

REFERENCE TITLE: general revenues; budget reconciliation

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

HB 2007

Introduced by
Representatives Adams: McComish, Tobin, Yarbrough (with permission of
Committee on Rules)

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 42-15001, 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

1 proportion as the department deems necessary for the promotion and betterment
2 of county fair racing meetings. All expenditures from the fund shall be made
3 upon claims approved by the department. In order to be eligible for
4 distributions from the fund, a county fair association must provide the
5 department with an annual certification in the form required by the
6 department supporting expenditures made from the fund. Balances remaining in
7 the fund at the end of a fiscal year do not revert to the state general fund.

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

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

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

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

39 F. The Arizona breeders' award fund is established under the
40 jurisdiction of the department. The department shall distribute monies from
41 the fund to the breeder, or the breeder's heirs, devisees or successors, of
42 every winning horse or greyhound foaled or whelped in this state, as defined
43 by section 5-114, in a manner and in an amount established by rules of the

1 commission to protect the integrity of the racing industry and promote,
2 improve and advance the quality of race horse and greyhound breeding within
3 this state. The department may contract with a breeders' association to
4 provide data, statistics and other information necessary to enable the
5 department to carry out the purposes of this subsection. Persons who are not
6 eligible to be licensed under section 5-107.01 or persons who have been
7 refused licenses under section 5-108 are not eligible to participate in the
8 Arizona greyhound breeders' award fund. Balances remaining in the fund at
9 the end of a fiscal year do not revert to the state general fund. For the
10 purposes of this subsection, "breeder" means the owner or lessee of the dam
11 of the animal at the time the animal was foaled or whelped.

12 G. The Arizona stallion award fund is established under the
13 jurisdiction of the department to promote, improve and advance the quality of
14 stallions in this state. The department shall distribute monies from the
15 fund to the owner or lessee, or the owner's or lessee's heirs, devisees or
16 successors, of every Arizona stallion whose certified Arizona bred offspring,
17 as prescribed in section 5-114, finishes first, second or third in an
18 eligible race in this state. The department may contract with a breeders'
19 association to provide data, statistics and other information necessary to
20 enable the department to carry out the purposes of this subsection. Balances
21 remaining in the fund at the end of a fiscal year do not revert to the state
22 general fund. The commission shall adopt rules pursuant to title 41, chapter
23 6 to carry out the purposes of this subsection. The rules shall prescribe at
24 a minimum:

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

27 2. Subject to availability of monies in the fund, the amount to be
28 awarded.

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

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

33 H. The greyhound and retired racehorse adoption fund is established.
34 The department shall administer the fund and maintain separate accounts for
35 greyhound adoptions and retired racehorse adoptions. All revenues derived
36 from license fees collected from dog breeders, racing kennels and other
37 operations pursuant to section 5-104, subsection F, paragraphs 7, 8 and 9
38 shall be deposited, pursuant to sections 35-146 and 35-147, in the greyhound
39 adoption account of the fund. All revenues derived from retired racehorse
40 adoption surcharges collected pursuant to section 5-104, subsection G shall
41 be deposited, pursuant to sections 35-146 and 35-147, in the retired
42 racehorse adoption account of the fund. The department shall distribute
43 monies from the fund to provide financial assistance to nonprofit enterprises

1 approved by the commission to promote the adoption of former racing
2 greyhounds as domestic pets and to promote the adoption of retired racehorses
3 pursuant to section 5-104, subsection G in a manner and in an amount
4 established by rules of the commission. Balances remaining in the fund at
5 the end of a fiscal year do not revert to the state general fund.

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

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

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

19 5-522. Use of monies in state lottery fund; report

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

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

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

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

34 B. Of the monies remaining in the state lottery fund after the
35 appropriations authorized in subsection A of this section, up to a maximum of
36 twenty-three million dollars each fiscal year shall be deposited in the local
37 transportation assistance fund established by section 28-8101 and up to a
38 maximum of seven million six hundred fifty thousand dollars each fiscal year
39 shall be deposited in the county assistance fund established by section
40 41-175. Monies distributed pursuant to this subsection shall be in addition
41 to monies distributed pursuant to subsection A, paragraph 3 of this section.

42 C. Notwithstanding subsection B of this section, if the state lottery
43 director determines at the beginning of any fiscal year that monies available

1 to cities, towns and counties under this section may not equal thirty million
2 six hundred fifty thousand dollars, the director shall not authorize deposits
3 to the county assistance fund until the deposits to the local transportation
4 assistance fund equal twenty-three million dollars.

5 D. Of the monies remaining in the state lottery fund each fiscal year
6 after appropriations and deposits authorized in subsections A, B and C of
7 this section, ten million dollars shall be deposited in the Arizona state
8 parks board heritage fund established by section 41-502 and ten million
9 dollars shall be deposited in the Arizona game and fish commission heritage
10 fund established by section 17-297.

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

32 F. Notwithstanding subsection A, paragraph 3 of this section, if the
33 state lottery director determines that monies available to the state general
34 fund may not equal thirty-one million dollars in a fiscal year, the director
35 shall not authorize deposits to the local transportation assistance fund
36 pursuant to subsection A, paragraph 3 of this section until the deposits to
37 the state general fund equal thirty-one million dollars in a fiscal year.

38 G. Of the monies remaining in the state lottery fund each fiscal year
39 after appropriations and deposits authorized in subsections A through F of
40 this section, one million dollars or the remaining balance in the fund,
41 whichever is less, is appropriated to the department of economic security for
42 grants to nonprofit organizations, including faith based organizations, for
43 homeless emergency and transitional shelters and related support services.

1 The department of economic security shall submit a report on the amounts,
2 recipients, purposes and results of each grant to the governor, the speaker
3 of the house of representatives and the president of the senate on or before
4 December 31 of each year for the prior fiscal year and shall provide a copy
5 of this report to the secretary of state and the director of the Arizona
6 state library, archives and public records.

7 H. 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 G of this section, and after a total of
10 at least forty-six million four hundred ninety thousand dollars has been
11 deposited in the state general fund, the remaining balance in the state
12 lottery fund shall be deposited in the university capital improvement
13 lease-to-own and bond fund established by section 15-1682.03, up to a maximum
14 of eighty per cent of the total annual payments of lease-to-own and bond
15 agreements entered into by the Arizona board of regents.

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

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

27 ~~K. I.~~ I. All monies remaining in the state lottery fund after the
28 appropriations and deposits authorized in this section shall be deposited in
29 the state general fund.

