

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

# HOUSE BILL 2007

## AN ACT

AMENDING SECTIONS 5-113, 5-522, 10-122, 10-122.01, 28-3002, 33-812, 41-3506 AND 41-3955, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 1, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-1116.01; AMENDING SECTIONS 42-5031, 42-15001, 43-1095, 44-302, 44-313, 44-1861, 44-2039, 48-4202, 48-4203, 48-4204 AND 48-4231, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 26, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 48-4231.01 AND 48-4231.02; REPEALING LAWS 2008, CHAPTER 291, SECTION 12; MAKING APPROPRIATIONS; RELATING TO REVENUE BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-113, Arizona Revised Statutes, is amended to  
3 read:

4 5-113. Disposition of revenues and monies; funds; committee

5 A. All revenues derived from permittees, permits and licenses, as  
6 provided by this article, ~~and all monies transferred pursuant to section~~  
7 ~~44-313, subsection A~~ shall be deposited, pursuant to sections 35-146 and  
8 35-147, ~~or distributed as follows~~ **IN THE STATE GENERAL FUND. :-**

9 ~~1. One million two hundred thousand dollars or twenty two per cent,~~  
10 ~~whichever is less, shall be deposited in the Arizona county fairs racing~~  
11 ~~betterment fund established by subsection B of this section.~~

12 ~~2. One million eight hundred thousand dollars or thirty three per~~  
13 ~~cent, whichever is less, shall be deposited in the county fairs livestock and~~  
14 ~~agriculture promotion fund established by subsection C of this section.~~

15 ~~3. One million two hundred thousand dollars or twenty two per cent,~~  
16 ~~whichever is less, shall be deposited in the Arizona breeders' award fund~~  
17 ~~established by subsection F of this section.~~

18 ~~4. Sixty thousand dollars or one per cent, whichever is less, shall be~~  
19 ~~deposited in the Arizona stallion award fund established by subsection G of~~  
20 ~~this section.~~

21 ~~5. Four hundred fifty thousand dollars or nine per cent, whichever is~~  
22 ~~less, shall be deposited in the county fair racing fund established by~~  
23 ~~subsection I of this section.~~

24 ~~6. One per cent of the revenues and monies shall be deposited in the~~  
25 ~~agricultural consulting and training fund established by subsection J of this~~  
26 ~~section.~~

27 ~~7. Sixty seven thousand dollars or one per cent, whichever is less,~~  
28 ~~shall be subject to legislative appropriation to the department for~~  
29 ~~administration of the Arizona county fairs racing betterment fund, the~~  
30 ~~Arizona breeders' award fund, the Arizona stallion award fund and the~~  
31 ~~greyhound adoption fund. Monies that are distributed pursuant to this~~  
32 ~~paragraph and that remain unspent at the end of a fiscal year do not revert~~  
33 ~~to the state general fund.~~

34 ~~8. Four hundred thousand dollars or eleven per cent, whichever is~~  
35 ~~less, shall be deposited in the Arizona exposition and state fair fund~~  
36 ~~established by section 3-1005 for the purpose of capital outlay.~~

37 ~~9. Any revenues and monies that are not distributed pursuant to~~  
38 ~~paragraphs 1 through 8 of this subsection at the end of a fiscal year shall~~  
39 ~~be deposited in the state general fund.~~

40 B. The Arizona county fairs racing betterment fund is established  
41 under the jurisdiction of the department. The department shall distribute  
42 monies from the fund to the county fair association or county fair racing  
43 association of each county conducting a county fair racing meeting in such  
44 proportion as the department deems necessary for the promotion and betterment  
45 of county fair racing meetings. All expenditures from the fund shall be made

1 upon claims approved by the department. In order to be eligible for  
2 distributions from the fund, a county fair association must provide the  
3 department with an annual certification in the form required by the  
4 department supporting expenditures made from the fund. Balances remaining in  
5 the fund at the end of a fiscal year do not revert to the state general fund.

6 C. The county fairs livestock and agriculture promotion fund is  
7 established under the control of the governor and shall be used for the  
8 purpose of promoting the livestock and agricultural resources of the state  
9 and for the purpose of conducting an annual Arizona national livestock fair  
10 by the Arizona exposition and state fair board to further promote livestock  
11 resources. The direct expenses less receipts of the livestock fair shall be  
12 paid from this fund, but such payment shall not exceed thirty per cent of the  
13 receipts of the fund for the preceding fiscal year. Balances remaining in  
14 the fund at the end of a fiscal year do not revert to the state general fund.  
15 All expenditures from the fund shall be made upon claims approved by the  
16 governor, as recommended by the livestock and agriculture committee, for the  
17 promotion and betterment of the livestock and agricultural resources of this  
18 state. The livestock and agriculture committee is established and shall be  
19 composed of the following members, at least three of whom are from counties  
20 that have a population of less than five hundred thousand persons, appointed  
21 by the governor:

- 22 1. Three members representing county fairs.
- 23 2. One member representing Arizona livestock fairs.
- 24 3. One member representing the university of Arizona college of  
25 agriculture.
- 26 4. One member representing the livestock industry.
- 27 5. One member representing the farming industry.
- 28 6. One member representing the governor's office.
- 29 7. One member representing the Arizona state fair conducted by the  
30 Arizona exposition and state fair board.
- 31 8. One member representing the general public.

32 D. The governor shall appoint a chairman from the members. Terms of  
33 members shall be four years.

34 E. Members of the committee are not eligible to receive compensation  
35 but are eligible to receive reimbursement for expenses pursuant to title 38,  
36 chapter 4, article 2.

37 F. The Arizona breeders' award fund is established under the  
38 jurisdiction of the department. The department shall distribute monies from  
39 the fund to the breeder, or the breeder's heirs, devisees or successors, of  
40 every winning horse or greyhound foaled or whelped in this state, as defined  
41 by section 5-114, in a manner and in an amount established by rules of the  
42 commission to protect the integrity of the racing industry and promote,  
43 improve and advance the quality of race horse and greyhound breeding within  
44 this state. The department may contract with a breeders' association to  
45 provide data, statistics and other information necessary to enable the

1 department to carry out the purposes of this subsection. Persons who are not  
2 eligible to be licensed under section 5-107.01 or persons who have been  
3 refused licenses under section 5-108 are not eligible to participate in the  
4 Arizona greyhound breeders' award fund. Balances remaining in the fund at  
5 the end of a fiscal year do not revert to the state general fund. For the  
6 purposes of this subsection, "breeder" means the owner or lessee of the dam  
7 of the animal at the time the animal was foaled or whelped.

8 G. The Arizona stallion award fund is established under the  
9 jurisdiction of the department to promote, improve and advance the quality of  
10 stallions in this state. The department shall distribute monies from the  
11 fund to the owner or lessee, or the owner's or lessee's heirs, devisees or  
12 successors, of every Arizona stallion whose certified Arizona bred offspring,  
13 as prescribed in section 5-114, finishes first, second or third in an  
14 eligible race in this state. The department may contract with a breeders'  
15 association to provide data, statistics and other information necessary to  
16 enable the department to carry out the purposes of this subsection. Balances  
17 remaining in the fund at the end of a fiscal year do not revert to the state  
18 general fund. The commission shall adopt rules pursuant to title 41, chapter  
19 6 to carry out the purposes of this subsection. The rules shall prescribe at  
20 a minimum:

21 1. The manner and procedure for distribution from the fund, including  
22 eligibility requirements for owners and lessees.

23 2. Subject to availability of monies in the fund, the amount to be  
24 awarded.

25 3. The requirements for a stallion registered with the jockey club,  
26 Lexington, Kentucky or with the American quarter horse association, Amarillo,  
27 Texas to be certified as an Arizona stallion.

28 4. The types and requirements of races for which an award may be made.

29 H. The greyhound and retired racehorse adoption fund is established.  
30 The department shall administer the fund and maintain separate accounts for  
31 greyhound adoptions and retired racehorse adoptions. All revenues derived  
32 from license fees collected from dog breeders, racing kennels and other  
33 operations pursuant to section 5-104, subsection F, paragraphs 7, 8 and 9  
34 shall be deposited, pursuant to sections 35-146 and 35-147, in the greyhound  
35 adoption account of the fund. All revenues derived from retired racehorse  
36 adoption surcharges collected pursuant to section 5-104, subsection G shall  
37 be deposited, pursuant to sections 35-146 and 35-147, in the retired  
38 racehorse adoption account of the fund. The department shall distribute  
39 monies from the fund to provide financial assistance to nonprofit enterprises  
40 approved by the commission to promote the adoption of former racing  
41 greyhounds as domestic pets and to promote the adoption of retired racehorses  
42 pursuant to section 5-104, subsection G in a manner and in an amount  
43 established by rules of the commission. Balances remaining in the fund at  
44 the end of a fiscal year do not revert to the state general fund.

1 I. The county fair racing fund is established. The department shall  
2 administer the fund. ~~Subject to legislative appropriation,~~ The department  
3 shall use fund monies for the administration of county fair racing. Any  
4 monies remaining unexpended in the fund at the end of the fiscal year in  
5 excess of seventy-five thousand dollars shall revert to the state general  
6 fund.

7 J. The agricultural consulting and training fund is established. The  
8 Arizona department of agriculture shall administer the fund. ~~Subject to~~  
9 ~~legislative appropriation,~~ The Arizona department of agriculture shall use  
10 monies in the fund for the agricultural consulting and training program  
11 established by section 3-109.01. Balances remaining in the fund at the end  
12 of a fiscal year do not revert to the state general fund.

13 Sec. 2. Section 5-522, Arizona Revised Statutes, is amended to read:

14 5-522. Use of monies in state lottery fund; report

15 A. The monies in the state lottery fund shall be expended only for the  
16 following purposes and in the order provided:

17 1. For the expenses of the commission incurred in carrying out its  
18 powers and duties and in the operation of the lottery.

19 2. For payment to the commerce and economic development commission  
20 fund established by section 41-1505.10 of not less than twenty-one and  
21 one-half per cent of the revenues received from the sale of two special  
22 lottery games conducted for the benefit of economic development.

23 3. Except as provided in subsection F of this section, for payment to  
24 the local transportation assistance fund established by section 28-8101 of  
25 not less than nine million dollars, increasing each year that total revenues  
26 to the state lottery fund increase up to a maximum of eighteen million  
27 dollars each fiscal year, except that payments pursuant to this paragraph  
28 shall not increase by more than ten per cent per year.

29 B. Of the monies remaining in the state lottery fund after the  
30 appropriations authorized in subsection A of this section, up to a maximum of  
31 twenty-three million dollars each fiscal year shall be deposited in the local  
32 transportation assistance fund established by section 28-8101 and up to a  
33 maximum of seven million six hundred fifty thousand dollars each fiscal year  
34 shall be deposited in the county assistance fund established by section  
35 41-175. Monies distributed pursuant to this subsection shall be in addition  
36 to monies distributed pursuant to subsection A, paragraph 3 of this section.

37 C. Notwithstanding subsection B of this section, if the state lottery  
38 director determines at the beginning of any fiscal year that monies available  
39 to cities, towns and counties under this section may not equal thirty million  
40 six hundred fifty thousand dollars, the director shall not authorize deposits  
41 to the county assistance fund until the deposits to the local transportation  
42 assistance fund equal twenty-three million dollars.

43 D. Of the monies remaining in the state lottery fund each fiscal year  
44 after appropriations and deposits authorized in subsections A, B and C of  
45 this section, ten million dollars shall be deposited in the Arizona state

1 parks board heritage fund established by section 41-502 and ten million  
2 dollars shall be deposited in the Arizona game and fish commission heritage  
3 fund established by section 17-297.

