

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

SENATE BILL 1615

AN ACT

AMENDING SECTIONS 12-119, 15-901.04, 15-1044, 15-1261, 23-392 AND 23-901, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 27, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, TO "MINES AND MINERAL RESOURCES"; AMENDING SECTIONS 27-101, 27-101.01 AND 27-102, ARIZONA REVISED STATUTES; REPEALING SECTIONS 27-103, 27-104, 27-105, 27-106, 27-107, 27-108, 27-109, 27-110 AND 27-111, ARIZONA REVISED STATUTES; AMENDING SECTIONS 27-151, 27-152.02, 28-3513, 35-142, 36-2926, 37-904, 38-842, 38-847, 41-121, 41-790, 41-791 AND 41-792.01, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-794 AND 41-795; ARIZONA REVISED STATUTES; AMENDING SECTIONS 41-796, 41-827.01, 41-1304, 41-1304.05 AND 41-1713, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 12, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1725; AMENDING SECTIONS 41-1804, 41-2513, 41-3012.07 AND 41-3016.06, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-3016.17 AND 41-3016.21, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 41, CHAPTER 32, ARIZONA REVISED STATUTES, TO "GOVERNMENT INFORMATION TECHNOLOGY"; AMENDING SECTIONS 41-3501, 41-3502, 41-3503, 41-3504, 41-3505, 41-3506, 41-3507, 41-3508, 41-3521, 41-3542, 44-7041 AND 44-7042, ARIZONA REVISED STATUTES; RELATING TO STATE GOVERNMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 12-119, Arizona Revised Statutes, is amended to
3 read:

4 12-119. Facilities management

5 The supreme court may obtain OPERATIONAL AND MAINTENANCE ASSISTANCE
6 from the department of administration ~~operational, maintenance~~ and security
7 assistance FROM THE DEPARTMENT OF PUBLIC SAFETY for any supreme court
8 facility or may employ personnel or contract for outside services for the
9 operation, maintenance and security of such facility. The supreme court and
10 division one of the court of appeals shall be housed in the Arizona courts
11 building. FOR THE PURPOSES OF THIS SECTION, SECURITY DOES NOT MEAN SECURITY
12 SERVICES RELATED TO BUILDING OPERATION AND MAINTENANCE FUNCTIONS PROVIDED BY
13 THE DEPARTMENT OF ADMINISTRATION.

14 Sec. 2. Section 15-901.04, Arizona Revised Statutes, is amended to
15 read:

16 15-901.04. Instructional technology systems pilot program;
17 grant application; criteria; program termination

18 A. The state board of education, in collaboration with the department
19 of education, shall establish an instructional technology systems pilot
20 program.

21 B. A school in a school district or a charter school may apply to the
22 department of education for participation in the pilot program. The
23 department of education shall recommend the format of the applications and
24 recommend application procedures and criteria. The state board of education
25 shall approve the application format and selection criteria.

26 C. The department of education shall select one school that provides
27 instruction in any combination of kindergarten programs and grades one
28 through eight to participate in the pilot program, after review and approval
29 by the state board of education. The department of education shall select a
30 school that has an effective plan that demonstrates commitment to
31 instructional change required to achieve significant performance gains
32 through participation in the pilot program and that demonstrates a financial
33 commitment by submitting a budget that shows the amount of funding that the
34 school will contribute to the pilot program. The department of education
35 shall distribute monies appropriated for this purpose to the selected school.

36 D. The school that is selected to participate in the pilot program
37 shall use the monies distributed pursuant to this section for the following
38 purposes to significantly increase academic performance:

39 1. To upgrade instructional technology systems in the classroom by
40 addressing all system aspects, including a digital curriculum, software,
41 computer hardware, technical support, data and local area networks with file
42 servers and broadband internet connectivity.

43 2. To ensure access to one networked computer with broadband internet
44 access, according to standards established by the ~~government information~~

1 ~~technology agency~~ DEPARTMENT OF ADMINISTRATION, for every pupil in every
2 academic classroom.

3 3. To provide training to teachers on classroom application and
4 instructional technology.

5 E. The department of education shall submit an annual update beginning
6 on January 1, 2008 that summarizes the results of the pilot program to the
7 governor, the speaker of the house of representatives, the president of the
8 senate and the joint legislative budget committee. The department of
9 education shall provide a copy of this annual update to the secretary of
10 state and the director of the Arizona state library, archives and public
11 records. The annual update shall include a summary of the pilot program's
12 impact on the school's budget, including any impact on hard and soft capital
13 spending, expenditures delineated by administration and classroom spending,
14 expenditures delineated by maintenance and operations and capital spending
15 and the impact of the pilot program on accountability measures, including any
16 academic gains made by pupils as a result of the pilot program.

17 F. The program established by this section ends on July 1, 2010
18 PURSUANT TO SECTION 41-3102.

19 Sec. 3. Section 15-1044, Arizona Revised Statutes, is amended to read:

20 15-1044. Arizona e-learning task force; duties

21 A. The Arizona e-learning task force is established. The task force
22 shall consist of the following members ~~who shall be appointed on or before~~
23 ~~August 31, 2006~~:

24 1. Two representatives of the business community with expertise in
25 technology issues, one of whom shall be appointed by the governor and one of
26 whom shall be appointed by the speaker of the house of representatives.

27 2. Two persons who shall have a background in psychometrics, one of
28 whom shall be appointed by the president of the senate and one of whom shall
29 be appointed by the speaker of the house of representatives.

30 3. Two persons who have expertise in curriculum development, one of
31 whom shall be appointed by the governor and one of whom shall be appointed by
32 the president of the senate.

33 4. One teacher who provides instruction in grade six, seven, eight or
34 nine in a public, private or charter school and who is appointed by the
35 speaker of the house of representatives.

36 5. One person who represents a public, private or charter school that
37 provides instruction in grade six, seven, eight or nine and who is appointed
38 by the governor.

39 6. One person who represents an entity that has at least ten years of
40 experience in teacher training and professional development coursework and
41 that has provided such training and coursework to at least five thousand
42 teachers and who is appointed by the president of the senate.

43 7. Two persons who represent higher education and who have expertise
44 in education technology and twenty-first century learning, one of whom shall

1 be appointed by the president of the senate and one of whom shall be
2 appointed by the speaker of the house of representatives.

3 8. One person who has a background in online or digital format
4 formative assessment and who is appointed by the governor.

5 9. The superintendent of public instruction or the superintendent's
6 designee.

7 10. The director of the ~~government information technology agency~~
8 DEPARTMENT OF ADMINISTRATION or the director's designee.

9 B. The task force shall annually elect a chairperson from among the
10 members of the task force. The department of education shall provide staff
11 support for the task force.

12 C. The initial members appointed pursuant to subsection A, paragraphs
13 1 through 8 shall assign themselves by lot to terms of one, two and three
14 years in office. All subsequent members appointed pursuant to subsection A,
15 paragraphs 1 through 8 serve three year terms. The chairperson shall notify
16 the appointing authority of these terms.

17 D. The task force shall:

18 1. Examine e-learning programs in other states.

19 2. Analyze potential methods to implement e-learning programs in this
20 state.

21 3. Develop innovative e-learning solutions.

22 4. Submit recommendations to the legislature and the state board of
23 education on the following:

24 (a) The transformation of traditional instruction programs to
25 e-learning programs.

26 (b) Options to equip teachers with the most effective technology and
27 training.

28 (c) Revisions to the current system of school funding as it applies to
29 e-learning programs.

30 (d) The coordination of a standardized data system for use by school
31 districts that interfaces with the data warehouse system of the department of
32 education and that provides decision support data for the school district
33 office, school personnel, parents and pupils.

34 (e) The enhancement and expansion of the integrated data to enhance
35 Arizona's learning web portal system within the department of education to
36 best serve the entire educational system in this state.

37 5. Collaborate with the ~~government information technology agency~~
38 DEPARTMENT OF ADMINISTRATION and other public and private entities to express
39 the technology needs of schools in this state.

40 6. Annually report to the legislature regarding e-learning programs
41 and solutions.

42 E. Task force members are not eligible for compensation, but task
43 force members who are appointed pursuant to subsection A, paragraphs 1
44 through 8 are eligible for reimbursement of expenses pursuant to title 38,
45 chapter 4, article 2 from monies appropriated to the department of education.

1 Sec. 4. Section 15-1261, Arizona Revised Statutes, is amended to read:
2 15-1261. E-rate application; fund

3 A. All school districts and charter schools that are eligible for
4 e-rate priority one funding as authorized by the telecommunications act of
5 1996 may apply for funding. Eligible school districts and charter schools
6 may submit applications with assistance of the ~~government information~~
7 ~~technology agency~~ DEPARTMENT OF ADMINISTRATION.

8 B. All school districts and charter schools that receive e-rate
9 funding shall establish an e-rate fund. Any monies in the fund may be used
10 to reimburse the school district or charter school for broadband internet and
11 telecommunications costs.

12 Sec. 5. Section 23-392, Arizona Revised Statutes, is amended to read:
13 23-392. Overtime compensation for certain law enforcement or
14 probation officer activities; option; definitions

15 A. Any person engaged in law enforcement activities shall be
16 compensated for each hour worked in excess of forty hours in one work week at
17 the option of such employer at the following rates:

18 1. One and one-half times the regular rate at which such person is
19 employed or one and one-half hours of compensatory time off for each hour
20 worked if by the person's job classification overtime compensation is
21 mandated by federal law.

