47 Code of Federal Regulations part 25.

(b) Any satellite television or data transmission facility, if both of the following conditions are met:

(i) Over two-thirds of the transmissions, measured in megabytes, transmitted by the facility during the test period were transmitted to or on behalf of one or more direct broadcast satellite television or data transmission services that operate pursuant to 47 Code of Federal Regulations part 25.

(ii) Over two-thirds of the transmissions, measured in megabytes, transmitted by or on behalf of those direct broadcast television or data transmission services during the test period were transmitted by the facility to or on behalf of those services.

For the purposes of subdivision (b) of this paragraph, "test period" means the three hundred sixty-five day period beginning on the later of the date on which the tangible personal property is purchased or the date on which the direct broadcast satellite television or data transmission service first transmits information to its customers.

16. Clean rooms that are used for manufacturing, processing, fabrication or research and development, as defined in paragraph 14 of this subsection, of semiconductor products. For the purposes of this paragraph, "clean room" means all property that comprises or creates an environment where humidity, temperature, particulate matter and contamination are

precisely controlled within specified parameters, without regard to whether the property is actually contained within that environment or whether any of the property is affixed to or incorporated into real property. Clean room:

(a) Includes the integrated systems, fixtures, piping, movable partitions, lighting and all property that is necessary or adapted to reduce contamination or to control airflow, temperature, humidity, chemical purity or other environmental conditions or manufacturing tolerances, as well as the production machinery and equipment operating in conjunction with the clean room environment.

(b) Does not include the building or other permanent, nonremovable component of the building that houses the clean room environment.

17. Machinery and equipment that are used directly in the feeding of poultry, the environmental control of housing for poultry, the movement of eggs within a production and packaging facility or the sorting or cooling of eggs. This exemption does not apply to vehicles used for transporting eggs.

18. Machinery or equipment, including related structural components, that is employed in connection with manufacturing, processing, fabricating, job printing, refining, mining, natural gas pipelines, metallurgical operations, telecommunications, producing or transmitting electricity or research and development and that is used directly to meet or exceed rules or regulations adopted by the federal energy regulatory commission, the United States environmental protection agency, the United States nuclear regulatory commission, the Arizona department of environmental quality or a political subdivision of this state to prevent, monitor, control or reduce land, water or air pollution.

19. Machinery and equipment that are used in the commercial production of livestock, livestock products or agricultural, horticultural, viticultural or floricultural crops or products in this state and that are used directly and primarily to prevent, monitor, control or reduce air, water or land pollution.

20. Machinery or equipment that enables a television station to originate and broadcast or to receive and broadcast digital television signals and that was purchased to facilitate compliance with the telecommunications act of 1996 (P.L. 104-104; 110 Stat. 56; 47 United States Code section 336) and the federal communications commission order issued April 21, 1997 (47 Code of Federal Regulations part 73). This paragraph does not exempt any of the following:

(a) Repair or replacement parts purchased for the machinery or equipment described in this paragraph.

(b) Machinery or equipment purchased to replace machinery or equipment for which an exemption was previously claimed and taken under this paragraph.

(c) Any machinery or equipment purchased after the television station has ceased analog broadcasting, or purchased after November 1, 2009, whichever occurs first.

21. Qualifying equipment that is purchased from and after June 30, 2004 through June 30, 2024 by a qualified business under section 41-1516 for harvesting or processing qualifying forest products removed from qualifying projects as defined in section 41-1516. To qualify for this exemption, the qualified business must obtain and present its certification from the Arizona commerce authority at the time of purchase.

C. The exemptions provided by subsection B of this section do not include:

1. Expendable materials. For the purposes of this paragraph, expendable materials do not include any of the categories of tangible personal property specified in subsection B of this section regardless of the cost or useful life of that property.

2. Janitorial equipment and hand tools.

3. Office equipment, furniture and supplies.

4. Tangible personal property used in selling or distributing activities, other than the telecommunications transmissions described in subsection B, paragraph 15 of this section.

5. Motor vehicles required to be licensed by this state, except buses or other urban mass transit vehicles specifically exempted pursuant to subsection B, paragraph 11 of this section, without regard to the use of such motor vehicles.

6. Shops, buildings, docks, depots and all other materials of whatever kind or character not specifically included as exempt.

7. Motors and pumps used in drip irrigation systems.

8. Machinery and equipment or tangible personal property used by a contractor in the performance of a contract.

D. The following shall be deducted in computing the purchase price of electricity by a retail electric customer from a utility business:

1. Revenues received from sales of ancillary services, electric distribution services, electric generation services, electric transmission services and other services related to providing electricity to a retail electric customer who is located outside this state for use outside this state if the electricity is delivered to a point of sale outside this state.

2. Revenues received from providing electricity, including ancillary services, electric distribution services, electric generation services, electric transmission services and other services related to providing electricity with respect to which the transaction privilege tax imposed under section 42-5063 has been paid.

E. The tax levied by this article does not apply to the purchase of solar energy devices from a retailer that is registered with the department as a solar energy retailer or a solar energy contractor.

F. The following shall be deducted in computing the purchase price of electricity by a retail electric customer from a utility business:

1. Fees charged by a municipally owned utility to persons constructing residential, commercial or industrial developments or connecting residential, commercial or industrial developments to a municipal utility system or systems if the fees are segregated and used only for capital expansion, system enlargement or debt service of the utility system or systems.

2. Reimbursement or contribution compensation to any person or persons owning a utility system for property and equipment installed to provide utility access to, on or across the land of an actual utility consumer if the property and equipment become the property of the utility. This deduction shall not exceed the value of such property and equipment.

G. The tax levied by this article does not apply to the purchase price of electricity or natural gas by[:]

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[1.] A business that is principally engaged in manufacturing or smelting operations and that uses at least fifty-one ~~per cent~~ PERCENT of the electricity or natural gas in the manufacturing or smelting operations. This ~~subsection~~ PARAGRAPH does not apply to gas transportation services. For the purposes of this ~~subsection~~ PARAGRAPH:

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~~1.~~ (a) "Gas transportation services" means the services of transporting natural gas to a natural gas customer or to a natural gas distribution facility if the natural gas was purchased from a supplier other than the utility.

~~2.~~ (b) "Manufacturing" means the performance as a business of an integrated series of operations that places tangible personal property in a form, composition or character different from that in which it was acquired and transforms it into a different product with a distinctive name, character or use. Manufacturing does not include processing, fabricating, job printing, mining, generating electricity or operating a restaurant.

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~~3.~~ (c) "Principally engaged" means at least fifty-one ~~per cent~~ PERCENT of the business is a manufacturing or smelting operation.

~~4.~~ (d) "Smelting" means to melt or fuse a metalliferous mineral, often with an accompanying chemical change, usually to separate the metal.

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2. A BUSINESS THAT OPERATES AN INTERNATIONAL OPERATIONS CENTER IN THIS STATE AND THAT IS CERTIFIED BY THE ARIZONA COMMERCE AUTHORITY PURSUANT TO SECTION 41-1520.

H. For the purposes of subsection B of this section:

1. "Aircraft" includes:

(a) An airplane flight simulator that is approved by the federal aviation administration for use as a phase II or higher flight simulator under appendix H, 14 Code of Federal Regulations part 121.