4 E. Of the monies remaining in the state lottery fund each fiscal year  
5 after appropriations and deposits authorized in subsections A, B, C and D of  
6 this section, and appropriations and deposits to the local transportation  
7 assistance fund authorized by this section, five million dollars shall be  
8 allocated to the department of economic security for the healthy families  
9 program established by section 8-701, four million dollars shall be allocated  
10 to the Arizona board of regents for the Arizona area health education system  
11 established by section 15-1643, three million dollars shall be allocated to  
12 the department of health services to fund the teenage pregnancy prevention  
13 programs established in Laws 1995, chapter 190, sections 2 and 3, two million  
14 dollars shall be allocated to the department of health services for the  
15 health start program established by section 36-697, two million dollars shall  
16 be deposited in the disease control research fund established by section  
17 36-274 and one million dollars shall be allocated to the department of health  
18 services for the federal women, infants and children food program. The  
19 allocations in this subsection shall be adjusted annually according to  
20 changes in the GDP price deflator as defined in section 41-563 and the  
21 allocations are exempt from the provisions of section 35-190, relating to  
22 lapsing of appropriations. If there are not sufficient monies available  
23 pursuant to this subsection, the allocation of monies for each program shall  
24 be reduced on a pro rata basis.

25 F. Notwithstanding subsection A, paragraph 3 of this section, if the  
26 state lottery director determines that monies available to the state general  
27 fund may not equal thirty-one million dollars in a fiscal year, the director  
28 shall not authorize deposits to the local transportation assistance fund  
29 pursuant to subsection A, paragraph 3 of this section until the deposits to  
30 the state general fund equal thirty-one million dollars in a fiscal year.

31 G. Of the monies remaining in the state lottery fund each fiscal year  
32 after appropriations and deposits authorized in subsections A through F of  
33 this section, one million dollars or the remaining balance in the fund,  
34 whichever is less, is appropriated to the department of economic security for  
35 grants to nonprofit organizations, including faith based organizations, for  
36 homeless emergency and transitional shelters and related support services.  
37 The department of economic security shall submit a report on the amounts,  
38 recipients, purposes and results of each grant to the governor, the speaker  
39 of the house of representatives and the president of the senate on or before  
40 December 31 of each year for the prior fiscal year and shall provide a copy  
41 of this report to the secretary of state and the director of the Arizona  
42 state library, archives and public records.

43 H. Beginning in fiscal year 2009-2010, of the monies remaining in the  
44 state lottery fund each fiscal year after appropriations and deposits  
45 authorized in subsections A through G of this section, and after a total of

1 at least forty-six million four hundred ninety thousand dollars has been  
2 deposited in the state general fund, the remaining balance in the state  
3 lottery fund shall be deposited in the university capital improvement  
4 lease-to-own and bond fund established by section 15-1682.03, up to a maximum  
5 of eighty per cent of the total annual payments of lease-to-own and bond  
6 agreements entered into by the Arizona board of regents.

7 ~~I. Beginning in fiscal year 2009-2010, of the monies remaining in the~~  
8 ~~state lottery fund each fiscal year after appropriations and deposits~~  
9 ~~authorized in subsections A through H of this section, ten million dollars or~~  
10 ~~the remaining balance in the fund, whichever is less, is appropriated to the~~  
11 ~~department of environmental quality's water supply development fund line~~  
12 ~~item.~~

13 ~~J. Beginning in fiscal year 2009-2010, of the monies remaining in the~~  
14 ~~state lottery fund each fiscal year after appropriations and deposits~~  
15 ~~authorized in subsections A through I of this section, three million dollars~~  
16 ~~or the remaining balance in the fund, whichever is less, is appropriated to~~  
17 ~~the community protection initiative fund established by section 37-641.~~

18 ~~K.~~ I. All monies remaining in the state lottery fund after the  
19 appropriations and deposits authorized in this section shall be deposited in  
20 the state general fund.

21 ~~L.~~ J. Except for monies expended for prizes as provided in section  
22 5-504, subsection G and section 41-1505.10, monies expended under subsection  
23 A of this section are subject to legislative appropriation.

24 Sec. 3. Section 10-122, Arizona Revised Statutes, is amended to read:

25 10-122. Filing, service and copying fees; expedited report  
26 filing and access; same day and next day services;  
27 posted wait times; advance monies; definition

28 A. The commission shall collect and deposit, pursuant to sections  
29 35-146 and 35-147, the following nonrefundable fees when the documents  
30 described in this subsection are delivered to the commission:

| <u>Document</u>                                     | <u>Fee</u> |
|---|------------|
| 31 1. Articles of incorporation                     | \$50       |
| 32 2. Application for use of indistinguishable name | 10         |
| 33 3. Application for reserved name                 | 10         |
| 34 4. Notice of transfer of reserved name           | 10         |
| 35 5. Application for registered name               | 10         |
| 36 6. Application for renewal of registered name    | 10         |
| 37 7. Agent's statement of resignation              | 10         |
| 38 8. Amendment of articles of incorporation        | 25         |
| 39 9. Restatement of articles of incorporation with |            |
| 40 amendment of articles                            | 25         |
| 41 10. Articles of merger or share exchange         | 100        |
| 42 11. Articles of dissolution                      | 25         |

|    |  |     |
|----|--|-----|
| 1  | 12. Articles of domestication                    | 100 |
| 2  | 13. Articles of revocation of dissolution        | 25  |
| 3  | 14. Application for reinstatement following      |     |
| 4  | administrative dissolution, in addition          |     |
| 5  | to other fees and penalties due                  | 100 |
| 6  | 15. Application for authority                    | 150 |
| 7  | 16. Application for withdrawal                   | 25  |
| 8  | 17. Annual report                                | 45  |
| 9  | 18. Articles of correction                       | 25  |
| 10 | 19. Application for certificate of good standing | 10  |
| 11 | 20. Any other document required or permitted     |     |
| 12 | to be filed by chapters 1 through 17             |     |
| 13 | of this title                                    | 25  |

14       B. The commission shall collect a nonrefundable fee of twenty-five  
15 dollars each time process is served on it under chapters 1 through 17 of this  
16 title. The party to a proceeding causing service of process is entitled to  
17 recover this fee as costs if the party prevails in the proceeding.

18       C. The commission shall charge and collect a reasonable fee for  
19 copying documents on request, provided the fee does not exceed the cost of  
20 providing the service as determined by the commission. The commission shall  
21 also charge a reasonable fee for certifying the copy of a filed document,  
22 provided the fee does not exceed the cost of providing the service as  
23 determined by the commission.

24       D. A penalty of one hundred dollars payable in addition to other fees  
25 accrues and is payable if a foreign corporation fails to file an amendment,  
26 restated articles that include an amendment, or articles of merger within  
27 sixty days of the time of filing in the jurisdiction in which the corporation  
28 is domiciled. The penalty collected pursuant to this subsection shall be  
29 deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

30       E. One-third of the fees for the annual report of domestic and foreign  
31 corporations paid pursuant to subsection A, paragraph 17 of this section  
32 shall be deposited in the Arizona arts trust fund established by section  
33 41-983.01 AND TWO-THIRDS OF THESE FEES SHALL BE DEPOSITED, PURSUANT TO  
34 SECTIONS 35-146 AND 35-147, IN THE PUBLIC ACCESS FUND ESTABLISHED BY SECTION  
35 10-122.01.

36       F. The commission shall provide for and establish an expedited service  
37 for the filing of all documents and services provided pursuant to this title  
38 as follows:

39       1. The expedited filing shall be a priority service to be completed as  
40 soon as possible after the documents are delivered to the commission.

41       2. In addition to any other fees required by this section or any other  
42 law, the commission shall charge a nonrefundable fee for expedited services,  
43 including those requested by fax. The fee shall be determined by a  
44 supermajority vote of the commissioners.

1           3. The commission may provide for and establish same day and next day  
2 services for the filing of any documents and services provided pursuant to  
3 this title as follows:

4           (a) The same day and next day services shall not be offered unless all  
5 expedited services filed pursuant to this title are processed within a  
6 maximum of five business days and all other documents and services filed  
7 pursuant to this title are processed within a maximum of thirty business  
8 days.

9           (b) The commission shall suspend same day or next day service if the  
10 commission determines that it does not have the necessary resources to  
11 perform the service within the established time period.

12           (c) In addition to any other fees required by this section or any  
13 other law, the commissioners may charge a nonrefundable fee for the same day  
14 or next day service or both. The fee shall be determined by a supermajority  
15 vote of the commissioners.

16           4. The commission shall publicly post the current wait times for  
17 processing regular, expedited and same day and next day services.

18           G. The commission may charge persons who access the commission's data  
19 processing system that is maintained pursuant to section 10-122.01 from  
20 remote locations and persons requesting special computer generated printouts,  
21 reports and tapes a reasonable fee that does not exceed the cost of the time,  
22 equipment and personnel necessary to provide this service or product as  
23 determined by the commission.

24           H. Except as provided in section 10-122.01, subsection B, paragraph 3,  
25 in addition to any fee charged pursuant to this section, the commission may  
26 charge and collect the following nonrefundable fees to help defray the cost  
27 of the improved data processing system that is maintained pursuant to section  
28 10-122.01:

29           1. Filing articles of incorporation of a domestic corporation, ten  
30 dollars.

31           2. Filing an application of a foreign corporation for authority to  
32 transact business in this state, twenty-five dollars.

33           I. All monies received pursuant to subsections F, G and H of this  
34 section shall be deposited, pursuant to sections 35-146 and 35-147, in the  
35 public access fund established by section 10-122.01.

36           J. Fees charged pursuant to this section are exempt from section  
37 39-121.03, subsection A, paragraph 3.

38           K. Any person may advance monies to the commission to pay fees  
39 required pursuant to this section for future filings and services. All  
40 monies received pursuant to this subsection shall be deposited, pursuant to  
41 sections 35-146 and 35-147, in the money on deposit account in the public  
42 access fund established by section 10-122.01.

43           L. For the purposes of this section, "supermajority" means an  
44 affirmative vote of at least four commissioners.



1           Sec. 5. Section 28-3002, Arizona Revised Statutes, is amended to read:  
2           28-3002. Fees; driver licenses; disposition

3           A. The following fees are required:

4           1. For each original or initial application or renewal application, if  
5 a written examination is required, for the following:

6           (a) Class A driver license, twenty-five dollars.

7           (b) Class B driver license, twenty-five dollars.

8           (c) Class C driver license, twelve dollars fifty cents.

9           (d) Class D driver license issued pursuant to section 28-3171, ten  
10 dollars.

11           (e) Class M driver license issued pursuant to section 28-3171, ten  
12 dollars.

13           2. Except as provided in paragraph 1, for each original, renewal or  
14 reinstatement application for a class D, G or M license:

| 15           Age           | Fee     |
|----------------------------|---------|
| 16           50 or older   | \$10.00 |
| 17           45-49         | \$15.00 |
| 18           40-44         | \$20.00 |
| 19           39 or younger | \$25.00 |

20           3. For each original or initial application or renewal examination, if  
21 a written application is required, for the following endorsements to a driver  
22 license:

23           (a) Bus endorsement, ten dollars.

24           (b) Hazardous materials endorsement, ten dollars.

25           (c) Tank vehicle endorsement, ten dollars.

26           (d) Double-triple trailer endorsement, ten dollars.

27           (e) Motorcycle endorsement, seven dollars.

28           4. For taking each driving test for a:

29           (a) Class A driver license, twenty-five dollars.

30           (b) Class B driver license, twenty-five dollars.

31           (c) Class C driver license, twelve dollars fifty cents.

32           (d) Bus endorsement, five dollars.

33           5. For each application for an instruction permit under:

34           (a) Section 28-3154 or 28-3156, seven dollars.

35           (b) Section 28-3155, three dollars.

36           (c) Section 28-3225, class A, twenty-five dollars.

37           (d) Section 28-3225, class B, twenty-five dollars.

38           (e) Section 28-3225, class C, twelve dollars fifty cents.

39           6. For each renewal application, if a written examination is not  
40 required, for a:

41           (a) Class A driver license and any endorsement, other than a hazardous  
42 materials endorsement, to the license, fifteen dollars.

43           (b) Class B driver license and any endorsement, other than a hazardous  
44 materials endorsement, to the license, fifteen dollars.

1 (c) Class C driver license and any endorsement, other than a hazardous  
2 materials endorsement, to the license, ten dollars.

3 7. For each application for a duplicate of a driver license, ~~four~~  
4 ~~dollars~~ AN AMOUNT DETERMINED BY THE DIRECTOR.

5 8. For each application for a duplicate of an instruction permit, two  
6 dollars.

7 9. In addition to the fees prescribed in paragraph 2 and except as  
8 provided in paragraph 11:

9 (a) For reinstatement of driving privileges after suspension or  
10 disqualification, ten dollars.