30 ~~L. J.~~ J. Except for monies expended for prizes as provided in section
31 5-504, subsection G and section 41-1505.10, monies expended under subsection
32 A of this section are subject to legislative appropriation.

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

34 10-122. Filing, service and copying fees; expedited report
35 filing and access; same day and next day services;
36 posted wait times; advance monies; definition

37 A. The commission shall collect and deposit, pursuant to sections
38 35-146 and 35-147, the following nonrefundable fees when the documents
39 described in this subsection are delivered to the commission:

<u>Document</u>	<u>Fee</u>
40 1. Articles of incorporation	\$50
41 2. Application for use of indistinguishable name	10
42 3. Application for reserved name	10

1	4. Notice of transfer of reserved name	10
2	5. Application for registered name	10
3	6. Application for renewal of registered name	10
4	7. Agent's statement of resignation	10
5	8. Amendment of articles of incorporation	25
6	9. Restatement of articles of incorporation with	
7	amendment of articles	25
8	10. Articles of merger or share exchange	100
9	11. Articles of dissolution	25
10	12. Articles of domestication	100
11	13. Articles of revocation of dissolution	25
12	14. Application for reinstatement following	
13	administrative dissolution, in addition	
14	to other fees and penalties due	100
15	15. Application for authority	150
16	16. Application for withdrawal	25
17	17. Annual report	45
18	18. Articles of correction	25
19	19. Application for certificate of good standing	10
20	20. Any other document required or permitted	
21	to be filed by chapters 1 through 17	
22	of this title	25

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

27 C. The commission shall charge and collect a reasonable fee for
 28 copying documents on request, provided the fee does not exceed the cost of
 29 providing the service as determined by the commission. The commission shall
 30 also charge a reasonable fee for certifying the copy of a filed document,
 31 provided the fee does not exceed the cost of providing the service as
 32 determined by the commission.

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

39 E. One-third of the fees for the annual report of domestic and foreign
 40 corporations paid pursuant to subsection A, paragraph 17 of this section
 41 shall be deposited in the Arizona arts trust fund established by section
 42 41-983.01 **AND TWO-THIRDS OF THESE FEES SHALL BE DEPOSITED, PURSUANT TO**

1 SECTIONS 35-146 AND 35-147, IN THE PUBLIC ACCESS FUND ESTABLISHED BY SECTION
2 10-122.01.

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

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

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

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

15 (a) The same day and next day services shall not be offered unless all
16 expedited services filed pursuant to this title are processed within a
17 maximum of five business days and all other documents and services filed
18 pursuant to this title are processed within a maximum of thirty business
19 days.

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

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

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

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

35 H. Except as provided in section 10-122.01, subsection B, paragraph 3,
36 in addition to any fee charged pursuant to this section, the commission may
37 charge and collect the following nonrefundable fees to help defray the cost
38 of the improved data processing system that is maintained pursuant to section
39 10-122.01:

40 1. Filing articles of incorporation of a domestic corporation, ten
41 dollars.

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

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

4 J. Fees charged pursuant to this section are exempt from section
5 39-121.03, subsection A, paragraph 3.

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

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

13 Sec. 4. Section 10-122.01, Arizona Revised Statutes, is amended to
14 read:

15 10-122.01. Public access fund; purpose; exemption; money on
16 deposit account

17 A. A public access fund is established. The commission shall
18 administer the fund. The fund consists of monies received pursuant to:

- 19 1. Section 10-122, subsections E, F, G, H and K.
- 20 2. Section 10-3122, subsections I and K.
- 21 3. Section 29-851, subsections E and F.

22 B. Except as provided in subsection C of this section:

- 23 1. Monies in the fund are subject to legislative appropriation.
- 24 2. The commission shall spend monies in the fund for a part of the
25 general administrative and legal expenses of the commission and to purchase,
26 install and maintain an improved data processing system on the premises of
27 the commission. The data processing system shall be designed to allow direct
28 ~~on-line~~ ONLINE access by any person at a remote location to all public
29 records that are filed with the commission pursuant to this title and title
30 29, chapter 4.

31 3. When sufficient monies have been collected pursuant to section
32 10-122, subsections F, G and H, section 10-3122, subsection I and section
33 29-851, subsection E to pay for the purchase and installation of the data
34 processing system, the commission shall not charge and collect the fees
35 prescribed in section 10-122, subsection H or section 10-3122, subsection H.

36 4. Monies in the fund are exempt from the provisions of section 35-190
37 relating to lapsing of appropriations, except that any unencumbered monies in
38 excess of two hundred thousand dollars at the end of each fiscal year revert
39 to the state general fund.

40 C. The money on deposit account is established in the public access
41 fund as a separate account consisting of monies received pursuant to section
42 10-122, subsection K, section 10-3122, subsection K and section 29-851,
43 subsection F. Monies in the money on deposit account:

- 1 4. For taking each driving test for a:
- 2 (a) Class A driver license, twenty-five dollars.
- 3 (b) Class B driver license, twenty-five dollars.
- 4 (c) Class C driver license, twelve dollars fifty cents.
- 5 (d) Bus endorsement, five dollars.
- 6 5. For each application for an instruction permit under:
- 7 (a) Section 28-3154 or 28-3156, seven dollars.
- 8 (b) Section 28-3155, three dollars.
- 9 (c) Section 28-3225, class A, twenty-five dollars.
- 10 (d) Section 28-3225, class B, twenty-five dollars.
- 11 (e) Section 28-3225, class C, twelve dollars fifty cents.
- 12 6. For each renewal application, if a written examination is not
- 13 required, for a:
- 14 (a) Class A driver license and any endorsement, other than a hazardous
- 15 materials endorsement, to the license, fifteen dollars.
- 16 (b) Class B driver license and any endorsement, other than a hazardous
- 17 materials endorsement, to the license, fifteen dollars.
- 18 (c) Class C driver license and any endorsement, other than a hazardous
- 19 materials endorsement, to the license, ten dollars.
- 20 7. For each application for a duplicate of a driver license, ~~four~~
- 21 ~~dollars~~ AN AMOUNT DETERMINED BY THE DIRECTOR.
- 22 8. For each application for a duplicate of an instruction permit, two
- 23 dollars.
- 24 9. In addition to the fees prescribed in paragraph 2 and except as
- 25 provided in paragraph 11:
- 26 (a) For reinstatement of driving privileges after suspension or
- 27 disqualification, ten dollars.
- 28 (b) For reinstatement of driving privileges after revocation, twenty
- 29 dollars.
- 30 10. For each application for an extension by mail of a driver license,
- 31 five dollars.
- 32 11. In addition to the fees prescribed in paragraph 2, for
- 33 reinstatement of driving privileges that were suspended or denied pursuant to
- 34 section 28-1385 after completion of the suspension or revocation, fifty
- 35 dollars.
- 36 12. For vision screening tests of out-of-state drivers, five dollars.
- 37 13. For class D or M driver license skills tests for out-of-state
- 38 drivers, fifteen dollars.
- 39 B. Except as otherwise provided by statute, the director shall
- 40 immediately deposit, pursuant to sections 35-146 and 35-147, fees collected
- 41 under this section in the Arizona highway user revenue fund.
- 42 Sec. 6. Section 33-812, Arizona Revised Statutes, is amended to read:
- 43 33-812. Disposition of proceeds of sale