22 2. If by the person's job classification federal law does not mandate
23 overtime compensation, the person shall receive the regular rate of pay or
24 compensatory leave on an hour for hour basis.

25 B. Any person engaged in probation officer activities shall be
26 compensated for each hour worked in excess of eighty hours in a two week work
27 period at the option of such employer at the following rates:

28 1. One and one-half times the regular rate at which such person is
29 employed or one and one-half hours of compensatory time off for each hour
30 worked if by the person's job classification overtime compensation is
31 mandated by federal law.

32 2. If by the person's job classification federal law does not mandate
33 overtime compensation, the person shall receive the regular rate of pay or
34 compensatory leave on an hour for hour basis.

35 C. Paid leave may be considered hours worked for the purpose of
36 calculating overtime.

37 D. The director of the department of public safety may establish
38 alternate work periods, in accordance with federal law, for the purpose of
39 determining overtime compensation for those employees of the air rescue
40 section of the department of public safety.

41 E. Notwithstanding subsection C of this section, an alternate work
42 period established by the director of the department of public safety for the
43 purpose of determining overtime compensation shall not exceed twenty-eight
44 days or one hundred sixty hours.

45 F. For the purposes of this section:

- 1 1. "Person engaged in law enforcement activities":
2 (a) Means:
3 (i) A law enforcement officer as defined by section 38-1001.
4 (ii) A peace officer as defined by section 41-1701.
5 (iii) Any security personnel responsible for controlling or
6 maintaining custody of inmates in correctional institutions maintained by
7 this state or a county, city or town.
8 ~~(iv) A capitol police officer employed pursuant to section 41-794,~~
9 ~~subsection A.~~
10 (b) Does not include any such person employed in a bona fide executive
11 or administrative capacity as defined by the employer.
12 2. "Person engaged in probation officer activities":
13 (a) Means a probation officer or surveillance officer who is appointed
14 pursuant to section 8-203, 12-251 or 12-259.
15 (b) Does not include any such person employed in a bona fide executive
16 or administrative capacity as defined by the employer.
17 Sec. 6. Section 23-901, Arizona Revised Statutes, is amended to read:
18 23-901. Definitions
19 In this chapter, unless the context otherwise requires:
20 1. "Award" means the finding or decision of an administrative law
21 judge or the commission as to the amount of compensation or benefit due an
22 injured employee or the dependents of a deceased employee.
23 2. "Client" means an individual, association, company, firm,
24 partnership, corporation or any other legally recognized entity that is
25 subject to this chapter and that enters into a professional employer
26 agreement with a professional employer organization.
27 3. "Co-employee" means every person employed by an injured employee's
28 employer.
29 4. "Commission" means the industrial commission of Arizona.
30 5. "Compensation" means the compensation and benefits provided by this
31 chapter.
32 6. "Employee", "workman", "worker" and "operative" means:
33 (a) Every person in the service of the state or a county, city, town,
34 municipal corporation or school district, including regular members of
35 lawfully constituted police and fire departments of cities and towns, whether
36 by election, appointment or contract of hire.
37 (b) Every person in the service of any employer subject to this
38 chapter, including aliens and minors legally or illegally permitted to work
39 for hire, but not including a person whose employment is both:
40 (i) Casual.
41 (ii) Not in the usual course of the trade, business or occupation of
42 the employer.
43 (c) Lessees of mining property and their employees and contractors
44 engaged in the performance of work which is a part of the business conducted
45 by the lessor and over which the lessor retains supervision or control are

1 within the meaning of this paragraph employees of the lessor, and are deemed
2 to be drawing wages as are usually paid employees for similar work. The
3 lessor may deduct from the proceeds of ores mined by the lessees the premium
4 required by this chapter to be paid for such employees.

5 (d) Regular members of volunteer fire departments organized pursuant
6 to title 48, chapter 5, article 1, regular firemen of any volunteer fire
7 department, including private fire protection service organizations,
8 organized pursuant to title 10, chapters 24 through 40, volunteer firemen
9 serving as members of a fire department of any incorporated city or town or
10 an unincorporated area without pay or without full pay and on a part-time
11 basis, and voluntary policemen and volunteer firemen serving in any
12 incorporated city, town or unincorporated area without pay or without full
13 pay and on a part-time basis, are deemed to be employees, but for the
14 purposes of this chapter, the basis for computing wages for premium payments
15 and compensation benefits for regular members of volunteer fire departments
16 organized pursuant to title 48, chapter 5, article 1, or organized pursuant
17 to title 10, chapters 24 through 40, regular members of any private fire
18 protection service organization, volunteer firemen and volunteer policemen of
19 these departments or organizations shall be the salary equal to the beginning
20 salary of the same rank or grade in the full-time service with the city,
21 town, volunteer fire department or private fire protection service
22 organization, provided if there is no full-time equivalent then the salary
23 equivalent shall be as determined by resolution of the governing body of the
24 city, town or volunteer fire department or corporation.

25 (e) Members of the department of public safety reserve, organized
26 pursuant to section 41-1715, are deemed to be employees. For the purposes of
27 this chapter, the basis for computing wages for premium payments and
28 compensation benefits for a member of the department of public safety reserve
29 who is a peace officer shall be the salary received by officers of the
30 department of public safety for their first month of regular duty as an
31 officer. For members of the department of public safety reserve who are not
32 peace officers, the basis for computing premiums and compensation benefits is
33 four hundred dollars a month.

34 (f) Any person placed in on-the-job evaluation or in on-the-job
35 training under the department of economic security's temporary assistance for
36 needy families program or vocational rehabilitation program shall be deemed
37 to be an employee of the department for the purpose of coverage under the
38 state workers' compensation laws only. The basis for computing premium
39 payments and compensation benefits shall be two hundred dollars per month.
40 Any person receiving vocational rehabilitation services under the department
41 of economic security's vocational rehabilitation program whose major
42 evaluation or training activity is academic, whether as an enrolled attending
43 student or by correspondence, or who is confined to a hospital or penal
44 institution, shall not be deemed to be an employee of the department for any
45 purpose. Any dividend which the department's vocational rehabilitation

1 program may be entitled to receive from the state compensation fund because
2 of a favorable loss experience for any policy period shall not revert to the
3 state general fund but shall be applied to the department's current premium
4 obligations for workers' compensation coverage for such program.

5 (g) Regular members of a volunteer sheriff's reserve, which may be
6 established by resolution of the county board of supervisors, to assist the
7 sheriff in the performance of the sheriff's official duties. A roster of the
8 current members shall monthly be certified to the clerk of the board of
9 supervisors by the sheriff and shall not exceed the maximum number authorized
10 by the board. Certified members of an authorized volunteer sheriff's reserve
11 shall be deemed to be employees of the county for the purpose of coverage
12 under the Arizona workers' compensation laws and occupational disease
13 disability laws and shall be entitled to receive the benefits of these laws
14 for any compensable injuries or disabling conditions which arise out of and
15 occur in the course of the performance of duties authorized and directed by
16 the sheriff. Compensation benefits and premium payments shall be based upon
17 the salary received by a regular full-time deputy sheriff of the county
18 involved for the first month of regular patrol duty as an officer for each
19 certified member of a volunteer sheriff's reserve. This subdivision shall
20 not be construed to provide compensation coverage for any member of a
21 sheriff's posse who is not a certified member of an authorized volunteer
22 sheriff's reserve except as a participant in a search and rescue mission or a
23 search and rescue training mission.

24 (h) A working member of a partnership may be deemed to be an employee
25 entitled to the benefits provided by this chapter upon written acceptance, by
26 endorsement, at the discretion of the insurance carrier for the partnership
27 of an application for coverage by the working partner. The basis for
28 computing premium payments and compensation benefits for the working partner
29 shall be an assumed average monthly wage of not less than six hundred dollars
30 nor more than the maximum wage provided in section 23-1041 and is subject to
31 the discretionary approval of the insurance carrier. Any compensation for
32 permanent partial or permanent total disability payable to the partner shall
33 be computed on the lesser of the assumed monthly wage agreed to by the
34 insurance carrier on the acceptance of the application for coverage or the
35 actual average monthly wage received by the partner at the time of injury.

36 (i) The sole proprietor of a business subject to this chapter may be
37 deemed to be an employee entitled to the benefits provided by this chapter on
38 written acceptance, by endorsement, at the discretion of the insurance
39 carrier of an application for coverage by the sole proprietor. The basis for
40 computing premium payments and compensation benefits for the sole proprietor
41 shall be an assumed average monthly wage of not less than six hundred dollars
42 nor more than the maximum wage provided by section 23-1041 and is subject to
43 the discretionary approval of the insurance carrier. Any compensation for
44 permanent partial or permanent total disability payable to the sole
45 proprietor shall be computed on the lesser of the assumed monthly wage agreed

1 to by the insurance carrier on the acceptance of the application for coverage
2 or the actual average monthly wage received by the sole proprietor at the
3 time of injury.