11 (b) For reinstatement of driving privileges after revocation, twenty  
12 dollars.

13 10. For each application for an extension by mail of a driver license,  
14 five dollars.

15 11. In addition to the fees prescribed in paragraph 2, for  
16 reinstatement of driving privileges that were suspended or denied pursuant to  
17 section 28-1385 after completion of the suspension or revocation, fifty  
18 dollars.

19 12. For vision screening tests of out-of-state drivers, five dollars.

20 13. For class D or M driver license skills tests for out-of-state  
21 drivers, fifteen dollars.

22 B. Except as otherwise provided by statute, the director shall  
23 immediately deposit, pursuant to sections 35-146 and 35-147, fees collected  
24 under this section in the Arizona highway user revenue fund.

25 Sec. 6. Section 33-812, Arizona Revised Statutes, is amended to read:  
26 33-812. Disposition of proceeds of sale

27 A. The trustee shall apply the proceeds of the trustee's sale in the  
28 following order of priority:

29 1. To the costs and expenses of exercising the power of sale and the  
30 sale, including the payment of the trustee's fees and reasonable attorney  
31 fees actually incurred.

32 2. To the payment of the contract or contracts secured by the trust  
33 deed.

34 3. To the payment of all other obligations provided in or secured by  
35 the trust deed and actually paid by the beneficiary before the trustee's  
36 sale.

37 4. To any condominium association or planned community association as  
38 defined in ~~chapters~~ CHAPTER 9 or ~~10~~ 16 of this title ~~who~~ THAT had a  
39 subordinate lien as provided by law, even if the trustee intends to deposit  
40 the balance pursuant to subsection C of this section. The trustee may pay an  
41 association's lien on receipt of a written claim and shall be discharged from  
42 any liability for any payment made in good faith. The trustee may inquire as  
43 to the existence of a lien if there is a recorded declaration on the property  
44 without regard to whether a lien has been recorded. Any person who is an  
45 applicant or respondent pursuant to subsection ~~G~~ H of this section may

1 require the condominium ASSOCIATION or planned community association to prove  
2 its entitlement to any funds received from the trustee. An association that  
3 demonstrates that the amount it received from the trustee was proper in all  
4 material respects is entitled to an award of its reasonable attorney fees and  
5 court costs against the applicant or respondent who contested the payment.  
6 If the applicant or respondent against whom the association's award is  
7 entered is entitled to excess proceeds of the sale, the award of attorney  
8 fees and costs shall be payable from those excess proceeds.

9 5. To the junior lienholders or encumbrancers in order of their  
10 priority as they existed at the time of the sale. After payment in full of  
11 all sums due to all junior lienholders and encumbrancers as of the date of  
12 the sale and excluding any postsale attorney fees, payment shall be made to  
13 the trustor, except that if the trustor has sold or transferred the property  
14 to another owner before the trustee's sale, payment shall be made to the  
15 person who is the owner of record at the time of the trustee's sale.

16 B. After application of the proceeds pursuant to subsection A,  
17 paragraphs 1, 2 and 3 of this section, if there are additional proceeds to be  
18 distributed, the trustee, within fifteen days of the completion of the  
19 trustee's sale, shall mail by first class mail and by certified or registered  
20 mail, postage prepaid, a notice of any excess proceeds to the trustor as of  
21 the date of the recording of the notice of sale. The trustee may deduct the  
22 costs of mailing the notice of excess proceeds from the additional proceeds.

23 C. In the trustee's discretion and instead of any one or more of the  
24 applications specified in subsection A of this section, the trustee may elect  
25 to deposit the balance of the proceeds with the county treasurer in the  
26 county in which the sale took place pending an order of the superior court in  
27 the county. On deposit of the balance of the monies and after complying with  
28 subsection D of this section, the trustee shall be discharged from all  
29 responsibility for acts performed in good faith according to this chapter.  
30 The county treasurer shall reject any deposit that does not comply with  
31 subsection D of this section.

32 D. If the trustee elects to deposit the balance of the sale proceeds  
33 as prescribed by subsection C of this section, the trustee as plaintiff shall  
34 commence a civil action in the superior court in the county in which the sale  
35 occurred. The action shall name the applicable county treasurer as the  
36 defendant, but the county treasurer has no obligation to respond to the  
37 complaint or appear in the action. The trustee shall mail by certified or  
38 registered mail, with postage prepaid, a conformed copy of the complaint that  
39 displays the filing stamp of the court clerk to the county treasurer and all  
40 persons, other than the beneficiary, who are entitled to notice pursuant to  
41 section 33-809 and to any other person known by the trustee to have an  
42 interest of record in the property at the time of the sale. The trustee  
43 shall incorporate in or attach to the complaint:

- 1           1. A copy of any one of the following:
  - 2           (a) The trustee sale guarantee and all amendments or endorsements
  - 3           obtained by the trustee.
  - 4           (b) The title search used by the trustee in connection with the
  - 5           trustee's sale of the subject property and all amendments or endorsements
  - 6           obtained by the trustee.
  - 7           (c) A detailed description of the liens and encumbrances used by the
  - 8           trustee in connection with the trustee's sale of the property.
- 9           2. A copy of the list of the persons and each of the addresses to
- 10          which the complaint will be mailed.
- 11          3. A detailed description of any disbursements made by the trustee
- 12          pursuant to this section.
- 13          4. A narrative description of the liens and encumbrances as shown in
- 14          the trustee's sale guarantee, title report or detailed description, including
- 15          an analysis of the apparent priority of potential claimants. The trustee
- 16          shall not be liable for any error in the narrative description or analysis.
- 17          E. The trustee may withhold from the proceeds of the sale a reasonable
- 18          trustee's fee and reasonable attorney fees actually incurred and the costs of
- 19          filing the complaint, depositing the proceeds and mailing the notices.
- 20          F. Upon filing the complaint, the trustee as plaintiff is discharged
- 21          without prejudice from the proceedings.
- 22          G. Any person with a recorded or other legal interest in the property
- 23          at the time of the sale may apply for the release of the proceeds by filing
- 24          an application for distribution in the civil action that was filed by the
- 25          trustee pursuant to subsection D of this section. The applicant shall mail
- 26          postage prepaid by any form of mail that requires a signed and returned
- 27          receipt a copy of the application to the county treasurer and all persons at
- 28          each of the addresses named on the list of persons that is incorporated in or
- 29          attached to the complaint. On return of the signed receipt or the
- 30          undelivered or unclaimed original envelope, the applicant shall file with the
- 31          court an affidavit that states that the application was mailed to the person
- 32          and that the application was either:
  - 33               1. Received, as evidenced by the receipt. The applicant shall attach
  - 34               to the affidavit a copy of the receipt.
  - 35               2. Not received, as evidenced by the returned envelope. The applicant
  - 36               shall attach to the affidavit a copy of the original unopened and undelivered
  - 37               or unclaimed returned envelope.
- 38          H. Any person who receives the application or who claims a right to
- 39          the proceeds may file a response to the application within thirty days of the
- 40          mailing of the application. The person filing a response shall mail a copy
- 41          of the response to each applicant. Within ten calendar days from the date
- 42          the response is mailed, an applicant may file with the clerk and mail to each
- 43          respondent a reply to the response. On expiration of the time for filing a
- 44          reply, an applicant shall provide the court with postage prepaid business
- 45          envelopes that are addressed to all persons who are entitled to receive

1 copies of the complaint pursuant to subsection D of this section. If an  
2 association with a claim is not paid by the trustee pursuant to subsection A,  
3 paragraph 4 of this section and is required to file an application or  
4 response pursuant to this subsection in order to recover proceeds, the  
5 association may request from the excess proceeds of the sale an award of its  
6 reasonable attorney fees and costs incurred.

7 I. Except as provided in subsection L of this section, the court shall  
8 issue an order to the county treasurer to release the proceeds deposited with  
9 the county treasurer to the party entitled to receive them after applying the  
10 priorities prescribed by subsection A of this section. On notice to all  
11 persons who have received a copy of the complaint or who have filed a  
12 responsive pleading, the court may, and if there are competing claims to the  
13 proceeds, the court shall, hold a hearing to determine entitlement to the  
14 proceeds. Every applicant or respondent shall acknowledge the existence of  
15 any apparent lien, encumbrance or interest that could have priority over the  
16 applicant or respondent. If the court finds that a person other than an  
17 applicant or respondent has a superior right to receive the proceeds, the  
18 court shall not issue an order on the proceeds until one hundred eighty days  
19 from the date the complaint was filed. At any time before the expiration of  
20 the one hundred eighty day period, an applicant or respondent may move for a  
21 hearing to determine whether the claimed superior right is valid or  
22 enforceable and whether the claim is entitled to receive priority over the  
23 claim of the applicant or respondent. The motion shall set forth the  
24 specific facts and evidence that support the applicant's or respondent's  
25 position and shall be mailed to all persons who have received a copy of the  
26 complaint or filed a responsive pleading. If a response is not filed within  
27 the one hundred eighty day period by the person found by the court to have a  
28 superior right to receive the proceeds, the court shall enter an order in  
29 favor of any applicant or respondent entitled to the proceeds. On release of  
30 the proceeds, the county treasurer may assess and deduct from the proceeds a  
31 reasonable fee not to exceed one hundred dollars for the treasurer's costs  
32 associated with the civil action.

33 J. Within ninety days after completion of the sale, the trustee shall  
34 apply the proceeds of the sale pursuant to subsection A of this section or  
35 shall deposit the proceeds with the treasurer pursuant to subsection C of  
36 this section. If the trustee fails to comply with this subsection, the  
37 trustee forfeits any entitlement to the fees and costs prescribed in  
38 subsection ~~D~~ E of this section and shall pay interest at the rate provided  
39 for judgments pursuant to section 44-1201 from the date of completion of the  
40 sale until the trustee complies with this subsection. Any person with a  
41 recorded or other legal interest in the property at the time of the sale may  
42 commence a civil action against the trustee for the trustee's failure to  
43 comply with this subsection. The court may award the prevailing party its  
44 reasonable attorney fees and costs incurred in that civil action.

1 K. Excess proceeds deposited with the county treasurer pursuant to  
2 subsection C of this section are presumed abandoned if the monies remain with  
3 the treasurer for at least ~~three~~ TWO years from the date of deposit and there  
4 is no pending application for distribution.

5 L. Excess proceeds that are fifty dollars or less and that are  
6 presumed abandoned under this section shall be transferred to the county  
7 general fund. No further application for distribution by any applicant or  
8 claim by the department of revenue may be made on these monies.

9 M. For all excess proceeds that are greater than fifty dollars and  
10 that are presumed abandoned under this section, the county treasurer shall  
11 submit a report to the department of revenue pursuant to section 44-307. The  
12 county treasurer may assess and deduct from the proceeds a reasonable fee of  
13 not more than fifty dollars for the treasurer's costs associated with  
14 reporting each deposit.

15 N. The county treasurer shall be discharged from all claims and  
16 responsibility for acts performed in good faith pursuant to this chapter  
17 after remitting the presumed abandoned excess proceeds to the department of  
18 revenue pursuant to section 44-308.

19 O. A claimant may enter into an agreement with a third party to pay  
20 for the recovery of or for assistance in the recovery of excess proceeds on  
21 deposit with the county treasurer. The agreement shall be in writing, signed  
22 by the claimant, and the claimant's signature shall be acknowledged by a  
23 notary public or other person authorized to accept an acknowledgment pursuant  
24 to section 33-511. Any agreement entered into before the expiration of  
25 thirty days after the date the trustee's sale was held, but not including the  
26 date of the sale, is void and unenforceable. Any fee or payment provided for  
27 in an agreement shall be reasonable. The fee or payment shall be presumed to  
28 be unreasonable and the obligation to pay the fee or payment is unenforceable  
29 if the fee or payment agreed on exceeds two thousand five hundred dollars  
30 excluding attorney fees and the costs of filing the claim and providing the  
31 statutorily required notices. Any person seeking a fee or payment exceeding  
32 two thousand five hundred dollars may apply to the court for additional  
33 compensation but the person has the burden of establishing that the  
34 additional compensation is reasonable under the circumstances. This  
35 subsection does not preclude a claimant from contesting the reasonableness of  
36 any fee or payment that is provided for in an agreement for the recovery of  
37 or for assistance in the recovery of excess proceeds.