1 A. The trustee shall apply the proceeds of the trustee's sale in the
2 following order of priority:
3 1. To the costs and expenses of exercising the power of sale and the
4 sale, including the payment of the trustee's fees and reasonable attorney
5 fees actually incurred.
6 2. To the payment of the contract or contracts secured by the trust
7 deed.
8 3. To the payment of all other obligations provided in or secured by
9 the trust deed and actually paid by the beneficiary before the trustee's
10 sale.
11 4. To any condominium association or planned community association as
12 defined in ~~chapters~~ CHAPTER 9 or ~~10~~ 16 of this title ~~who~~ THAT had a
13 subordinate lien as provided by law, even if the trustee intends to deposit
14 the balance pursuant to subsection C of this section. The trustee may pay an
15 association's lien on receipt of a written claim and shall be discharged from
16 any liability for any payment made in good faith. The trustee may inquire as
17 to the existence of a lien if there is a recorded declaration on the property
18 without regard to whether a lien has been recorded. Any person who is an
19 applicant or respondent pursuant to subsection ~~G~~ H of this section may
20 require the condominium ASSOCIATION or planned community association to prove
21 its entitlement to any funds received from the trustee. An association that
22 demonstrates that the amount it received from the trustee was proper in all
23 material respects is entitled to an award of its reasonable attorney fees and
24 court costs against the applicant or respondent who contested the payment.
25 If the applicant or respondent against whom the association's award is
26 entered is entitled to excess proceeds of the sale, the award of attorney
27 fees and costs shall be payable from those excess proceeds.
28 5. To the junior lienholders or encumbrancers in order of their
29 priority as they existed at the time of the sale. After payment in full of
30 all sums due to all junior lienholders and encumbrancers as of the date of
31 the sale and excluding any postsale attorney fees, payment shall be made to
32 the trustor, except that if the trustor has sold or transferred the property
33 to another owner before the trustee's sale, payment shall be made to the
34 person who is the owner of record at the time of the trustee's sale.
35 B. After application of the proceeds pursuant to subsection A,
36 paragraphs 1, 2 and 3 of this section, if there are additional proceeds to be
37 distributed, the trustee, within fifteen days of the completion of the
38 trustee's sale, shall mail by first class mail and by certified or registered
39 mail, postage prepaid, a notice of any excess proceeds to the trustor as of
40 the date of the recording of the notice of sale. The trustee may deduct the
41 costs of mailing the notice of excess proceeds from the additional proceeds.
42 C. In the trustee's discretion and instead of any one or more of the
43 applications specified in subsection A of this section, the trustee may elect

1 to deposit the balance of the proceeds with the county treasurer in the
2 county in which the sale took place pending an order of the superior court in
3 the county. On deposit of the balance of the monies and after complying with
4 subsection D of this section, the trustee shall be discharged from all
5 responsibility for acts performed in good faith according to this chapter.
6 The county treasurer shall reject any deposit that does not comply with
7 subsection D of this section.

8 D. If the trustee elects to deposit the balance of the sale proceeds
9 as prescribed by subsection C of this section, the trustee as plaintiff shall
10 commence a civil action in the superior court in the county in which the sale
11 occurred. The action shall name the applicable county treasurer as the
12 defendant, but the county treasurer has no obligation to respond to the
13 complaint or appear in the action. The trustee shall mail by certified or
14 registered mail, with postage prepaid, a conformed copy of the complaint that
15 displays the filing stamp of the court clerk to the county treasurer and all
16 persons, other than the beneficiary, who are entitled to notice pursuant to
17 section 33-809 and to any other person known by the trustee to have an
18 interest of record in the property at the time of the sale. The trustee
19 shall incorporate in or attach to the complaint:

20 1. A copy of any one of the following:

21 (a) The trustee sale guarantee and all amendments or endorsements
22 obtained by the trustee.

23 (b) The title search used by the trustee in connection with the
24 trustee's sale of the subject property and all amendments or endorsements
25 obtained by the trustee.

26 (c) A detailed description of the liens and encumbrances used by the
27 trustee in connection with the trustee's sale of the property.

28 2. A copy of the list of the persons and each of the addresses to
29 which the complaint will be mailed.

30 3. A detailed description of any disbursements made by the trustee
31 pursuant to this section.

32 4. A narrative description of the liens and encumbrances as shown in
33 the trustee's sale guarantee, title report or detailed description, including
34 an analysis of the apparent priority of potential claimants. The trustee
35 shall not be liable for any error in the narrative description or analysis.

36 E. The trustee may withhold from the proceeds of the sale a reasonable
37 trustee's fee and reasonable attorney fees actually incurred and the costs of
38 filing the complaint, depositing the proceeds and mailing the notices.

39 F. Upon filing the complaint, the trustee as plaintiff is discharged
40 without prejudice from the proceedings.

41 G. Any person with a recorded or other legal interest in the property
42 at the time of the sale may apply for the release of the proceeds by filing
43 an application for distribution in the civil action that was filed by the

1 trustee pursuant to subsection D of this section. The applicant shall mail
2 postage prepaid by any form of mail that requires a signed and returned
3 receipt a copy of the application to the county treasurer and all persons at
4 each of the addresses named on the list of persons that is incorporated in or
5 attached to the complaint. On return of the signed receipt or the
6 undelivered or unclaimed original envelope, the applicant shall file with the
7 court an affidavit that states that the application was mailed to the person
8 and that the application was either:

9 1. Received, as evidenced by the receipt. The applicant shall attach
10 to the affidavit a copy of the receipt.

