

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2647

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Title 41, chapter 11, article 1, Arizona Revised Statutes,  
3 is amended by adding section 41-1608, to read:

4 41-1608. Inmate medical services: rate structure

5 IF A PRISONER IN A SECURE CARE FACILITY REQUIRES HEALTH CARE SERVICES  
6 THAT THE DEPARTMENT, THE FACILITY OR A PRIVATE PRISON PROVIDER CONTRACTED BY  
7 THE DEPARTMENT CANNOT PROVIDE, THE DEPARTMENT SHALL PAY APPROVED CLAIMS FROM  
8 A FACILITY OR PROVIDER THAT PROVIDES THESE SERVICES AS FOLLOWS:

9 1. FOR INPATIENT AND OUTPATIENT HOSPITAL SERVICES, THE DEPARTMENT  
10 SHALL REIMBURSE AT A LEVEL THAT DOES NOT EXCEED THE REIMBURSEMENT METHODOLOGY  
11 ESTABLISHED PURSUANT TO SECTION 36-2903.01, SUBSECTION H.

12 2. FOR HEALTH AND MEDICAL SERVICES, THE DEPARTMENT SHALL REIMBURSE AT  
13 A LEVEL THAT DOES NOT EXCEED THE CAPPED FEE-FOR-SERVICE SCHEDULE THAT IS  
14 ADOPTED BY THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION  
15 PURSUANT TO TITLE 36, CHAPTER 29, ARTICLE 1 AND THAT IS IN EFFECT AT THE TIME  
16 THE SERVICES ARE DELIVERED.

17 Sec. 2. Repeal

18 Senate Bill 1028, section 10, forty-ninth legislature, first regular  
19 session, as transmitted to the governor, is repealed.

20 Sec. 3. Section 28-3396, Arizona Revised Statutes, as amended by  
21 Senate Bill 1028, section 13, forty-ninth legislature, first regular session,  
22 as transmitted to the governor, is amended to read:

23 28-3396. Court diversion fee

24 A. The presiding judge of each court shall:

25 1. Set the amount of the court diversion fee that an individual who  
26 attends a defensive driving school may be assessed.

27 2. Charge an individual a forty-five dollar surcharge if the  
28 individual attends a defensive driving school.

1           3. Immediately inform the supreme court in writing of the amount of  
2 the court diversion fee that is established for the court and the total cost  
3 to attend a defensive driving school.

4           4. Immediately inform the supreme court in writing of any changes in  
5 the total cost to attend a defensive driving school.

6           B. Payment of the court diversion fee and surcharge is in lieu of  
7 payment of a civil penalty or criminal fine and any surcharge that are  
8 imposed for a traffic violation.

9           C. The driving school shall collect the court diversion fee and  
10 surcharge before or at the time an individual attends the school. On receipt  
11 of the diversion fee, the defensive driving school shall transmit the fee  
12 promptly to the appropriate court pursuant to procedures prescribed by the  
13 supreme court. On receipt of the surcharge, the defensive driving school  
14 shall transmit the surcharge promptly to the state treasurer for deposit **AS**  
15 **FOLLOWS:**

16           1. **THE STATE TREASURER SHALL DEPOSIT THE FIRST TEN MILLION FOUR**  
17 **HUNDRED THOUSAND DOLLARS IN REVENUE ANNUALLY** in the crime laboratory  
18 operations fund established by section 41-1772.

19           2. **THE STATE TREASURER SHALL DEPOSIT ALL REMAINING REVENUE IN THE**  
20 **STATE GENERAL FUND.**

21           Sec. 4. Senate Bill 1028, section 16, forty-ninth legislature, first  
22 regular session, as transmitted to the governor, is amended to read:

23           Sec. 16. Section 38-842, Arizona Revised Statutes, is amended to read:

24           38-842. Definitions

25           In this article, unless the context otherwise requires:

26           1. "Accidental disability" means a physical or mental condition that  
27 the local board finds totally and permanently prevents an employee from  
28 performing a reasonable range of duties within the employee's job  
29 classification and that was incurred in the performance of the employee's  
30 duty.

31           2. "Accumulated contributions" means, for each member, the sum of the  
32 amount of the member's aggregate contributions made to the fund and the  
33 amount, if any, attributable to the employee's contributions prior to the  
34 member's effective date under another public retirement system, other than

1 the federal social security act, and transferred to the fund minus the  
2 benefits paid to or on behalf of the member.