38 Sec. 7. Section 41-3506, Arizona Revised Statutes, is amended to read:  
39 41-3506. State web portal fund; exemption

40 A. The state web portal fund is established and is subject to  
41 legislative appropriation. The government information technology agency  
42 shall administer the fund. The state web portal fund shall consist of:

- 43 1. Monies appropriated to the fund by the legislature.
- 44 2. Any web portal usage fees collected under any agreement between  
45 this state and an independent contractor providing services for the common

1 web portal ~~less the contractor's price of maintaining and operating the web~~  
2 ~~portal.~~

3 3. Monies received from private grants or donations if designated for  
4 the fund by the grantor or donor.

5 4. Monies received from the federal government by grant or otherwise  
6 to assist this state in providing any common web portal projects.

7 B. Monies in the state web portal fund may be used for improving or  
8 expanding this state's information technology services and projects,  
9 including the common web portal.

10 C. Monies in the state web portal fund are exempt from the provisions  
11 of section 35-190 relating to lapsing of appropriations.

12 Sec. 8. Section 41-3955, Arizona Revised Statutes, is amended to read:  
13 41-3955. Housing trust fund; purpose

14 A. The housing trust fund is established, and the director shall  
15 administer the fund. The fund consists of monies from unclaimed property  
16 deposited in the fund pursuant to section 44-313, A PORTION OF THE INTEREST  
17 EARNED ON THE MONIES IN THE FEDERAL DEPOSIT INSURANCE CORPORATION TRUST FUND  
18 PURSUANT TO SECTION 44-314 and investment earnings.

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

22 C. Fund monies shall be spent on approval of the department for  
23 developing projects and programs connected with providing housing  
24 opportunities for low and moderate income households and for housing  
25 affordability and Arizona housing finance authority programs. Pursuant to  
26 section 44-313, subsection A, a portion of fund monies shall be used  
27 exclusively for housing in rural areas.

28 D. In approving the expenditure of monies, the director shall give  
29 priority to funding projects that provide for operating, constructing or  
30 renovating facilities for housing for low income families and that provide  
31 housing and shelter to families that have children.

32 E. The director shall report annually to the legislature on the status  
33 of the housing trust fund. The report shall include a summary of facilities  
34 for which funding was provided during the preceding fiscal year and shall  
35 show the cost and geographic location of each facility and the number of  
36 individuals benefiting from the operation, construction or renovation of the  
37 facility. The report shall be submitted to the president of the senate and  
38 the speaker of the house of representatives no later than September 1 of each  
39 year.

40 F. Monies in the housing trust fund are exempt from the provisions of  
41 section 35-190 relating to lapsing of appropriations.

42 G. An amount not to exceed ten per cent of the housing trust fund  
43 monies may be appropriated annually by the legislature to the department for  
44 administrative costs in providing services relating to the housing trust  
45 fund.

1 H. For any construction project financed by the department pursuant to  
2 this section, the department shall notify a city, town, county or tribal  
3 government that a project is planned for its jurisdiction and, before  
4 proceeding, shall seek comment from the governing body of the city, town,  
5 county or tribal government or an official authorized by the governing body  
6 of the city, town, county or tribal government. The department shall not  
7 interfere with or attempt to override the local jurisdiction's planning,  
8 zoning or land use regulations.

9 Sec. 9. Title 42, chapter 1, article 3, Arizona Revised Statutes, is  
10 amended by adding section 42-1116.01, to read:

11 42-1116.01. Department of revenue administrative fund

12 A. THE DEPARTMENT OF REVENUE ADMINISTRATIVE FUND IS ESTABLISHED  
13 CONSISTING OF MONIES FROM UNCLAIMED PROPERTY DEPOSITED IN THE FUND PURSUANT  
14 TO SECTION 44-313.

15 B. THE DIRECTOR SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE  
16 EXEMPT FROM THE PROVISIONS OF SECTION 35-130 RELATING TO LAPSING OF  
17 APPROPRIATIONS.

18 C. SUBJECT TO LEGISLATIVE APPROPRIATION, THE DIRECTOR SHALL USE MONIES  
19 IN THE FUND SOLELY FOR THE ADMINISTRATIVE COSTS OF THE DEPARTMENT.

20 Sec. 10. Section 42-5031, Arizona Revised Statutes, is amended to  
21 read:

22 42-5031. Distribution of multipurpose facility revenues to  
23 district

24 A. Subject to the requirements of subsection D of this section, if a  
25 county stadium district is authorized by an election pursuant to section  
26 48-4237, subsection E, paragraph 5 to use the amounts paid to the district  
27 pursuant to subsection B of this section as permitted by law, then after  
28 delivery of a resolution of the district board of directors requesting  
29 payment, which resolution shall contain notice of the exercise of the option  
30 to begin payments provided for in this subsection, the state treasurer shall  
31 pay each month, beginning with the second calendar month after the optional  
32 payment commencement event contained in the resolution, from the amount  
33 designated as distribution base pursuant to section 42-5029, subsection D,  
34 the amount determined under subsection B of this section to the district.  
35 Payments under this section shall continue until July 1, 2025 OR UNTIL THE  
36 DATE ALL AUTHORIZED DEBT SERVICE PAYMENTS ARE COMPLETED AS PROVIDED BY  
37 SECTION 48-4203, SUBSECTION B, PARAGRAPH 3, WHICHEVER DATE IS EARLIER.

38 B. The amount to be paid each month under subsection A of this section  
39 is one-half of the amount of state transaction privilege tax revenues  
40 received in the second preceding calendar month from all persons conducting  
41 business under any business classification under this article at a  
42 multipurpose facility site, or in the construction of a multipurpose  
43 facility, the public or district owned components of which cost at least two  
44 hundred million dollars to construct. In no event shall the amount to be  
45 paid each month under this section exceed the net new state transaction

1 privilege tax revenues received from the multipurpose facility site as  
2 compared to the revenues received in the same month during the twelve months  
3 prior to the month in which the public vote pursuant to section 48-4237 is  
4 held. **THE AMOUNT PAID TO THE DISTRICT SHALL NOT EXCEED THE AMOUNT REQUIRED**  
5 **TO SERVICE THE DEBTS AND OBLIGATIONS OF THE DISTRICT AND TO MEET THE PURPOSES**  
6 **SET FORTH IN SECTION 48-4204, SUBSECTION B.**

7 C. The primary component, as described in section 48-4201, shall be  
8 constructed during the first phase of the project.

9 D. To qualify for payments under this section, the municipality in  
10 which the multipurpose facility site is located must either obtain voter  
11 approval for a local transaction privilege tax to pay costs associated with a  
12 multipurpose facility, or make a financial commitment by intergovernmental  
13 agreement between the municipality and the district to make direct payments  
14 to the district from any lawful source, including municipal transaction  
15 privilege taxes or to expend monies for land, infrastructure or other  
16 improvements directly related to the multipurpose facility or the  
17 multipurpose facility site, by the end of the date referred to in subsection  
18 A of this section in an aggregate amount equal to the amount received by the  
19 district pursuant to this section.

20 E. If the municipality in which the multipurpose facility site is  
21 located fails to satisfy the obligations of the municipality pursuant to  
22 subsection D of this section, then beginning six months after ~~the end of~~ the  
23 date referred to in subsection A of this section, distributions otherwise  
24 payable to the municipality pursuant to section 42-5029, subsection C shall  
25 be reduced by an amount equal to the excess of the amount received by the  
26 district pursuant to this section over the amount paid or expended by the  
27 municipality. The amount of the reduction shall be distributed to the  
28 district to satisfy the financial commitment of the municipality pursuant to  
29 subsection D of this section.

30 F. To comply with the requirements of this section, the county stadium  
31 district board of directors or any city or town that is part of the county  
32 stadium district shall supply the department with all requested information  
33 necessary to administer this section.

34 Sec. 11. Section 42-15001, Arizona Revised Statutes, is amended to  
35 read:

36 42-15001. Assessed valuation of class one property

37 The assessed valuation of class one property described in section  
38 42-12001 is:

39 **1. FOR THE PURPOSES OF ASSESSING AND LEVYING PRIMARY PROPERTY TAXES**  
40 **AND SECONDARY PROPERTY TAXES, OTHER THAN SECONDARY PROPERTY TAXES DESCRIBED**  
41 **IN PARAGRAPH 2 OF THIS SECTION,** the following percentage of its full cash  
42 value or limited valuation, as applicable:

43 ~~1-~~ (a) Twenty-five per cent through December 31, 2005.

44 ~~2-~~ (b) Twenty-four and one-half per cent beginning from and after  
45 December 31, 2005 through December 31, 2006.

1           ~~3-~~ (c) Twenty-four per cent beginning from and after December 31,  
2 2006 through December 31, 2007.

3           ~~4-~~ (d) Twenty-three per cent beginning from and after December 31,  
4 2007 through December 31, 2008.

5           ~~5-~~ (e) Twenty-two per cent beginning from and after December 31, 2008  
6 through December 31, 2009.

7           ~~6-~~ (f) Twenty-one per cent beginning from and after December 31, 2009  
8 through December 31, 2010.

9           ~~7-~~ (g) Twenty per cent beginning from and after December 31, 2010.

10           2. FOR TAX YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2011, FOR THE  
11 PURPOSES OF ASSESSING SECONDARY PROPERTY TAXES LEVIED BY COUNTIES, CITIES,  
12 TOWNS, COMMUNITY COLLEGE DISTRICTS AND SCHOOL DISTRICTS FOR THE PAYMENT OF  
13 PRINCIPAL, INTEREST AND REDEMPTION CHARGES ON BONDED INDEBTEDNESS OR OTHER  
14 LAWFUL LONG-TERM OBLIGATIONS AUTHORIZED BY THE VOTERS FROM AND AFTER DECEMBER  
15 31, 2011 AND FOR THE PAYMENT OF COSTS APPROVED BY AN OVERRIDE ELECTION HELD  
16 FROM AND AFTER DECEMBER 31, 2011, SIXTEEN PER CENT. THE ASSESSED VALUATION  
17 DETERMINED PURSUANT TO THIS PARAGRAPH DOES NOT APPLY FOR THE PURPOSES OF  
18 COMPUTING DEBT LIMITATIONS PURSUANT TO ARTICLE IX, SECTIONS 8 AND 8.1,  
19 CONSTITUTION OF ARIZONA, OR THE LIMITATION ON CLASS B BONDED INDEBTEDNESS  
20 PURSUANT TO SECTION 15-1021.

21           Sec. 12. Section 43-1095, Arizona Revised Statutes, is amended to  
22 read:

23           43-1095. Taxable income of a nonresident

24           A. In computing Arizona taxable income a nonresident, except a member  
25 of the armed forces, shall be allowed that percentage of the exemptions set  
26 forth in section 43-1043 which his Arizona gross income is of his federal  
27 adjusted gross income.

28           B. In the case of a nonresident the STANDARD deduction allowed in  
29 section 43-1041 AND THE ITEMIZED DEDUCTIONS ALLOWED IN SECTION 43-1042 shall  
30 be allowed in the percentage which his Arizona gross income is of his federal  
31 adjusted gross income.

32           Sec. 13. Section 44-302, Arizona Revised Statutes, is amended to read:

33           44-302. Presumptions of abandonment

34           A. Property is presumed abandoned if it is unclaimed by the apparent  
35 owner according to the following schedule:

36           1. A traveler's check is presumed abandoned ~~fifteen~~ THREE years after  
37 issuance.

38           2. A money order or similar written instrument, other than a third  
39 party bank check, is presumed abandoned ~~seven~~ THREE years after issuance.

40           3. Any stock or other equity interest in a business association or  
41 financial organization, including a security entitlement under title 47,  
42 chapter 8, is presumed abandoned ~~three~~ TWO years after any of the following,  
43 whichever occurs first:

44           (a) The date of the most recent dividend, stock split or other  
45 distribution that is unclaimed by the apparent owner.

1 (b) The date of the second mailing of a statement of account or other  
2 notification or communication that was returned as undeliverable.

3 (c) The date the holder discontinued mailings, notifications or  
4 communications to the apparent owner.