4 (j) A member of the Arizona national guard, Arizona state guard or
5 unorganized militia shall be deemed a state employee and entitled to coverage
6 under the Arizona workers' compensation law at all times while the member is
7 receiving the payment of the member's military salary from the state of
8 Arizona under competent military orders or upon order of the governor.
9 Compensation benefits shall be based upon the monthly military pay rate to
10 which the member is entitled at the time of injury, but not less than a
11 salary of four hundred dollars per month, nor more than the maximum provided
12 by the workers' compensation law. No Arizona compensation benefits shall
13 inure to a member compensable under federal law.

14 (k) Certified ambulance drivers and attendants who serve without pay
15 or without full pay on a part-time basis are deemed to be employees and
16 entitled to the benefits provided by this chapter and the basis for computing
17 wages for premium payments and compensation benefits for certified ambulance
18 personnel shall be four hundred dollars per month.

19 (l) Volunteer workers of a licensed health care institution may be
20 deemed to be employees and entitled to the benefits provided by this chapter
21 upon written acceptance by the insurance carrier of an application by the
22 health care institution for coverage of such volunteers. The basis for
23 computing wages for premium payments and compensation benefits for volunteers
24 shall be four hundred dollars per month.

25 (m) Personnel who participate in a search or rescue operation or a
26 search or rescue training operation that carries a mission identifier
27 assigned by the division of emergency management as provided in section
28 35-192.01 and who serve without compensation as volunteer state employees.
29 The basis for computation of wages for premium purposes and compensation
30 benefits is the total volunteer man-hours recorded by the division of
31 emergency management in a given quarter multiplied by the amount determined
32 by the appropriate risk management formula.

33 (n) Personnel who participate in emergency management training,
34 exercises or drills that are duly enrolled or registered with the division of
35 emergency management or any political subdivision as provided in section
36 26-314, subsection C and who serve without compensation as volunteer state
37 employees. The basis for computation of wages for premium purposes and
38 compensation benefits is the total volunteer man-hours recorded by the
39 division of emergency management or political subdivision during a given
40 training session, exercise or drill multiplied by the amount determined by
41 the appropriate risk management formula.

42 (o) Regular members of the Arizona game and fish department reserve,
43 organized pursuant to section 17-214. The basis for computing wages for
44 premium payments and compensation benefits for a member of the reserve is the

1 salary received by game rangers and wildlife managers of the Arizona game and
2 fish department for their first month of regular duty.

3 (p) Every person employed pursuant to a professional employer
4 agreement.

5 ~~(q) Members of the department of administration capitol police
6 reserve, organized pursuant to section 41-794, are deemed to be employees.
7 For the purposes of this chapter, the basis for computing wages for premium
8 payments and compensation benefits for a member of the department of
9 administration capitol police reserve who is a peace officer shall be the
10 salary received by officers of the department of administration for their
11 first month of regular duty as an officer.~~

12 7. "General order" means an order applied generally throughout the
13 state to all persons under jurisdiction of the commission.

14 8. "Heart-related or perivascular injury, illness or death" means
15 myocardial infarction, coronary thrombosis or any other similar sudden,
16 violent or acute process involving the heart or perivascular system, or any
17 death resulting therefrom, and any weakness, disease or other condition of
18 the heart or perivascular system, or any death resulting therefrom.

19 9. "Insurance carrier" means the state compensation fund and every
20 insurance carrier duly authorized by the director of insurance to write
21 workers' compensation or occupational disease compensation insurance in the
22 state of Arizona.

23 10. "Interested party" means the employer, the employee, or if the
24 employee is deceased, the employee's estate, the surviving spouse or
25 dependents, the commission, the insurance carrier or their representative.

26 11. "Mental injury, illness or condition" means any mental, emotional,
27 psychotic or neurotic injury, illness or condition.

28 12. "Order" means and includes any rule, direction, requirement,
29 standard, determination or decision other than an award or a directive by the
30 commission or an administrative law judge relative to any entitlement to
31 compensation benefits, or to the amount thereof, and any procedural ruling
32 relative to the processing or adjudicating of a compensation matter.

33 13. "Personal injury by accident arising out of and in the course of
34 employment" means any of the following:

35 (a) Personal injury by accident arising out of and in the course of
36 employment.

37 (b) An injury caused by the wilful act of a third person directed
38 against an employee because of the employee's employment, but does not
39 include a disease unless resulting from the injury.

40 (c) An occupational disease which is due to causes and conditions
41 characteristic of and peculiar to a particular trade, occupation, process or
42 employment, and not the ordinary diseases to which the general public is
43 exposed, and subject to section 23-901.01.

44 14. "Professional employer agreement" means a written contract between
45 a client and a professional employer organization:

1 (a) In which the professional employer organization expressly agrees
2 to co-employ all or a majority of the employees providing services for the
3 client. In determining whether the professional employer organization
4 employs all or a majority of the employees of a client, any person employed
5 pursuant to the terms of the professional employer agreement after the
6 initial placement of client employees on the payroll of the professional
7 employer organization shall be included.

8 (b) That is intended to be ongoing rather than temporary in nature.

9 (c) In which employer responsibilities for worksite employees,
10 including hiring, firing and disciplining, are expressly allocated between
11 the professional employer organization and the client in the agreement.

12 15. "Professional employer organization" means any person engaged in
13 the business of providing professional employer services. Professional
14 employer organization does not include a temporary help firm or an employment
15 agency.

16 16. "Professional employer services" means the service of entering into
17 co-employment relationships under this chapter to which all or a majority of
18 the employees providing services to a client or to a division or work unit of
19 a client are covered employees.

20 17. "Special order" means an order other than a general order.

21 18. "State compensation fund" includes the state compensation fund,
22 accident benefit fund and occupational disease compensation fund in existence
23 on January 2, 1969 and shall thereafter include all funds under the
24 jurisdiction of the board of directors of the state compensation fund which
25 have been derived from the assessment of premiums, interest, penalties and
26 investment earnings for the payment of all workers' compensation and
27 occupational disease compensation benefits.

28 19. "Weakness, disease or other condition of the heart or perivascular
29 system" means arteriosclerotic heart disease, cerebral vascular disease,
30 peripheral vascular disease, cardiovascular disease, angina pectoris,
31 congestive heart trouble, coronary insufficiency, ischemia and all other
32 similar weaknesses, diseases and conditions, and also previous episodes or
33 instances of myocardial infarction, coronary thrombosis or any similar
34 sudden, violent or acute process involving the heart or perivascular system.

35 20. "Workers' compensation" means workmen's compensation as used in
36 article XVIII, section 8, Constitution of Arizona.

37 Sec. 7. Heading change

38 The article heading of title 27, chapter 1, article 1, Arizona Revised
39 Statutes, is changed from "DEPARTMENT OF MINES AND MINERAL RESOURCES" to
40 "MINES AND MINERAL RESOURCES".

41 Sec. 8. Section 27-101, Arizona Revised Statutes, is amended to read:

42 27-101. Definitions

43 In this article, unless the context otherwise requires:

44 ~~1. "Board" means the board of governors of the department.~~

1 ~~2.~~ 1. "Department" means the ~~department of mines and mineral~~
2 ~~resources~~ ARIZONA GEOLOGICAL SURVEY.

3 ~~3.~~ 2. "Director" means the ~~director of the department~~ STATE
4 GEOLOGIST.

5 ~~4.~~ 3. "Minerals" includes metals and metallic and nonmetallic
6 minerals, except oil and gas.

7 Sec. 9. Section 27-101.01, Arizona Revised Statutes, is amended to
8 read:

9 27-101.01. Immunity

10 ~~A. A department of mines and mineral resources is established.~~

11 ~~B. The objectives of the department are to promote the development of~~
12 ~~the mineral resources of this state:~~

13 ~~1. Through technical and educational processes, including field~~
14 ~~investigations, public seminars, publications, conferences and mineral~~
15 ~~displays.~~

16 ~~2. By providing mining, metallurgical and other technical information~~
17 ~~and assistance to all persons who are interested in developing the mineral~~
18 ~~resources of this state.~~

19 ~~C.~~ Any claim or action against the department, ~~the board of governors~~
20 ~~or any member of the board or~~ the director or any other officer, employee or
21 volunteer of the department in the person's official capacity must be brought
22 against the state of Arizona and not against the department, ~~board, board~~
23 ~~member,~~ director or officer, employee or volunteer individually.

24 Sec. 10. Section 27-102, Arizona Revised Statutes, is amended to read:

25 27-102. Duties of the department

26 ~~A. Consistent with the objectives stated in section 27-101.01,~~ The
27 department shall:

28 1. Promote the development of the mineral resources and industry of
29 this state.

30 2. Advocate the development of mineral resources and the production of
31 minerals and mineral products in this state in support of its objectives.

32 3. Participate in conferences, seminars, forums, speaking engagements,
33 public news media and other functions necessary to achieve its objectives.

34 4. Conduct studies of the properties and claims of companies and
35 individuals to assist in the exploration and development of mineral
36 resources.

37 5. Maintain a repository of mineral and mining information, including
38 databases, books, periodicals, individual mine files, mine map repository
39 files, mining district data and an archive of mine data. All databases and
40 other archival materials shall be maintained in a secure and retrievable
41 format and location prescribed by the director to protect and preserve
42 information from damage or destruction.

43 6. Provide quality mining data, evaluation and assistance relating to
44 promoting mineral development to the legislature, federal, state and local
45 governmental agencies and the public.

1 7. Make surveys of potential economic mineral resources and conduct
2 field and other investigations that may interest capital in the development
3 of the state's mineral resources.