3 3. "Actuarial equivalent" means equality in present value of the  
4 aggregate amounts expected to be received under two different forms of  
5 payment, based on mortality and interest assumptions adopted by the fund  
6 manager. The fund manager may from time to time change the mortality and  
7 interest assumptions.

8 4. "Alternate payee" means the spouse or former spouse of a  
9 participant as designated in a domestic relations order.

10 5. "Alternate payee's portion" means benefits that are payable to an  
11 alternate payee pursuant to a plan approved domestic relations order.

12 6. "Average monthly benefit compensation" means the result obtained by  
13 dividing the total compensation paid to an employee during a considered  
14 period by the number of months, including fractional months, in which such  
15 compensation was received. The considered period shall be the three  
16 consecutive years within the last twenty completed years of credited service  
17 that yield the highest average. In the computation under this paragraph a  
18 period of nonpaid or partially paid industrial leave shall be considered  
19 based on the compensation the employee would have received in the employee's  
20 job classification if the employee was not on industrial leave.

21 7. "Catastrophic disability" means a physical and not a psychological  
22 condition that the local board determines prevents the employee from totally  
23 and permanently engaging in any gainful employment and that results from a  
24 physical injury incurred in the performance of the employee's duty.

25 8. "Certified peace officer" means a peace officer certified by the  
26 Arizona peace officers standards and training board.

27 9. "Claimant" means any member or beneficiary who files an application  
28 for benefits pursuant to this article.

29 10. "Compensation" means, for the purpose of computing retirement  
30 benefits, base salary, overtime pay, shift differential pay and holiday pay  
31 paid to an employee by the employer on a regular monthly, semimonthly or  
32 biweekly payroll basis and longevity pay paid to an employee at least every  
33 six months for which contributions are made to the system pursuant to section  
34 38-843, subsection D. Compensation does not include, for the purpose of  
35 computing retirement benefits, payment for unused sick leave, payment in lieu

1 of vacation, payment for compensatory time or payment for any fringe  
2 benefits. In addition, compensation does not include, for the purpose of  
3 computing retirement benefits, payments made directly or indirectly by the  
4 employer to the employee for work performed for a third party on a contracted  
5 basis or any other type of agreement under which the third party pays or  
6 reimburses the employer for the work performed by the employee for that third  
7 party, EXCEPT FOR A PUBLIC SAFETY AGENCY THIRD PARTY CONTRACT WITH ANOTHER  
8 PUBLIC SAFETY AGENCY FOR PRIMARY POLICE ENFORCEMENT ACTIVITIES. For the  
9 purposes of this paragraph, "base salary" means the amount of compensation  
10 each employee is regularly paid for personal services rendered to an employer  
11 before the addition of any extra monies, including overtime pay, shift  
12 differential pay, holiday pay, longevity pay, fringe benefit pay and similar  
13 extra payments.

14 11. "Credited service" means the member's total period of service prior  
15 to the member's effective date of participation, plus those compensated  
16 periods of the member's service thereafter for which the member made  
17 contributions to the fund.

18 12. "Cure period" means the ninety-day period in which a participant or  
19 alternate payee may submit an amended domestic relations order and request a  
20 determination, calculated from the time the system issues a determination  
21 finding that a previously submitted domestic relations order did not qualify  
22 as a plan approved domestic relations order.

23 13. "Depository" means a bank in which all monies of the system are  
24 deposited and held and from which all expenditures for benefits, expenses and  
25 investments are disbursed.

26 14. "Determination" means a written document that indicates to a  
27 participant and alternate payee whether a domestic relations order qualifies  
28 as a plan approved domestic relations order.

29 15. "Determination period" means the ninety-day period in which the  
30 system must review a domestic relations order that is submitted by a  
31 participant or alternate payee to determine whether the domestic relations  
32 order qualifies as a plan approved domestic relations order, calculated from  
33 the time the system mails a notice of receipt to the participant and  
34 alternate payee.

1           16. "Domestic relations order" means an order of a court of this state  
2 that is made pursuant to the domestic relations laws of this state and that  
3 creates or recognizes the existence of an alternate payee's right to, or  
4 assigns to an alternate payee the right to, receive a portion of the benefits  
5 payable to a participant.