5 4. The principal on debt, other than a bearer bond or an original  
6 issue discount bond, of a business association or financial organization is  
7 presumed abandoned ~~three~~ TWO years after the maturity date and the interest  
8 on the debt is presumed abandoned ~~three~~ TWO years after the payment date.

9 5. A demand, savings or time deposit, including a deposit that is  
10 automatically renewable, and any interest or dividends are presumed abandoned  
11 ~~five~~ THREE years after maturity or the date of the last indication by the  
12 owner of interest in the property, whichever occurs first. For the purposes  
13 of this paragraph, a deposit that is automatically renewable is deemed  
14 matured on its initial date of maturity, unless the owner has consented to a  
15 renewal at or about the time of the renewal and the consent is in writing or  
16 is evidenced by any memorandum or other record on file with the holder.

17 6. Credits owed to a customer as a result of a retail business  
18 transaction are presumed abandoned ~~five~~ THREE years after the obligation  
19 accrued.

20 7. An amount owed by an insurance company on a life or endowment  
21 insurance policy or an annuity that has matured or terminated is presumed  
22 abandoned ~~five~~ THREE years after the obligation to pay arose or, in the case  
23 of a policy or annuity that is payable on proof of death, the amount is  
24 presumed abandoned ~~two years~~ ONE YEAR after the insured has attained, or  
25 would have attained if the insured were living, the limiting age under the  
26 mortality table on which the reserve is based. For the purposes of this  
27 paragraph all of the following conditions apply:

28 (a) If a person other than the insured or annuitant is entitled to the  
29 owed amount and the person's address is not known to the company or it is not  
30 definite and certain from the records of the company who is entitled to the  
31 amount, it is presumed that the last known address of the person who is  
32 entitled to the amount is the same as the last known address of the insured  
33 or annuitant according to the company's records.

34 (b) Notwithstanding any law, if the company learns of the death of the  
35 insured or annuitant and the beneficiary has not communicated with the  
36 insurer within four months after the death, the company shall take reasonable  
37 steps to pay the proceeds to the beneficiary.

38 (c) Every change of beneficiary form issued by an insurance company  
39 under any life or endowment insurance policy or annuity contract to an  
40 insured or owner who is a resident of this state shall request the following  
41 information:

42 (i) The name of each beneficiary, or if a class of beneficiaries is  
43 named, the name of each current beneficiary in the class.

44 (ii) The address of each beneficiary.

45 (iii) The relationship of each beneficiary to the insured.

1           8. A life or endowment insurance policy or annuity contract not  
2 matured by actual proof of the death of the insured or annuitant according to  
3 the company's records is deemed matured and the proceeds are deemed due and  
4 payable and are presumed abandoned after ~~two-years~~ ONE YEAR if all of the  
5 following conditions apply:

6           (a) The insured has attained, or would have attained if the insured  
7 were living, the limiting age under the mortality table on which the reserve  
8 is based.

9           (b) The policy was in force at the time the insured attained or would  
10 have attained the limiting age specified in subdivision (a) of this  
11 paragraph.

12           (c) Neither the insured nor any other person who appears to have an  
13 interest in the policy within the last ~~two-years~~ YEAR according to the  
14 company's records has assigned, readjusted or paid premiums on the policy or  
15 subjected the policy to a loan, corresponded in writing with the company  
16 concerning the policy or otherwise indicated an interest as evidenced by a  
17 memorandum or any other record on file with and prepared by an employee of  
18 the company.

19           9. Property that is distributable by a business association or  
20 financial organization in a course of dissolution is presumed abandoned one  
21 year after the property becomes distributable.

22           10. Property that is received by a court as proceeds of a class action  
23 and that is not distributed pursuant to the judgment is presumed abandoned  
24 one year after the distribution date.

25           11. Property that is held by a court, government or governmental  
26 subdivision, agency or instrumentality, except for support as defined in  
27 section 25-500 or for spousal maintenance, is presumed abandoned ~~three~~ TWO  
28 years after the property becomes distributable. Monies held for the payment  
29 of warrants by a state agency that remain unclaimed by the owner at the time  
30 of the void date printed on the face of the warrant are presumed abandoned.  
31 For the purposes of this paragraph, governmental subdivision does not include  
32 a special taxing district as defined in section 48-241.

33           12. Wages or other compensation for personal services is presumed  
34 abandoned one year after the compensation becomes payable.

35           13. Property in any individual retirement account, defined benefit plan  
36 or other account or plan that qualifies for tax deferral under the income tax  
37 laws of the United States is presumed abandoned ~~three~~ TWO years after any of  
38 the following, whichever occurs first:

39           (a) The date of the distribution or attempted distribution of the  
40 property.

41           (b) The date of the required distribution as stated in the plan or  
42 trust agreement that governs the plan.

43           (c) If determinable by the holder, the date specified in the income  
44 tax laws of the United States by which distribution of the property must  
45 begin in order to avoid a tax penalty.

1           14. Any amount that is payable on a check, draft or similar instrument  
2 on which a financial organization or business association is directly liable,  
3 including a cashier's check and a certified check, and that has been  
4 outstanding for more than ~~five~~ THREE years after the check, draft or similar  
5 instrument was payable or after issuance if payable on demand is presumed  
6 abandoned unless within ~~five~~ THREE years the owner has communicated in  
7 writing with the financial organization or business association concerning  
8 the check, draft or similar instrument or otherwise indicated an interest as  
9 evidenced by a memorandum or any other record on file and prepared by an  
10 employee of the financial organization or business association.

11           15. All other property is presumed abandoned ~~five~~ THREE years after the  
12 owner's rights to demand the property or after the obligation to pay or  
13 distribute the property arises, whichever occurs first.

14           16. Excess proceeds deposited with the county treasurer pursuant to  
15 section 33-812 are presumed abandoned if the monies remain with the treasurer  
16 for at least ~~three~~ TWO years from the date of deposit and there is no pending  
17 application for distribution.

18           17. Any dividend, profit, distribution, interest, redemption, payment  
19 on principal or other sum held or owing by a business association for or to  
20 its shareholder, certificate holder, member, bondholder or other security  
21 holder who has not claimed it, or corresponded in writing with the business  
22 association concerning it, is presumed abandoned ~~three~~ TWO years after the  
23 date prescribed for payment or delivery.

24           B. At the time that an interest is presumed abandoned under subsection  
25 A of this section, any other property right accrued or accruing to the owner  
26 as a result of the interest, and not previously presumed abandoned, is also  
27 presumed abandoned.

28           C. Property is unclaimed if, for the applicable period prescribed in  
29 subsection A of this section, the apparent owner has not communicated in  
30 writing with the holder or communicated by other means reflected in a  
31 contemporaneous record that is prepared by or on behalf of the holder and  
32 that concerns the property or the account or accounts in which the property  
33 is held and has not otherwise indicated an interest in the property and if  
34 the holder has not communicated in writing with regard to the property that  
35 would otherwise be unclaimed. A communication with an owner by a person  
36 other than the holder or the holder's representative who has not identified  
37 the property in writing to the owner is not an indication of interest in the  
38 property by the owner.

39           D. An indication of an owner's interest in property includes:

40           1. The presentment of any check or other instrument of payment of any  
41 dividend or other distribution that is made with respect to any account,  
42 underlying stock or other interest in a business association or financial  
43 organization. If the distribution is made by electronic or similar means an  
44 indication of an owner's interest includes evidence that the distribution has  
45 been received.

1           2. Activity directed by the owner in the account in which the property  
2 is held, including a direction by the owner to increase, decrease or change  
3 the amount or type of property held in the account.

4           3. The making of a deposit to or withdrawal from a bank account.

5           4. The payment of a premium with respect to a property interest in an  
6 insurance policy. The application of an automatic premium loan provision or  
7 any other nonforfeiture provision in an insurance policy does not prevent a  
8 policy from maturing or terminating if the insured has died or if the insured  
9 or the beneficiary of the policy has otherwise become entitled to the  
10 proceeds before the depletion of the cash surrender value of a policy by the  
11 application of those provisions.

12           E. Property is payable or distributable notwithstanding the owner's  
13 failure to make demand or present an instrument or document otherwise  
14 required to obtain payment.

15           Sec. 14. Section 44-313, Arizona Revised Statutes, is amended to read:

16           44-313. Deposit of monies

17           A. Except as otherwise provided in this section or section 44-314, the  
18 department shall deposit, pursuant to sections 35-146 and 35-147, in the  
19 state general fund all monies received pursuant to this chapter, including  
20 the proceeds from the sale of abandoned property pursuant to section 44-312,  
21 except that:

22           ~~1. Thirty-five per cent of the monies shall be deposited in the~~  
23 ~~housing trust fund established by section 41-3955.~~

24           ~~2. Twenty per cent of the monies shall be deposited in the housing~~  
25 ~~trust fund established by section 41-3955. These monies shall be used~~  
26 ~~exclusively for the development of eligible and viable housing in rural areas~~  
27 ~~and for the purposes authorized under the housing development fund~~  
28 ~~established by section 41-3956.~~

29           ~~3. Twenty per cent of the monies shall be deposited in the funds in~~  
30 ~~the amounts provided in section 5-113, subsection A.~~

31           1. THE FIRST TEN MILLION FIVE HUNDRED THOUSAND DOLLARS OF THE MONIES  
32 SHALL BE DEPOSITED EACH FISCAL YEAR IN THE HOUSING TRUST FUND ESTABLISHED BY  
33 SECTION 41-3955.

34           2. THE SECOND TWENTY-FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS OF THE  
35 MONIES SHALL BE DEPOSITED EACH FISCAL YEAR IN THE DEPARTMENT OF REVENUE  
36 ADMINISTRATION FUND ESTABLISHED BY SECTION 42-1116.01.

37           B. The department shall deposit monies from unclaimed shares and  
38 dividends of any corporation incorporated under the laws of this state in the  
39 permanent state school fund pursuant to article XI, section 8, Constitution  
40 of Arizona.

41           C. The department shall deposit monies from unclaimed victim  
42 restitution payments in the victim compensation and assistance fund  
43 established by section 41-2407 for the purpose of establishing, maintaining  
44 and supporting programs that compensate and assist victims of crime.

1 D. The department shall retain in a separate trust fund at least one  
2 hundred thousand dollars from which the department shall pay claims.

3 E. Before making the deposit, the department shall record the name and  
4 last known address of each person who appears from the holders' reports to be  
5 entitled to the property and the name and last known address of each insured  
6 person or annuitant and beneficiary. The department shall also record the  
7 policy or contract number of each policy or contract of an insurance company  
8 that is listed in the report, the name of the company and the amount due.  
9 The department shall make the record available for public inspection during  
10 reasonable business hours.

11 ~~F. Before making any deposit to the credit of the state general fund,~~  
12 ~~the department may deduct, subject to legislative appropriation,~~  
13 ~~administrative expenses in the following order of priority:~~

14 ~~1. Any costs in connection with the sale of abandoned property.~~

15 ~~2. Costs of mailing and publication in connection with any abandoned~~  
16 ~~property.~~

17 ~~3. Reasonable department service charges.~~

18 ~~4. Costs incurred in examining records of holders of property and in~~  
19 ~~collecting the property from those holders.~~

20 ~~5. Lawful holder charges.~~

21 ~~G. For the purposes of this section, "rural area" means either:~~

22 ~~1. A county with a population of less than four hundred thousand~~  
23 ~~persons.~~

24 ~~2. A census county division with less than fifty thousand persons in a~~  
25 ~~county with a population of four hundred thousand or more persons.~~

26 Sec. 15. Section 44-1861, Arizona Revised Statutes, is amended to  
27 read:

28 44-1861. Fees; deposit; abandonment

29 A. BY the following AFFIRMATIVE VOTE OF AT LEAST FOUR COMMISSIONERS,  
30 THE COMMISSION MAY ESTABLISH BY RULE AN annual fee for THE registration OF A  
31 DEALER OR A SALESMAN. THE FEE shall be remitted on or before the last  
32 working day of December, AND THE COMMISSION SHALL DEPOSIT THE FEE, PURSUANT  
33 TO SECTIONS 35-146 AND 35-147, IN THE SECURITIES REGULATORY AND ENFORCEMENT  
34 FUND ESTABLISHED BY SECTION 44-2039. :-

35 ~~1. For each dealer, three hundred dollars, of which fifty dollars is~~  
36 ~~allocated to the fund established under section 44-2039.~~

37 ~~2. For each salesman, forty dollars, of which fifteen dollars is~~  
38 ~~allocated to the fund established under section 44-2039.~~

39 B. The registration fee for any dealer who deals exclusively in  
40 securities of which the dealer is the issuer is one hundred dollars.