4 8. Serve as a source of mining information for this state in matters
5 relating to its mineral resources and monitor current mining and exploration
6 activities.

7 9. Publish and disseminate information and data necessary or advisable
8 to attain its objectives. The director may establish reasonable fees for
9 publications.

10 10. Cooperate with the corporation commission in its investigations and
11 administration of laws relating to the sale of mining securities.

12 11. Assist federal, state and local governmental agencies and
13 instrumentalities, economic development organizations and gem and mineral
14 organizations in matters relating to:

15 (a) Education.

16 (b) The identification, exploration and development of mineral
17 resources in this state.

18 12. Use its authority in other ways to assist in more extensive
19 exploration and development of the mineral resources of this state.

20 B. The department shall maintain a mining and mineral depository for
21 collecting and cataloging mining artifacts and specimens, lapidary material
22 and equipment and other valuable documents relating to mining and minerals.

23 Sec. 11. Repeal

24 Sections 27-103, 27-104, 27-105, 27-106, 27-107, 27-108, 27-109, 27-110
25 and 27-111, Arizona Revised Statutes, are repealed.

26 Sec. 12. Section 27-151, Arizona Revised Statutes, is amended to read:

27 27-151. Arizona geological survey; state geologist; powers;
28 definition

29 A. The Arizona geological survey is established with offices located
30 in proximity to the university of Arizona in Tucson. The governor shall
31 appoint a state geologist, pursuant to section 38-211, to be the
32 administrative head of the Arizona geological survey and to serve at the
33 pleasure of the governor. The state geologist shall be registered as a
34 geologist by the state board of technical registration, a graduate of an
35 accredited institution and otherwise qualified by education and experience to
36 direct the research and information functions of the Arizona geological
37 survey.

38 B. The state geologist may organize the Arizona geological survey into
39 such administrative units, and employ such permanent, temporary, part-time
40 and volunteer professional and support staff, as necessary to achieve the
41 objectives and promote the policies prescribed by this article.

42 C. The state geologist may:

43 1. Retain the services of faculty members or students, and shall have
44 reasonable access to the data and other resources, of the university of
45 Arizona or any other state university in this state to conduct or supervise

1 research, experimentation or other related work of the Arizona geological
2 survey.

3 2. Organize field expeditions to perform work for the Arizona
4 geological survey using university students who are sufficiently advanced in
5 their study of geology to be able to perform satisfactory work.

6 3. Establish and appoint an advisory board consisting of independent
7 practicing geologists, university or college faculty, mining geologists and
8 others who use and rely on data, information and other services of the
9 Arizona geological survey.

10 D. The expenses of the Arizona geological survey shall be paid by
11 annual appropriation from the state general fund and as otherwise provided by
12 this article [AND ARTICLE 1 OF THIS CHAPTER](#).

13 E. For [THE](#) purposes of this article, "mineral resources" means all
14 metallic, nonmetallic and energy resources, including coal, oil, natural gas,
15 geothermal resources, carbon dioxide and helium.

16 Sec. 13. Section 27-152.02, Arizona Revised Statutes, is amended to
17 read:

18 [27-152.02. Powers and duties of state geologist; fund](#)

19 A. The state geologist shall:

20 1. Establish such administrative functions and offices as necessary to
21 achieve the purposes of this article.

22 2. Prescribe the number and professional disciplines of the technical
23 staff and their office and laboratory associates.

24 3. Direct the work of the Arizona geological survey and the
25 formulation of its program and policies.

26 4. Adopt such rules as are necessary to carry out the purposes of this
27 article.

28 5. Purchase or lease necessary office and laboratory equipment and
29 acquire facilities from the state or lease necessary office and laboratory
30 space.

31 6. Apply for and accept gifts, bequests or legacies of real or
32 personal property or any other contribution, financial or otherwise, for use
33 pursuant to the direction of the donor or, in the absence of an express
34 direction, to be disposed of for the best interests of this state. The state
35 geologist shall honor any restriction imposed by the donor on divulging
36 contributed information or tangible personal property.

37 7. Accept from the federal, state and local governments or their
38 agencies monies made available to this state for the purposes of this
39 article.

40 8. Enter into cooperative agreements with federal, county or municipal
41 governments or their agencies or with any agency or governmental unit
42 established by the law of this or any other state for the purpose of carrying
43 out the provisions of this article.

44 9. Contract with persons and organizations, public or private, to
45 provide services for the Arizona geological survey.

1 10. Appoint a person with a background in oil and gas conservation to
2 act on behalf of the oil and gas conservation commission and administer and
3 enforce the applicable provisions of chapter 4 of this title relating to the
4 oil and gas conservation commission.

5 B. The state geologist or the geologist's designee, at any time, may
6 enter the property and inspect wells drilled for oil, gas, geothermal
7 resources, helium or carbon dioxide and shall control property, machinery and
8 appliances necessary to gauge the wells.

9 C. A geological survey fund is established for the purposes provided
10 in this article consisting of appropriations and all monies received pursuant
11 to [ARTICLE 1 OF THIS CHAPTER](#), this section and sections 27-152.01, 27-153 and
12 27-515. Monies shall be separately accounted for and used as a continuing
13 appropriation by the state geologist for the purposes provided from each
14 source. Monies in the fund are exempt from the provisions of section 35-190
15 relating to lapsing of appropriations.

16 Sec. 14. Section 28-3513, Arizona Revised Statutes, is amended to
17 read:

18 28-3513. Administrative charges

19 A. The immobilizing or impounding agency shall establish procedures
20 for immobilization hearings or poststorage hearings, for the release of
21 properly immobilized or impounded vehicles and for imposition of a charge for
22 administrative costs relating to the removal, immobilization, impoundment,
23 storage or release of a vehicle. The immobilizing or impounding agency may
24 waive the administrative charges.

25 B. The administrative charges established pursuant to this section
26 shall not exceed one hundred fifty dollars and shall not be charged to a
27 towing company that performs removal, immobilization, impoundment, storage or
28 release of the vehicle.

29 C. The immobilizing or impounding agency shall collect any
30 administrative charges at the time of the release of the vehicle unless the
31 vehicle is stolen and the theft was reported to the appropriate law
32 enforcement agency. If the vehicle is stolen and the theft was reported to
33 the appropriate law enforcement agency, the operator of the vehicle at the
34 time of immobilization or impoundment is responsible for all towing,
35 immobilization, storage and administrative charges.

36 D. The administrative charges established pursuant to this section are
37 in addition to any other immobilization, impoundment or storage charges.

38 E. A justice court providing an immobilization or poststorage hearing
39 may collect a fee equal to the fee established pursuant to section 22-281 for
40 a small claims answer.

41 F. If the immobilizing or impounding agency is:

42 1. A municipality, the administrative charges collected pursuant to
43 this section shall be transmitted to the city treasurer for deposit in a
44 special fund established by the municipality for the purpose of implementing
45 section 28-872 and this article.

1 would otherwise revert to the state general fund pursuant to section 35-190
2 shall be retained for use by the department of economic security in
3 accordance with the terms and conditions imposed by the federal funding
4 source in an account or accounts established or authorized by the state
5 treasurer.

6 8. Monies designated by law as special state funds shall not be
7 considered a part of the general fund. Unless otherwise prescribed by law,
8 the state treasurer shall be the custodian of all such funds.

9 9. All monies received and any accounts established and maintained by
10 the director of the Arizona state retirement system or the administrator of
11 the public safety personnel retirement system, the corrections officer
12 retirement plan and the elected officials' retirement plan.

13 B. No money shall be received or held by the state treasurer except as
14 authorized by law, and in every instance the treasurer shall issue a receipt
15 for money received and shall record the transaction in the statewide
16 accounting system. No money shall be withdrawn from the treasury except on
17 the warrant or electronic funds transfer voucher of the department of
18 administration.

19 C. All federal monies granted and paid to the state by the federal
20 government shall be accounted for in the accounts or funds of the state in
21 the necessary detail to meet federal and state accounting, budgetary and
22 auditing requirements, and all appropriations for matching such federal
23 monies shall be transferred from the general fund to such separate funds as
24 needed, except as otherwise required by the federal government.

25 D. Nothing in this section requires the establishment of separate
26 accounts or funds for such federal monies unless otherwise required by
27 federal or state law. The department of administration has the authority to
28 use the most efficient system of accounts and records, consistent with legal
29 requirements and standard and necessary fiscal safeguards.

30 E. Nothing in this section precludes the creation by the department of
31 administration of a clearing account or other acceptable accounting method to
32 effect prompt payment of claims from an approved budget or appropriation.
33 The department of administration shall report each account or fund
34 established or cancelled to the directors of the joint legislative budget
35 committee and the governor's office of strategic planning and budgeting.

36 F. Nothing in this section or any other section precludes the use of
37 monies kept in funds separate from the general fund, the interest from which
38 accrues to the general fund, for payment of claims against the general fund,
39 provided sufficient monies remain available for payment of claims against
40 such funds.

41 G. The department of administration may issue warrants for qualified
42 expenditures of federal program monies before they are deposited in the state
43 treasury. The receipt of federal monies shall be timed to coincide, as
44 closely as administratively feasible, with the redemption of warrants by the
45 state treasurer. The department of administration shall limit expenditures

1 to the amount that has been made available for the use under the grant award
2 by the federal government. The state agency initiating the expenditures is
3 responsible for ensuring that expenditures qualify for coverage under the
4 guidelines of the federal grant award.