11 2. Not received, as evidenced by the returned envelope. The applicant
12 shall attach to the affidavit a copy of the original unopened and undelivered
13 or unclaimed returned envelope.

14 H. Any person who receives the application or who claims a right to
15 the proceeds may file a response to the application within thirty days of the
16 mailing of the application. The person filing a response shall mail a copy
17 of the response to each applicant. Within ten calendar days from the date
18 the response is mailed, an applicant may file with the clerk and mail to each
19 respondent a reply to the response. On expiration of the time for filing a
20 reply, an applicant shall provide the court with postage prepaid business
21 envelopes that are addressed to all persons who are entitled to receive
22 copies of the complaint pursuant to subsection D of this section. If an
23 association with a claim is not paid by the trustee pursuant to subsection A,
24 paragraph 4 of this section and is required to file an application or
25 response pursuant to this subsection in order to recover proceeds, the
26 association may request from the excess proceeds of the sale an award of its
27 reasonable attorney fees and costs incurred.

28 I. Except as provided in subsection L of this section, the court shall
29 issue an order to the county treasurer to release the proceeds deposited with
30 the county treasurer to the party entitled to receive them after applying the
31 priorities prescribed by subsection A of this section. On notice to all
32 persons who have received a copy of the complaint or who have filed a
33 responsive pleading, the court may, and if there are competing claims to the
34 proceeds, the court shall, hold a hearing to determine entitlement to the
35 proceeds. Every applicant or respondent shall acknowledge the existence of
36 any apparent lien, encumbrance or interest that could have priority over the
37 applicant or respondent. If the court finds that a person other than an
38 applicant or respondent has a superior right to receive the proceeds, the
39 court shall not issue an order on the proceeds until one hundred eighty days
40 from the date the complaint was filed. At any time before the expiration of
41 the one hundred eighty day period, an applicant or respondent may move for a
42 hearing to determine whether the claimed superior right is valid or
43 enforceable and whether the claim is entitled to receive priority over the

1 claim of the applicant or respondent. The motion shall set forth the
2 specific facts and evidence that support the applicant's or respondent's
3 position and shall be mailed to all persons who have received a copy of the
4 complaint or filed a responsive pleading. If a response is not filed within
5 the one hundred eighty day period by the person found by the court to have a
6 superior right to receive the proceeds, the court shall enter an order in
7 favor of any applicant or respondent entitled to the proceeds. On release of
8 the proceeds, the county treasurer may assess and deduct from the proceeds a
9 reasonable fee not to exceed one hundred dollars for the treasurer's costs
10 associated with the civil action.

11 J. Within ninety days after completion of the sale, the trustee shall
12 apply the proceeds of the sale pursuant to subsection A of this section or
13 shall deposit the proceeds with the treasurer pursuant to subsection C of
14 this section. If the trustee fails to comply with this subsection, the
15 trustee forfeits any entitlement to the fees and costs prescribed in
16 subsection ~~D~~ E of this section and shall pay interest at the rate provided
17 for judgments pursuant to section 44-1201 from the date of completion of the
18 sale until the trustee complies with this subsection. Any person with a
19 recorded or other legal interest in the property at the time of the sale may
20 commence a civil action against the trustee for the trustee's failure to
21 comply with this subsection. The court may award the prevailing party its
22 reasonable attorney fees and costs incurred in that civil action.

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

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

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

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

41 O. A claimant may enter into an agreement with a third party to pay
42 for the recovery of or for assistance in the recovery of excess proceeds on
43 deposit with the county treasurer. The agreement shall be in writing, signed

1 by the claimant, and the claimant's signature shall be acknowledged by a
2 notary public or other person authorized to accept an acknowledgment pursuant
3 to section 33-511. Any agreement entered into before the expiration of
4 thirty days after the date the trustee's sale was held, but not including the
5 date of the sale, is void and unenforceable. Any fee or payment provided for
6 in an agreement shall be reasonable. The fee or payment shall be presumed to
7 be unreasonable and the obligation to pay the fee or payment is unenforceable
8 if the fee or payment agreed on exceeds two thousand five hundred dollars
9 excluding attorney fees and the costs of filing the claim and providing the
10 statutorily required notices. Any person seeking a fee or payment exceeding
11 two thousand five hundred dollars may apply to the court for additional
12 compensation but the person has the burden of establishing that the
13 additional compensation is reasonable under the circumstances. This
14 subsection does not preclude a claimant from contesting the reasonableness of
15 any fee or payment that is provided for in an agreement for the recovery of
16 or for assistance in the recovery of excess proceeds.

17 Sec. 7. Section 41-3506, Arizona Revised Statutes, is amended to read:

18 41-3506. State web portal fund; exemption

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

22 1. Monies appropriated to the fund by the legislature.

23 2. Any web portal usage fees collected under any agreement between
24 this state and an independent contractor providing services for the common
25 web portal ~~less the contractor's price of maintaining and operating the web~~
26 ~~portal.~~

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

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

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

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

36 Sec. 8. Section 41-3955, Arizona Revised Statutes, is amended to read:

37 41-3955. Housing trust fund; purpose

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

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

4 C. Fund monies shall be spent on approval of the department for
5 developing projects and programs connected with providing housing
6 opportunities for low and moderate income households and for housing
7 affordability and Arizona housing finance authority programs. Pursuant to
8 section 44-313, subsection A, a portion of fund monies shall be used
9 exclusively for housing in rural areas.

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

14 E. The director shall report annually to the legislature on the status
15 of the housing trust fund. The report shall include a summary of facilities
16 for which funding was provided during the preceding fiscal year and shall
17 show the cost and geographic location of each facility and the number of
18 individuals benefiting from the operation, construction or renovation of the
19 facility. The report shall be submitted to the president of the senate and
20 the speaker of the house of representatives no later than September 1 of each
21 year.

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

24 G. An amount not to exceed ten per cent of the housing trust fund
25 monies may be appropriated annually by the legislature to the department for
26 administrative costs in providing services relating to the housing trust
27 fund.

28 H. For any construction project financed by the department pursuant to
29 this section, the department shall notify a city, town, county or tribal
30 government that a project is planned for its jurisdiction and, before
31 proceeding, shall seek comment from the governing body of the city, town,
32 county or tribal government or an official authorized by the governing body
33 of the city, town, county or tribal government. The department shall not
34 interfere with or attempt to override the local jurisdiction's planning,
35 zoning or land use regulations.