41 C. For registration of securities by description, there shall be paid  
42 to the commission a nonrefundable registration fee of one-tenth of one per  
43 cent of the aggregate offering price of the securities ~~which~~ THAT are to be  
44 sold in this state, but in no event shall the registration fee be less than  
45 two hundred dollars nor more than two thousand dollars. The amount by which

1 a registration fee exceeds one thousand five hundred dollars shall be  
2 allocated to the commerce and economic development commission fund  
3 established by section 41-1505.10.

4 D. BY the AFFIRMATIVE VOTE OF AT LEAST FOUR COMMISSIONERS, THE  
5 COMMISSION MAY ESTABLISH BY RULE A transfer fee for a salesman transferring  
6 ~~his~~ THE SALESMAN'S registration from one registered dealer to another  
7 registered dealer ~~is forty dollars, of which fifteen dollars is allocated to~~  
8 ~~the fund established under section 44-2039.~~ THE COMMISSION SHALL DEPOSIT THE  
9 FEE, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE SECURITIES REGULATORY AND  
10 ENFORCEMENT FUND ESTABLISHED BY SECTION 44-2039.

11 E. The initial filing of a form required for safe harbor exemptions  
12 provided for in the securities act of 1933 (15 United States Code section  
13 77(a) et seq.) pursuant to the rules of the commission shall be accompanied  
14 by a filing fee of two hundred fifty dollars, of which fifty dollars shall be  
15 allocated to the commerce and economic development commission fund  
16 established by section 41-1505.10. The final filing of the form, if separate  
17 from the initial filing, shall be accompanied by a filing fee of one hundred  
18 dollars that is allocated to the commerce and economic development commission  
19 fund established by section 41-1505.10.

20 F. For a name change of securities registered by qualification or  
21 description, a filing fee of one hundred dollars is payable to the  
22 commission.

23 G. For filing a notice required by the commission by rule pursuant to  
24 section 44-1845, a filing fee of one hundred dollars is payable to the  
25 commission.

26 H. For filing a petition pursuant to section 44-1846, a filing fee of  
27 two hundred fifty dollars is payable to the commission.

28 I. Except as provided in subsections A, C, D, E and P of this section,  
29 section 44-1843 and section 44-1892, paragraph 3, all fees collected under  
30 this chapter shall be deposited in the state general fund.

31 J. An issuer who sells securities in this state in excess of the  
32 aggregate amount of securities registered in this state ~~may~~, while ~~such~~ THE  
33 registration is still effective, MAY apply to register the excess securities  
34 by paying three times the difference between the initial registration fee  
35 paid and the registration fee required under subsection C of this section or  
36 section 44-1892, paragraph 3. Registration of the excess securities, if  
37 granted, is effective retroactively to the date of the existing registration.

38 K. An application for registration of securities or registration of a  
39 dealer or salesman or an incomplete notice filing is deemed abandoned if  
40 both:

41 1. The application or notice filing has been on file with the  
42 commission for at least six months or the applicant or notice filer has  
43 failed to respond to a request for information for at least two months after  
44 the date of the request.

1           2. The applicant or notice filer has failed to respond to the  
2 commission's notice of warning of abandonment within sixty calendar days  
3 after the date of the warning.

4           L. The commission shall retain fees collected in connection with  
5 abandoned applications or notice filings for deposit in the state general  
6 fund.

7           M. The nonrefundable filing fee for a request for a no-action letter  
8 from the securities division is two hundred dollars.

9           N. The nonrefundable filing fee for an application for registration  
10 pursuant to section 44-1902 is two hundred fifty dollars.

11           O. The fee for submitting fingerprint cards to the department of  
12 public safety is the fee required by that department.

13           P. Any securities exchange established in this state shall pay to the  
14 commission on or before March 15 of each calendar year an exchange  
15 registration fee in an amount equal to two-tenths of one cent for each share,  
16 bond or option or any other single unit of a security, ~~which THAT~~ is  
17 exchanged during each preceding calendar year. ~~which THE COMMISSION shall be~~  
18 ~~deposited~~ DEPOSIT THE FEE, PURSUANT TO SECTIONS 35-146 AND 35-147, in the  
19 securities regulatory and enforcement fund established by section 44-2039 for  
20 the purpose of regulating the securities exchange. The commission, by rule,  
21 may exempt any sale of securities or any class of sales of securities from  
22 the fee imposed by this subsection, ~~if it finds that an exemption is~~  
23 consistent with the public interest and the equal regulation of the market  
24 and brokers and dealers.

25           Sec. 16. Section 44-2039, Arizona Revised Statutes, is amended to  
26 read:

27           44-2039. Securities regulatory and enforcement fund; purpose

28           A. A securities regulatory and enforcement fund is established and  
29 shall be administered by the commission under the conditions and for the  
30 purposes provided by this section. Monies in the fund are exempt from the  
31 provisions of section 35-190 relating to lapsing.

32           B. Fees collected pursuant to section 44-1861, ~~subsection~~ SUBSECTIONS  
33 A, ~~paragraphs 1 and 2 and subsections~~ D and P shall be deposited, pursuant to  
34 sections 35-146 and 35-147, in the securities regulatory and enforcement  
35 fund, EXCEPT THAT ALL REVENUES COLLECTED IN EACH FISCAL YEAR IN EXCESS OF THE  
36 AMOUNT APPROPRIATED FROM THE FUND BY THE LEGISLATURE SHALL BE DEPOSITED IN  
37 THE STATE GENERAL FUND.

38           C. Monies in the fund are subject to legislative appropriation. The  
39 commission shall use the monies in the fund for education and regulatory,  
40 investigative and enforcement operations in the securities division and a  
41 part of general administrative and hearing expenses of the commission.

1           Sec. 17. Section 48-4202, Arizona Revised Statutes, is amended to  
2 read:

3           48-4202. Formation of district

4           A. The board of supervisors of each county having a population of more  
5 than one million five hundred thousand persons according to the most recent  
6 United States decennial census or any county in which a major league baseball  
7 organization has established or seeks to establish a spring training  
8 operation may organize a countywide district to include both the incorporated  
9 and unincorporated areas of the county, if the board determines that the  
10 public convenience, necessity or welfare will be promoted by establishing the  
11 district.

12           B. Two or more municipalities in the same county may organize a  
13 district for multipurpose facilities if the governing bodies of the  
14 municipalities determine that the public convenience, necessity or welfare  
15 will be promoted by establishing the district. The district shall be  
16 comprised of the areas within the corporate boundaries of the municipalities.  
17 After formation, the boundaries of the district shall not be altered. A  
18 district may be established under this subsection in the same county in which  
19 a district is established under subsection A of this section. A district  
20 formed pursuant to this subsection shall be deemed a county stadium district  
21 for purposes of this chapter. Notwithstanding any other law, a district may  
22 not be organized under this subsection from and after October 31, 1999,  
23 except that a district may be organized under this subsection after October  
24 31, 1999 if before that date the governing body of two or more of the  
25 municipalities identified the location of a multipurpose facility site and  
26 has voted with the purpose of forming a district for multipurpose facilities  
27 under this subsection.

28           C. The county board of supervisors shall be the board of directors of  
29 a countywide district established under subsection A of this section.

30           D. The board of directors of a district established under subsection B  
31 of this section shall consist of: ~~two members appointed for a definite term~~  
32 ~~by the governing body of each municipality but may not include officers or~~  
33 ~~employees of the municipality, and if the district enters into an~~  
34 ~~intergovernmental agreement pursuant to section 48-4203 with an Indian tribe~~  
35 ~~or community, the board of directors shall include two members appointed by~~  
36 ~~the Indian tribe or community.~~

37           1. FIVE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR, AT LEAST THREE OF  
38 WHOM MUST RESIDE IN THE MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED AND  
39 EACH OF WHOM MUST HAVE EXPERIENCE IN COMMERCIAL REAL ESTATE, CONSTRUCTION,  
40 REDEVELOPMENT, REAL ESTATE LAW, ARCHITECTURE, ECONOMIC DEVELOPMENT OR  
41 COMMERCIAL OR PUBLIC FINANCE. THE GOVERNOR MAY RECEIVE NOMINATIONS FOR  
42 APPOINTMENT FROM ANY INTERESTED ORGANIZATION OR PERSON. MEMBERS APPOINTED BY  
43 THE GOVERNOR SERVE AT THE PLEASURE OF THE GOVERNOR.

44           2. TWO MEMBERS WHO ARE APPOINTED BY THE PRESIDENT OF THE SENATE, AT  
45 LEAST ONE OF WHOM MUST RESIDE IN THE MUNICIPALITY IN WHICH THE DISTRICT IS

1 LOCATED. THE MEMBERS APPOINTED BY THE PRESIDENT SERVE AT THE PLEASURE OF THE  
2 PRESIDENT.

3 3. TWO MEMBERS WHO ARE APPOINTED BY THE SPEAKER OF THE HOUSE OF  
4 REPRESENTATIVES, AT LEAST ONE OF WHOM MUST RESIDE IN THE MUNICIPALITY IN  
5 WHICH THE DISTRICT IS LOCATED. THE MEMBERS APPOINTED BY THE SPEAKER SERVE AT  
6 THE PLEASURE OF THE SPEAKER.

7 E. The directors OF ANY DISTRICT are not eligible for compensation for  
8 their services but are eligible for reimbursement for their necessary  
9 expenses in attending to and traveling on district business.

10 ~~D.~~ F. The board of supervisors may pay the necessary costs incurred  
11 in connection with establishing a countywide district from any county monies  
12 available for that purpose. The municipalities may pay their proportionate  
13 share of the necessary costs incurred in establishing a district formed by  
14 two or more municipalities under subsection B of this section from any monies  
15 available for that purpose.

16 ~~E.~~ G. Subject to limitations imposed by intergovernmental agreement  
17 and the ordinance or resolution authorizing the formation of the district,  
18 the district is a tax levying public improvement district and a political  
19 taxing subdivision of this state and has all the powers, privileges and  
20 immunities granted generally to municipal corporations for the purposes of  
21 implementing this chapter, including eminent domain, as provided by section  
22 48-4203, subsection A, paragraph 7, and immunity of its property, bonds and  
23 interest on and transfer of its bonds from taxation.

24 Sec. 18. Section 48-4203, Arizona Revised Statutes, is amended to  
25 read:

26 48-4203. Powers and duties of board of directors: conflict of  
27 interest

28 A. The board of directors, on behalf of the district, may:

- 29 1. Adopt and use a corporate seal.  
30 2. Sue and be sued.

31 3. Enter into contracts, including intergovernmental agreements under  
32 title 11, chapter 7, article 3, as necessary to carry out the purposes and  
33 requirements of this chapter. The district may contract with a county sports  
34 authority established under title 11, chapter 5 to carry out any power of the  
35 district.

36 4. Adopt administrative rules as necessary to administer and operate  
37 the district and any property under its jurisdiction.

38 5. Adopt rules that allow weighted voting by board members and  
39 establish conditions for terminating the district.

40 6. Employ an executive director and administrative and clerical  
41 employees, or contract for other management personnel, and prescribe the  
42 terms and conditions of their employment as necessary to carry out the  
43 purposes of the district.

44 7. Acquire by any lawful means and operate, maintain, encumber and  
45 dispose of real and personal property and interests in property. A district

1 established under section 48-4202, subsection A may acquire real property by  
2 eminent domain. A district established under section 48-4202, subsection B  
3 shall not acquire real property by eminent domain.

4 8. Administer trusts declared or established for the district, receive  
5 and hold in trust or otherwise property located in or out of this state and,  
6 if not otherwise provided, dispose of the property for the benefit of the  
7 district.

8 9. Retain legal counsel and other consultants as necessary to carry  
9 out the purposes of the district.