5 H. The department of administration shall establish the policies and
6 procedures for all state agencies for drawing federal monies. When the
7 established method results in federal monies being held by this state, the
8 department of administration may use the interest earned on the monies to pay
9 the federal government for any related interest liability. If an interest
10 liability is incurred due to a state agency varying from the established
11 policies and procedures, the department of administration shall charge the
12 appropriate agency account or fund. Interest payment charges to agencies
13 shall be reported by the department of administration to the joint
14 legislative budget committee on or before March 1. Any federal interest
15 liability owed to this state as a result of the delayed federal disbursements
16 shall be used to offset this state's interest liability to the federal
17 government. Any remaining interest earnings shall be deposited in the state
18 general fund.

19 I. Any state agency or authorized agent of a state agency may accept
20 credit cards pursuant to an agreement entered into by the state treasurer
21 pursuant to section 35-315 for the payment of any amount due to that agency
22 or agent or this state.

23 J. Except for the department of revenue for tax payments, agencies or
24 authorized agents on behalf of state agencies that accept credit cards shall
25 deduct any applicable discount fee and processing fee associated with the
26 transaction amount before depositing the net amount in the appropriate state
27 fund. No other reduction is permitted against the transaction amount. The
28 net amount deposited in the appropriate state fund shall be considered as the
29 full deposit required by law of monies received by the agency or the
30 authorized agent. Payment of any applicable discount fee and processing fee
31 shall be accounted for in the annual report submitted to the governor's
32 office of strategic planning and budgeting in accordance with section
33 41-1273. The transaction amount of any credit card transaction shall not be
34 reduced by any discount fee or processing fee in an amount in excess of the
35 merchant card settlement fees reflected in the state banking contract with
36 the state treasurer's office.

37 K. Any state agency that contracts with an authorized agent for the
38 electronic processing of transactions pursuant to title 41, chapter 23 may
39 include a provision in the contract to allow the authorized agent to impose a
40 convenience fee. If allowed, the convenience fee shall be charged to the
41 cardholder in addition to the transaction amount, except for the following:

42 1. Except as provided in subsection R of this section, any permits,
43 licenses or other authorizations needed to pursue a trade or occupation in
44 this state.

1 2. Except as provided in subsection R of this section, any permits,
2 licenses or other authorizations needed to establish, expand or operate a
3 business in this state.

4 3. Except as provided in subsection R of this section, any permits,
5 licenses or other authorizations needed to register a vehicle or license a
6 driver in this state.

7 L. Each state agency or its authorized agent shall:

8 1. Deduct the amount of the convenience fee before depositing the
9 transaction amount or the transaction amount reduced by the discount fee or
10 the processing fee, or both, into the appropriate state fund.

11 2. Not deduct any part of the convenience fee from the transaction
12 amount before depositing the net amount into the appropriate state fund.

13 3. Deduct the amount of the discount fee or the processing fee, or
14 both, from the transaction amount before depositing the net amount into the
15 appropriate state fund.

16 M. The net amount deposited in the appropriate state fund pursuant to
17 subsection K or L of this section shall be considered as the full deposit of
18 monies that is required by law and that is received by the agency.

19 N. Notwithstanding section 35-142.01, convenience fees received by a
20 state agency or its authorized agent are limited to, and may be used to
21 offset, the costs imposed by the authorized agent in processing the
22 transactions.

23 O. When the percentage of electronic transactions first exceeds at
24 least thirty per cent of a state agency's total transactions, the state
25 agency shall perform a cost benefit report, including costs of convenience
26 fees, the amount of revenue generated and any realized cost savings. The
27 state agency shall submit the cost benefit report to the joint legislative
28 budget committee within six months after reaching the thirty per cent
29 threshold.

30 P. State agencies shall report the number of transactions, the number
31 of electronic transactions, the total dollar amount of transactions
32 processed, the total dollar amount of any discount fee, the total dollar
33 amount of any processing fee and the total dollar amount of any convenience
34 fee charged, deducted or paid pursuant to subsections J and K of this section
35 annually by October 1 to the governor, the ~~government information technology~~
36 ~~agency~~ DEPARTMENT OF ADMINISTRATION and the joint legislative budget
37 committee.

38 Q. Nothing in this section or any other provision of law authorizes
39 any state agency, authorized agent of any state agency or budget unit to
40 establish a bank account for any government monies. All monies received by
41 or on behalf of this state shall be deposited with and in the custody of the
42 state treasurer or in an account that is authorized by the state treasurer
43 pursuant to this section. This subsection does not apply to monies received
44 and any accounts established and maintained by the director of the Arizona
45 state retirement system or the administrator of the public safety personnel

1 retirement system, the corrections officer retirement plan and the elected
2 officials' retirement plan.

3 R. If a state agency provides an alternative method of payment, the
4 convenience fee may be charged to the cardholder in addition to the
5 transaction amount.

6 Sec. 16. Section 36-2926, Arizona Revised Statutes, is amended to
7 read:

8 36-2926. Use of cost savings; preparation of budget
9 recommendations; cooperation of other agencies

10 A. The administration shall use the cost savings generated from
11 agreements entered into pursuant to section 36-2925 to supplement monies that
12 are appropriated by the legislature. The administration shall use the cost
13 savings to:

14 1. Develop and operate employee recruitment and retention programs
15 that may include creating positions not covered by state service, special
16 salary plans and pay practices and performance compensation programs approved
17 by the director.

18 2. IMPLEMENT technology projects to upgrade hardware or software used
19 by the administration in the operation of the system.

20 B. The governor's office of strategic planning and budgeting and the
21 joint legislative budget committee shall not recommend using the cost savings
22 generated by section 36-2925 to supplant state or federal monies used for the
23 operation or administration of the programs operated by the administration.

24 C. The department of administration ~~and the government information~~
25 ~~technology agency~~ shall assist the administration in developing and operating
26 employee recruitment and retention programs specified in subsection A of this
27 section.

28 Sec. 17. Section 37-904, Arizona Revised Statutes, is amended to read:

29 37-904. Public lands board of review; members; powers and
30 duties; staff and officers; service of process

31 A. There is established a public lands board of review consisting of
32 the following members:

33 1. State land commissioner.

34 2. Director of ~~the department of health services division of air and~~
35 ~~water~~ ENVIRONMENTAL quality.

36 ~~3. Director of the department of mines and mineral resources.~~

37 3. STATE GEOLOGIST.

38 4. Director of the Arizona state parks board.

39 5. Director of the department of transportation.

40 6. Deputy state forester.

41 7. Director of water resources.

42 8. Director of the Arizona game and fish department.

43 9. As provided in subsection F, the chairman of the board of
44 supervisors of a county in which public lands are located.

1 10. One county supervisor, appointed by the governor to serve at the
2 pleasure of the governor.

3 B. The board shall elect one of its members to serve as chairman. The
4 chairman shall call meetings of the board and prescribe the time and place of
5 each meeting.

6 C. Members of the board are not eligible to receive compensation but
7 are eligible for reimbursement of expenses pursuant to title 38, chapter 4,
8 article 2.

9 D. The board:

10 1. Shall review and approve or disapprove all rules and regulations
11 proposed by the commissioner under this chapter.

12 2. May review any decision of the commissioner relating to public
13 lands under this chapter and affirm, modify or reverse the decision.

14 E. The state land department shall provide the administrative staff
15 and offices needed by the board, and the state land commissioner shall be
16 deemed the clerk of the board upon which notices of appeal and other process
17 shall be served.

18 F. The chairman of the county board of supervisors of a county in
19 which public lands are located and which are the subject of the board action
20 shall serve as a member of the board for the purposes of the action.

21 Sec. 18. Section 38-842, Arizona Revised Statutes, is amended to read:

22 38-842. Definitions

23 In this article, unless the context otherwise requires:

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

29 2. "Accumulated contributions" means, for each member, the sum of the
30 amount of the member's aggregate contributions made to the fund and the
31 amount, if any, attributable to the employee's contributions before the
32 member's effective date under another public retirement system, other than
33 the federal social security act, and transferred to the fund minus the
34 benefits paid to or on behalf of the member.

35 3. "Actuarial equivalent" means equality in present value of the
36 aggregate amounts expected to be received under two different forms of
37 payment, based on mortality and interest assumptions adopted by the board.

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

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

42 6. "Annuitant" means a person who is receiving a benefit pursuant to
43 section 38-846.01.

44 7. "Average monthly benefit compensation" means the result obtained by
45 dividing the total compensation paid to an employee during a considered

1 period by the number of months, including fractional months, in which such
2 compensation was received. The considered period shall be the three
3 consecutive years within the last twenty completed years of credited service
4 that yield the highest average. In the computation under this paragraph, a
5 period of nonpaid or partially paid industrial leave shall be considered
6 based on the compensation the employee would have received in the employee's
7 job classification if the employee was not on industrial leave.

8 8. "Board" means the board of trustees of the system, who are the
9 persons appointed to invest and operate the fund.

10 9. "Catastrophic disability" means a physical and not a psychological
11 condition that the local board determines prevents the employee from totally
12 and permanently engaging in any gainful employment and that results from a
13 physical injury incurred in the performance of the employee's duty.