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

38 42-1116.01. Department of revenue administrative fund

39 A. THE DEPARTMENT OF REVENUE ADMINISTRATIVE FUND IS ESTABLISHED
40 CONSISTING OF MONIES FROM UNCLAIMED PROPERTY DEPOSITED IN THE FUND PURSUANT
41 TO SECTION 44-313.

1 B. THE DIRECTOR SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
2 EXEMPT FROM THE PROVISIONS OF SECTION 35-130 RELATING TO LAPSING OF
3 APPROPRIATIONS.

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

6 Sec. 10. Section 42-15001, Arizona Revised Statutes, is amended to
7 read:

8 42-15001. Assessed valuation of class one property

9 The assessed valuation of class one property described in section
10 42-12001 is:

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

15 ~~1-~~ (a) Twenty-five per cent through December 31, 2005.

16 ~~2-~~ (b) Twenty-four and one-half per cent beginning from and after
17 December 31, 2005 through December 31, 2006.

18 ~~3-~~ (c) Twenty-four per cent beginning from and after December 31,
19 2006 through December 31, 2007.

20 ~~4-~~ (d) Twenty-three per cent beginning from and after December 31,
21 2007 through December 31, 2008.

22 ~~5-~~ (e) Twenty-two per cent beginning from and after December 31, 2008
23 through December 31, 2009.

24 ~~6-~~ (f) Twenty-one per cent beginning from and after December 31, 2009
25 through December 31, 2010.

26 ~~7-~~ (g) Twenty per cent beginning from and after December 31, 2010.

27 2. FOR TAX YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2011, FOR THE
28 PURPOSES OF ASSESSING SECONDARY PROPERTY TAXES LEVIED BY COUNTIES, CITIES,
29 TOWNS, COMMUNITY COLLEGE DISTRICTS AND SCHOOL DISTRICTS FOR THE PAYMENT OF
30 PRINCIPAL, INTEREST AND REDEMPTION CHARGES ON BONDED INDEBTEDNESS OR OTHER
31 LAWFUL LONG-TERM OBLIGATIONS AUTHORIZED BY THE VOTERS FROM AND AFTER DECEMBER
32 31, 2011 AND FOR THE PAYMENT OF COSTS APPROVED BY AN OVERRIDE ELECTION HELD
33 FROM AND AFTER DECEMBER 31, 2011, SIXTEEN PER CENT. THE ASSESSED VALUATION
34 DETERMINED PURSUANT TO THIS PARAGRAPH DOES NOT APPLY FOR THE PURPOSES OF
35 COMPUTING DEBT LIMITATIONS PURSUANT TO ARTICLE IX, SECTIONS 8 AND 8.1,
36 CONSTITUTION OF ARIZONA, OR THE LIMITATION ON CLASS B BONDED INDEBTEDNESS
37 PURSUANT TO SECTION 15-1021.

38 Sec. 11. Section 43-1095, Arizona Revised Statutes, is amended to
39 read:

40 43-1095. Taxable income of a nonresident

41 A. In computing Arizona taxable income a nonresident, except a member
42 of the armed forces, shall be allowed that percentage of the exemptions set

1 forth in section 43-1043 which his Arizona gross income is of his federal
2 adjusted gross income.

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

7 Sec. 12. Section 44-302, Arizona Revised Statutes, is amended to read:
8 44-302. Presumptions of abandonment

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

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

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

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

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

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

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

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

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

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

40 7. An amount owed by an insurance company on a life or endowment
41 insurance policy or an annuity that has matured or terminated is presumed
42 abandoned ~~five~~ THREE years after the obligation to pay arose or, in the case
43 of a policy or annuity that is payable on proof of death, the amount is

1 presumed abandoned ~~two-years~~ ONE YEAR after the insured has attained, or
2 would have attained if the insured were living, the limiting age under the
3 mortality table on which the reserve is based. For the purposes of this
4 paragraph all of the following conditions apply:

5 (a) If a person other than the insured or annuitant is entitled to the
6 owed amount and the person's address is not known to the company or it is not
7 definite and certain from the records of the company who is entitled to the
8 amount, it is presumed that the last known address of the person who is
9 entitled to the amount is the same as the last known address of the insured
10 or annuitant according to the company's records.

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

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

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

21 (ii) The address of each beneficiary.

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

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

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

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

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

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

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

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

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

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

18 (a) The date of the distribution or attempted distribution of the
19 property.

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

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

25 14. Any amount that is payable on a check, draft or similar instrument
26 on which a financial organization or business association is directly liable,
27 including a cashier's check and a certified check, and that has been
28 outstanding for more than ~~five~~ THREE years after the check, draft or similar
29 instrument was payable or after issuance if payable on demand is presumed
30 abandoned unless within ~~five~~ THREE years the owner has communicated in
31 writing with the financial organization or business association concerning
32 the check, draft or similar instrument or otherwise indicated an interest as
33 evidenced by a memorandum or any other record on file and prepared by an
34 employee of the financial organization or business association.

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

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

42 17. Any dividend, profit, distribution, interest, redemption, payment
43 on principal or other sum held or owing by a business association for or to

1 its shareholder, certificate holder, member, bondholder or other security
2 holder who has not claimed it, or corresponded in writing with the business
3 association concerning it, is presumed abandoned ~~three~~ TWO years after the
4 date prescribed for payment or delivery.

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

9 C. Property is unclaimed if, for the applicable period prescribed in
10 subsection A of this section, the apparent owner has not communicated in
11 writing with the holder or communicated by other means reflected in a
12 contemporaneous record that is prepared by or on behalf of the holder and
13 that concerns the property or the account or accounts in which the property
14 is held and has not otherwise indicated an interest in the property and if
15 the holder has not communicated in writing with regard to the property that
16 would otherwise be unclaimed. A communication with an owner by a person
17 other than the holder or the holder's representative who has not identified
18 the property in writing to the owner is not an indication of interest in the
19 property by the owner.

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

21 1. The presentment of any check or other instrument of payment of any
22 dividend or other distribution that is made with respect to any account,
23 underlying stock or other interest in a business association or financial
24 organization. If the distribution is made by electronic or similar means an
25 indication of an owner's interest includes evidence that the distribution has
26 been received.

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

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

31 4. The payment of a premium with respect to a property interest in an
32 insurance policy. The application of an automatic premium loan provision or
33 any other nonforfeiture provision in an insurance policy does not prevent a
34 policy from maturing or terminating if the insured has died or if the insured
35 or the beneficiary of the policy has otherwise become entitled to the
36 proceeds before the depletion of the cash surrender value of a policy by the
37 application of those provisions.

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

1 Sec. 13. Section 44-313, Arizona Revised Statutes, is amended to read:

2 44-313. Deposit of monies

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

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

10 ~~2. Twenty per cent of the monies shall be deposited in the housing~~
11 ~~trust fund established by section 41-3955. These monies shall be used~~
12 ~~exclusively for the development of eligible and viable housing in rural areas~~
13 ~~and for the purposes authorized under the housing development fund~~
14 ~~established by section 41-3956.~~

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

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

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

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

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

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

33 E. Before making the deposit, the department shall record the name and
34 last known address of each person who appears from the holders' reports to be
35 entitled to the property and the name and last known address of each insured
36 person or annuitant and beneficiary. The department shall also record the
37 policy or contract number of each policy or contract of an insurance company
38 that is listed in the report, the name of the company and the amount due.
39 The department shall make the record available for public inspection during
40 reasonable business hours.

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

- 1 ~~1. Any costs in connection with the sale of abandoned property.~~
- 2 ~~2. Costs of mailing and publication in connection with any abandoned~~
- 3 ~~property.~~
- 4 ~~3. Reasonable department service charges.~~
- 5 ~~4. Costs incurred in examining records of holders of property and in~~
- 6 ~~collecting the property from those holders.~~
- 7 ~~5. Lawful holder charges.~~
- 8 ~~6. For the purposes of this section, "rural area" means either:~~
- 9 ~~1. A county with a population of less than four hundred thousand~~
- 10 ~~persons.~~
- 11 ~~2. A census county division with less than fifty thousand persons in a~~
- 12 ~~county with a population of four hundred thousand or more persons.~~

13 Sec. 14. Section 44-1861, Arizona Revised Statutes, is amended to
14 read:

15 44-1861. Fees; deposit; abandonment

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

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

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

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

28 C. For registration of securities by description, there shall be paid
29 to the commission a nonrefundable registration fee of one-tenth of one per
30 cent of the aggregate offering price of the securities ~~which~~ THAT are to be
31 sold in this state, but in no event shall the registration fee be less than
32 two hundred dollars nor more than two thousand dollars. The amount by which
33 a registration fee exceeds one thousand five hundred dollars shall be
34 allocated to the commerce and economic development commission fund
35 established by section 41-1505.10.

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

1 E. The initial filing of a form required for safe harbor exemptions
2 provided for in the securities act of 1933 (15 United States Code section
3 77(a) et seq.) pursuant to the rules of the commission shall be accompanied
4 by a filing fee of two hundred fifty dollars, of which fifty dollars shall be
5 allocated to the commerce and economic development commission fund
6 established by section 41-1505.10. The final filing of the form, if separate
7 from the initial filing, shall be accompanied by a filing fee of one hundred
8 dollars that is allocated to the commerce and economic development commission
9 fund established by section 41-1505.10.

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

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

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

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

21 J. An issuer who sells securities in this state in excess of the
22 aggregate amount of securities registered in this state ~~may~~, while ~~such~~ **THE**
23 registration is still effective, **MAY** apply to register the excess securities
24 by paying three times the difference between the initial registration fee
25 paid and the registration fee required under subsection C of this section or
26 section 44-1892, paragraph 3. Registration of the excess securities, if
27 granted, is effective retroactively to the date of the existing registration.

28 K. An application for registration of securities or registration of a
29 dealer or salesman or an incomplete notice filing is deemed abandoned if
30 both:

31 1. The application or notice filing has been on file with the
32 commission for at least six months or the applicant or notice filer has
33 failed to respond to a request for information for at least two months after
34 the date of the request.

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

38 L. The commission shall retain fees collected in connection with
39 abandoned applications or notice filings for deposit in the state general
40 fund.

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

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

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

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

17 Sec. 15. Section 44-2039, Arizona Revised Statutes, is amended to
18 read:

19 44-2039. Securities regulatory and enforcement fund; purpose

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

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

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

34 Sec. 16. Section 48-4202, Arizona Revised Statutes, is amended to
35 read:

36 48-4202. Formation of district

37 A. The board of supervisors of each county having a population of more
38 than one million five hundred thousand persons according to the most recent
39 United States decennial census or any county in which a major league baseball
40 organization has established or seeks to establish a spring training
41 operation may organize a countywide district to include both the incorporated
42 and unincorporated areas of the county, if the board determines that the

1 public convenience, necessity or welfare will be promoted by establishing the
2 district.

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

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

21 D. The board of directors of a district established under subsection B
22 of this section shall consist of: ~~two members appointed for a definite term~~
23 ~~by the governing body of each municipality but may not include officers or~~
24 ~~employees of the municipality, and if the district enters into an~~
25 ~~intergovernmental agreement pursuant to section 48-4203 with an Indian tribe~~
26 ~~or community, the board of directors shall include two members appointed by~~
27 ~~the Indian tribe or community.~~

28 1. FIVE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR, AT LEAST THREE OF
29 WHOM MUST RESIDE IN THE MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED AND
30 EACH OF WHOM MUST HAVE EXPERIENCE IN COMMERCIAL REAL ESTATE, CONSTRUCTION,
31 REDEVELOPMENT, REAL ESTATE LAW, ARCHITECTURE, ECONOMIC DEVELOPMENT OR
32 COMMERCIAL OR PUBLIC FINANCE. THE GOVERNOR MAY RECEIVE NOMINATIONS FOR
33 APPOINTMENT FROM ANY INTERESTED ORGANIZATION OR PERSON. MEMBERS APPOINTED BY
34 THE GOVERNOR SERVE AT THE PLEASURE OF THE GOVERNOR.

35 2. TWO MEMBERS WHO ARE APPOINTED BY THE PRESIDENT OF THE SENATE, AT
36 LEAST ONE OF WHOM MUST RESIDE IN THE MUNICIPALITY IN WHICH THE DISTRICT IS
37 LOCATED. THE MEMBERS APPOINTED BY THE PRESIDENT SERVE AT THE PLEASURE OF THE
38 PRESIDENT.

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

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

4 ~~D.~~ F. The board of supervisors may pay the necessary costs incurred
5 in connection with establishing a countywide district from any county monies
6 available for that purpose. The municipalities may pay their proportionate
7 share of the necessary costs incurred in establishing a district formed by
8 two or more municipalities under subsection B of this section from any monies
9 available for that purpose.

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

18 Sec. 17. Section 48-4203, Arizona Revised Statutes, is amended to
19 read:

20 48-4203. Powers and duties of board of directors; conflict of
21 interest

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

23 1. Adopt and use a corporate seal.

24 2. Sue and be sued.

25 3. Enter into contracts, including intergovernmental agreements under
26 title 11, chapter 7, article 3, as necessary to carry out the purposes and
27 requirements of this chapter. The district may contract with a county sports
28 authority established under title 11, chapter 5 to carry out any power of the
29 district.

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

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

34 6. Employ an executive director and administrative and clerical
35 employees, or contract for other management personnel, and prescribe the
36 terms and conditions of their employment as necessary to carry out the
37 purposes of the district.

38 7. Acquire by any lawful means and operate, maintain, encumber and
39 dispose of real and personal property and interests in property. A district
40 established under section 48-4202, subsection A may acquire real property by
41 eminent domain. A district established under section 48-4202, subsection B
42 shall not acquire real property by eminent domain.

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

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

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

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

12 2. Enter into agreements with developers, contractors, tenants and
13 other users of all or part of a multipurpose facility as determined
14 appropriate.

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

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

22 1. PRESENTATIONS TO THE GOVERNING BODIES OF THE MUNICIPALITIES IN THE
23 COUNTY IN WHICH THE DISTRICT IS LOCATED.

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

25 3. PRINTED OR ELECTRONIC MATERIALS THAT SUPPORT THE PURPOSES OF THIS
26 SUBSECTION.

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

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

39 2. Keep and maintain a complete and accurate record of all its
40 proceedings. All proceedings and records of the board shall be open to the
41 public as required by title 38, chapter 3, article 3.1 and title 39,
42 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. 18. 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

1 publicly owned, EXCEPT THAT MONIES PAID TO THE DISTRICT PURSUANT TO SECTION
2 42-5031 MAY ONLY BE USED FOR THE FOLLOWING PURPOSES UNTIL A NOTICE TO PROCEED
3 IS ISSUED FOR A HOTEL AND CONVENTION CENTER LOCATED ON THE MULTIPURPOSE
4 FACILITY SITE:

5 1. DEBT SERVICE FOR BONDS ISSUED BY THE DISTRICT BEFORE JANUARY 1,
6 2009.

7 2. CONTRACTUAL OBLIGATIONS INCURRED BY THE DISTRICT BEFORE JUNE 1,
8 2009.

9 3. FIDUCIARY, LEGAL AND ADMINISTRATIVE EXPENSES OF THE DISTRICT.

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

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

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

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

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

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

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

1 Sec. 19. 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 Sec. 20. Title 48, chapter 26, article 2, Arizona Revised Statutes, is
2 amended by adding sections 48-4231.01 and 48-4231.02, to read:

3 48-4231.01. Financial and performance audits of districts
4 owning multipurpose facilities: appearance before
5 joint committee on capital review

6 A. BEGINNING IN 2010 AND EVERY THREE YEARS THEREAFTER, THE AUDITOR
7 GENERAL SHALL CONTRACT WITH AN INDEPENDENT AUDITOR TO CONDUCT A PERFORMANCE
8 AUDIT AS DEFINED IN SECTION 41-1278, INCLUDING A FINANCIAL AUDIT, OF EACH
9 DISTRICT ORGANIZED UNDER SECTION 48-4202, SUBSECTION B. THE INDEPENDENT
10 AUDITOR MUST HAVE NATIONAL STATUS WITH EXPERTISE IN EVALUATING PUBLIC
11 CONSTRUCTION, OWNERSHIP AND MANAGEMENT OF CAPITAL IMPROVEMENTS THAT INCLUDE
12 HOSPITALITY, CONVENTION AND SPORTS VENUE FACILITIES. THE AUDIT MUST BE
13 COMPLETED WITHIN ONE HUNDRED TWENTY DAYS AFTER THE END OF THE FISCAL YEAR.

14 B. THE AUDIT SHALL INCLUDE CONSIDERATION OF:

15 1. CAPITAL COSTS, INCLUDING DEBT SERVICE, OF THE MULTIPURPOSE FACILITY
16 AND OTHER ASSETS OF THE DISTRICT.

17 2. THE LEVEL OF THE DISTRICT'S INDEBTEDNESS, THE AMOUNT OF PRINCIPAL,
18 INTEREST AND OTHER DEBT SERVICE EXPENSES PAID IN THE PRECEDING FISCAL YEAR
19 AND THE REMAINING TERM TO MATURITY WITH RESPECT TO EACH OUTSTANDING BOND
20 ISSUE.

21 3. OPERATION AND MAINTENANCE COSTS OF THE MULTIPURPOSE FACILITY AND
22 OTHER ASSETS OF THE DISTRICT.

23 4. THE DISTRICT'S OVERALL EXPENDITURES IN THE PRECEDING FISCAL YEAR,
24 INCLUDING:

25 (a) THE LEVEL OF EXPENSES FOR ADMINISTRATION, PLANNING, TRAVEL AND
26 ENTERTAINMENT.

27 (b) THE SUCCESS OF THOSE EXPENDITURES IN SUPPORTING AND ACHIEVING THE
28 DISTRICT'S PURPOSES.

29 5. A DESCRIPTION OF AND THE AMOUNT OF MUNICIPAL PAYMENTS PURSUANT TO
30 SECTION 42-5031, SUBSECTION D DURING THE PRECEDING FISCAL YEAR AND THE
31 CUMULATIVE AMOUNT OF THOSE PAYMENTS THROUGH THE END OF THE PRECEDING FISCAL
32 YEAR.

33 6. THE PUBLIC USE OF EACH COMPONENT OF THE MULTIPURPOSE FACILITY.

34 7. REVENUES DERIVED FROM EACH COMPONENT OF THE MULTIPURPOSE FACILITY
35 AND OTHER REVENUES OF THE DISTRICT BY SOURCE.

36 8. DISTRICT PROJECTS THAT ARE CURRENTLY UNDER CONSTRUCTION AND THAT
37 ARE INCLUDED IN THE DISTRICT'S PLANS FOR CAPITAL IMPROVEMENTS AND INVESTMENT.

38 C. THE AUDIT SHALL MAKE FINDINGS AND RECOMMENDATIONS REGARDING THE
39 CONSTRUCTION, FINANCING, OPERATION AND MAINTENANCE OF EACH COMPONENT OF THE
40 MULTIPURPOSE FACILITY, INCLUDING WHETHER THE FACILITY EXCEEDS, MEETS OR FAILS
41 TO MEET NATIONALLY RECOGNIZED DESIGN AND PERFORMANCE STANDARDS.

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

1 Sec. 27. Vehicle license taxes; fiscal year 2009-2010;
2 distributions by cities and towns to school
3 districts

4 A. In fiscal year 2009-2010, cities and towns that receive vehicle
5 license tax monies pursuant to section 28-5808, subsection A, paragraph 2,
6 subdivision (c) and subsection B, paragraph 2, subdivision (c), Arizona
7 Revised Statutes, shall distribute a portion of those monies as computed by
8 the county treasurer to local school districts. The total amount of monies
9 to be distributed pursuant to this section by all cities and towns in fiscal
10 year 2009-2010 shall be \$22,000,000, payable in equal monthly installments of
11 \$3,666,667 beginning in January, 2010 through June, 2010 allocated among the
12 cities and towns according to population.

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

19 Sec. 28. County transfers; fiscal year 2009-2010; county
20 expenditure limitations

21 A. Notwithstanding any other law, in fiscal year 2009-2010, each
22 county with a population of two million or more persons shall transfer
23 \$19,014,600 and each county with a population of more than eight hundred
24 thousand persons but less than two million persons shall transfer \$2,985,400
25 to the state treasurer for deposit in the state general fund.

26 B. Notwithstanding any other law, a county may meet any statutory
27 funding requirements of this section from any source of county revenue
28 designated by the county, including funds of any countywide special taxing
29 district in which the board of supervisors serves as the board of directors.

30 C. Contributions made pursuant to this section are excluded from the
31 county expenditure limitations.

32 Sec. 29. Continuing fee increases; appropriations; exemption
33 from rule making

34 A. Notwithstanding section 21 of this act, the department of health
35 services, the radiation regulatory agency and, subject to subsection E of
36 this section, the state land department may continue fee increases pursuant
37 to Laws 2008, chapter 291, section 12.

38 B. It is the intent of the legislature that the additional revenue
39 generated by the fee increases shall not exceed the amounts listed below:

- | | |
|---|------------|
| 40 1. Department of health services | \$600,000. |
| 41 2. State land department | \$600,000. |
| 42 3. Radiation regulatory agency | \$500,000. |

1 C. Monies generated from any fees raised pursuant to subsection A of
2 this section are appropriated to the respective agencies.

3 D. The agencies described in subsection A of this section are exempt
4 from the rule making requirements of title 41, chapter 6, Arizona Revised
5 Statutes, for the purpose of raising fees pursuant to this section for a
6 period of one year from the effective date of this act.

7 E. The state land department may not increase a fee pursuant to
8 subsection A of this section for a recreational permit issued by the
9 department.

10 Sec. 30. Board of examiners of nursing care institution
11 administrators and assisted living facility
12 managers; fees for providing services; increase;
13 fiscal year 2009-2010; intent; appropriation;
14 exemption from rule making

15 A. Notwithstanding any other law, the board of examiners of nursing
16 care institution administrators and assisted living facility managers may
17 raise fees in fiscal year 2009-2010 for services provided by the board.

18 B. It is the intent of the legislature that the additional revenue
19 generated by the fee increases in subsection A shall not exceed \$85,000.

20 C. Monies generated from any fees raised pursuant to subsection A are
21 appropriated to the board.

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

25 Sec. 31. Office of pest management; fees for providing
26 services; increase; fiscal year 2009-2010; intent;
27 appropriation; exemption from rule making

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

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

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

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

38 Sec. 32. Department of transportation; vehicle license tax;
39 transfer

40 Notwithstanding any other law, the difference between the actual amount
41 collected in fiscal year 2009-2010 as a result of a five-year registration
42 period and the amount that would have been collected in fiscal year 2009-2010
43 if those same vehicles had been registered for a two-year vehicle

1 registration period authorized pursuant to section 28-2159, Arizona Revised
2 Statutes, for distribution to the state highway fund pursuant to section
3 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be
4 deposited in the state general fund.

5 Sec. 33. Securities salesman and dealer fees; rule making;
6 exemption

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

15 Sec. 34. Business reengineering/integrated tax system;
16 operational support changes

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

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

27 Sec. 35. Department of revenue; unclaimed property auditors;
28 appropriation

29 Notwithstanding any other law, including section 44-313, Arizona
30 Revised Statutes, as amended by this act, if 12.5 per cent of the dollar
31 value of the properties recovered by unclaimed property contract auditors
32 exceeds \$1,770,000 in fiscal year 2009-2010, the excess amount shall be
33 transferred from the state general fund to the department of revenue
34 administrative fund and appropriated from the department of revenue
35 administrative fund to the department of revenue for unclaimed property
36 contract auditor fees.

37 Sec. 36. Development fees; use; fiscal year 2009-2010

38 Notwithstanding section 9-463.05, Arizona Revised Statutes, for fiscal
39 year 2009-2010, a municipality may use general government, libraries, open
40 space or park development fee revenues for general municipal operating
41 expenses. The amount of development fee revenues used for general municipal
42 operating expenses shall not exceed the amount of vehicle license tax monies
43 distributed by the municipality to school districts pursuant to section 27 of

1 this act, as computed by the county treasurer. The city or town shall not
2 make any subsequent adjustment in the computation of its development fees to
3 account for, compensate for or recover development fee revenues used for
4 general municipal operating expenses pursuant to this section.

5 Sec. 37. Incumbent members of board of directors

6 Notwithstanding section 48-4202, subsection D, Arizona Revised
7 Statutes, as amended by this act, incumbent members of a board of directors
8 of a county stadium district organized pursuant to section 48-4202,
9 subsection B, Arizona Revised Statutes, may continue to serve on the board
10 for the remainder of their appointive terms, together with the new members
11 appointed by the governor, president of the senate and speaker of the house
12 of representatives as provided by this act.

13 Sec. 38. Conforming changes

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

17 Sec. 39. Effective date; retroactivity

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

20 B. Sections 10-122, 10-122.01, 41-3955, 44-313, 48-4203 and 48-4204,
21 Arizona Revised Statutes, as amended by this act, and section 34 of this act,
22 relating to the business reengineering/integrated tax system, apply
23 retroactively to from and after June 30, 2009.