10 B. The board of directors, on behalf of a district established  
11 pursuant to section 48-4202, subsection B, may:

12 1. Use revenues paid to the district pursuant to section 42-5031 and  
13 other revenues the district may receive from other sources, for the purposes  
14 set forth in section 48-4204, subsection B.

15 2. Enter into agreements with developers, contractors, tenants and  
16 other users of all or part of a multipurpose facility as determined  
17 appropriate.

18 3. Pledge all or part of the revenues described in section 42-5031,  
19 subsection B, to secure the district's bonds or other financial obligations  
20 issued or incurred under this chapter for the construction of all or part of  
21 a multipurpose facility.

22 C. THE BOARD OF DIRECTORS OF A DISTRICT ESTABLISHED PURSUANT TO  
23 SECTION 48-4202, SUBSECTION B SHALL PROVIDE PUBLIC OUTREACH AND EDUCATION ON  
24 THE PURPOSE AND ACTIVITIES OF THE DISTRICT, INCLUDING:

25 1. PRESENTATIONS TO THE GOVERNING BODIES OF THE MUNICIPALITIES IN THE  
26 COUNTY IN WHICH THE DISTRICT IS LOCATED.

27 2. PRESENTATIONS TO COMMUNITY, CIVIC AND BUSINESS ORGANIZATIONS.

28 3. PRINTED OR ELECTRONIC MATERIALS THAT SUPPORT THE PURPOSES OF THIS  
29 SUBSECTION.

30 ~~C.~~ D. The board of directors shall:

31 1. Appoint from among its members a chairman, a secretary and such  
32 other officers as may be necessary to conduct its business. The board of  
33 directors may appoint the chief financial officer of the county as the  
34 district treasurer of a countywide district established under section  
35 48-4202, subsection A. If the board does not appoint the chief financial  
36 officer, the county treasurer is designated ex officio as the treasurer. The  
37 board of directors of a district that is established pursuant to section  
38 48-4202, subsection B shall designate ~~ex officio an officer of one of the~~  
39 ~~municipalities~~ A MEMBER OF THE BOARD WITH FINANCIAL MANAGEMENT OR ACCOUNTING  
40 EXPERIENCE OR A PERSON WITH WHOM THE BOARD HAS CONTRACTED FOR FINANCIAL  
41 MANAGEMENT as treasurer of the district.

42 2. Keep and maintain a complete and accurate record of all its  
43 proceedings. All proceedings and records of the board shall be open to the  
44 public as required by title 38, chapter 3, article 3.1 and title 39,  
45 chapter 1.

1           3. Provide for the use, maintenance and operation of the properties  
2 and interests controlled by the district.

3           ~~D.~~ E. The board of directors of a district that is established  
4 pursuant to section 48-4202, subsection B shall determine by agreement the  
5 distribution of revenues from operating and using the multipurpose facilities  
6 among the municipalities and any participating Indian tribe or community.

7           ~~E.~~ F. The directors, officers and employees of the district are  
8 subject to title 38, chapter 3, article 8 relating to conflicts of interest.

9           ~~F.~~ G. This state and political subdivisions of this state other than  
10 the district are not liable for any financial or other obligations of the  
11 district and the financial or other obligations do not constitute a debt or  
12 liability of this state or any political subdivision of this state, other  
13 than the district.

14           Sec. 19. Section 48-4204, Arizona Revised Statutes, is amended to  
15 read:

16           48-4204. Constructing and operating a stadium and other  
17 structures; regulating alcoholic beverages

18           A. From the taxes and surcharges levied pursuant to article 2 of this  
19 chapter for use with respect to major league baseball spring training, the  
20 district may acquire land and construct, finance, furnish, maintain, improve,  
21 operate, market and promote the use of existing or proposed major league  
22 baseball spring training facilities or stadiums and other structures,  
23 utilities, roads, parking areas or buildings necessary for full use of the  
24 training facilities or stadiums for sports and other purposes and do all  
25 things necessary or convenient to accomplish those purposes. The board shall  
26 require that any project undertaken by the district include financial  
27 participation from the county or municipality in which the project is  
28 located, from a private party or from any combination of these entities which  
29 equals or exceeds one-half of the amount to be expended or distributed by the  
30 district. Capital improvement funds expended at any time after June 1, 1991  
31 by a county, municipality or private party for a purpose authorized by this  
32 section may be deemed financial participation with respect to any project the  
33 district may undertake.

34           B. From the taxes and charges levied or identified pursuant to section  
35 48-4237 for use with respect to multipurpose facilities and from other monies  
36 lawfully available to the district, the district may acquire land and  
37 construct, finance, furnish, maintain, improve, operate, market and promote  
38 the use of multipurpose facilities and other structures, utilities, roads,  
39 parking areas or buildings necessary for full use of the multipurpose  
40 facilities and do all things necessary or convenient to accomplish those  
41 purposes. Public funds identified in section 48-4237, including funds  
42 distributed pursuant to section 42-5031, may only be used for the components  
43 for a multipurpose facility which are owned by the district or which are  
44 publicly owned, **EXCEPT THAT MONIES PAID TO THE DISTRICT PURSUANT TO SECTION**  
45 **42-5031 MAY ONLY BE USED FOR THE FOLLOWING PURPOSES UNTIL A NOTICE TO PROCEED**

1 IS ISSUED FOR A HOTEL AND CONVENTION CENTER LOCATED ON THE MULTIPURPOSE  
2 FACILITY SITE:

3 1. DEBT SERVICE FOR BONDS ISSUED BY THE DISTRICT BEFORE JANUARY 1,  
4 2009.

5 2. CONTRACTUAL OBLIGATIONS INCURRED BY THE DISTRICT BEFORE JUNE 1,  
6 2009.

7 3. FIDUCIARY, REASONABLE LEGAL AND ADMINISTRATIVE EXPENSES OF THE  
8 DISTRICT.

9 4. THE DESIGN AND CONSTRUCTION OF THE HOTEL AND CONVENTION CENTER  
10 LOCATED ON THE MULTIPURPOSE FACILITY SITE.

11 C. A DISTRICT ESTABLISHED PURSUANT TO SECTION 48-4202, SUBSECTION B  
12 MAY NOT USE MONIES DISTRIBUTED PURSUANT TO SECTION 42-5031 FOR THE SALARIES  
13 OR COMPENSATION OF ANY EMPLOYEE OF THE MUNICIPALITY IN WHICH THE DISTRICT IS  
14 LOCATED.

15 ~~E.~~ D. Title 34 applies to the district, except that regardless of the  
16 funding source for design and construction of facilities and structures the  
17 district may establish alternative systems and procedures, including the use  
18 of the design-build method of construction or the use of qualifications-based  
19 selection of contractors with experience in stadium design or construction,  
20 to expedite the design and construction of any of its facilities or  
21 structures or any facilities or structures leased to it or used by it  
22 pursuant to an intergovernmental agreement. For the purposes of this  
23 subsection:

24 1. "Design-build" means a process of entering into and managing a  
25 contract between the district and another party in which the other party  
26 agrees to both design and build a structure, a facility or other items  
27 specified in the contract.

28 2. "Qualifications-based selection" means a process of entering into  
29 and managing a contract between the district and another party in which the  
30 other party is selected by the district on the basis of the party's  
31 qualifications and experience in designing or constructing facilities,  
32 structures or other items similar to those the district is authorized to  
33 construct or lease. The other party may be selected by direct selection or  
34 by public competition.

35 ~~D.~~ E. For purposes of financing, designing, constructing or operating  
36 facilities or structures, the district is not the agent of any municipality  
37 participating in the funding of such facilities or structures.

38 ~~E.~~ F. Subject to the requirements of title 4, the board of directors  
39 may permit and regulate the sale, use and consumption of alcoholic beverages  
40 at events held on property acquired, leased or subleased under this article.

1           Sec. 20. Section 48-4231, Arizona Revised Statutes, is amended to  
2 read:  
3           48-4231. County stadium district fund  
4           A. The district treasurer shall maintain a county stadium district  
5 fund consisting of all monies received by the district, including:  
6           1. Payments received from leasing, subleasing or renting property  
7 owned, leased or controlled by the district.  
8           2. Revenues received by the district from admissions and concessions  
9 and other proceeds from events held at a stadium owned or leased by the  
10 district.  
11           3. Monies received from issuing and selling bonds under article 3 of  
12 this chapter.  
13           4. Interest and other income received from investing monies in the  
14 fund.  
15           5. Gifts, grants and donations received for that purpose from any  
16 public or private source.  
17           B. Monies in the fund may be used for any lawful purpose of the  
18 district.  
19           C. The district treasurer may invest any unexpended monies in the fund  
20 as provided in title 35, chapter 2. Notwithstanding section 35-323, the  
21 district treasurer may invest and reinvest monies in the fund, other than  
22 operating fund monies, in eligible investments with a maturity of greater  
23 than five years. Interest and other income from investments shall be  
24 credited to the fund. The district treasurer shall invest the monies so as  
25 to mature at the times when the fund assets will be required for the purposes  
26 of this article. If the liquid assets in the fund become insufficient to  
27 meet the district's obligations, the board of directors shall direct the  
28 district treasurer to liquidate sufficient securities to meet all of the  
29 current obligations and immediately notify the auditor general of the  
30 insufficiency, and the auditor general shall investigate and audit the  
31 circumstances surrounding the depletion of the fund and report ~~his~~ **THE**  
32 **AUDITOR GENERAL'S** findings to the board.  
33           D. **EXCEPT AS PROVIDED BY SECTION 48-4231.01**, the board of directors  
34 shall cause an annual audit to be conducted of the fund by an independent  
35 certified public accountant within one hundred twenty days after the end of  
36 the fiscal year. The board shall immediately file a certified copy of the  
37 audit with the auditor general. The auditor general may make such further  
38 audits and examinations as ~~he~~ **THE AUDITOR GENERAL** deems necessary, but if ~~he~~  
39 **THE AUDITOR GENERAL** takes no official action within thirty days after the  
40 audit is filed, the audit is deemed sufficient. The board of directors shall  
41 pay all fees and costs of the certified public accountant and auditor general  
42 under this subsection from the fund.



- 1 E. WITHIN FORTY-FIVE DAYS AFTER THE AUDIT IS RELEASED, THE BOARD OF  
2 DIRECTORS SHALL:
- 3 1. HOLD A PUBLIC HEARING ON THE AUDIT'S FINDINGS AND RECOMMENDATIONS  
4 AND ALLOW ANY PERSON TO MAKE OR SUBMIT ORAL OR WRITTEN COMMENTS ON THE AUDIT.  
5 2. BY MAJORITY VOTE ADOPT A PUBLIC RESPONSE AGREEING, AGREEING WITH  
6 RESERVATIONS OR DISAGREEING WITH EACH FINDING AND RECOMMENDATION IN THE  
7 AUDIT.
- 8 F. THE AUDITOR GENERAL SHALL DISTRIBUTE COPIES OF THE AUDIT AND THE  
9 BOARD OF DIRECTOR'S RESPONSE TO:
- 10 1. THE MAYOR AND GOVERNING BODY OF THE MUNICIPALITY IN WHICH THE  
11 DISTRICT IS LOCATED.  
12 2. THE GOVERNOR.  
13 3. THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF  
14 REPRESENTATIVES.  
15 4. THE DEPARTMENT OF REVENUE AND THE STATE TREASURER.  
16 5. THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS.  
17 6. ANY OTHER PERSON WHO REQUESTS A COPY OF THE AUDIT.  
18 G. THE COST INCURRED BY THE AUDITOR GENERAL IN CONTRACTING WITH  
19 INDEPENDENT AUDITORS UNDER THIS SECTION IS AN OPERATING EXPENSE OF THE  
20 DISTRICT AND SHALL BE PAID FROM REVENUES PAYABLE TO THE DISTRICT PURSUANT TO  
21 SECTION 42-5031. THE AUDITOR GENERAL SHALL DEPOSIT THE PAYMENTS IN THE AUDIT  
22 SERVICES REVOLVING FUND ESTABLISHED BY SECTION 41-1279.06.
- 23 H. AT THE REQUEST OF THE CHAIRPERSON OF THE JOINT COMMITTEE ON CAPITAL  
24 REVIEW, THE EXECUTIVE DIRECTOR OR A REPRESENTATIVE OF THE BOARD OF DIRECTORS  
25 SHALL APPEAR BEFORE THE JOINT COMMITTEE ON CAPITAL REVIEW TO REPORT ON ANY  
26 ASPECT OF THE DISTRICT'S OPERATION, INCLUDING THE ACTIVITIES AND FINANCIAL  
27 PERFORMANCE OF THE DISTRICT DURING THE PREVIOUS FISCAL YEAR, THE DISTRICT'S  
28 PLANS FOR CAPITAL IMPROVEMENTS AND INVESTMENT AND THE DISTRICT'S RESPONSE TO  
29 THE AUDIT CONDUCTED UNDER THIS SECTION.
- 30 48-4231.02. Financial reports; database of expenditures
- 31 A. EACH DISTRICT ESTABLISHED PURSUANT TO SECTION 48-4202, SUBSECTION B  
32 SHALL MAINTAIN ON ITS OFFICIAL WEBSITE A DATABASE OF EXPENDITURES MADE BY THE  
33 DISTRICT. THE DATABASE SHALL ALLOW USERS TO:
- 34 1. SEARCH AND AGGREGATE PAYMENTS BY PAYEE.  
35 2. SEARCH AND AGGREGATE PAYMENTS BY PROJECT.  
36 3. SEARCH AND AGGREGATE PAYMENTS BY YEAR.  
37 4. SEARCH AND AGGREGATE ALL PAYMENTS MADE BY THE DISTRICT.  
38 5. DOWNLOAD INFORMATION YIELDED BY A USER QUERY.
- 39 B. EACH EXPENDITURE LISTING CONTAINED IN THE DATABASE SHALL INCLUDE:  
40 1. THE DATE AND AMOUNT OF EACH PAYMENT.  
41 2. THE NAME OF THE PAYEE.  
42 3. THE PROJECT FOR WHICH THE PAYMENT WAS MADE.  
43 4. THE PURPOSE FOR WHICH THE PAYMENT WAS MADE.  
44 5. THE FUND OR BUDGET ACCOUNT FROM WHICH THE PAYMENT WAS MADE.

1 C. EACH DISTRICT ESTABLISHED PURSUANT TO SECTION 48-4202, SUBSECTION B  
2 SHALL MAINTAIN ON ITS OFFICIAL WEBSITE THE ANNUAL FINANCIAL REPORTS OF THE  
3 DISTRICT AND A LISTING AND THE SUM OF THE PAYMENTS MADE TO THE DISTRICT  
4 PURSUANT TO SECTION 42-5031.

5 Sec. 22. Repeal

6 Laws 2008, chapter 291, section 12 is repealed.

7 Sec. 23. Department of insurance; fee and assessment adjustment  
8 suspension

9 Notwithstanding section 20-167, subsection F, Arizona Revised Statutes,  
10 and section 20-466, subsection J, Arizona Revised Statutes, the director of  
11 insurance shall not revise fees or assessments in fiscal year 2009-2010 for  
12 the purpose of meeting the requirement to recover at least ninety-five per  
13 cent but not more than one hundred ten per cent of the department of  
14 insurance's appropriated budget.

15 Sec. 24. Arizona state lottery proceeds; transfer

16 Notwithstanding section 5-522, Arizona Revised Statutes, as amended by  
17 this act, the following amounts of state lottery revenues are transferred to  
18 the state general fund before any other lottery distribution to the following  
19 funds:

20 1. The county assistance fund established by section 41-175, Arizona  
21 Revised Statutes: \$765,000

22 2. The local transportation assistance fund pursuant to section  
23 28-8101, subsection D, Arizona Revised Statutes: \$2,300,000

24 3. The local transportation assistance fund pursuant to section  
25 28-8101, subsection E, Arizona Revised Statutes: \$990,000

26 Sec. 25. Agricultural fees; increases; appropriation; delayed  
27 repeal

28 A. Notwithstanding any other law, the citrus, fruit and vegetable  
29 advisory council, the agricultural advisory council and the director of the  
30 Arizona department of agriculture may increase fees in fiscal year 2009-2010  
31 for services provided. Before increasing any fee pursuant to this  
32 subsection, the citrus, fruit and vegetable advisory council must provide at  
33 least thirty days' advance notice of a public hearing and the amount of the  
34 proposed fee to all shippers who are licensed under sections 3-449 and 3-492,  
35 Arizona Revised Statutes, and to any other interested party. The council  
36 shall receive written and oral comments at the hearing regarding the proposed  
37 increase in the fee.

38 B. Notwithstanding section 22 of this act, the Arizona department of  
39 agriculture may continue the fee increases pursuant to Laws 2008, chapter  
40 291, section 12.

41 C. It is the intent of the legislature that the additional revenue  
42 generated by the fee increases shall not exceed the following amounts:

43 1. Citrus, fruit and vegetable advisory council and agricultural  
44 advisory council: \$389,000

45 2. Arizona department of agriculture: \$172,000

1 D. Monies received from fees pursuant to this section are appropriated  
2 to the Arizona department of agriculture.

3 E. The Arizona department of agriculture is exempt from the rule  
4 making requirements of title 41, chapter 6, Arizona Revised Statutes, for the  
5 purpose of establishing fees under this section for one year after the  
6 effective date of this act.

7 F. This section is repealed from and after June 30, 2010.

8 Sec. 26. Registrar of contractors; residential contractors'  
9 recovery fund; contracted services, equipment and  
10 operational costs; fiscal year 2009-2010

11 Notwithstanding section 32-1134, subsection A, paragraph 5, Arizona  
12 Revised Statutes, the registrar of contractors shall employ or contract with  
13 individuals and procure equipment and operational support, to be paid from or  
14 purchased with monies in the residential contractors' recovery fund, but not  
15 to exceed in fiscal year 2009-2010 fourteen per cent of the total amount  
16 deposited in the fund in fiscal year 2008-2009, as may be necessary to  
17 monitor, process or oppose claims filed by injured persons that may result in  
18 collection from the fund.

19 Sec. 27. Web portal fees; deposit

20 Notwithstanding section 41-3506, Arizona Revised Statutes, as amended  
21 by this act, in fiscal year 2009-2010 the amount of web portal fees not  
22 deposited in the web portal fund for the contractor's price of maintaining  
23 and operating the web portal shall not exceed \$3,000,000.

24 Sec. 28. Vehicle license taxes; fiscal year 2009-2010;  
25 distributions by cities and towns to school  
26 districts

27 A. In fiscal year 2009-2010, cities and towns that receive vehicle  
28 license tax monies pursuant to section 28-5808, subsection A, paragraph 2,  
29 subdivision (c) and subsection B, paragraph 2, subdivision (c), Arizona  
30 Revised Statutes, shall distribute a portion of those monies as computed by  
31 the county treasurer to local school districts. The total amount of monies  
32 to be distributed pursuant to this section by all cities and towns in fiscal  
33 year 2009-2010 shall be \$22,000,000, payable in equal monthly installments of  
34 \$3,666,667 beginning in January, 2010 through June, 2010 allocated among the  
35 cities and towns according to population.

36 B. The department of education shall notify each county treasurer on a  
37 monthly basis regarding the amount of monies to be distributed by the cities  
38 and towns in the county pursuant to subsection A of this section to each  
39 school district. The county treasurer shall apportion the monies to the  
40 school districts in the county in accordance with section 15-971, subsection  
41 C, Arizona Revised Statutes.



1 D. The board is exempt from the rule making requirements of title 41,  
2 chapter 6, Arizona Revised Statutes, for the purpose of raising fees pursuant  
3 to this section for a period of one year from the effective date of this act.

4 Sec. 32. Office of pest management; fees for providing  
5 services; increase; fiscal year 2009-2010; intent;  
6 appropriation; exemption from rule making

7 A. Notwithstanding any other law, the director of the office of pest  
8 management may raise fees in fiscal year 2009-2010 for services provided by  
9 the board.

10 B. It is the intent of the legislature that the additional revenue  
11 generated by the fee increases in subsection A shall not exceed \$875,000.

12 C. Monies generated from any fees raised pursuant to subsection A are  
13 appropriated to the office.

14 D. The office is exempt from the rule making requirements of title 41,  
15 chapter 6, Arizona Revised Statutes, for the purpose of raising fees pursuant  
16 to this section for a period of one year from the effective date of this act.

17 Sec. 33. Department of transportation; vehicle license tax;  
18 transfer

19 Notwithstanding any other law, the difference between the actual amount  
20 collected in fiscal year 2009-2010 as a result of a five-year registration  
21 period and the amount that would have been collected in fiscal year 2009-2010  
22 if those same vehicles had been registered for a two-year vehicle  
23 registration period authorized pursuant to section 28-2159, Arizona Revised  
24 Statutes, for distribution to the state highway fund pursuant to section  
25 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be  
26 deposited in the state general fund.

27 Sec. 34. Securities salesman and dealer fees; rule making;  
28 exemption

29 Notwithstanding section 44-1861, subsections A and D, Arizona Revised  
30 Statutes, as amended by this act, before December 31, 2009, the Arizona  
31 corporation commission may establish by order the annual registration fees  
32 for securities dealers and salesmen, as defined in section 44-1801, Arizona  
33 Revised Statutes, and the salesman transfer fee. The commission is exempt  
34 from the rule making requirements of title 41, chapter 6, Arizona Revised  
35 Statutes, for the purposes of setting each of the specified fees by order one  
36 time.

37 Sec. 35. Business reengineering/integrated tax system;  
38 operational support changes

39 A. Notwithstanding any other law, before executing any extension or  
40 modification of the current business reengineering/integrated tax system  
41 contract with a fiscal impact that increases the contractor's share of  
42 gain-sharing proceeds from state revenues during fiscal year 2009-2010, the  
43 department of revenue shall submit the proposed changes to the joint  
44 legislative budget committee for its review.

1 B. Notwithstanding any other law, the department of revenue may use up  
2 to \$2,000,000 of state general fund revenue deposits to pay business  
3 reengineering/integrated tax system operational support costs after review of  
4 an expenditure plan by the joint legislative budget committee.

5 Sec. 36. Department of revenue: unclaimed property auditors:  
6 appropriation

7 Notwithstanding any other law, including section 44-313, Arizona  
8 Revised Statutes, as amended by this act, if 12.5 per cent of the dollar  
9 value of the properties recovered by unclaimed property contract auditors  
10 exceeds \$1,770,000 in fiscal year 2009-2010, the excess amount shall be  
11 transferred from the state general fund to the department of revenue  
12 administrative fund and appropriated from the department of revenue  
13 administrative fund to the department of revenue for unclaimed property  
14 contract auditor fees.

15 Sec. 37. Development fees; use; fiscal year 2009-2010

16 Notwithstanding section 9-463.05, Arizona Revised Statutes, for fiscal  
17 year 2009-2010, a municipality may use general government, libraries, open  
18 space or park development fee revenues for general municipal operating  
19 expenses. The amount of development fee revenues used for general municipal  
20 operating expenses shall not exceed the amount of vehicle license tax monies  
21 distributed by the municipality to school districts pursuant to section 28 of  
22 this act, as computed by the county treasurer. The city or town shall not  
23 make any subsequent adjustment in the computation of its development fees to  
24 account for, compensate for or recover development fee revenues used for  
25 general municipal operating expenses pursuant to this section.

26 Sec. 38. Incumbent members of board of directors

27 Notwithstanding section 48-4202, subsection D, Arizona Revised  
28 Statutes, as amended by this act, incumbent members of a board of directors  
29 of a county stadium district organized pursuant to section 48-4202,  
30 subsection B, Arizona Revised Statutes, may continue to serve on the board  
31 for the remainder of their appointive terms, together with the new members  
32 appointed by the governor, president of the senate and speaker of the house  
33 of representatives as provided by this act.

34 Sec. 39. Conforming changes

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

38 Sec. 40. Effective date; retroactivity

39 A. Section 41-3506, Arizona Revised Statutes, as amended by this act,  
40 is effective from and after June 30, 2010.

41 B. Sections 10-122, 10-122.01, 41-3955, 44-313, 48-4203 and 48-4204,  
42 Arizona Revised Statutes, as amended by this act, and section 35 of this act,  
43 relating to the business reengineering/integrated tax system, apply  
44 retroactively to from and after June 30, 2009.