14 10. "Certified peace officer" means a peace officer certified by the
15 Arizona peace officers standards and training board.

16 11. "Claimant" means any member or beneficiary who files an application
17 for benefits pursuant to this article.

18 12. "Compensation" means, for the purpose of computing retirement
19 benefits, base salary, overtime pay, shift differential pay, military
20 differential wage pay and holiday pay paid to an employee by the employer on
21 a regular monthly, semimonthly or biweekly payroll basis and longevity pay
22 paid to an employee at least every six months for which contributions are
23 made to the system pursuant to section 38-843, subsection D. Compensation
24 does not include, for the purpose of computing retirement benefits, payment
25 for unused sick leave, payment in lieu of vacation, payment for compensatory
26 time or payment for any fringe benefits. In addition, compensation does not
27 include, for the purpose of computing retirement benefits, payments made
28 directly or indirectly by the employer to the employee for work performed for
29 a third party on a contracted basis or any other type of agreement under
30 which the third party pays or reimburses the employer for the work performed
31 by the employee for that third party, except for third party contracts
32 between public agencies for law enforcement, criminal, traffic and crime
33 suppression activities training ~~OR FIRE~~, wildfire, emergency medical or
34 emergency management activities or where the employer supervises the
35 employee's performance of law enforcement, criminal, traffic and crime
36 suppression activities, ~~training, OR fire~~, wildfire, emergency medical or
37 emergency management ~~services~~ **ACTIVITIES**. For the purposes of this
38 paragraph, "base salary" means the amount of compensation each employee is
39 regularly paid for personal services rendered to an employer before the
40 addition of any extra monies, including overtime pay, shift differential pay,
41 holiday pay, longevity pay, fringe benefit pay and similar extra payments.

42 13. "Credited service" means the member's total period of service
43 before the member's effective date of participation, plus those compensated
44 periods of the member's service thereafter for which the member made
45 contributions to the fund.

1 14. "Cure period" means the ninety-day period in which a participant or
2 alternate payee may submit an amended domestic relations order and request a
3 determination, calculated from the time the system issues a determination
4 finding that a previously submitted domestic relations order did not qualify
5 as a plan approved domestic relations order.

6 15. "Depository" means a bank in which all monies of the system are
7 deposited and held and from which all expenditures for benefits, expenses and
8 investments are disbursed.

9 16. "Determination" means a written document that indicates to a
10 participant and alternate payee whether a domestic relations order qualifies
11 as a plan approved domestic relations order.

12 17. "Determination period" means the ninety-day period in which the
13 system must review a domestic relations order that is submitted by a
14 participant or alternate payee to determine whether the domestic relations
15 order qualifies as a plan approved domestic relations order, calculated from
16 the time the system mails a notice of receipt to the participant and
17 alternate payee.

18 18. "Direct rollover" means a payment by the system to an eligible
19 retirement plan that is specified by the distributee.

20 19. "Distributee" means a member, a member's surviving spouse or a
21 member's spouse or former spouse who is the alternate payee under a plan
22 approved domestic relations order.

23 20. "Domestic relations order" means an order of a court of this state
24 that is made pursuant to the domestic relations laws of this state and that
25 creates or recognizes the existence of an alternate payee's right to, or
26 assigns to an alternate payee the right to, receive a portion of the benefits
27 payable to a participant.

28 21. "Effective date of participation" means July 1, 1968, except with
29 respect to employers and their covered employees whose contributions to the
30 fund commence thereafter, the effective date of their participation in the
31 system is as specified in the applicable joinder agreement.

32 22. "Effective date of vesting" means the date a member's rights to
33 benefits vest pursuant to section 38-844.01.

34 23. "Eligible child" means an unmarried child of a deceased member or
35 retired member who meets one of the following qualifications:

36 (a) Is under eighteen years of age.

37 (b) Is at least eighteen years of age and under twenty-three years of
38 age only during any period that the child is a full-time student.

39 (c) Is under a disability that began before the child attained
40 twenty-three years of age and remains a dependent of the surviving spouse or
41 guardian.

42 24. "Eligible groups" means only the following who are regularly
43 assigned to hazardous duty:

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

45 (b) Municipal fire fighters.

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

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

6 (e) State fire fighters.

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

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

9 (h) Police officers who are certified peace officers and fire fighters
10 of a nonprofit corporation operating a public airport pursuant to sections
11 28-8423 and 28-8424. A police officer shall be designated pursuant to
12 section 28-8426 to aid and supplement state and local law enforcement
13 agencies and a fire fighter's sole duty shall be to perform fire fighting
14 services, including services required by federal regulations.

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

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

19 (k) State attorney general investigators who are certified peace
20 officers.

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

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

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

26 ~~(o) Police officers who are certified peace officers and who are~~
27 ~~appointed by the department of administration.~~

28 ~~(p)~~ (o) Department of liquor licenses and control investigators who
29 are certified peace officers.

30 ~~(q)~~ (p) Arizona department of agriculture officers who are certified
31 peace officers.

32 ~~(r)~~ (q) Arizona state parks board rangers and managers who are
33 certified peace officers.

34 ~~(s)~~ (r) County park rangers who are certified peace officers.

35 25. "Eligible retirement plan" means any of the following that accepts
36 a distributee's eligible rollover distribution:

37 (a) An individual retirement account described in section 408(a) of
38 the internal revenue code.

39 (b) An individual retirement annuity described in section 408(b) of
40 the internal revenue code.

41 (c) An annuity plan described in section 403(a) of the internal
42 revenue code.

43 (d) A qualified trust described in section 401(a) of the internal
44 revenue code.

1 (e) An annuity contract described in section 403(b) of the internal
2 revenue code.

3 (f) An eligible deferred compensation plan described in section 457(b)
4 of the internal revenue code that is maintained by a state, a political
5 subdivision of a state or any agency or instrumentality of a state or a
6 political subdivision of a state and that agrees to separately account for
7 amounts transferred into the eligible deferred compensation plan from this
8 plan.

9 26. "Eligible rollover distribution" means a payment to a distributee,
10 but does not include any of the following:

11 (a) Any distribution that is one of a series of substantially equal
12 periodic payments made not less frequently than annually for the life or life
13 expectancy of the member or the joint lives or joint life expectancies of the
14 member and the member's beneficiary or for a specified period of ten years or
15 more.

16 (b) Any distribution to the extent the distribution is required under
17 section 401(a)(9) of the internal revenue code.

18 (c) The portion of any distribution that is not includable in gross
19 income.

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

26 28. "Employers" means:

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

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

35 (c) The state highway patrol covered under the state highway patrol
36 retirement system.

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

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

1 29. "Fund" means the public safety personnel retirement fund, which is
2 the fund established to receive and invest contributions accumulated

3 30. "Local board" means the retirement board of the employer, who are
4 the persons appointed to administer the system as it applies to their members
5 in the system.

6 31. "Member" means any full-time employee who meets all of the
7 following qualifications:

8 (a) Who is either a paid municipal police officer, a paid fire
9 fighter, a law enforcement officer who is employed by this state including
10 the director thereof, a state fire fighter who is primarily assigned to fire
11 fighting duties, a fire fighter or police officer of a nonprofit corporation
12 operating a public airport pursuant to sections 28-8423 and 28-8424, all
13 ranks designated by the Arizona law enforcement merit system council, a state
14 attorney general investigator who is a certified peace officer, a county
15 attorney investigator who is a certified peace officer, ~~a police officer who
16 is appointed by the department of administration and who is a certified peace
17 officer,~~ a department of liquor licenses and control investigator who is a
18 certified peace officer, an Arizona department of agriculture officer who is
19 a certified peace officer, an Arizona state parks board ranger or manager who
20 is a certified peace officer, a county park ranger who is a certified peace
21 officer, a person who is a certified peace officer and who is employed by an
22 Indian reservation police agency, a fire fighter who is employed by an Indian
23 reservation fire fighting agency or an employee included in a group
24 designated as eligible employees under a joinder agreement entered into by
25 their employer after July 1, 1968 and who is or was regularly assigned to
26 hazardous duty.

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

30 (c) Whose customary employment is at least forty hours per week or,
31 for those employees who customarily work fluctuating work weeks, whose
32 customary employment averages at least forty hours per week.

33 (d) Who is engaged to work for more than six months in a calendar
34 year.

35 (e) Who, if economic conditions exist, is required to take furlough
36 days or reduce the hours of ~~their~~ THE EMPLOYEE'S normal work week below forty
37 hours but not less than thirty hours per pay cycle, and maintain ~~their~~ THE
38 EMPLOYEE'S active member status within the system as long as the hour change
39 does not extend beyond twelve consecutive months.

40 (f) Who has not attained age sixty-five before the employee's
41 effective date of participation or who was over age sixty-five with
42 twenty-five years or more of service prior to the employee's effective date
43 of participation.

1 32. "Normal retirement date" means the first day of the calendar month
2 immediately following an employee's completion of twenty years of service or
3 the employee's sixty-second birthday and the employee's completion of fifteen
4 years of service.

5 33. "Notice of receipt" means a written document that is issued by the
6 system to a participant and alternate payee and that states that the system
7 has received a domestic relations order and a request for a determination
8 that the domestic relations order is a plan approved domestic relations
9 order.

10 34. "Ordinary disability" means a physical condition that the local
11 board determines will prevent an employee totally and permanently from
12 performing a reasonable range of duties within the employee's department or a
13 mental condition that the local board determines will prevent an employee
14 totally and permanently from engaging in any substantial gainful activity.

15 35. "Participant" means a member who is subject to a domestic relations
16 order.

17 36. "Participant's portion" means benefits that are payable to a
18 participant pursuant to a plan approved domestic relations order.

19 37. "Pension" means a series of monthly amounts that are payable to a
20 person who is entitled to receive benefits under the plan but does not
21 include an annuity that is payable pursuant to section 38-846.01.

22 38. "Personal representative" means the personal representative of a
23 deceased alternate payee.

24 39. "Plan approved domestic relations order" means a domestic relations
25 order that the system approves as meeting all the requirements for a plan
26 approved domestic relations order as otherwise prescribed in this article.

27 40. "Regularly assigned to hazardous duty" means regularly assigned to
28 duties of the type normally expected of municipal police officers, municipal
29 or state fire fighters, eligible fire district fire fighters, state highway
30 patrol officers, county sheriffs and deputies, fish and game wardens, fire
31 fighters and police officers of a nonprofit corporation operating a public
32 airport pursuant to sections 28-8423 and 28-8424, police officers who are
33 appointed by the Arizona board of regents or a community college district
34 governing board, state attorney general investigators who are certified peace
35 officers, county attorney investigators who are certified peace officers,
36 ~~police officers who are appointed by the department of administration and who~~
37 ~~are certified peace officers,~~ department of liquor licenses and control
38 investigators who are certified peace officers, Arizona department of
39 agriculture officers who are certified peace officers, Arizona state parks
40 board rangers and managers who are certified peace officers, county park
41 rangers who are certified peace officers, police officers who are certified
42 peace officers and who are employed by an Indian reservation police agency or
43 fire fighters who are employed by an Indian reservation fire fighting agency.
44 Those individuals who are assigned solely to support duties such as
45 secretaries, stenographers, clerical personnel, clerks, cooks, maintenance

1 personnel, mechanics and dispatchers are not assigned to hazardous duty
2 regardless of their position classification title. Since the normal duties of
3 those jobs described in this paragraph are constantly changing, questions as
4 to whether a person is or was previously regularly assigned to hazardous duty
5 shall be resolved by the local board on a case-by-case basis. Resolutions by
6 local boards are subject to rehearing and appeal.

7 41. "Retirement" or "retired" means termination of employment after a
8 member has fulfilled all requirements for a pension. Retirement shall be
9 considered as commencing on the first day of the month immediately following
10 a member's last day of employment or authorized leave of absence, if later.

11 42. "Segregated funds" means the amount of benefits that would
12 currently be payable to an alternate payee pursuant to a domestic relations
13 order under review by the system, or a domestic relations order submitted to
14 the system that failed to qualify as a plan approved domestic relations
15 order, if the domestic relations order were determined to be a plan approved
16 domestic relations order.

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

37 44. "State" means the state of Arizona, including any department,
38 office, board, commission, agency or other instrumentality of the state.

39 45. "System" means the public safety personnel retirement system
40 established by this article.

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

1 Sec. 19. Section 38-847, Arizona Revised Statutes, is amended to read:
2 38-847. Local boards

3 A. The administration of the system and responsibility for making the
4 provisions of the system effective for each employer are vested in a local
5 board. The department of public safety, the Arizona game and fish
6 department, the department of emergency and military affairs, the university
7 of Arizona, Arizona state university, northern Arizona university, each
8 county sheriff's office, each county attorney's office, each county parks
9 department, each municipal fire department, each eligible fire district, each
10 community college district, each municipal police department, the department
11 of law, ~~the department of administration~~, the department of liquor licenses
12 and control, the Arizona department of agriculture, the Arizona state parks
13 board, each Indian reservation police agency and each Indian reservation fire
14 fighting agency shall have a local board. A nonprofit corporation operating
15 pursuant to sections 28-8423 and 28-8424 shall have one local board for all
16 of its members. Each local board shall be constituted as follows:

17 1. For political subdivisions or Indian tribes, the mayor or chief
18 elected official or a designee of the mayor or chief elected official
19 approved by the respective governing body as chairman, two members elected by
20 secret ballot by members employed by the appropriate employer and two
21 citizens, one of whom shall be the head of the merit system, or the head's
22 designee from among the other members of the merit system, if it exists for
23 the group of members, appointed by the mayor or chief elected official and
24 with the approval of the governing body of the city or the governing body of
25 the employer. The appointed two citizens shall serve on both local boards in
26 a city or Indian tribes where both fire and police department employees are
27 members.

28 2. For state agencies and nonprofit corporations operating pursuant to
29 sections 28-8423 and 28-8424, two members elected by secret ballot by members
30 employed by the appropriate employer and three citizens appointed by the
31 governor. Each state agency local board shall elect a chairman.

32 3. For fire districts organized pursuant to section 48-804, the
33 secretary-treasurer as chairman, two members elected by secret ballot by
34 members employed by the fire district and two citizens appointed by the
35 secretary-treasurer, one of whom is a resident of the fire district and one
36 of whom has experience in personnel administration but who is not required to
37 be a resident of the fire district.

38 B. On the taking effect of this system for an employer, the
39 appointments and elections of local board members shall take place with one
40 elective and appointive local board member serving a term ending two years
41 after the effective date of participation for the employer and other local
42 board members serving a term ending four years after the effective date.
43 Thereafter, every second year, and as a vacancy occurs, an office shall be
44 filled for a term of four years in the same manner as previously provided.

1 C. Each local board shall be fully constituted pursuant to subsection
2 A of this section within sixty days after the employer's effective date of
3 participation in the system. If the deadline is not met, on the written
4 request of any member who is covered by the local board or the employer to
5 the ~~fund-manager~~ BOARD OF TRUSTEES, the ~~fund-manager~~ BOARD OF TRUSTEES may
6 appoint all vacancies of the local board pursuant to subsection A of this
7 section and designate whether each appointive position is for a two year or
8 four year term. If the ~~fund-manager~~ BOARD OF TRUSTEES cannot find
9 individuals to serve on the local board who meet the requirements of
10 subsection A of this section, the ~~fund-manager~~ BOARD OF TRUSTEES may appoint
11 individuals to serve as interim local board members until qualified
12 individuals are appointed or elected. Each local board shall meet at least
13 twice a year. Each member of a local board, within ten days after the
14 member's appointment or election, shall take an oath of office that, so far
15 as it devolves on the member, the member shall diligently and honestly
16 administer the affairs of the local board and that the member shall not
17 knowingly violate or willingly permit to be violated any of the provisions of
18 law applicable to the system.

19 D. Except as limited by subsection E of this section, a local board
20 shall have such powers as may be necessary to discharge the following duties:

21 1. To decide all questions of eligibility and service credits, and
22 determine the amount, manner and time of payment of any benefits under the
23 system.

24 2. To prescribe procedures to be followed by claimants in filing
25 applications for benefits.

26 3. To make a determination as to the right of any claimant to a
27 benefit and to afford any claimant or the board of trustees, or both, a right
28 to a rehearing on the original determination. Unless all parties involved in
29 a matter presented to the local board for determination otherwise agree, the
30 local board shall commence a hearing on the matter within ninety days after
31 the date the matter is presented to the local board for determination. If a
32 local board fails to commence a hearing as provided in this paragraph, on a
33 matter presented to the local board for determination, the relief demanded by
34 the party petitioning the local board is deemed granted and approved by the
35 local board. The granting and approval of this relief is considered final
36 and binding unless a timely request for rehearing or appeal is made as
37 provided in this article, unless the ~~fund-manager~~ BOARD OF TRUSTEES
38 determines that granting the relief requested would violate the internal
39 revenue code or threaten to impair the system's status as a qualified plan
40 under the internal revenue code. If the ~~fund-manager~~ BOARD OF TRUSTEES
41 determines that granting the requested relief would violate the internal
42 revenue code or threaten to impair the system's status as a qualified plan,
43 the ~~fund-manager~~ BOARD OF TRUSTEES may refuse to grant the relief by issuing
44 a written determination to the local board and the party petitioning the

1 local board for relief. The decision by the ~~fund-manager~~ BOARD OF TRUSTEES
2 is subject to judicial review pursuant to title 12, chapter 7, article 6.

3 4. To request and receive from the employers and from members such
4 information as is necessary for the proper administration of the system and
5 action on claims for benefits and to forward such information to the board of
6 trustees.

7 5. To distribute, in such manner as the local board determines to be
8 appropriate, information explaining the system received from the board of
9 trustees.

10 6. To furnish the employer, the board of trustees and the legislature,
11 on request, with such annual reports with respect to the administration of
12 the system as are reasonable and appropriate.

13 7. To receive and review the actuarial valuation of the system for its
14 group of members.

15 8. To receive and review reports of the financial condition and of the
16 receipts and disbursements of the fund from the board of trustees.

17 9. To appoint medical boards as provided in section 38-859.

18 10. To sue and be sued to effectuate the duties and responsibilities
19 set forth in this article.

20 E. A local board shall have no power to add to, subtract from, modify
21 or waive any of the terms of the system, change or add to any benefits
22 provided by the system or waive or fail to apply any requirement of
23 eligibility for membership or benefits under the system. Notwithstanding any
24 limitations periods imposed in this article, including subsection D,
25 paragraph 3 and subsections G and H of this section, if the ~~fund-manager~~
26 BOARD OF TRUSTEES determines a local board decision violates the internal
27 revenue code or threatens to impair the system's status as a qualified plan
28 under the internal revenue code, the local board's decision is not final and
29 binding and the ~~fund-manager~~ BOARD OF TRUSTEES may refrain from implementing
30 or complying with the local board decision.

31 F. A local board, from time to time, shall establish and adopt such
32 rules as it deems necessary or desirable for its administration. All rules
33 and decisions of a local board shall be uniformly and consistently applied to
34 all members in similar circumstances. If a claim or dispute is presented to
35 a local board for determination but the local board has not yet adopted
36 uniform rules of procedure for adjudication of the claim or dispute, the
37 local board shall adopt and use the model uniform rules of local board
38 procedure that are issued by the board of trustees' fiduciary counsel to
39 adjudicate the claim or dispute.

40 G. Except as otherwise provided in this article, any action by a
41 majority vote of the members of a local board that is not inconsistent with
42 the provisions of the system and the internal revenue code shall be final,
43 conclusive and binding on all persons affected by it unless a timely
44 application for a rehearing or appeal is filed as provided in this article.
45 No later than twenty business days after taking action, the local board shall

1 submit to the ~~fund-manager~~ BOARD OF TRUSTEES the name of the member affected
2 by its decision, a description of the action taken and an explanation of the
3 reasons supporting the local board's action. The ~~fund-manager~~ BOARD OF
4 TRUSTEES may not implement and comply with any local board action that does
5 not comply with the internal revenue code or that threatens to jeopardize the
6 system's status as a qualified plan under the internal revenue code.

7 H. A claimant or the board of trustees may apply for a rehearing
8 before the local board within the time periods prescribed in this subsection,
9 except that if a decision of a local board violates the internal revenue code
10 or threatens to jeopardize the system's status as a qualified plan under the
11 internal revenue code, no limitation period for the ~~fund-manager~~ BOARD OF
12 TRUSTEES to seek a rehearing of a local board decision applies. An
13 application for a rehearing shall be filed in writing with a member of the
14 local board or its secretary within sixty days after:

15 1. The applicant-claimant receives notification of the local board's
16 original action by certified mail, by attending the meeting at which the
17 action is taken or by receiving benefits from the system pursuant to the
18 local board's original action, whichever occurs first.

19 2. The applicant-board of trustees receives notification of the local
20 board's original action as prescribed by subsection G of this section by
21 certified mail.

22 I. A hearing before a local board on a matter remanded from the
23 superior court is not subject to a rehearing before the local board.

24 J. Decisions of local boards are subject to judicial review pursuant
25 to title 12, chapter 7, article 6.

26 K. When making a ruling, determination or calculation, the local board
27 shall be entitled to rely on information furnished by the employer, the board
28 of trustees, independent legal counsel or the actuary for the system.

29 L. Each member of a local board is entitled to one vote. A majority
30 are necessary for a decision by the members of a local board at any meeting
31 of the local board.

32 M. The local board shall adopt such bylaws as it deems desirable. The
33 local board shall elect a secretary who may, but need not, be a member of the
34 local board. The secretary of the local board shall keep a record and
35 prepare minutes of all meetings, forward the minutes to the board of trustees
36 within forty-five days after each meeting and forward all necessary
37 communications to the board of trustees.

38 N. The fees of the medical board and of the local board's independent
39 legal counsel and all other expenses of the local board necessary for the
40 administration of the system shall be paid by the employer and not the ~~fund~~
41 ~~manager~~ BOARD OF TRUSTEES or system at such rates and in such amounts as the
42 local board shall approve. Legal counsel that is employed by the local board
43 is independent of the employer and any employee organization or member and
44 owes its duty of loyalty only to the local board in connection with its
45 representation of the local board.

1 0. The local board shall issue directions to the board of trustees
2 concerning all benefits that are to be paid from the employer's account
3 pursuant to the provisions of the fund. The local board shall keep on file,
4 in such manner as it may deem convenient or proper, all reports from the
5 board of trustees and the actuary.

6 P. The local board and the individual members of the local board shall
7 be indemnified from the assets of the employer for any judgment against the
8 local board or its members, including attorney fees and costs, arising from
9 any act, or failure to act, made in good faith pursuant to the provisions of
10 the system, including expenses reasonably incurred in the defense of any
11 claim relating to the act or failure to act.

12 Sec. 20. Section 41-121, Arizona Revised Statutes, is amended to read:
13 41-121. Duties

14 A. The secretary of state shall:

15 1. Receive bills and resolutions from the legislature, and perform
16 such other duties as devolve upon the secretary of state by resolution of the
17 two houses or either of them.

18 2. Keep a register of and attest the official acts of the governor.

19 3. Act as custodian of the great seal of this state.

20 4. Affix the great seal, with the secretary of state's attestation, to
21 public instruments to which the official signature of the governor is
22 attached.

23 5. File in the secretary of state's office receipts for all books
24 distributed by the secretary of state and direct the county recorder of each
25 county to do the same.

26 6. Certify to the governor the names of those persons who have
27 received at any election the highest number of votes for any office, the
28 incumbent of which is commissioned by the governor.

29 7. Publish slip laws of each act of the legislature promptly upon
30 passage and approval of such act, make such acts available to interested
31 persons for a reasonable fee to compensate for the cost of printing and
32 provide each house of the legislature and the legislative council with a
33 certified copy of each bill or resolution, showing the chapter or resolution
34 number of each, as each is filed in the secretary of state's office.

35 8. Keep a fee book of fees and compensation of whatever kind and
36 nature earned, collected or charged by the secretary of state, with the date,
37 the name of the payer and the nature of the service in each case. The fee
38 book shall be verified annually by the secretary of state's affidavit entered
39 in the fee book.

40 9. Perform other duties imposed on the secretary of state by law.

41 10. Report to the governor on January 2 each year, and at such other
42 times as provided by law, a detailed account of the secretary of state's
43 official actions taken since the secretary of state's previous report
44 together with a detailed statement of the manner in which all appropriations
45 for the secretary of state's office have been expended.

1 11. Transfer all noncurrent or inactive books, records, deeds and other
2 papers otherwise required to be filed with or retained by the secretary of
3 state to the custody of the Arizona state library, archives and public
4 records.

5 12. Make available to the public, without charge, title 33, chapters 10
6 and 11 on the secretary of state's website.

7 13. Accept, and approve for use, electronic and digital signatures that
8 comply with section 41-132, for documents filed with and by all state
9 agencies, boards and commissions. In consultation with ~~the government~~
10 ~~information technology agency~~, the department of administration and the state
11 treasurer, the secretary of state shall adopt rules pursuant to chapter 6 of
12 this title establishing policies and procedures for the use of electronic and
13 digital signatures by all state agencies, boards and commissions for
14 documents filed with and by all state agencies, boards and commissions.

15 14. Meet at least annually with personnel from the federal voting
16 assistance office of the United States department of defense and with county
17 recorders and other county election officials in this state to coordinate the
18 delivery and return of registrations, ballot requests, voted ballots and
19 other election materials to and from absent uniformed and overseas citizens.

20 B. The secretary of state may refuse to perform a service or refuse a
21 filing based on a reasonable belief that the service or filing is being
22 requested for an unlawful, illegitimate, false or fraudulent purpose or is
23 being requested or submitted in bad faith or for the purpose of harassing or
24 defrauding a person or entity. This subsection does not apply to election
25 filings.

26 Sec. 21. Section 41-790, Arizona Revised Statutes, is amended to read:
27 41-790. Definitions

28 In this article, unless the context otherwise requires:

29 1. "Building renewal" means major activities that involve the repair
30 or reworking of a building and the supporting infrastructure that will result
31 in maintaining a building's expected useful life. Building renewal does not
32 include new building additions, new infrastructure additions, landscaping and
33 area beautification, routine maintenance or demolition and removal of a
34 building.

35 2. "Building system" means a group of buildings ~~which~~ THAT together
36 constitute a single unit for purposes of planning, land acquisition,
37 construction or building renewal.

38 3. "Capital projects" means buildings, structures, facilities and
39 areas constructed for the use or benefit of this state.

40 4. "Infrastructure" means nonbuilding improvements that directly
41 support operating a facility that is listed in the annual building system
42 such as utility delivery systems, roadway systems, external lighting systems,
43 irrigation systems, sidewalks and parking lots.

44 5. "Land acquisition" means the procurement of real property by gift,
45 grant, purchase, lease purchase, condemnation or other lawful means.

1 6. "SECURITY" MEANS SECURITY SERVICES RELATED TO BUILDING OPERATION
2 AND MAINTENANCE FUNCTIONS PROVIDED BY THE DEPARTMENT.

3 ~~6-~~ 7. "State capitol building" means:

- 4 (a) The original 1898 statehouse known as the state capitol museum.
- 5 (b) The 1919 state capitol wing and the 1938 state capitol justice
- 6 addition known jointly as the legislative services wing.
- 7 (c) The house of representatives wing.
- 8 (d) The senate wing.
- 9 (e) The west wing known as the state capitol executive tower.

10 Sec. 22. Section 41-791, Arizona Revised Statutes, is amended to read:

11 41-791. