

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

HOUSE BILL 2007

AN ACT

AMENDING SECTIONS 5-113, 5-522, 10-122 AND 10-122.01, ARIZONA REVISED STATUTES; REPEALING SECTION 15-994, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-3002, 33-812, 41-1276, 41-3506 AND 41-3955, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 1, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-1116.01; AMENDING SECTIONS 42-5031, 42-15001, 43-1011, 43-1095, 43-1111, 44-302, 44-313, 44-1861, 44-2039, 48-4202, 48-4203, 48-4204 AND 48-4231, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 26, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 48-4231.01 AND 48-4231.02; REPEALING LAWS 2008, CHAPTER 291, SECTION 12; MAKING APPROPRIATIONS; RELATING TO REVENUE BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1 (b) Class B driver license and any endorsement, other than a hazardous
2 materials endorsement, to the license, fifteen dollars.
- 3 (c) Class C driver license and any endorsement, other than a hazardous
4 materials endorsement, to the license, ten dollars.
- 5 7. For each application for a duplicate of a driver license, ~~four~~
6 ~~dollars~~ AN AMOUNT DETERMINED BY THE DIRECTOR.
- 7 8. For each application for a duplicate of an instruction permit, two
8 dollars.
- 9 9. In addition to the fees prescribed in paragraph 2 and except as
10 provided in paragraph 11:
- 11 (a) For reinstatement of driving privileges after suspension or
12 disqualification, ten dollars.
- 13 (b) For reinstatement of driving privileges after revocation, twenty
14 dollars.
- 15 10. For each application for an extension by mail of a driver license,
16 five dollars.
- 17 11. In addition to the fees prescribed in paragraph 2, for
18 reinstatement of driving privileges that were suspended or denied pursuant to
19 section 28-1385 after completion of the suspension or revocation, fifty
20 dollars.
- 21 12. For vision screening tests of out-of-state drivers, five dollars.
- 22 13. For class D or M driver license skills tests for out-of-state
23 drivers, fifteen dollars.
- 24 B. Except as otherwise provided by statute, the director shall
25 immediately deposit, pursuant to sections 35-146 and 35-147, fees collected
26 under this section in the Arizona highway user revenue fund.
- 27 Sec. 7. Section 33-812, Arizona Revised Statutes, is amended to read:
28 33-812. Disposition of proceeds of sale
- 29 A. The trustee shall apply the proceeds of the trustee's sale in the
30 following order of priority:
- 31 1. To the costs and expenses of exercising the power of sale and the
32 sale, including the payment of the trustee's fees and reasonable attorney
33 fees actually incurred.
- 34 2. To the payment of the contract or contracts secured by the trust
35 deed.
- 36 3. To the payment of all other obligations provided in or secured by
37 the trust deed and actually paid by the beneficiary before the trustee's
38 sale.
- 39 4. To any condominium association or planned community association as
40 defined in ~~chapters~~ CHAPTER 9 or ~~10~~ 16 of this title ~~who~~ THAT had a
41 subordinate lien as provided by law, even if the trustee intends to deposit
42 the balance pursuant to subsection C of this section. The trustee may pay an
43 association's lien on receipt of a written claim and shall be discharged from
44 any liability for any payment made in good faith. The trustee may inquire as
45 to the existence of a lien if there is a recorded declaration on the property

1 without regard to whether a lien has been recorded. Any person who is an
2 applicant or respondent pursuant to subsection ~~G~~ H of this section may
3 require the condominium ASSOCIATION or planned community association to prove
4 its entitlement to any funds received from the trustee. An association that
5 demonstrates that the amount it received from the trustee was proper in all
6 material respects is entitled to an award of its reasonable attorney fees and
7 court costs against the applicant or respondent who contested the payment.
8 If the applicant or respondent against whom the association's award is
9 entered is entitled to excess proceeds of the sale, the award of attorney
10 fees and costs shall be payable from those excess proceeds.

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

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

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

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

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

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

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

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

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

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

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

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

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

38 Sec. 8. Section 41-1276, Arizona Revised Statutes, is amended to read:
39 41-1276. Truth in taxation levy for equalization assistance to
40 school districts

41 A. On or before February 15 of each year, the joint legislative budget
42 committee shall compute and transmit the truth in taxation rates for
43 equalization assistance for school districts for the following fiscal year
44 to:

1 1. The chairmen of the house of representatives ways and means
2 committee and the senate finance committee or their successor committees.

3 2. The chairmen of the appropriations committees of the senate and the
4 house of representatives or their successor committees.

5 B. The truth in taxation rates consist of the qualifying tax rate for
6 a high school district or a common school district within a high school
7 district that does not offer instruction in high school subjects pursuant to
8 section 15-971, subsection B, paragraph 1, ~~AND~~ a qualifying tax rate for a
9 unified district, a common school district not within a high school district
10 or a common school district within a high school district that offers
11 instruction in high school subjects pursuant to section 15-971, subsection B,
12 paragraph 2 ~~and a state equalization assistance property tax rate pursuant to~~
13 ~~section 15-994~~ that will offset the change in net assessed valuation of
14 property that was subject to tax in the prior year.

15 C. The joint legislative budget committee shall compute the truth in
16 taxation rates as follows:

17 1. Determine the statewide primary net assessed value for the
18 preceding tax year as provided in section 42-17151, subsection A,
19 paragraph 3.

20 2. Determine the statewide primary net assessed value for the current
21 tax year, excluding the net assessed value of property that was not subject
22 to tax in the preceding year.

23 3. Divide the amount determined in paragraph 1 of this subsection by
24 the amount determined in paragraph 2 of this subsection.

25 4. Adjust the qualifying tax rates ~~and the state equalization~~
26 ~~assistance property tax rate~~ for the current fiscal year by the percentage
27 determined in paragraph 3 of this subsection in order to offset the change in
28 net assessed value.

29 D. Except as provided in subsections E and G of this section, the
30 qualifying tax rate for a high school district or a common school district
31 within a high school district that does not offer instruction in high school
32 subjects, ~~AND~~ the qualifying tax rate for a unified school district, a
33 common school district not within a high school district or a common school
34 district within a high school district that offers instruction in high school
35 subjects ~~and the state equalization assistance property tax rate~~ for the
36 following fiscal year shall be the rate determined by the joint legislative
37 budget committee pursuant to subsection C of this section. The committee
38 shall transmit the rates to the superintendent of public instruction and the
39 county boards of supervisors by March 15 each year.