(b) Tangible personal property that is permanently affixed or attached as a component part of an aircraft that is owned or operated by a certificated or licensed carrier of persons or property.

2. "Other accessories and related equipment" includes aircraft accessories and equipment such as ground service equipment that physically contact aircraft at some point during the overall carrier operation.

I. For the purposes of subsection D of this section, "ancillary services", "electric distribution service", "electric generation service", "electric transmission service" and "other services" have the same meanings prescribed in section 42-5063.

EXPLANATION OF BLEND
SECTION 42-12009

Laws 2015, Chapters 49 and 233

Laws 2015, Ch. 49, section 4	Effective July 3, 2015
Laws 2015, Ch. 233, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 49 and Ch. 233 text changes to section 42-12009 are blended in the form shown on the following pages.

BLEND OF SECTION 42-12009
Laws 2015, Chapters 49 and 233

42-12009. Class nine property

A. For purposes of taxation, class nine is established consisting of:

1. Improvements that are located on federal, state, county or municipal property and owned by the lessee of the property if:

(a) The improvements are required to become the property of the federal, state, county or municipal owner of the property on termination of the leasehold interest in the property.

(b) Both the improvements and the property are used exclusively for
Ch. 233 — CONVENTION ACTIVITIES OR athletic, recreational, entertainment, artistic or cultural facilities.

2. Improvements that are located on federal, state, county or municipal property and owned by the lessee of the property if:

(a) The improvements are required to become the property of the federal, state, county or municipal owner of the property on termination of the leasehold interest in the property.

(b) Both the improvements and the property are:

(i) Used for or in connection with aviation, including hangars, tie-downs, aircraft maintenance, sales of aviation-related items, charter and rental activities, parking facilities and restaurants, stores and other services located in a terminal.

(ii) Located on a state, county, city or town airport or a public airport operating pursuant to sections 28-8423, 28-8424 and 28-8425.

3. Property that is defined as "contractor-acquired property" or "government-furnished property" in the federal acquisition regulations (48 Code of Federal Regulations section 45.101) and that is leased to or acquired by the government and used to perform a government contract.

4. Property of a corporation that is organized by or at the direction of this state or a county, city or town to develop, construct, improve, repair, replace or own any property, improvement, building or other facility to be used for public purposes that the state, county, city or town pledges to lease or lease-purchase with state, county or municipal special or general revenues and that is not otherwise exempt under chapter 11, article 3 of this title.

5. Real property and improvements, including land, buildings, furniture and equipment, regardless of ownership, that are leased for the entire valuation year to, and used exclusively by, a nonprofit organization that is recognized under section 501(c)(3) of the internal revenue code and that operates on the premises as a charter school pursuant to section 15-183 OR THAT ARE LEASED FOR THE ENTIRE VALUATION YEAR TO, AND USED EXCLUSIVELY BY,
Ch. 49 — A NONPROFIT CHURCH, RELIGIOUS ASSEMBLY OR RELIGIOUS INSTITUTION. If only part of a parcel of real property or improvements to real property is leased for operation of a charter school OR A CHURCH, RELIGIOUS ASSEMBLY OR

RELIGIOUS INSTITUTION as provided by this paragraph, only the portion so leased qualifies for classification under this section. A property owner who leases property to a charter school OR A CHURCH, RELIGIOUS ASSEMBLY OR RELIGIOUS INSTITUTION AS PROVIDED BY THIS PARAGRAPH shall file an affidavit with the county assessor stating that the charter school OR CHURCH, RELIGIOUS ASSEMBLY OR RELIGIOUS INSTITUTION shall be the sole beneficiary of the change in property tax classification pursuant to this section and that the lease rate that is charged to the charter school OR CHURCH, RELIGIOUS ASSEMBLY OR RELIGIOUS INSTITUTION is consistent with the lease rates that are charged to other tenants of the property or a fair market rate.

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~~6. Improvements that are located on federal, state, county or municipal property and owned by the lessee of the property if:~~

~~(a) The improvements become the property of the federal, state, county or municipal owner of the property on termination of the leasehold interest in the property.~~

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~~(b) Both the improvements and the property are used primarily for convention activities.~~

B. Improvements that are located in an area defined as a research park pursuant to section 35-701 may not be classified under this section.

C. All property classified as class nine is subject to valuation at full cash value.

EXPLANATION OF BLEND
SECTION 42-17103

Laws 2015, Chapters 268 and 323

Laws 2015, Ch. 268, section 5	Effective July 3, 2015
Laws 2015, Ch. 323, section 6	Effective July 3, 2015

Explanation

Since these two enactments are identical, the Laws 2015, Ch. 268 and Ch. 323 text changes to section 42-17103 are blended in the form shown on the following page.

BLEND OF SECTION 42-17103
Laws 2015, Chapters 268 and 323

42-17103. Public access to estimates of revenues and expenses; notice of public hearing; access to adopted budget

A. The governing body of each county, city or town shall publish the estimates of revenues and expenses, or a summary of the estimates of revenues and expenses, and a notice of a public hearing of the governing body to hear taxpayers and make tax levies at designated times and places. The summary shall set forth the total estimated revenues and expenditures by fund type, truth in taxation calculations and primary and secondary property tax levies for all districts. A complete copy of the estimates of revenues and expenses shall be made available at the city, town or county libraries and city, town or county administrative offices and shall be posted in a prominent location on the official ~~websites, or on a website of an association of cities and towns for cities and towns that do not have official websites,~~ WEBSITE OF THE CITY, TOWN OR COUNTY no later than seven business days after the estimates of revenues and expenses are initially presented before the governing body. A complete copy of the budget finally adopted under section 42-17105 shall be posted in a prominent location on the official websites no later than seven business days after final adoption.

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B. Beginning with fiscal year 2011-2012, both the estimates of revenues and expenses initially presented before the governing body and the budget finally adopted under section 42-17105 shall be retained and accessible in a prominent location on the official ~~websites, or on a website of an association of cities and towns for cities and towns that do not have official websites,~~ WEBSITE OF THE CITY, TOWN OR COUNTY for at least sixty months.

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C. The summary of estimates and notice, together with the library addresses and websites where the complete copy of estimates may be found, shall be published once a week for at least two consecutive weeks after the estimates are tentatively adopted in the official newspaper of the county, city or town, if there is one, and, if not, in a newspaper of general circulation in the county, city or town.

D. If a truth in taxation notice and hearing is required under section 42-17107, the governing body may combine the notice under this section with the truth in taxation notice.

EXPLANATION OF BLEND
SECTION 43-1088

Laws 2015, Chapters 204 and 250

Laws 2015, Ch. 204, section 12	Effective July 3, 2015
Laws 2015, Ch. 250, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 204 and Ch. 250 text changes to section 43-1088 are blended in the form shown on the following pages.

BLEND OF SECTION 43-1088
Laws 2015, Chapters 204 and 250

43-1088. Credit for contribution to qualifying charitable organizations; definitions

A. Except as provided in subsection B of this section, a credit is allowed against the taxes imposed by this title for voluntary cash contributions by the taxpayer or on the taxpayer's behalf pursuant to section 43-401, subsection G during the taxable year to a qualifying charitable organization not to exceed:

1. Two hundred dollars in any taxable year for a single individual or a head of household.

2. Four hundred dollars in any taxable year for a married couple filing a joint return.

B. If the voluntary cash contribution by the taxpayer or on the taxpayer's behalf pursuant to section 43-401, subsection G is to a qualifying foster care charitable organization, the credit shall not exceed:

1. Four hundred dollars in any taxable year for a single individual or a head of household.

2. Eight hundred dollars in any taxable year for a married couple filing a joint return.

C. A husband and wife who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half of the tax credit that would have been allowed for a joint return.

D. If the allowable tax credit exceeds the taxes otherwise due under this title on the claimant's income, or if there are no taxes due under this title, the taxpayer may carry forward the amount of the claim not used to offset the taxes under this title for not more than five consecutive taxable years' income tax liability.

E. The credit allowed by this section is in lieu of a deduction pursuant to section 170 of the internal revenue code and taken for state tax purposes.

F. Taxpayers taking a credit authorized by this section shall provide the name of the qualifying charitable organization and the amount of the contribution to the department of revenue on forms provided by the department.

G. A qualifying charitable organization shall provide the department of revenue with a written certification that it meets all criteria to be considered a qualifying charitable organization. The organization shall also notify the department of any changes that may affect the qualifications under this section.

H. The charitable organization's written certification must be signed by an officer of the organization under penalty of perjury. The written certification must include the following:

1. Verification of the organization's status under section 501(c)(3) of the internal revenue code or verification that the organization is a designated community action agency that receives community services block grant program monies pursuant to 42 United States Code section 9901.

2. Financial data indicating the organization's budget for the organization's prior operating year and the amount of that budget spent on services to residents of this state who either:

(a) Receive temporary assistance for needy families benefits.

Ch. 250 — (b) Are low[-]income residents of this state.

~~(c) Are chronically ill or children with physical disabilities.~~

(c) ARE CHILDREN WHO HAVE A CHRONIC ILLNESS OR PHYSICAL DISABILITY.

3. A statement that the organization plans to continue spending at least fifty ~~per cent~~ PERCENT of its budget on services to residents of this state who receive temporary assistance for needy families benefits, who are low[-]income residents of this state or who are ~~chronically ill or children with physical disabilities~~ CHILDREN WHO HAVE A CHRONIC ILLNESS OR PHYSICAL DISABILITY.

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4. A statement that the organization does not provide, pay for or provide coverage of abortions and does not financially support any other entity that provides, pays for or provides coverage of abortions.

I. The department shall review each written certification and determine whether the organization meets all the criteria to be considered a qualifying charitable organization and notify the organization of its determination. The department may also periodically request recertification from the organization. The department shall compile and make available to the public a list of the qualifying charitable organizations.

J. For the purposes of this section:

1. "~~Chronically ill or children with physical disabilities~~ CHILDREN WHO HAVE A CHRONIC ILLNESS OR PHYSICAL DISABILITY" has the same meaning prescribed in section 36-260.

2. "Low[-]income residents" means persons whose household income is less than one hundred fifty [~~per cent~~ PERCENT] of the federal poverty level.

3. "Qualifying charitable organization" means a charitable organization that is exempt from federal income taxation under section 501(c)(3) of the internal revenue code or is a designated community action agency that receives community services block grant program monies pursuant to 42 United States Code section 9901. The organization must spend at least fifty [~~per cent~~ PERCENT] of its budget on services to residents of this state who receive temporary assistance for needy families benefits or low[-]income residents of this state and their households or to ~~chronically ill or children with physical disabilities~~ CHILDREN WHO HAVE A CHRONIC ILLNESS OR PHYSICAL DISABILITY who are residents of this state. Taxpayers choosing to make donations through an umbrella charitable organization that collects donations on behalf of member charities shall designate that the donation be directed to a member charitable organization that would qualify under this section on a stand-alone basis. Qualifying charitable organization does not include any entity that provides, pays for or provides coverage of abortions or that financially supports any other entity that provides, pays for or provides coverage of abortions.

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4. "Qualifying foster care charitable organization" means a qualifying charitable organization that each operating year provides services to at least two hundred ~~foster children~~ QUALIFIED INDIVIDUALS in this state and spends at least fifty [~~per cent~~ PERCENT] of its budget on services to ~~foster children~~ QUALIFIED INDIVIDUALS in this state. For the purposes of this paragraph, ~~"foster children" has the same meaning prescribed~~ "QUALIFIED INDIVIDUAL" MEANS A FOSTER CHILD AS DEFINED in section 8-501 OR A PERSON WHO IS UNDER TWENTY-ONE YEARS OF AGE AND WHO IS PARTICIPATING IN A TRANSITIONAL INDEPENDENT LIVING PROGRAM AS PRESCRIBED BY SECTION 8-521.01.

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5. "Services" means cash assistance, medical care, child care, food, clothing, shelter, job placement and job training services or any other assistance that is reasonably necessary to meet immediate basic needs and that is provided and used in this state.

EXPLANATION OF BLEND
SECTION 43-1089.01

Laws 2015, Chapters 47 and 217

Laws 2015, Ch. 47, section 1	Effective July 3, 2015 (Retroactive to January 1, 2015)
Laws 2015, Ch. 217, section 1	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 47 and Ch. 217 text changes to section 43-1089.01 are blended in the form shown on the following pages.

BLEND OF SECTION 43-1089.01
Laws 2015, Chapters 47 and 217

43-1089.01. Tax credit; public school fees and contributions; definitions

A. A credit is allowed against the taxes imposed by this title for the amount of any fees or cash contributions by a taxpayer or on the taxpayer's behalf pursuant to section 43-401, subsection G during the taxable year to a public school located in this state for the support of STANDARDIZED TESTING FEES FOR COLLEGE CREDIT OR READINESS OFFERED BY A WIDELY RECOGNIZED AND ACCEPTED EDUCATIONAL TESTING ORGANIZATION, THE CAREER AND TECHNICAL EDUCATION INDUSTRY CERTIFICATION ASSESSMENT, PREPARATION COURSES AND MATERIALS FOR STANDARDIZED TESTING, extracurricular activities or character education programs of the public school, but not exceeding: Ch. 47

1. Two hundred dollars for a single individual or a head of household.

2. Three hundred dollars in taxable year 2005 for a married couple filing a joint return.

3. Four hundred dollars in taxable year 2006 and any subsequent taxable year for a married couple filing a joint return.

B. A husband and wife who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half of the tax credit that would have been allowed for a joint return.

C. The credit allowed by this section is in lieu of any deduction pursuant to section 170 of the internal revenue code and taken for state tax purposes.

D. If the allowable tax credit exceeds the taxes otherwise due under this title on the claimant's income, or if there are no taxes due under this title, the taxpayer may carry the amount of the claim not used to offset the taxes under this title forward for not more than five consecutive taxable years' income tax liability.

E. The site council of the public school that receives contributions that are not designated for a specific purpose shall determine how the contributions are used at the school site. If a charter school does not have a site council, the principal, director or chief administrator of the charter school shall determine how the contributions that are not designated for a specific purpose are used at the school site. If at the end of a fiscal year a public school has unspent contributions that were previously designated for a specific purpose or program and that purpose or program has been discontinued or has not been used for two consecutive fiscal years, these contributions shall be considered undesignated in the following fiscal year for the purposes of this subsection.

F. A public school that receives fees or a cash contribution pursuant to subsection A of this section shall report to the department, in a form prescribed by the department, by February 28 of each year the following information:

1. The total number of fee and cash contribution payments received during the previous calendar year.

2. The total dollar amount of fees and contributions received during the previous calendar year.

3. The total dollar amount of fees and contributions spent by the school during the previous calendar year, categorized by specific STANDARDIZED TESTING, PREPARATION COURSES AND MATERIALS FOR STANDARDIZED TESTING, extracurricular activity or character education program.

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G. FOR THE PURPOSES OF THIS SECTION, A CONTRIBUTION FOR WHICH A CREDIT IS CLAIMED AND THAT IS MADE ON OR BEFORE THE FIFTEENTH DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR MAY BE APPLIED TO EITHER THE CURRENT OR PRECEDING TAXABLE YEAR AND IS CONSIDERED TO HAVE BEEN MADE ON THE LAST DAY OF THAT TAXABLE YEAR.

Ch. 217

~~G.~~ H. For the purposes of this section:

1. "CAREER AND TECHNICAL EDUCATION INDUSTRY CERTIFICATION ASSESSMENT" MEANS AN ASSESSMENT FOR CAREER AND TECHNICAL PREPARATION PROGRAMS FOR PUPILS.

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~~1.~~ 2. "Character education programs" means a program described in section 15-719.

~~2.~~ 3. "Extracurricular activities" means school[-]sponsored activities that require enrolled students to pay a fee in order to participate, including fees for:

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(a) Band uniforms.

(b) Equipment or uniforms for varsity athletic activities.

(c) Scientific laboratory materials.

(d) In-state or out-of-state trips that are solely for competitive events. Extracurricular activities do not include any senior trips or events that are recreational, amusement or tourist activities.

~~3.~~ 4. "Public school" means a school that is part of a school district, a joint technical education district or a charter school.

~~4.~~ 5. "STANDARDIZED TESTING FOR COLLEGE CREDIT OR READINESS" INCLUDES THE SAT, PSAT, ACT, ADVANCED PLACEMENT AND INTERNATIONAL BACCALAUREATE DIPLOMA TESTS AND OTHER SIMILAR TESTS.

~~5.~~ 6. "WIDELY RECOGNIZED AND ACCEPTED EDUCATIONAL TESTING ORGANIZATION" MEANS THE COLLEGE BOARD, THE ACT, THE INTERNATIONAL BACCALAUREATE AND OTHER ORGANIZATIONS THAT ARE WIDELY RECOGNIZED AND ACCEPTED BY COLLEGES AND UNIVERSITIES IN THE UNITED STATES AND THAT OFFER COLLEGE CREDIT AND READINESS EXAMINATIONS.

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EXPLANATION OF BLEND
SECTION 43-1503

Laws 2015, Chapters 217 and 301

Laws 2015, Ch. 217, section 2	Effective July 3, 2015
Laws 2015, Ch. 301, section 5	Effective July 3, 2015 (Retroactive to January 1, 2015)

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 217 and Ch. 301 text changes to section 43-1503 are blended in the form shown on the following page.

BLEND OF SECTION 43-1503
Laws 2015, Chapters 217 and 301

43-1503. Operational requirements for school tuition organizations

A. A certified school tuition organization must be established to receive contributions from taxpayers for the purposes of income tax credits under sections 43-1183 and 43-1184 and insurance premium tax credits under sections 20-224.06 and 20-224.07 and to pay educational scholarships or tuition grants to allow students to attend any qualified school of their parents' or custodians' choice.

B. To be eligible for certification and retain certification, the school tuition organization:

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1. Must allocate at least ninety ~~per cent~~ PERCENT of its annual revenue from contributions made for the purposes of sections 20-224.06, 20-224.07, 43-1183 and 43-1184 for educational scholarships or tuition grants.

2. Shall not limit the availability of educational scholarships or tuition grants to only students of one school.

3. Must allow the department of revenue to verify that the educational scholarships and tuition grants that are issued are awarded to students who attend a qualified school.

4. Must not knowingly collude with any other school tuition organization to circumvent the limits of section 43-1504, subsection C.

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5. MUST NOT AWARD EDUCATIONAL SCHOLARSHIPS OR TUITION GRANTS TO STUDENTS WHO ARE SIMULTANEOUSLY ENROLLED IN A DISTRICT SCHOOL OR CHARTER SCHOOL AND A QUALIFIED SCHOOL.

Ch. 217

6. SHALL INCLUDE ON THE ORGANIZATION'S WEBSITE, IF ONE EXISTS, THE PERCENTAGE AND TOTAL DOLLAR AMOUNT OF EDUCATIONAL SCHOLARSHIPS AND TUITION GRANTS AWARDED DURING THE PREVIOUS FISCAL YEAR TO:

(a) STUDENTS WHOSE FAMILY INCOME MEETS THE ECONOMIC ELIGIBILITY REQUIREMENTS ESTABLISHED UNDER THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS (42 UNITED STATES CODE SECTIONS 1751 THROUGH 1785) FOR FREE OR REDUCED-PRICE LUNCHES.

(b) STUDENTS WHOSE FAMILY INCOME EXCEEDS THE THRESHOLD PRESCRIBED BY SUBDIVISION (a) OF THIS PARAGRAPH BUT DOES NOT EXCEED ONE HUNDRED EIGHTY-FIVE PERCENT OF THE ECONOMIC ELIGIBILITY REQUIREMENTS ESTABLISHED UNDER THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS (42 UNITED STATES CODE SECTIONS 1751 THROUGH 1785) FOR FREE OR REDUCED-PRICE LUNCHES.

EXPLANATION OF BLEND
SECTION 43-1603

Laws 2015, Chapters 217 and 301

Laws 2015, Ch. 217, section 4	Effective July 3, 2015
Laws 2015, Ch. 301, section 6	Effective July 3, 2015 (Retroactive to January 1, 2015)

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 217 and Ch. 301 text changes to section 43-1603 are blended in the form shown on the following pages.

BLEND OF SECTION 43-1603
Laws 2015, Chapters 217 and 301

43-1603. Operational requirements for school tuition organizations; notice; qualified schools

A. A certified school tuition organization must be established to receive contributions from taxpayers for the purposes of income tax credits under sections 43-1089 and 43-1089.03 and to pay educational scholarships or tuition grants to allow students to attend any qualified school of their parents' choice.

B. To be eligible for certification and retain certification, the school tuition organization:

Chs. 217 and 301 — 1. Must allocate at least ninety ~~per cent~~ PERCENT of its annual revenue from contributions made for the purposes of sections 43-1089 and 43-1089.03 for educational scholarships or tuition grants.

2. Shall not limit the availability of educational scholarships or tuition grants to only students of one school.

3. May allow donors to recommend student beneficiaries, but shall not award, designate or reserve scholarships solely on the basis of donor recommendations.

4. Shall not allow donors to designate student beneficiaries as a condition of any contribution to the organization, or facilitate, encourage or knowingly permit the exchange of beneficiary student designations in violation of section 43-1089, subsection F.

5. SHALL INCLUDE ON THE ORGANIZATION'S WEBSITE, IF ONE EXISTS, THE PERCENTAGE AND TOTAL DOLLAR AMOUNT OF EDUCATIONAL SCHOLARSHIPS AND TUITION GRANTS AWARDED DURING THE PREVIOUS FISCAL YEAR TO:

(a) STUDENTS WHOSE FAMILY INCOME MEETS THE ECONOMIC ELIGIBILITY REQUIREMENTS ESTABLISHED UNDER THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS (42 UNITED STATES CODE SECTIONS 1751 THROUGH 1785) FOR FREE OR REDUCED-PRICE LUNCHES. — Ch. 217

(b) STUDENTS WHOSE FAMILY INCOME EXCEEDS THE THRESHOLD PRESCRIBED BY SUBDIVISION (a) OF THIS PARAGRAPH BUT DOES NOT EXCEED ONE HUNDRED EIGHTY-FIVE PERCENT OF THE ECONOMIC ELIGIBILITY REQUIREMENTS ESTABLISHED UNDER THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS (42 UNITED STATES CODE SECTIONS 1751 THROUGH 1785) FOR FREE OR REDUCED-PRICE LUNCHES.

6. MUST NOT AWARD EDUCATIONAL SCHOLARSHIPS OR TUITION GRANTS TO STUDENTS WHO ARE SIMULTANEOUSLY ENROLLED IN A DISTRICT SCHOOL OR CHARTER SCHOOL AND A QUALIFIED SCHOOL. — Ch. 301

C. A school tuition organization shall include the following notice in any printed materials soliciting donations, in applications for scholarships and on its website, IF ONE EXISTS: — Ch. 217

Notice

A school tuition organization cannot award, restrict or reserve scholarships solely on the basis of a donor's recommendation.

A taxpayer may not claim a tax credit if the taxpayer agrees to swap donations with another taxpayer to benefit either taxpayer's own dependent.

D. In evaluating applications and awarding, designating or reserving scholarships, a school tuition organization:

1. Shall not award, designate or reserve a scholarship solely on the recommendation of any person contributing money to the organization, but may consider the recommendation among other factors.

2. Shall consider the financial need of applicants.

E. A taxpayer's contribution to a school tuition organization that exceeds the amount of the credit allowed by section 43-1089 but does not exceed the amount of the credit allowed by section 43-1089.03 is considered a contribution pursuant to section 43-1089.03. A school tuition organization must use at least ninety ~~per cent~~ PERCENT of contributions made pursuant to section 43-1089.03 for educational scholarships or tuition grants for students to whom any of the following applies:

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1. Attended a governmental primary or secondary school as a full-time student as defined in section 15-901 or attended a preschool program that offers services to students with disabilities at a governmental school for at least ninety days of the prior fiscal year and transferred from a governmental school to a qualified school.

2. Enrolls in a qualified school in a kindergarten program or a preschool program that offers services to students with disabilities.

3. Is the dependent of a member of the armed forces of the United States who is stationed in this state pursuant to military orders.

4. Received an educational scholarship or tuition grant under paragraph 1, 2 or 3 of this subsection or under chapter 15 of this title if the student continues to attend a qualified school in a subsequent year.

F. In awarding educational scholarships or tuition grants from contributions made pursuant to section 43-1089.03, a school tuition organization shall give priority to students and siblings of students on a waiting list for scholarships if the school tuition organization maintains a waiting list.

G. If an individual educational scholarship or tuition grant exceeds the school's tuition, the amount in excess shall be returned to the school tuition organization that made the award or grant. The school tuition organization may allocate the returned monies as a multiyear award for that student and report the award pursuant to section 43-1604, paragraph 5, subdivision (b) or may allocate the returned monies for educational scholarships or tuition grants for other students.

EXPLANATION OF BLEND
SECTION 48-805

Laws 2015, Chapters 152 and 162

Laws 2015, Ch. 152, section 5	Effective July 3, 2015
Laws 2015, Ch. 162, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 152 and Ch. 162 text changes to section 48-805 are blended in the form shown on the following pages.

BLEND OF SECTION 48-805
Laws 2015, Chapters 152 and 162

48-805. Fire district; powers and duties; definition

A. A fire district, through its board, shall:

1. Hold public meetings at least once each calendar month unless a board consists of three members and the fire district levies less than five hundred thousand dollars annually then the board shall meet in July and at least every two months thereafter. A board for a district organized pursuant to article 3 of this chapter shall hold public meetings at least every two months.

2. Determine the compensation payable to district personnel.

3. Require probationary employees in a paid sworn firefighter position, a reserve firefighter position or a volunteer firefighter position to submit a full set of fingerprints to the fire district. The fire district shall submit the fingerprints to the department of public safety 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.

B. A fire district, through its board, may:

1. Employ any personnel and provide services deemed necessary for fire protection, for preservation of life and for carrying out its other powers and duties, including providing ambulance transportation services when authorized to do so pursuant to title 36, chapter 21.1, article 2, but a member of a district board shall not be an employee of the district. The merger of two or more fire districts pursuant to section 48-820 or the consolidation with one or more fire districts pursuant to section 48-822 shall not expand the boundaries of an existing certificate of necessity unless authorized pursuant to title 36, chapter 21.1, article 2.

2. Construct, purchase, lease, lease-purchase or otherwise acquire the following or any interest therein and, in connection with the construction or other acquisition, purchase, lease, lease-purchase or grant a lien on any or all of its present or future property, including:

(a) Apparatus, water and rescue equipment, including ambulances and equipment related to any of the foregoing.

(b) Land, buildings, equipment and furnishings to house equipment and personnel necessary or appropriate to carry out its purposes.

3. Finance the acquisition of property as provided in this section and costs incurred in connection with the issuance of bonds as provided in section 48-806. Bonds shall not be issued without the consent of a majority of the electors of the district voting at an election held for that purpose. For the purposes of an election held under this paragraph, all persons who are eligible to vote in fire district elections under section 48-802 are eligible to vote.

4. Enforce the fire code adopted by the district, if any, and assist the state fire marshal in the enforcement of fire protection standards of

this state within the fire district including enforcement of a nationally recognized fire code if expressly authorized by the state fire marshal.

5. After the approval of the qualified electors of the fire district voting at a regular district election or at a special election called for that purpose by the district board, as appropriate, or at any election held in the county that encompasses the fire district, adopt the _____ fire code, which is a nationally recognized fire code approved by the state fire marshal. The words appearing on the ballots shall be "should _____ fire district adopt the _____ fire code, which is a nationally recognized fire code approved by the state fire marshal--yes", "should _____ fire district adopt the _____ fire code, which is a nationally recognized fire code approved by the state fire marshal--no". The code shall be enforced by the county attorney in the same manner as any other law or ordinance of the county. Any inspection or enforcement costs are the responsibility of the fire district involved. The district shall keep the code on file[,] which shall be open to public inspection for a period of thirty days before any election for the purpose of adopting a fire code. Copies of the order of election shall be posted in three public places in the district at least twenty days before the date of the election, and if a newspaper is published in the county having a general circulation in the district, the order shall be published in the newspaper at least once a week during each of the three calendar weeks preceding the calendar week of the election.

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6. Amend or revise the adopted fire code, including replacement of the adopted fire code with an alternative nationally recognized fire code, with the approval of the state fire marshal and after a hearing held pursuant to posted and published notice as prescribed by section 48-805.02, subsection A. The district shall keep three copies of the adopted code, amendments and revisions on file for public inspection.

7. Enter into an agreement procuring the services of an organized private fire protection company or a fire department of a neighboring city, town, district or settlement without impairing the fire district's powers.

8. Contract with a city or town for fire protection services for all or part of the city or town area until the city or town elects to provide regular fire department services to the area.

9. Retain a certified public accountant to perform an annual audit of district books.

10. Retain private legal counsel.

11. Accept gifts, contributions, bequests and grants and comply with any requirements of those gifts, contributions, bequests and grants that are not inconsistent with this article.

12. Appropriate and expend annually monies as are necessary for the purpose of fire districts belonging to and paying dues in the Arizona fire district association and other professional affiliations or entities.

13. Adopt resolutions establishing fee schedules both within and outside of the jurisdictional boundaries of the district for providing fire protection services and services for the preservation of life, including emergency fire and emergency medical services, plan reviews, standby charges, fire cause determination, users' fees or facilities benefit assessments or any other fee schedule that may be required.

14. With the approval of two of the three members of a three-member board, four of the five members of a five-member board or five of the seven members of a seven-member board, change the district's name and on so doing shall give written notice to the board of supervisors of the change. The governing board of a fire district may place a question on the general election ballot as to whether the fire district shall change its name.

15. Require all employees to submit a full set of fingerprints as prescribed by subsection A, paragraph 3 of this section.

16. Enter into intergovernmental agreements or contracts as follows:

(a) Enter into an intergovernmental agreement with another political subdivision for technical or administrative services or to provide fire services to the property owned by the political subdivision, including property that is outside the district boundary.

(b) Enter into a contract with individuals to provide technical or administrative services.

(c) Enter into a contract with individuals to provide fire protection services or emergency medical services, or both, to the extent not regulated by title 36, chapter 21.1 to property owned by the individual located outside the district boundaries if the individual's property is not located in a county island as defined in section 11-251.12 and at least one of the following apply:

(i) The existing fire service provider where the individual's property is located has issued a notice to the individual that the provider plans to discontinue service.

(ii) Fire service is not available to the individual's property.

(iii) Fire service is offered pursuant to a contract or subscription and the individual has not obtained service for a period of twenty-four months before the date of the contract with the district.

(d) Enter into a contract with individuals to provide fire services to property owned by the individual located outside the district boundaries, where the individual's property is located in a county island as defined in section 11-251.12, if both of the following apply:

(i) The existing fire service provider where the individual's property is located has issued a notice to the residents of the county island and the individual that the provider plans to discontinue or substantially reduce service.

(ii) The district offers contracts to all residents and property owners of the county island who will be affected by the discontinuance or substantial reduction in service by the current fire service provider.

(e) For the purposes of subdivision (a), (b), (c) or (d) of this paragraph, a district may contract with any public or private fire service provider to provide some or all of the contractual services the district is contracting to deliver.

(f) Any contract entered into pursuant to subdivisions (b), (c) and (d) of this paragraph shall include a provision setting forth the cost of service and performance criteria.

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17. SELL OR OTHERWISE DISPOSE OF ANY REAL PROPERTY, FACILITIES OR EQUIPMENT IF THE DISTRICT BOARD DETERMINES THE REAL PROPERTY, FACILITIES OR EQUIPMENT TO BE SURPLUS.

C. A fire district may not administratively add or annex additional property or delete property or otherwise modify its boundaries except in a merger or consolidation pursuant to this chapter or in a boundary change made pursuant to section 48-262. This subsection does not apply to a district organized pursuant to article 3 of this chapter.

D. The chairman and clerk of the district board or their respective designees, as applicable, shall draw warrants on the county treasurer for money required to operate the district in accordance with the budget and, as so drawn, the warrants shall be sufficient to authorize the county treasurer to pay from the fire district fund.

E. For any fire district that designates one or more board members to have access to the financial books and records of the district, those board members are authorized by law to have full access to those financial books and records.

F. The district board may assess and levy a secondary property tax pursuant to this article to pay for the costs of fire protection services or emergency medical services except for services regulated pursuant to title 36, chapter 21.1.

G. The county attorney may advise and represent the district if in the county attorney's judgment the advice and representation are appropriate and not in conflict with the county attorney's duties under section 11-532. If the county attorney is unable to advise and represent the district due to a conflict of interest, the district may retain private legal counsel or may request the attorney general to represent it, or both.

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H. IF A DISTRICT'S FIRE CODE REQUIRES THE USE OF A FIRE WATCH, AN EMPLOYEE WHO WORKS AT THE BUILDING IN WHICH A FIRE WATCH IS REQUIRED MAY SERVE AS THE FIRE WATCH. A PERSON WHO IS DESIGNATED AS A FIRE WATCH SHALL BE EQUIPPED WITH THE MEANS TO CONTACT THE LOCAL FIRE DEPARTMENT, AND THE PERSON'S ONLY DUTY WHILE KEEPING WATCH FOR FIRES SHALL BE TO PERFORM CONSTANT PATROLS OF THE PROTECTED PREMISES. THE DISTRICT SHALL PROVIDE THE FIRE WATCH WITH PRINTED INSTRUCTIONS FROM THE STATE FIRE MARSHAL AND MAY PROVIDE A FREE TRAINING SESSION BEFORE THE PERSON'S DEPLOYMENT AS THE FIRE WATCH BEGINS.

I. FOR THE PURPOSES OF THIS SECTION, "FIRE WATCH" MEANS A PERSON WHO IS STATIONED IN A BUILDING OR IN A PLACE RELATIVE TO A BUILDING TO OBSERVE THE BUILDING AND ITS OPENINGS WHEN THE FIRE PROTECTION SYSTEM FOR THE BUILDING IS TEMPORARILY NONOPERATIONAL OR ABSENT.

EXPLANATION OF BLEND
SECTION 48-820

Laws 2015, Chapters 162 and 236

Laws 2015, Ch. 162, section 5	Effective July 3, 2015
Laws 2015, Ch. 236, section 1	Effective July 3, 2015 (Retroactive to January 2, 2014)

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 162 and Ch. 236 text changes to section 48-820 are blended in the form shown on the following pages.

BLEND OF SECTION 48-820
Laws 2015, Chapters 162 and 236

48-820. Election to merge fire districts; notice; hearing; approval; joint meeting; merged district board

A. Except as provided in subsection K of this section, the board of supervisors shall make an order calling for an election to decide whether to merge fire districts when a resolution for merger from each district is submitted to the board. The board of supervisors shall not make an order calling for an election to merge fire districts more frequently than once every two years. Whether or not the districts are merged, the fire districts shall reimburse the counties for the expenses of the election, including the cost of mailing any notices required pursuant to this section. If the proposed district is located in more than one county, the resolutions shall be submitted to the board of supervisors of the county in which the majority of the assessed valuation of the proposed district is located. The words appearing on the ballot shall be "(insert fire districts' names) merge as a fire district--yes" and "(insert fire districts' names) merge as fire district--no."

B. Except for a district organized pursuant to article 3 of this chapter, at least six days but not more than twenty days after the election, the board of supervisors shall meet and canvass the returns, and if it is determined that a majority of the votes cast at the election in each of the affected districts is in favor of merging the fire districts, the board shall enter that fact on its minutes.

C. For a district organized pursuant to article 3 of this chapter, within fourteen days after the election, the board of supervisors shall meet and canvass the returns, and if it is determined that a majority of the votes cast at the election in each of the affected districts is in favor of merging the fire districts, the board shall enter the fact on its minutes.

D. Except as prescribed in subsection E of this section, two or more fire districts may merge if the governing body of each affected fire district, by a majority vote of the members of each governing body, adopts a resolution declaring that a merger be considered and a public hearing be held to determine if a merger would be in the best interests of the district and would promote public health, comfort, convenience, necessity or welfare. After each district adopts such a resolution, the governing body by first class mail shall send written notice of the resolution, its purpose and notice of the day, hour and place of a hearing on the proposed merger to each owner of taxable property within the boundaries of the district. The notice

Ch. 162 — shall contain the name and A GENERAL description of the boundaries of each district proposed to be merged and a detailed, accurate map of the area to be included in the merger. The notice also shall contain an estimate of the assessed value of the merged district, the estimated change in property tax liability for a typical resident of the proposed merged district and a list of the benefits and injuries that may result from the proposed merged district. No new territory may be included as a result of the merger.

E. A noncontiguous county island fire district formed pursuant to section 48-851 shall not merge with a fire district formed pursuant to section 48-261.

F. The clerk of the governing body shall post notice in at least three conspicuous public places in the district and shall also publish notice twice
Ch. 162 — in a ~~daily~~ newspaper of general circulation in the county in which the district is located, at least ten days before the public hearing. The clerk of each governing body affected by the proposed merger shall also mail notice and a copy of the resolution in support of considering the merger to the chairman of the board of supervisors of the county or counties in which the affected districts are located. The chairman of the board of supervisors shall order a review of the proposed merger and shall submit written comments to the governing body of each fire district located in that county within ten days after receipt of the notice.

G. At the hearing, each governing body of the district shall consider the comments of the board of supervisors, hear those persons who appear for or against the proposed merger and determine whether the proposed merger will promote public health, comfort, convenience, necessity or welfare. If, after the public hearing each of the governing bodies of the districts affected by the proposed merger adopt a resolution by a majority vote that the merger will promote public health, comfort, convenience, necessity or welfare, each of the governing bodies of the districts affected by the proposed merger shall submit to the board of supervisors the resolutions that call for an election.

H. Before considering any resolution of merger pursuant to this section, a governing body shall obtain written consent to the merger from any single taxpayer residing within each of the affected districts who owns thirty ~~per cent~~ PERCENT or more of the net assessed valuation of the total net assessed valuation of the district. If written consent contemplated by this subsection is not obtained, subsections A and B OF THIS SECTION apply, and the merger may only be accomplished by election. IF ONE OF THE AFFECTED
Ch. 162 — DISTRICTS DOES NOT HAVE A SINGLE TAXPAYER RESIDING IN THE DISTRICT WHO OWNS THIRTY PERCENT OR MORE OF THE NET ASSESSED VALUATION OF THE TOTAL NET ASSESSED VALUATION OF THE DISTRICT, THIS SUBSECTION DOES NOT APPLY TO THAT DISTRICT AND WRITTEN CONSENT IS NOT REQUIRED FOR THAT DISTRICT.

I. If the merger is approved as provided by subsection B or K of this section, within thirty days after the approval, the governing body of the affected district with the largest population shall call a joint meeting of the governing bodies of all of the affected districts. At the joint meeting, a majority of the members of the governing body of each affected district constitutes a quorum for the purpose of transacting business. The members of the governing body shall appoint a total of five persons from those currently serving on the governing bodies who shall complete their regular terms of office, except that no more than three of the persons appointed may serve terms that end in the same year. No more than three members shall be appointed from the same fire district board. Subsequent terms of office for district board members shall be filled by election of board members who shall be qualified electors of the merged district.

J. The appointed governing body shall immediately meet and organize itself and elect from its members a chairman and a clerk. THE APPOINTED GOVERNING BODY SHALL IMMEDIATELY HAVE THE POWERS AND DUTIES PRESCRIBED BY LAW FOR GOVERNANCE AND OPERATION OF THE NEWLY MERGED DISTRICT. The appointed board by resolution shall declare the districts merged and each affected district joined. ~~The governing board by resolution shall declare~~ AND the name of the newly merged fire district. The resolution and the names of the new board members for the newly organized district shall be sent to the board of supervisors, and the districts are merged effective thirty days after the adoption of the resolution. IF THE NEWLY MERGED DISTRICT IS AUTHORIZED TO OPERATE AN AMBULANCE SERVICE PURSUANT TO TITLE 36, CHAPTER 21.1, ARTICLE 2, THE NAME OF THE AMBULANCE SERVICE SHALL BE CHANGED ADMINISTRATIVELY BY THE DIRECTOR OF THE DEPARTMENT OF HEALTH SERVICES TO THE NAME OF THE NEWLY MERGED DISTRICT AND A HEARING ON THE MATTER IS NOT REQUIRED PURSUANT TO SECTION 36-2234.

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K. THE MERGER OF TWO OR MORE FIRE DISTRICTS PURSUANT TO THIS SECTION OR THE CONSOLIDATION WITH ONE OR MORE FIRE DISTRICTS PURSUANT TO SECTION 48-822 SHALL NOT EXPAND THE BOUNDARIES OF AN EXISTING CERTIFICATE OF NECESSITY UNLESS AUTHORIZED PURSUANT TO TITLE 36, CHAPTER 21.1, ARTICLE 2.

~~K.~~ L. If the requirements of subsection H of this section are met and ~~each of~~ the governing body votes required by ~~subsections B and~~ SUBSECTION G of this section are unanimous, the following apply:

1. The governing bodies of each district may choose to merge by unanimous resolution without an election and subsections A and B of this section do not apply.

2. The governing bodies of each district may choose to hold an election on the question of merger and subsections A and B of this section apply.

M. IF THE MERGER IS APPROVED PURSUANT TO SUBSECTION B OR K OF THIS SECTION, THE GOVERNING BODY OF THE NEWLY MERGED DISTRICT MAY ADOPT A NATIONALLY RECOGNIZED FIRE CODE WITH THE APPROVAL OF THE STATE FIRE MARSHAL AND AFTER A HEARING HELD PURSUANT TO POSTED AND PUBLISHED NOTICE AS PRESCRIBED BY SECTION 48-805.02, SUBSECTION A. THE DISTRICT SHALL KEEP A COPY OF THE ADOPTED FIRE CODE ON FILE FOR PUBLIC INSPECTION.

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EXPLANATION OF BLEND
SECTION 48-822

Laws 2015, Chapters 162 and 236

Laws 2015, Ch. 162, section 7	Effective July 3, 2015
Laws 2015, Ch. 236, section 2	Effective July 3, 2015

Explanation

Since these two enactments are not incompatible, the Laws 2015, Ch. 162 and Ch. 236 text changes to section 48-822 are blended in the form shown on the following pages.

BLEND OF SECTION 48-822
Laws 2015, Chapters 162 and 236

48-822. Election to consolidate fire districts; resolution; hearing

A. Except as provided in subsection E of this section, the board of supervisors shall make an order calling for an election to decide whether to consolidate fire districts when a resolution for consolidation of fire districts from each district is submitted to the board of supervisors. The board of supervisors shall not make an order calling for an election to consolidate fire districts more frequently than once every two years. Whether or not the districts are consolidated, the fire districts shall reimburse the counties for the expenses of the election, including the cost of mailing any notices. If the proposed district is located in more than one county, the resolutions shall be submitted to the board of supervisors of the county in which the majority of the assessed valuation of the proposed district is located. The words appearing on the ballot shall be "(insert fire districts' names) consolidate as a fire district--yes" and "(insert fire districts' names) consolidate as fire district--no."

B. Within fourteen days after the election, the board of supervisors shall meet and canvass the returns, and if it is determined that a majority of the votes cast at the election in each of the affected districts is in favor of consolidating the fire districts, the board shall enter that fact on its minutes.

C. Except as proscribed by subsection D of this section, a fire district may consolidate with one or more other fire districts formed pursuant to section 48-261 as follows:

1. A resolution requesting the consolidation of a fire district is passed by a majority vote of the governing body requesting consolidation into another fire district. The requesting district shall send by first class mail the notice of request to consolidate districts to the fire district in which the consolidation is requested.

2. On receipt of the resolution requesting consolidation, and on approval by majority vote of the governing body receiving the request, two or more fire districts may consolidate if the governing body of each affected fire district by a majority vote of the members of each governing body adopts a resolution declaring that a consolidation be considered and a public hearing be held to determine if a consolidation would be in the best interest of the districts and would promote the public health, comfort, convenience, necessity or welfare. After each district adopts such a resolution, the governing body by first class mail shall send written notice of the resolution, its purpose and notice of the day, hour and place of a hearing on the proposed consolidation to each owner of taxable property within the
Ch. 162— boundaries of the district. The notice shall contain the name and A GENERAL description of the boundaries of each district that is proposed to be consolidated and a detailed, accurate map of the area to be included in the consolidation. The notice also shall contain an estimate of the assessed

value of the consolidated district, the estimated change in the property tax liability for a typical resident of the proposed consolidated district and a list of the benefits and injuries that may result from the proposed consolidated district. No new territory may be included as a result of the consolidation.

3. The clerk of the governing body of the fire districts affected by the proposed consolidation shall post notice in at least three conspicuous
Ch. 162 — public places in the district and also shall publish notice twice in a ~~daily~~ newspaper of general circulation in the county in which the district is located at least ten days before the public hearing. The clerk of each governing body affected by the proposed consolidation shall also mail notice and a copy of the resolution in support of considering consolidation to the chairman of the board of supervisors of the county or counties in which the affected districts are located. The chairman of the board of supervisors shall order a review of the proposed consolidation and shall submit written comments to the governing body of each fire district located in the county within ten days after receipt of the notice.

4. At the hearing, the governing body of the district shall consider the comments of the board of supervisors, hear those persons who appear for or against the proposed consolidation and determine whether the proposed consolidation will promote the public health, comfort, convenience, necessity or welfare. If, after the public hearing, each of the governing bodies of the districts affected by the proposed consolidation adopt a resolution by a majority vote that the consolidation will promote the public health, comfort, convenience, necessity or welfare, each of the governing bodies of the districts affected by the proposed consolidation shall submit the resolutions calling for an election to the board of supervisors.

5. If the proposal for consolidation is approved as provided in subsections A and B of this section, the governing body of the district into which consolidation was requested shall by resolution declare the district consolidated and each affected district joined. Those persons currently serving as the governing body of the district into which consolidation was requested shall serve as the governing body of the newly consolidated district and complete their regular terms of office. The newly consolidated
Ch. 162 — district governing body shall consist of at least five members WHO SHALL IMMEDIATELY HAVE THE POWERS AND DUTIES PRESCRIBED BY LAW FOR GOVERNANCE AND OPERATION OF THE NEWLY CONSOLIDATED DISTRICT.

6. If the consolidation results in a new district population that is greater than fifty thousand persons, the new governing board may appoint an additional two members to serve until the next general election at which time the newly elected member with the highest number of votes serves a four year term and the other member serves a two year term. Thereafter, the term of office for these two new members is four years.

7. The governing body by resolution shall declare the name of the
Ch. 162 — newly consolidated fire district. IF THE NEWLY CONSOLIDATED FIRE DISTRICT IS AUTHORIZED TO OPERATE AN AMBULANCE SERVICE PURSUANT TO TITLE 36, CHAPTER 21.1, ARTICLE 2, THE NAME OF THE AMBULANCE SERVICE SHALL BE CHANGED ADMINISTRATIVELY BY THE DIRECTOR OF THE DEPARTMENT OF HEALTH SERVICES TO THE NAME OF THE NEWLY CONSOLIDATED DISTRICT AND A HEARING ON THE MATTER IS NOT REQUIRED PURSUANT TO SECTION 36-2234.

8. If a proposed consolidated district would include property located in an incorporated city or town, in addition to the other requirements of this section, the governing body of the district shall approve the creation of the consolidated district only if the governing body of the city or town endorses the creation by ordinance or resolution.

9. Before considering any resolution of consolidation pursuant to this section, a governing body shall obtain written consent to the consolidation from any single taxpayer residing within each of the affected districts who owns thirty ~~per cent~~ PERCENT or more of the net assessed valuation of the total net assessed valuation of the district. IF ONE OF THE AFFECTED DISTRICTS DOES NOT HAVE A SINGLE TAXPAYER RESIDING IN THE DISTRICT WHO OWNS THIRTY PERCENT OR MORE OF THE NET ASSESSED VALUATION OF THE TOTAL NET ASSESSED VALUATION OF THE DISTRICT, THIS SUBSECTION DOES NOT APPLY TO THAT DISTRICT AND WRITTEN CONSENT IS NOT REQUIRED FOR THAT DISTRICT.

D. A noncontiguous county island fire district formed pursuant to section 48-851 shall not consolidate with a fire district formed pursuant to section 48-261.

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E. THE MERGER OF TWO OR MORE FIRE DISTRICTS PURSUANT TO SECTION 48-820 OR THE CONSOLIDATION WITH ONE OR MORE FIRE DISTRICTS PURSUANT TO THIS SECTION SHALL NOT EXPAND THE BOUNDARIES OF AN EXISTING CERTIFICATE OF NECESSITY UNLESS AUTHORIZED PURSUANT TO TITLE 36, CHAPTER 21.1, ARTICLE 2.

~~E.~~ F. If the requirements of subsection C, paragraph 9 of this section are met and ~~each of~~ the governing body votes required by SUBSECTION C, PARAGRAPH 4 OF this section are unanimous, the following apply:

1. The governing bodies of each district may choose to consolidate by unanimous resolution without an election and subsections A and B of this section do not apply.

2. The governing bodies of each district may choose to hold an election on the question of consolidation and subsections A and B of this section apply.

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G. IF THE CONSOLIDATION IS APPROVED PURSUANT TO SUBSECTION A OR F OF THIS SECTION, THE ADOPTED FIRE CODE OF THE DISTRICT INTO WHICH THE CONSOLIDATION WAS REQUESTED SHALL APPLY TO THE ENTIRETY OF THE NEWLY CONSOLIDATED DISTRICT.