6           17. "Effective date of participation" means July 1, 1968, except with  
7 respect to employers and their covered employees whose contributions to the  
8 fund commence thereafter, the effective date of their participation in the  
9 system is as specified in the applicable joinder agreement.

10           18. "Effective date of vesting" means the date a member's rights to  
11 benefits vest pursuant to section 38-844.01.

12           19. "Eligible child" means the unmarried child of a deceased member who  
13 is under the age of eighteen or a full-time student who is under the age of  
14 twenty-three or under a disability that began before the child attained the  
15 age of twenty-three and who remains a dependent of the surviving spouse or  
16 guardian.

17           20. "Eligible groups" means only the following who are regularly  
18 assigned to hazardous duty:

19           (a) Municipal police officers who are certified peace officers.

20           (b) Municipal fire fighters.

21           (c) Paid full-time fire fighters employed directly by a fire district  
22 organized pursuant to section 48-803 or 48-804 with three or more full-time  
23 fire fighters, but not including fire fighters employed by a fire district  
24 pursuant to a contract with a corporation.

25           (d) State highway patrol officers who are certified peace officers.

26           (e) State fire fighters.

27           (f) County sheriffs and deputies who are certified peace officers.

28           (g) Game and fish wardens who are certified peace officers.

29           (h) Police officers who are certified peace officers and fire fighters  
30 of a nonprofit corporation operating a public airport pursuant to sections  
31 28-8423 and 28-8424. A police officer shall be designated pursuant to  
32 section 28-8426 to aid and supplement state and local law enforcement  
33 agencies and a fire fighter's sole duty shall be to perform fire fighting  
34 services, including services required by federal regulations.

1 (i) Police officers who are certified peace officers and who are  
2 appointed by the Arizona board of regents.

3 (j) Police officers who are certified peace officers and who are  
4 appointed by a community college district governing board.

5 (k) State attorney general investigators who are certified peace  
6 officers.

7 (l) County attorney investigators who are certified peace officers.

8 (m) Police officers who are certified peace officers and who are  
9 employed by an Indian reservation police agency.

10 (n) Fire fighters who are employed by an Indian reservation fire  
11 fighting agency.

12 (o) Police officers who are certified peace officers and who are  
13 appointed by the department of administration.

14 (p) Department of liquor licenses and control investigators who are  
15 certified peace officers.

16 (q) Arizona department of agriculture officers who are certified peace  
17 officers.

18 (r) Arizona state parks board rangers and managers who are certified  
19 peace officers.

20 (s) County park rangers who are certified peace officers.

21 21. "Employee" means any person who is employed by a participating  
22 employer and who is a member of an eligible group but does not include any  
23 persons compensated on a contractual or fee basis. If an eligible group  
24 requires certified peace officer status and at the option of the local board,  
25 employee may include a person who is training to become a certified peace  
26 officer.

27 22. "Employers" means:

28 (a) Cities contributing to the fire fighters' relief and pension fund  
29 as provided in sections 9-951 through 9-971 or statutes amended thereby and  
30 antecedent thereto, as of June 30, 1968 on behalf of their full-time paid  
31 fire fighters.

32 (b) Cities contributing under the state police pension laws as  
33 provided in sections 9-911 through 9-934 or statutes amended thereby and  
34 antecedent thereto, as of June 30, 1968 on behalf of their municipal  
35 policemen.

1           (c) The state highway patrol covered under the state highway patrol  
2 retirement system.

3           (d) The state, or any political subdivision of this state, including  
4 towns, cities, fire districts, counties and nonprofit corporations operating  
5 public airports pursuant to sections 28-8423 and 28-8424, that has elected to  
6 participate in the system on behalf of an eligible group of public safety  
7 personnel pursuant to a joinder agreement entered into after July 1, 1968.

8           (e) Indian tribes that have elected to participate in the system on  
9 behalf of an eligible group of public safety personnel pursuant to a joinder  
10 agreement entered into after July 1, 1968.

11           23. "Fund" means the public safety personnel retirement fund, which is  
12 the fund established to receive and invest contributions accumulated under  
13 the system and from which benefits are paid.

14           24. "Fund manager" means the fund manager of the system, who are the  
15 persons appointed to invest and operate the fund.

16           25. "Local board" means the retirement board of the employer, who are  
17 the persons appointed to administer the system as it applies to their members  
18 in the system.

19           26. "Member" means any employee who meets all of the following  
20 qualifications:

21           (a) Who is either a full-time paid municipal police officer, a  
22 full-time paid fire fighter, a law enforcement officer who is employed by  
23 this state including the director thereof, a state fire fighter who is  
24 primarily assigned to fire fighting duties, a fire fighter or police officer  
25 of a nonprofit corporation operating a public airport pursuant to sections  
26 28-8423 and 28-8424, all ranks designated by the Arizona law enforcement  
27 merit system council, a state attorney general investigator who is a  
28 certified peace officer, a county attorney investigator who is a certified  
29 peace officer, a police officer who is appointed by the department of  
30 administration and who is a certified peace officer, a department of liquor  
31 licenses and control investigator who is a certified peace officer, an  
32 Arizona department of agriculture officer who is a certified peace officer,  
33 an Arizona state parks board ranger or manager who is a certified peace  
34 officer, a county park ranger who is a certified peace officer, a person who  
35 is a certified peace officer and who is employed by an Indian reservation

1 police agency, a fire fighter who is employed by an Indian reservation fire  
2 fighting agency or an employee included in a group designated as eligible  
3 employees under a joinder agreement entered into by their employer after July  
4 1, 1968 and who is or was regularly assigned to hazardous duty.

5 (b) Who, on or after the employee's effective date of participation,  
6 is receiving compensation for personal services rendered to an employer or  
7 would be receiving compensation except for an authorized leave of absence.

8 (c) Whose employment with an employer commenced prior to attainment of  
9 age fifty.

10 (d) Whose customary employment is at least forty hours per week and  
11 for more than six months in a calendar year.

12 (e) Who has not attained age sixty-five prior to the employee's  
13 effective date of participation or who was over age sixty-five with  
14 twenty-five years or more of service prior to the employee's effective date  
15 of participation.

16 27. "Normal retirement date" means the first day of the calendar month  
17 immediately following an employee's completion of twenty years of service or  
18 the employee's sixty-second birthday and the employee's completion of fifteen  
19 years of service.

20 28. "Notice of receipt" means a written document that is issued by the  
21 system to a participant and alternate payee and that states that the system  
22 has received a domestic relations order and a request for a determination  
23 that the domestic relations order is a plan approved domestic relations  
24 order.

25 29. "Ordinary disability" means a physical condition that the local  
26 board determines will prevent an employee totally and permanently from  
27 performing a reasonable range of duties within the employee's department or a  
28 mental condition that the local board determines will prevent an employee  
29 totally and permanently from engaging in any substantial gainful activity.

30 30. "Participant" means a member who is subject to a domestic relations  
31 order.

32 31. "Participant's portion" means benefits that are payable to a  
33 participant pursuant to a plan approved domestic relations order.

34 32. "Pension" means a series of monthly amounts that are payable to a  
35 person who is entitled to receive benefits under the plan.

1           33. "Personal representative" means the personal representative of a  
2           deceased alternate payee.

3           34. "Plan approved domestic relations order" means a domestic relations  
4           order that the system approves as meeting all the requirements for a plan  
5           approved domestic relations order as otherwise prescribed in this article.

6           35. "Regularly assigned to hazardous duty" means regularly assigned to  
7           duties of the type normally expected of municipal police officers, municipal  
8           or state fire fighters, eligible fire district fire fighters, state highway  
9           patrol officers, county sheriffs and deputies, fish and game wardens, fire  
10          fighters and police officers of a nonprofit corporation operating a public  
11          airport pursuant to sections 28-8423 and 28-8424, police officers who are  
12          appointed by the Arizona board of regents or a community college district  
13          governing board, state attorney general investigators who are certified peace  
14          officers, county attorney investigators who are certified peace officers,  
15          police officers who are appointed by the department of administration and who  
16          are certified peace officers, department of liquor licenses and control  
17          investigators who are certified peace officers, Arizona department of  
18          agriculture officers who are certified peace officers, Arizona state parks  
19          board rangers and managers who are certified peace officers, county park  
20          rangers who are certified peace officers, police officers who are certified  
21          peace officers and who are employed by an Indian reservation police agency or  
22          fire fighters who are employed by an Indian reservation fire fighting agency.  
23          Those individuals who are assigned solely to support duties such as  
24          secretaries, stenographers, clerical personnel, clerks, cooks, maintenance  
25          personnel, mechanics and dispatchers are not assigned to hazardous duty  
26          regardless of their position classification title. Since the normal duties  
27          of those jobs described in this paragraph are constantly changing, questions  
28          as to whether a person is or was previously regularly assigned to hazardous  
29          duty shall be resolved by the local board on a case-by-case basis.  
30          Resolutions by local boards are subject to rehearing and appeal.

31          36. "Retirement" means termination of employment after a member has  
32          fulfilled all requirements for a pension. Retirement shall be considered as  
33          commencing on the first day of the month immediately following a member's  
34          last day of employment or authorized leave of absence, if later.

1           37. "Segregated funds" means the amount of benefits that would  
2 currently be payable to an alternate payee pursuant to a domestic relations  
3 order under review by the system, or a domestic relations order submitted to  
4 the system that failed to qualify as a plan approved domestic relations  
5 order, if the domestic relations order were determined to be a plan approved  
6 domestic relations order.

7           38. "Service" means the last period of continuous employment of an  
8 employee by the employers prior to the employee's retirement or the  
9 employee's sixty-fifth birthday, whichever first occurs, except that if such  
10 period includes employment during which the employee would not have qualified  
11 as a member had the system then been effective, such as employment as a  
12 volunteer fire fighter, then only twenty-five per cent of such noncovered  
13 employment shall be considered as service. Any absence that is authorized by  
14 an employer shall not be considered as interrupting continuity of employment  
15 if the employee returns within the period of authorized absence. Transfers  
16 between employers also shall not be considered as interrupting continuity of  
17 employment. Any period during which a member is receiving sick leave  
18 payments or a temporary disability pension shall be considered as service.  
19 Notwithstanding any other provision of this paragraph, any period during  
20 which a person was employed as a full-time paid fire fighter for a  
21 corporation that contracted with an employer to provide firefighting services  
22 on behalf of the employer shall be considered as service if the employer has  
23 elected at its option to treat part or all of the period the firefighter  
24 worked for the company as service in its applicable joinder agreement. Any  
25 reference in this system to the number of years of service of an employee  
26 shall be deemed to include fractional portions of a year.

27           39. "State" means the state of Arizona, including any department,  
28 office, board, commission, agency or other instrumentality of the state.

29           40. "System" means the public safety personnel retirement system  
30 established by this article.

31           41. "Temporary disability" means a physical or mental condition that  
32 the local board finds totally and temporarily prevents an employee from  
33 performing a reasonable range of duties within the employee's department and  
34 that was incurred in the performance of the employee's duty.

1           Sec. 5. Senate Bill 1028, section 25, forty-ninth legislature, first  
2 regular session, as transmitted to the governor, is amended to read:

3           Sec. 25. Justices of the peace; payment of compensation; fiscal  
4                                   year 2009-2010; retroactivity

5           A. Notwithstanding section 22-117, subsection B, Arizona Revised  
6 Statutes, ~~as amended by this act,~~ for fiscal year 2009-2010, the state shall  
7 pay 19.25 per cent of the compensation and employee related expenditures of a  
8 justice of the peace, and the county shall pay 80.75 per cent of the  
9 compensation and employee related expenditures of a justice of the peace,  
10 except that the county shall pay the full amount of the employer contribution  
11 of the state retirement system or plan or any county health plan.

12           B. This section is effective retroactively to from and after June 30,  
13 2009.

14           Sec. 6. Senate Bill 1028, section 26, forty-ninth legislature, first  
15 regular session, as transmitted to the governor, is amended to read:

16           Sec. 26. State department of corrections; budget structure;  
17                                   health care services

18           A. Notwithstanding any other law, the state department of corrections  
19 shall report actual fiscal year 2008-2009, estimated fiscal year 2009-2010  
20 and requested fiscal year 2010-2011 expenditures for each line item  
21 delineated in the fiscal year 2009-2010 general appropriations act when the  
22 department submits the fiscal year 2010-2011 budget request pursuant to  
23 section 35-113, Arizona Revised Statutes. The information submitted for each  
24 line item shall contain as much detail as submitted in previous years for  
25 prior line items.

26           B. The state department of corrections shall issue a request for  
27 proposals to privatize all correctional health services **THAT ARE PROVIDED IN**  
28 **A STATE OWNED AND OPERATED FACILITY**. The department shall award a contract  
29 to a private provider of correctional health services that will provide such  
30 services, including all medical and dental services, at a cost below the  
31 fiscal year 2007-2008 total cost to the state for such services. Not later  
32 than November 30, 2009, and before issuance, the request for proposals shall  
33 be submitted for review to the joint legislative budget committee. The state  
34 department of corrections shall award a contract by May 1, 2010.

35           Sec. 7. Repeal

1 Senate Bill 1028, section 30, forty-ninth legislature, first regular  
2 session, as transmitted to the governor, is repealed.

3 Sec. 8. Senate Bill 1028, section 32, forty-ninth legislature, first  
4 regular session, as transmitted to the governor, is amended to read:

5 Sec. 32. Judicial productivity credit calculations; photo  
6 enforcement citations; retroactivity

7 A. In fiscal year 2009-2010, state photo enforcement citations issued  
8 pursuant to section 41-1722, Arizona Revised Statutes, shall not be included  
9 in judicial productivity credit calculations.

10 B. THIS SECTION IS EFFECTIVE RETROACTIVELY TO FROM AND AFTER JUNE 30,  
11 2009.

12 Sec. 9. Repeal

13 Senate Bill 1028, section 33, forty-ninth legislature, first regular  
14 session, as transmitted to the governor, is repealed.

15 Sec. 10. Senate Bill 1028, section 34, forty-ninth legislature, first  
16 regular session, as transmitted to the governor, is amended to read:

17 Sec. 34. Prison and other state owned facilities;  
18 lease-purchase finance agreement

19 A. Not later than ~~May 1, 2010~~ JUNE 30, 2010, in consultation with the  
20 state department of corrections, the department of administration shall enter  
21 into a lease-purchase finance agreement. The agreement shall:

22 1. Result in net available proceeds of ~~\$495,000,000~~ NOT MORE THAN  
23 \$250,000,000 IN THE STATE GENERAL FUND BEFORE DECEMBER 31, 2009 AND A TOTAL  
24 AMOUNT OF NET AVAILABLE PROCEEDS OF NOT MORE THAN \$735,000,000 in the state  
25 general fund by ~~May 1, 2010~~ JUNE 30, 2010.

26 2. Be for a fixed term of twenty years.

27 3. Require the initial lease-purchase payment to be in fiscal year  
28 2010-2011.

29 4. Use state department of corrections prison facilities OR ANY OTHER  
30 STATE OWNED FACILITY as collateral.

31 B. Notwithstanding any other law, the department of administration may  
32 transfer some or all of this state's interest in any state department of  
33 corrections prison facility OR ANY OTHER STATE OWNED FACILITY that is used as  
34 collateral pursuant to this section.

1 C. The state department of corrections or a private contractor shall  
2 maintain operations at any prison facility that is used as collateral  
3 pursuant to this section.

4 Sec. 11. Senate Bill 1028, section 35, forty-ninth legislature, first  
5 regular session, as transmitted to the governor, is amended to read:

6 Sec. 35. Prison operations; private vendor; concession  
7 agreement

8 A. Before October 1, 2009, in consultation with the state department  
9 of corrections, the department of administration shall issue a request for  
10 information for the purpose of identifying the feasibility of a concession  
11 agreement that allows a private vendor to operate a prison facility,  
12 ~~including the ability to operate a maximum security prison facility.~~ BEFORE  
13 PUBLICATION, THE REQUEST FOR INFORMATION SHALL BE SUBMITTED FOR REVIEW TO THE  
14 JOINT COMMITTEE ON CAPITAL REVIEW.

15 B. In consultation with the state department of corrections, the  
16 department of administration shall issue a request for proposals for a  
17 concession agreement allowing private vendors to operate an Arizona state  
18 prison complex OTHER THAN THE ARIZONA STATE PRISON COMPLEX AT YUMA. A  
19 private vendor may operate one or more prison complexes. ~~A concession~~  
20 ~~agreement shall be for a fixed term of fifty years.~~ A concession agreement  
21 shall require an annual cost efficiency savings to this state. The annual  
22 cost efficiency savings shall be equally divided between this state and the  
23 private vendor. Not later than ~~November 1, 2009~~ APRIL 1, 2010 and before  
24 issuance, the request for proposals shall be submitted for review to the  
25 joint committee on capital review. ~~Not later than March 1, 2010, a ANY~~  
26 proposed concession agreement shall be submitted for review to the joint  
27 committee on capital review BEFORE IT IS AWARDED. ~~The department of~~  
28 ~~administration shall award all concession agreements by May 1, 2010.~~

29 C. It is the intent of the legislature that the privatization of  
30 prison operations pursuant to subsection B of this section generate at least  
31 \$100,000,000 from private vendors at the beginning of the ~~fifty year~~ term.

32 D. Section 41-1609.01, subsections C, I and J, Arizona Revised  
33 Statutes, and section 41-2546, Arizona Revised Statutes, do not apply to any  
34 concession agreement pursuant to subsection B of this section.

1 E. Except as otherwise provided in this section, sections 41-1609,  
2 41-1609.01, 41-1609.02, 41-1609.03 and 41-1609.04, Arizona Revised Statutes,  
3 apply to any concession agreement pursuant to subsection B of this section.

4 Sec. 12. Board of executive clemency; chairman; executive  
5 director; retroactivity

6 A. Notwithstanding any other law, for fiscal year 2009-2010, the  
7 chairman of the board of executive clemency shall also act as the executive  
8 director of the board.

9 B. This section is effective retroactively to from and after June 30,  
10 2009.

11 Sec. 13. Collection enforcement revolving fund; attorney  
12 general; use

13 Notwithstanding section 41-191.03, subsection B, Arizona Revised  
14 Statutes, for fiscal year 2009-2010, the attorney general may use monies in  
15 the collection enforcement revolving fund established by section 41-191.03,  
16 Arizona Revised Statutes, for any operating expenses incurred by the  
17 department of law.

18 Sec. 14. State department of corrections; health care  
19 expenditures; fiscal year 2007-2008

20 Notwithstanding any other law, the state department of corrections may  
21 use any nonappropriated state monies for the payment of inmate health care  
22 expenditures incurred during fiscal year 2007-2008.

23 Sec. 15. State department of corrections; private prison beds

24 A. The state department of corrections shall issue a request for  
25 proposals and contract for five thousand private prison beds for either an  
26 expansion of current private prisons in this state or at new locations in  
27 this state. The private vendor may bid for all or a portion of the five  
28 thousand beds. The department may award the contract to one or more private  
29 vendors. The request for proposals shall specify the length of the contract  
30 period, except that the length of the contract period shall not exceed twenty  
31 years. Not later than November 1, 2009, and before issuance, the proposed  
32 request for proposals shall be submitted for review to the joint legislative  
33 budget committee. All contracts shall be awarded by June 30, 2010. Each  
34 calendar quarter, until all new beds are occupied, the department of

1 corrections shall submit a report to the joint legislative budget committee  
2 on the status of the beds.

3 B. Section 41-1609.01, subsections I and J, Arizona Revised Statutes,  
4 and section 41-2546, Arizona Revised Statutes, do not apply to any contract  
5 pursuant to subsection A of this section.

6 C. Except as otherwise provided in this section, sections 41-1609,  
7 41-1609.01, 41-1609.02, 41-1609.03 and 41-1609.04, Arizona Revised Statutes,  
8 apply to any contract pursuant to subsection A of this section.

9 Sec. 16. State department of corrections; prison equipment and  
10 operations

11 Notwithstanding any other law, in fiscal year 2009-2010, the state  
12 department of corrections may use any nonappropriated monies for any start up  
13 and operating costs that are associated with the four thousand new state beds  
14 that were authorized in Laws 2007, chapter 261, section 9

15 Sec. 17. Retroactivity

16 Section 28-3396, Arizona Revised Statutes, as amended by Senate Bill  
17 1028, section 13, forty-ninth legislature, first regular session, as  
18 transmitted to the governor, and as amended by this act, applies  
19 retroactively to from and after June 30, 2009.

20 Sec. 18. Conditional enactment

21 This act does not become effective unless Senate Bill 1028, forty-ninth  
22 legislature, first regular session, relating to criminal justice budget  
23 reconciliation, becomes law."

24 Amend title to conform

JOHN KAVANAGH

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