40 E. If the legislature proposes ~~either~~ qualifying tax rates ~~or a state~~
41 ~~equalization assistance property tax rate~~ that ~~exceeds~~ EXCEED the truth in
42 taxation rate:

43 1. The house of representatives ways and means committee and the
44 senate finance committee or their successor committees shall hold a joint

1 hearing on or before February 28 and publish a notice of a truth in taxation
2 hearing that meets the following requirements:

3 (a) The notice shall be published twice in a newspaper of general
4 circulation in this state that is published at the state capital. The first
5 publication shall be at least fourteen but not more than twenty days before
6 the date of the hearing. The second publication shall be at least seven but
7 not more than ten days before the date of the hearing.

8 (b) The notice shall be published in a location other than the
9 classified or legal advertising section of the newspaper.

10 (c) The notice shall be at least one-fourth page in size and shall be
11 surrounded by a solid black border at least one-eighth inch in width.

12 (d) The notice shall be in the following form, with the "truth in
13 taxation hearing - notice of tax increase" headline in at least eighteen
14 point type:

15 Truth in Taxation Hearing
16 Notice of Tax Increase

17 In compliance with section 41-1276, Arizona Revised
18 Statutes, the state legislature is notifying property taxpayers
19 in Arizona of the legislature's intention to raise the property
20 tax levy over last year's level.

21 The proposed tax increase will cause the taxes on a
22 \$100,000 home to increase by \$_____.

23 All interested citizens are invited to attend a public
24 hearing on the tax increase that is scheduled to be held
25 _____ (date and time) at _____ (location).

26 (e) For purposes of computing the tax increase on a one hundred
27 thousand dollar home as required by the notice, the joint meeting of the
28 house of representatives ways and means committee and the senate finance
29 committee or their successor committees shall consider the difference between
30 the truth in taxation rate and the proposed increased rate.

31 2. The joint meeting of the house of representatives ways and means
32 committee and the senate finance committee or their successor committees
33 shall consider any motion to recommend the proposed tax rates to the full
34 legislature by roll call vote.

35 F. In addition to publishing the truth in taxation notice under
36 subsection E, paragraph 1 of this section, the joint meeting of the house of
37 representatives ways and means committee and the senate finance committee or
38 their successor committees shall issue a press release containing the truth
39 in taxation notice.

40 G. Notwithstanding any other law, the legislature shall not adopt a
41 state budget that provides for ~~either~~ qualifying tax rates pursuant to
42 section 15-971 ~~or a state equalization assistance property tax rate pursuant~~
43 ~~to section 15-994~~ that ~~exceeds~~ EXCEED the truth in taxation rates computed
44 pursuant to subsection A of this section unless the rates are adopted by a
45 concurrent resolution approved by an affirmative roll call vote of two-thirds

1 of the members of each house of the legislature before the legislature enacts
2 the general appropriations bill. If the resolution is not approved by
3 two-thirds of the members of each house of the legislature, the rates for the
4 following fiscal year shall be the truth in taxation rates determined
5 pursuant to subsection C of this section and shall be transmitted to the
6 superintendent of public instruction and the county boards of supervisors.

7 H. Notwithstanding subsection C of this section and if approved by the
8 qualified electors voting at a statewide general election, the legislature
9 shall not set a qualifying tax rate that exceeds \$2.1265 for a common or high
10 school district or \$4.253 for a unified school district. The legislature
11 shall not set a county equalization assistance for education rate that
12 exceeds \$0.5123.

13 I. Pursuant to subsection C of this section, the qualifying tax rate
14 in tax year ~~2008~~ 2009 for a high school district or a common school district
15 within a high school district that does not offer instruction in high school
16 subjects as provided in section 15-447 is ~~\$1.4622~~ \$1.3726 and for a unified
17 school district, a common school district not within a high school district
18 or a common school district within a high school district that offers
19 instruction in high school subjects as provided in section 15-447 is ~~\$2.9244~~
20 \$2.7452. ~~The state equalization assistance property tax rate in tax years~~
21 ~~2006, 2007 and 2008 is zero. The state equalization assistance property tax~~
22 ~~rate in tax year 2009 shall be computed by annually adjusting the tax year~~
23 ~~2005 rate of \$0.4358 as provided by this section through tax year 2009.~~

24 Sec. 9. Section 41-3506, Arizona Revised Statutes, is amended to read:
25 41-3506. State web portal fund; exemption

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

- 29 1. Monies appropriated to the fund by the legislature.
- 30 2. Any web portal usage fees collected under any agreement between
31 this state and an independent contractor providing services for the common
32 web portal ~~less the contractor's price of maintaining and operating the web~~
33 ~~portal.~~
- 34 3. Monies received from private grants or donations if designated for
35 the fund by the grantor or donor.
- 36 4. Monies received from the federal government by grant or otherwise
37 to assist this state in providing any common web portal projects.

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

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

1 Sec. 10. Section 41-3955, Arizona Revised Statutes, is amended to
2 read:

3 41-3955. Housing trust fund; purpose

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

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

12 C. Fund monies shall be spent on approval of the department for
13 developing projects and programs connected with providing housing
14 opportunities for low and moderate income households and for housing
15 affordability and Arizona housing finance authority programs. Pursuant to
16 section 44-313, subsection A, a portion of fund monies shall be used
17 exclusively for housing in rural areas.

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

22 E. The director shall report annually to the legislature on the status
23 of the housing trust fund. The report shall include a summary of facilities
24 for which funding was provided during the preceding fiscal year and shall
25 show the cost and geographic location of each facility and the number of
26 individuals benefiting from the operation, construction or renovation of the
27 facility. The report shall be submitted to the president of the senate and
28 the speaker of the house of representatives no later than September 1 of each
29 year.

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

32 G. An amount not to exceed ten per cent of the housing trust fund
33 monies may be appropriated annually by the legislature to the department for
34 administrative costs in providing services relating to the housing trust
35 fund.

36 H. For any construction project financed by the department pursuant to
37 this section, the department shall notify a city, town, county or tribal
38 government that a project is planned for its jurisdiction and, before
39 proceeding, shall seek comment from the governing body of the city, town,
40 county or tribal government or an official authorized by the governing body
41 of the city, town, county or tribal government. The department shall not
42 interfere with or attempt to override the local jurisdiction's planning,
43 zoning or land use regulations.

1 Sec. 11. Title 42, chapter 1, article 3, Arizona Revised Statutes, is
2 amended by adding section 42-1116.01, to read:

3 42-1116.01. Department of revenue administrative fund

4 A. THE DEPARTMENT OF REVENUE ADMINISTRATIVE FUND IS ESTABLISHED
5 CONSISTING OF MONIES FROM UNCLAIMED PROPERTY DEPOSITED IN THE FUND PURSUANT
6 TO SECTION 44-313.

7 B. THE DIRECTOR SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
8 EXEMPT FROM THE PROVISIONS OF SECTION 35-130 RELATING TO LAPSING OF
9 APPROPRIATIONS.

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

12 Sec. 12. Section 42-5031, Arizona Revised Statutes, is amended to
13 read:

14 42-5031. Distribution of multipurpose facility revenues to
15 district

16 A. Subject to the requirements of subsection D of this section, if a
17 county stadium district is authorized by an election pursuant to section
18 48-4237, subsection E, paragraph 5 to use the amounts paid to the district
19 pursuant to subsection B of this section as permitted by law, then after
20 delivery of a resolution of the district board of directors requesting
21 payment, which resolution shall contain notice of the exercise of the option
22 to begin payments provided for in this subsection, the state treasurer shall
23 pay each month, beginning with the second calendar month after the optional
24 payment commencement event contained in the resolution, from the amount
25 designated as distribution base pursuant to section 42-5029, subsection D,
26 the amount determined under subsection B of this section to the district.
27 Payments under this section shall continue until July 1, 2025 OR UNTIL THE
28 DATE ALL AUTHORIZED DEBT SERVICE PAYMENTS ARE COMPLETED AS PROVIDED BY
29 SECTION 48-4203, SUBSECTION B, PARAGRAPH 3, WHICHEVER DATE IS EARLIER.

30 B. The amount to be paid each month under subsection A of this section
31 is one-half of the amount of state transaction privilege tax revenues
32 received in the second preceding calendar month from all persons conducting
33 business under any business classification under this article at a
34 multipurpose facility site, or in the construction of a multipurpose
35 facility, the public or district owned components of which cost at least two
36 hundred million dollars to construct. In no event shall the amount to be
37 paid each month under this section exceed the net new state transaction
38 privilege tax revenues received from the multipurpose facility site as
39 compared to the revenues received in the same month during the twelve months
40 prior to the month in which the public vote pursuant to section 48-4237 is
41 held. THE AMOUNT PAID TO THE DISTRICT SHALL NOT EXCEED THE AMOUNT REQUIRED
42 TO SERVICE THE DEBTS AND OBLIGATIONS OF THE DISTRICT AND TO MEET THE PURPOSES
43 SET FORTH IN SECTION 48-4204, SUBSECTION B.

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

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

12 E. If the municipality in which the multipurpose facility site is
13 located fails to satisfy the obligations of the municipality pursuant to
14 subsection D of this section, then beginning six months after ~~the end of~~ the
15 date referred to in subsection A of this section, distributions otherwise
16 payable to the municipality pursuant to section 42-5029, subsection C shall
17 be reduced by an amount equal to the excess of the amount received by the
18 district pursuant to this section over the amount paid or expended by the
19 municipality. The amount of the reduction shall be distributed to the
20 district to satisfy the financial commitment of the municipality pursuant to
21 subsection D of this section.

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

26 Sec. 13. Section 42-15001, Arizona Revised Statutes, is amended to
27 read:

28 42-15001. Assessed valuation of class one property

29 The assessed valuation of class one property described in section
30 42-12001 is:

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

35 ~~1-~~ (a) Twenty-five per cent through December 31, 2005.

36 ~~2-~~ (b) Twenty-four and one-half per cent beginning from and after
37 December 31, 2005 through December 31, 2006.

38 ~~3-~~ (c) Twenty-four per cent beginning from and after December 31,
39 2006 through December 31, 2007.

40 ~~4-~~ (d) Twenty-three per cent beginning from and after December 31,
41 2007 through December 31, 2008.

42 ~~5-~~ (e) Twenty-two per cent beginning from and after December 31, 2008
43 through December 31, 2009.

44 ~~6-~~ (f) Twenty-one per cent beginning from and after December 31, 2009
45 through December 31, 2010.

1 ~~7.~~ (g) Twenty per cent beginning from and after December 31, 2010.
2 2. FOR TAX YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2011, FOR THE
3 PURPOSES OF ASSESSING SECONDARY PROPERTY TAXES LEVIED BY COUNTIES, CITIES,
4 TOWNS, COMMUNITY COLLEGE DISTRICTS AND SCHOOL DISTRICTS FOR THE PAYMENT OF
5 PRINCIPAL, INTEREST AND REDEMPTION CHARGES ON BONDED INDEBTEDNESS OR OTHER
6 LAWFUL LONG-TERM OBLIGATIONS AUTHORIZED BY THE VOTERS FROM AND AFTER DECEMBER
7 31, 2011 AND FOR THE PAYMENT OF COSTS APPROVED BY AN OVERRIDE ELECTION HELD
8 FROM AND AFTER DECEMBER 31, 2011, SIXTEEN PER CENT. THE ASSESSED VALUATION
9 DETERMINED PURSUANT TO THIS PARAGRAPH DOES NOT APPLY FOR THE PURPOSES OF
10 COMPUTING DEBT LIMITATIONS PURSUANT TO ARTICLE IX, SECTIONS 8 AND 8.1,
11 CONSTITUTION OF ARIZONA, OR THE LIMITATION ON CLASS B BONDED INDEBTEDNESS
12 PURSUANT TO SECTION 15-1021.

13 Sec. 14. Section 43-1011, Arizona Revised Statutes, is amended to
14 read:

15 43-1011. Taxes and tax rates

16 There shall be levied, collected and paid for each taxable year upon
17 the entire taxable income of every resident of this state and upon the entire
18 taxable income of every nonresident which is derived from sources within this
19 state taxes determined in the following manner:

20 1. For taxable years beginning from and after December 31, 1996
21 through December 31, 1997:

22 (a) In the case of a single person or a married person filing
23 separately:

| <u>If taxable income is:</u> | <u>The tax is:</u> |
|-----------------------------------|--|
| 24 \$0 - \$10,000 | 2.90% of taxable income |
| 25 \$10,001 - \$25,000 | \$290, plus 3.30% of the excess over \$10,000 |
| 26 \$25,001 - \$50,000 | \$785, plus 3.90% of the excess over \$25,000 |
| 27 \$50,001 - \$150,000 | \$1,760, plus 4.80% of the excess over \$50,000 |
| 28 \$150,001 and over | \$6,560, plus 5.17% of the excess over \$150,000 |

29 (b) In the case of a married couple filing a joint return or a single
30 person who is a head of a household:

| <u>If taxable income is:</u> | <u>The tax is:</u> |
|------------------------------------|---|
| 31 \$0 - \$20,000 | 2.90% of taxable income |
| 32 \$20,001 - \$50,000 | \$580, plus 3.30% of the excess over \$20,000 |
| 33 \$50,001 - \$100,000 | \$1,570, plus 3.90% of the excess over \$50,000 |
| 34 \$100,001 - \$300,000 | \$3,520, plus 4.80% of the excess over \$100,000 |
| 35 \$300,001 and over | \$13,120, plus 5.17% of the excess over \$300,000 |

36 2. For taxable years beginning from and after December 31, 1997
37 through December 31, 1998:

38 (a) In the case of a single person or a married person filing
39 separately:

| <u>If taxable income is:</u> | <u>The tax is:</u> |
|----------------------------------|---|
| 40 \$0 - \$10,000 | 2.88% of taxable income |
| 41 \$10,001 - \$25,000 | \$288, plus 3.24% of the excess over \$10,000 |
| 42 \$25,001 - \$50,000 | \$774, plus 3.82% of the excess over \$25,000 |

1 \$50,001 - \$150,000 \$1,729, plus 4.74% of the excess over \$50,000
2 \$150,001 and over \$6,469, plus 5.10% of the excess over \$150,000

3 (b) In the case of a married couple filing a joint return or a single
4 person who is a head of a household:

5 If taxable income is: The tax is:
6 \$0 - \$20,000 2.88% of taxable income
7 \$20,001 - \$50,000 \$576, plus 3.24% of the excess over \$20,000
8 \$50,001 - \$100,000 \$1,548, plus 3.82% of the excess over \$50,000
9 \$100,001 - \$300,000 \$3,458, plus 4.74% of the excess over \$100,000
10 \$300,001 and over \$12,938, plus 5.10% of the excess over \$300,000

11 3. For taxable years beginning from and after December 31, 1998
12 through December 31, 2005:

13 (a) In the case of a single person or a married person filing
14 separately:

15 If taxable income is: The tax is:
16 \$0 - \$10,000 2.87% of taxable income
17 \$10,001 - \$25,000 \$287, plus 3.20% of the excess over \$10,000
18 \$25,001 - \$50,000 \$767, plus 3.74% of the excess over \$25,000
19 \$50,001 - \$150,000 \$1,702, plus 4.72% of the excess over \$50,000
20 \$150,001 and over \$6,422, plus 5.04% of the excess over \$150,000

21 (b) In the case of a married couple filing a joint return or a single
22 person who is a head of a household:

23 If taxable income is: The tax is:
24 \$0 - \$20,000 2.87% of taxable income
25 \$20,001 - \$50,000 \$574, plus 3.20% of the excess over \$20,000
26 \$50,001 - \$100,000 \$1,534, plus 3.74% of the excess over \$50,000
27 \$100,001 - \$300,000 \$3,404, plus 4.72% of the excess over \$100,000
28 \$300,001 and over \$12,844, plus 5.04% of the excess over \$300,000

29 4. For taxable years beginning from and after December 31, 2005
30 through December 31, 2006:

31 (a) In the case of a single person or a married person filing
32 separately:

33 If taxable income is: The tax is:
34 \$0 - \$10,000 2.73% of taxable income
35 \$10,001 - \$25,000 \$273, plus 3.04% of the excess over \$10,000
36 \$25,001 - \$50,000 \$729, plus 3.55% of the excess over \$25,000
37 \$50,001 - \$150,000 \$1,617, plus 4.48% of the excess over \$50,000
38 \$150,001 and over \$6,097, plus 4.79% of the excess over \$150,000

39 (b) In the case of a married couple filing a joint return or a single
40 person who is a head of a household:

41 If taxable income is: The tax is:
42 \$0 - \$20,000 2.73% of taxable income
43 \$20,001 - \$50,000 \$546, plus 3.04% of the excess over \$20,000
44 \$50,001 - \$100,000 \$1,458, plus 3.55% of the excess over \$50,000
45 \$100,001 - \$300,000 \$3,233, plus 4.48% of the excess over \$100,000

1 \$300,001 and over \$12,193, plus 4.79% of the excess over \$300,000

2 5. For taxable years beginning from and after December 31, 2006

3 THROUGH DECEMBER 31, 2010:

4 (a) In the case of a single person or a married person filing
5 separately:

| 6 | <u>If taxable income is:</u> | <u>The tax is:</u> |
|----|------------------------------|--|
| 7 | \$0 - \$10,000 | 2.59% of taxable income |
| 8 | \$10,001 - \$25,000 | \$259, plus 2.88% of the excess over \$10,000 |
| 9 | \$25,001 - \$50,000 | \$691, plus 3.36% of the excess over \$25,000 |
| 10 | \$50,001 - \$150,000 | \$1,531, plus 4.24% of the excess over \$50,000 |
| 11 | \$150,001 and over | \$5,771, plus 4.54% of the excess over \$150,000 |

12 (b) In the case of a married couple filing a joint return or a single
13 person who is a head of a household:

| 14 | <u>If taxable income is:</u> | <u>The tax is:</u> |
|----|------------------------------|---|
| 15 | \$0 - \$20,000 | 2.59% of taxable income |
| 16 | \$20,001 - \$50,000 | \$518, plus 2.88% of the excess over \$20,000 |
| 17 | \$50,001 - \$100,000 | \$1,382, plus 3.36% of the excess over \$50,000 |
| 18 | \$100,001 - \$300,000 | \$3,062, plus 4.24% of the excess over \$100,000 |
| 19 | \$300,001 and over | \$11,542, plus 4.54% of the excess over \$300,000 |

20 6. FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2010:

21 (a) IN THE CASE OF A SINGLE PERSON OR A MARRIED PERSON FILING
22 SEPARATELY:

| 23 | <u>IF TAXABLE INCOME IS:</u> | <u>THE TAX IS:</u> |
|----|------------------------------|--|
| 24 | \$0 - \$10,000 | 2.42% OF TAXABLE INCOME |
| 25 | \$10,001 - \$25,000 | \$242, PLUS 2.69% OF THE EXCESS OVER \$10,000 |
| 26 | \$25,001 - \$50,000 | \$645, PLUS 3.14% OF THE EXCESS OVER \$25,000 |
| 27 | \$50,001 - \$150,000 | \$1,430, PLUS 3.96% OF THE EXCESS OVER \$50,000 |
| 28 | \$150,001 AND OVER | \$5,390, PLUS 4.24% OF THE EXCESS OVER \$150,000 |

29 (b) IN THE CASE OF A MARRIED COUPLE FILING A JOINT RETURN OR A SINGLE
30 PERSON WHO IS A HEAD OF A HOUSEHOLD:

| 31 | <u>IF TAXABLE INCOME IS:</u> | <u>THE TAX IS:</u> |
|----|------------------------------|---|
| 32 | \$0 - \$20,000 | 2.42% OF TAXABLE INCOME |
| 33 | \$20,001 - \$50,000 | \$484, PLUS 2.69% OF THE EXCESS OVER \$20,000 |
| 34 | \$50,001 - \$100,000 | \$1,290, PLUS 3.14% OF THE EXCESS OVER \$50,000 |
| 35 | \$100,001 - \$300,000 | \$2,860, PLUS 3.96% OF THE EXCESS OVER \$100,000 |
| 36 | \$300,001 AND OVER | \$10,780, PLUS 4.24% OF THE EXCESS OVER 37 \$300,000 |

38 Sec. 15. 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
43 forth in section 43-1043 which his Arizona gross income is of his federal
44 adjusted gross income.

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

5 Sec. 16. Section 43-1111, Arizona Revised Statutes, is amended to
6 read:

7 43-1111. Tax rates for corporations

8 There shall be levied, collected and paid for each taxable year upon
9 the entire Arizona taxable income of every corporation, unless exempt under
10 section 43-1126 or 43-1201 or as otherwise provided in this title or by law,
11 taxes in an amount of ~~6.968 per cent of net income or fifty dollars,~~
12 ~~whichever is greater.~~ THE GREATER OF FIFTY DOLLARS OR:

13 1. FOR TAXABLE YEARS THROUGH DECEMBER 31, 2010, 6.968 PER CENT OF NET
14 INCOME.

15 2. FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2010, 4.86
16 PER CENT OF NET INCOME.

17 Sec. 17. Section 44-302, Arizona Revised Statutes, is amended to read:

18 44-302. Presumptions of abandonment

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

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

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

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

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

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

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

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

39 5. A demand, savings or time deposit, including a deposit that is
40 automatically renewable, and any interest or dividends are presumed abandoned
41 ~~five~~ THREE years after maturity or the date of the last indication by the
42 owner of interest in the property, whichever occurs first. For the purposes
43 of this paragraph, a deposit that is automatically renewable is deemed
44 matured on its initial date of maturity, unless the owner has consented to a

1 renewal at or about the time of the renewal and the consent is in writing or
2 is evidenced by any memorandum or other record on file with the holder.

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

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

14 (a) If a person other than the insured or annuitant is entitled to the
15 owed amount and the person's address is not known to the company or it is not
16 definite and certain from the records of the company who is entitled to the
17 amount, it is presumed that the last known address of the person who is
18 entitled to the amount is the same as the last known address of the insured
19 or annuitant according to the company's records.

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

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

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

30 (ii) The address of each beneficiary.

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

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

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

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

43 (c) Neither the insured nor any other person who appears to have an
44 interest in the policy within the last ~~two-years~~ YEAR according to the
45 company's records has assigned, readjusted or paid premiums on the policy or

1 subjected the policy to a loan, corresponded in writing with the company
2 concerning the policy or otherwise indicated an interest as evidenced by a
3 memorandum or any other record on file with and prepared by an employee of
4 the company.

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

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

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

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

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

25 (a) The date of the distribution or attempted distribution of the
26 property.

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

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

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

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

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

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

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

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

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

27 1. The presentment of any check or other instrument of payment of any
28 dividend or other distribution that is made with respect to any account,
29 underlying stock or other interest in a business association or financial
30 organization. If the distribution is made by electronic or similar means an
31 indication of an owner's interest includes evidence that the distribution has
32 been received.

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

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

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

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

4 Sec. 18. Section 44-313, Arizona Revised Statutes, is amended to read:
5 44-313. Deposit of monies

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

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

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

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

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

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

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

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

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

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

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

- 4 ~~1. Any costs in connection with the sale of abandoned property.~~
5 ~~2. Costs of mailing and publication in connection with any abandoned~~
6 ~~property.~~
7 ~~3. Reasonable department service charges.~~
8 ~~4. Costs incurred in examining records of holders of property and in~~
9 ~~collecting the property from those holders.~~
10 ~~5. Lawful holder charges.~~

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

- 12 ~~1. A county with a population of less than four hundred thousand~~
13 ~~persons.~~
14 ~~2. A census county division with less than fifty thousand persons in a~~
15 ~~county with a population of four hundred thousand or more persons.~~

16 Sec. 19. Section 44-1861, Arizona Revised Statutes, is amended to
17 read:

18 44-1861. Fees; deposit; abandonment

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

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

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

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

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

39 D. BY the AFFIRMATIVE VOTE OF AT LEAST FOUR COMMISSIONERS, THE
40 COMMISSION MAY ESTABLISH BY RULE A transfer fee for a salesman transferring
41 ~~his~~ THE SALESMAN'S registration from one registered dealer to another
42 registered dealer ~~is forty dollars, of which fifteen dollars is allocated to~~
43 ~~the fund established under section 44-2039.~~ THE COMMISSION SHALL DEPOSIT THE
44 FEE, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE SECURITIES REGULATORY AND
45 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.

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

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

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

15 Sec. 20. Section 44-2039, Arizona Revised Statutes, is amended to
16 read:

17 44-2039. Securities regulatory and enforcement fund; purpose

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

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

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

32 Sec. 21. Section 48-4202, Arizona Revised Statutes, is amended to
33 read:

34 48-4202. Formation of district

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

43 B. Two or more municipalities in the same county may organize a
44 district for multipurpose facilities if the governing bodies of the
45 municipalities determine that the public convenience, necessity or welfare

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

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

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

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

30 2. TWO MEMBERS WHO ARE APPOINTED BY THE PRESIDENT OF THE SENATE, AT
31 LEAST ONE OF WHOM MUST RESIDE IN THE MUNICIPALITY IN WHICH THE DISTRICT IS
32 LOCATED. THE MEMBERS APPOINTED BY THE PRESIDENT SERVE AT THE PLEASURE OF THE
33 PRESIDENT.

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

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

41 ~~D.~~ F. The board of supervisors may pay the necessary costs incurred
42 in connection with establishing a countywide district from any county monies
43 available for that purpose. The municipalities may pay their proportionate
44 share of the necessary costs incurred in establishing a district formed by

1 two or more municipalities under subsection B of this section from any monies
2 available for that purpose.

3 ~~E.~~ G. Subject to limitations imposed by intergovernmental agreement
4 and the ordinance or resolution authorizing the formation of the district,
5 the district is a tax levying public improvement district and a political
6 taxing subdivision of this state and has all the powers, privileges and
7 immunities granted generally to municipal corporations for the purposes of
8 implementing this chapter, including eminent domain, as provided by section
9 48-4203, subsection A, paragraph 7, and immunity of its property, bonds and
10 interest on and transfer of its bonds from taxation.

11 Sec. 22. Section 48-4203, Arizona Revised Statutes, is amended to
12 read:

13 48-4203. Powers and duties of board of directors; conflict of
14 interest

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

16 1. Adopt and use a corporate seal.

17 2. Sue and be sued.

18 3. Enter into contracts, including intergovernmental agreements under
19 title 11, chapter 7, article 3, as necessary to carry out the purposes and
20 requirements of this chapter. The district may contract with a county sports
21 authority established under title 11, chapter 5 to carry out any power of the
22 district.

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

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

27 6. Employ an executive director and administrative and clerical
28 employees, or contract for other management personnel, and prescribe the
29 terms and conditions of their employment as necessary to carry out the
30 purposes of the district.

31 7. Acquire by any lawful means and operate, maintain, encumber and
32 dispose of real and personal property and interests in property. A district
33 established under section 48-4202, subsection A may acquire real property by
34 eminent domain. A district established under section 48-4202, subsection B
35 shall not acquire real property by eminent domain.

36 8. Administer trusts declared or established for the district, receive
37 and hold in trust or otherwise property located in or out of this state and,
38 if not otherwise provided, dispose of the property for the benefit of the
39 district.

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

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

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

4 2. Enter into agreements with developers, contractors, tenants and
5 other users of all or part of a multipurpose facility as determined
6 appropriate.

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

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

14 1. PRESENTATIONS TO THE GOVERNING BODIES OF THE MUNICIPALITIES IN THE
15 COUNTY IN WHICH THE DISTRICT IS LOCATED.

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

17 3. PRINTED OR ELECTRONIC MATERIALS THAT SUPPORT THE PURPOSES OF THIS
18 SUBSECTION.

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

20 1. Appoint from among its members a chairman, a secretary and such
21 other officers as may be necessary to conduct its business. The board of
22 directors may appoint the chief financial officer of the county as the
23 district treasurer of a countywide district established under section
24 48-4202, subsection A. If the board does not appoint the chief financial
25 officer, the county treasurer is designated ex officio as the treasurer. The
26 board of directors of a district that is established pursuant to section
27 48-4202, subsection B shall designate ~~ex officio an officer of one of the~~
28 ~~municipalities~~ A MEMBER OF THE BOARD WITH FINANCIAL MANAGEMENT OR ACCOUNTING
29 EXPERIENCE OR A PERSON WITH WHOM THE BOARD HAS CONTRACTED FOR FINANCIAL
30 MANAGEMENT as treasurer of the district.

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

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

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

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

43 ~~F.~~ G. This state and political subdivisions of this state other than
44 the district are not liable for any financial or other obligations of the
45 district and the financial or other obligations do not constitute a debt or

1 liability of this state or any political subdivision of this state, other
2 than the district.

3 Sec. 23. Section 48-4204, Arizona Revised Statutes, is amended to
4 read:

5 48-4204. Constructing and operating a stadium and other
6 structures; regulating alcoholic beverages

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

23 B. From the taxes and charges levied or identified pursuant to section
24 48-4237 for use with respect to multipurpose facilities and from other monies
25 lawfully available to the district, the district may acquire land and
26 construct, finance, furnish, maintain, improve, operate, market and promote
27 the use of multipurpose facilities and other structures, utilities, roads,
28 parking areas or buildings necessary for full use of the multipurpose
29 facilities and do all things necessary or convenient to accomplish those
30 purposes. Public funds identified in section 48-4237, including funds
31 distributed pursuant to section 42-5031, may only be used for the components
32 for a multipurpose facility which are owned by the district or which are
33 publicly owned, EXCEPT THAT MONIES PAID TO THE DISTRICT PURSUANT TO SECTION
34 42-5031 MAY ONLY BE USED FOR THE FOLLOWING PURPOSES UNTIL A NOTICE TO PROCEED
35 IS ISSUED FOR A HOTEL AND CONVENTION CENTER LOCATED ON THE MULTIPURPOSE
36 FACILITY SITE:

- 37 1. DEBT SERVICE FOR BONDS ISSUED BY THE DISTRICT BEFORE JANUARY 1,
38 2009.
- 39 2. CONTRACTUAL OBLIGATIONS INCURRED BY THE DISTRICT BEFORE JUNE 1,
40 2009.
- 41 3. FIDUCIARY, REASONABLE LEGAL AND ADMINISTRATIVE EXPENSES OF THE
42 DISTRICT.
- 43 4. THE DESIGN AND CONSTRUCTION OF THE HOTEL AND CONVENTION CENTER
44 LOCATED ON THE MULTIPURPOSE FACILITY SITE.

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

5 ~~E.~~ D. Title 34 applies to the district, except that regardless of the
6 funding source for design and construction of facilities and structures the
7 district may establish alternative systems and procedures, including the use
8 of the design-build method of construction or the use of qualifications-based
9 selection of contractors with experience in stadium design or construction,
10 to expedite the design and construction of any of its facilities or
11 structures or any facilities or structures leased to it or used by it
12 pursuant to an intergovernmental agreement. For the purposes of this
13 subsection:

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

18 2. "Qualifications-based selection" means a process of entering into
19 and managing a contract between the district and another party in which the
20 other party is selected by the district on the basis of the party's
21 qualifications and experience in designing or constructing facilities,
22 structures or other items similar to those the district is authorized to
23 construct or lease. The other party may be selected by direct selection or
24 by public competition.

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

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

31 Sec. 24. Section 48-4231, Arizona Revised Statutes, is amended to
32 read:

33 48-4231. County stadium district fund

34 A. The district treasurer shall maintain a county stadium district
35 fund consisting of all monies received by the district, including:

36 1. Payments received from leasing, subleasing or renting property
37 owned, leased or controlled by the district.

38 2. Revenues received by the district from admissions and concessions
39 and other proceeds from events held at a stadium owned or leased by the
40 district.

41 3. Monies received from issuing and selling bonds under article 3 of
42 this chapter.

43 4. Interest and other income received from investing monies in the
44 fund.

- 1 2. THE LEVEL OF THE DISTRICT'S INDEBTEDNESS, THE AMOUNT OF PRINCIPAL,
2 INTEREST AND OTHER DEBT SERVICE EXPENSES PAID IN THE PRECEDING FISCAL YEAR
3 AND THE REMAINING TERM TO MATURITY WITH RESPECT TO EACH OUTSTANDING BOND
4 ISSUE.
- 5 3. OPERATION AND MAINTENANCE COSTS OF THE MULTIPURPOSE FACILITY AND
6 OTHER ASSETS OF THE DISTRICT.
- 7 4. THE DISTRICT'S OVERALL EXPENDITURES IN THE PRECEDING FISCAL YEAR,
8 INCLUDING:
 - 9 (a) THE LEVEL OF EXPENSES FOR ADMINISTRATION, PLANNING, TRAVEL AND
10 ENTERTAINMENT.
 - 11 (b) THE SUCCESS OF THOSE EXPENDITURES IN SUPPORTING AND ACHIEVING THE
12 DISTRICT'S PURPOSES.
- 13 5. A DESCRIPTION OF AND THE AMOUNT OF MUNICIPAL PAYMENTS PURSUANT TO
14 SECTION 42-5031, SUBSECTION D DURING THE PRECEDING FISCAL YEAR AND THE
15 CUMULATIVE AMOUNT OF THOSE PAYMENTS THROUGH THE END OF THE PRECEDING FISCAL
16 YEAR.
- 17 6. THE PUBLIC USE OF EACH COMPONENT OF THE MULTIPURPOSE FACILITY.
- 18 7. REVENUES DERIVED FROM EACH COMPONENT OF THE MULTIPURPOSE FACILITY
19 AND OTHER REVENUES OF THE DISTRICT BY SOURCE.
- 20 8. DISTRICT PROJECTS THAT ARE CURRENTLY UNDER CONSTRUCTION AND THAT
21 ARE INCLUDED IN THE DISTRICT'S PLANS FOR CAPITAL IMPROVEMENTS AND INVESTMENT.
- 22 C. THE AUDIT SHALL MAKE FINDINGS AND RECOMMENDATIONS REGARDING THE
23 CONSTRUCTION, FINANCING, OPERATION AND MAINTENANCE OF EACH COMPONENT OF THE
24 MULTIPURPOSE FACILITY, INCLUDING WHETHER THE FACILITY EXCEEDS, MEETS OR FAILS
25 TO MEET NATIONALLY RECOGNIZED DESIGN AND PERFORMANCE STANDARDS.
- 26 D. THE DISTRICT AND THE BOARD OF DIRECTORS SHALL COOPERATE WITH AND
27 SUBMIT TO THE AUDITOR GENERAL AND THE AUDITOR CONTRACTED TO CONDUCT THE AUDIT
28 INFORMATION NECESSARY TO CONDUCT AND COMPLETE THE AUDIT IN A TIMELY MANNER.
- 29 E. WITHIN FORTY-FIVE DAYS AFTER THE AUDIT IS RELEASED, THE BOARD OF
30 DIRECTORS SHALL:
 - 31 1. HOLD A PUBLIC HEARING ON THE AUDIT'S FINDINGS AND RECOMMENDATIONS
32 AND ALLOW ANY PERSON TO MAKE OR SUBMIT ORAL OR WRITTEN COMMENTS ON THE AUDIT.
 - 33 2. BY MAJORITY VOTE ADOPT A PUBLIC RESPONSE AGREEING, AGREEING WITH
34 RESERVATIONS OR DISAGREEING WITH EACH FINDING AND RECOMMENDATION IN THE
35 AUDIT.
- 36 F. THE AUDITOR GENERAL SHALL DISTRIBUTE COPIES OF THE AUDIT AND THE
37 BOARD OF DIRECTOR'S RESPONSE TO:
 - 38 1. THE MAYOR AND GOVERNING BODY OF THE MUNICIPALITY IN WHICH THE
39 DISTRICT IS LOCATED.
 - 40 2. THE GOVERNOR.
 - 41 3. THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
42 REPRESENTATIVES.
 - 43 4. THE DEPARTMENT OF REVENUE AND THE STATE TREASURER.
 - 44 5. THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS.
 - 45 6. ANY OTHER PERSON WHO REQUESTS A COPY OF THE AUDIT.

1 G. THE COST INCURRED BY THE AUDITOR GENERAL IN CONTRACTING WITH
2 INDEPENDENT AUDITORS UNDER THIS SECTION IS AN OPERATING EXPENSE OF THE
3 DISTRICT AND SHALL BE PAID FROM REVENUES PAYABLE TO THE DISTRICT PURSUANT TO
4 SECTION 42-5031. THE AUDITOR GENERAL SHALL DEPOSIT THE PAYMENTS IN THE AUDIT
5 SERVICES REVOLVING FUND ESTABLISHED BY SECTION 41-1279.06.

6 H. AT THE REQUEST OF THE CHAIRPERSON OF THE JOINT COMMITTEE ON CAPITAL
7 REVIEW, THE EXECUTIVE DIRECTOR OR A REPRESENTATIVE OF THE BOARD OF DIRECTORS
8 SHALL APPEAR BEFORE THE JOINT COMMITTEE ON CAPITAL REVIEW TO REPORT ON ANY
9 ASPECT OF THE DISTRICT'S OPERATION, INCLUDING THE ACTIVITIES AND FINANCIAL
10 PERFORMANCE OF THE DISTRICT DURING THE PREVIOUS FISCAL YEAR, THE DISTRICT'S
11 PLANS FOR CAPITAL IMPROVEMENTS AND INVESTMENT AND THE DISTRICT'S RESPONSE TO
12 THE AUDIT CONDUCTED UNDER THIS SECTION.

13 48-4231.02. Financial reports; database of expenditures

14 A. EACH DISTRICT ESTABLISHED PURSUANT TO SECTION 48-4202, SUBSECTION B
15 SHALL MAINTAIN ON ITS OFFICIAL WEBSITE A DATABASE OF EXPENDITURES MADE BY THE
16 DISTRICT. THE DATABASE SHALL ALLOW USERS TO:

- 17 1. SEARCH AND AGGREGATE PAYMENTS BY PAYEE.
- 18 2. SEARCH AND AGGREGATE PAYMENTS BY PROJECT.
- 19 3. SEARCH AND AGGREGATE PAYMENTS BY YEAR.
- 20 4. SEARCH AND AGGREGATE ALL PAYMENTS MADE BY THE DISTRICT.
- 21 5. DOWNLOAD INFORMATION YIELDED BY A USER QUERY.

22 B. EACH EXPENDITURE LISTING CONTAINED IN THE DATABASE SHALL INCLUDE:

- 23 1. THE DATE AND AMOUNT OF EACH PAYMENT.
- 24 2. THE NAME OF THE PAYEE.
- 25 3. THE PROJECT FOR WHICH THE PAYMENT WAS MADE.
- 26 4. THE PURPOSE FOR WHICH THE PAYMENT WAS MADE.
- 27 5. THE FUND OR BUDGET ACCOUNT FROM WHICH THE PAYMENT WAS MADE.

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

32 Sec. 26. Repeal

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

34 Sec. 27. Department of insurance; fee and assessment adjustment
35 suspension

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

42 Sec. 28. Arizona state lottery proceeds; transfer

43 Notwithstanding section 5-522, Arizona Revised Statutes, as amended by
44 this act, the following amounts of state lottery revenues are transferred to

1 the state general fund before any other lottery distribution to the following
2 funds:

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

5 2. The local transportation assistance fund pursuant to section
6 28-8101, subsection D, Arizona Revised Statutes: \$2,300,000

7 3. The local transportation assistance fund pursuant to section
8 28-8101, subsection E, Arizona Revised Statutes: \$990,000

9 Sec. 29. Agricultural fees; increases; appropriation; delayed
10 repeal

11 A. Notwithstanding any other law, the citrus, fruit and vegetable
12 advisory council, the agricultural advisory council and the director of the
13 Arizona department of agriculture may increase fees in fiscal year 2009-2010
14 for services provided. Before increasing any fee pursuant to this
15 subsection, the citrus, fruit and vegetable advisory council must provide at
16 least thirty days' advance notice of a public hearing and the amount of the
17 proposed fee to all shippers who are licensed under sections 3-449 and 3-492,
18 Arizona Revised Statutes, and to any other interested party. The council
19 shall receive written and oral comments at the hearing regarding the proposed
20 increase in the fee.

21 B. Notwithstanding section 26 of this act, the Arizona department of
22 agriculture may continue the fee increases pursuant to Laws 2008, chapter
23 291, section 12.

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

26 1. Citrus, fruit and vegetable advisory council and agricultural
27 advisory council: \$389,000

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

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

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

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

36 Sec. 30. Registrar of contractors; residential contractors'
37 recovery fund; contracted services, equipment and
38 operational costs; fiscal year 2009-2010

39 Notwithstanding section 32-1134, subsection A, paragraph 5, Arizona
40 Revised Statutes, the registrar of contractors shall employ or contract with
41 individuals and procure equipment and operational support, to be paid from or
42 purchased with monies in the residential contractors' recovery fund, but not
43 to exceed in fiscal year 2009-2010 fourteen per cent of the total amount
44 deposited in the fund in fiscal year 2008-2009, as may be necessary to

1 monitor, process or oppose claims filed by injured persons that may result in
2 collection from the fund.

3 Sec. 31. Web portal fees; deposit

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

8 Sec. 32. Vehicle license taxes; fiscal year 2009-2010;
9 distributions by cities and towns to school
10 districts

11 A. In fiscal year 2009-2010, cities and towns that receive vehicle
12 license tax monies pursuant to section 28-5808, subsection A, paragraph 2,
13 subdivision (c) and subsection B, paragraph 2, subdivision (c), Arizona
14 Revised Statutes, shall distribute a portion of those monies as computed by
15 the county treasurer to local school districts. The total amount of monies
16 to be distributed pursuant to this section by all cities and towns in fiscal
17 year 2009-2010 shall be \$22,000,000, payable in equal monthly installments of
18 \$3,666,667 beginning in January, 2010 through June, 2010 allocated among the
19 cities and towns according to population.

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

26 Sec. 33. County transfers; fiscal year 2009-2010; county
27 expenditure limitations

28 A. Notwithstanding any other law, in fiscal year 2009-2010, each
29 county with a population of two million or more persons shall transfer
30 \$19,014,600 and each county with a population of more than eight hundred
31 thousand persons but less than two million persons shall transfer \$2,985,400
32 to the state treasurer for deposit in the state general fund.

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

37 C. Contributions made pursuant to this section are excluded from the
38 county expenditure limitations.

39 Sec. 34. Continuing fee increases; appropriations; exemption
40 from rule making

41 A. Notwithstanding section 26 of this act, the department of health
42 services, the radiation regulatory agency and, subject to subsection E of
43 this section, the state land department may continue fee increases pursuant
44 to Laws 2008, chapter 291, section 12.

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

- 3 1. Department of health services \$600,000.
- 4 2. State land department \$600,000.
- 5 3. Radiation regulatory agency \$500,000.

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

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

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

15 Sec. 35. Board of examiners of nursing care institution
16 administrators and assisted living facility
17 managers; fees for providing services; increase;
18 fiscal year 2009-2010; intent; appropriation;
19 exemption from rule making

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

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

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

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

30 Sec. 36. Office of pest management; fees for providing
31 services; increase; fiscal year 2009-2010; intent;
32 appropriation; exemption from rule making

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

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

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

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

1 space or park development fee revenues for general municipal operating
2 expenses. The amount of development fee revenues used for general municipal
3 operating expenses shall not exceed the amount of vehicle license tax monies
4 distributed by the municipality to school districts pursuant to section 32 of
5 this act, as computed by the county treasurer. The city or town shall not
6 make any subsequent adjustment in the computation of its development fees to
7 account for, compensate for or recover development fee revenues used for
8 general municipal operating expenses pursuant to this section.

9 Sec. 42. Incumbent members of board of directors

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

17 Sec. 43. Conforming changes

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

21 Sec. 44. Effective date; retroactivity

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

24 B. Sections 10-122, 10-122.01, 41-3955, 44-313, 48-4203 and 48-4204,
25 Arizona Revised Statutes, as amended by this act, and section 39 of this act,
26 relating to the business reengineering/integrated tax system, apply
27 retroactively to from and after June 30, 2009.

28 C. Section 5 of this act and section 41-1276, Arizona Revised
29 Statutes, as amended by this act, apply retroactively to from and after
30 December 31, 2008.

31 Sec. 45. Conditional enactment

32 Sections 14 and 16 of this act do not become effective until the
33 canvass for the special election authorized in House Bill 2015, forty-ninth
34 legislature, third special session, occurs for the ballot proposition. If a
35 contest is filed pursuant to section 16-672, Arizona Revised Statutes,
36 sections 14 and 16 of this act do not become effective unless the contest
37 results in the special election being upheld.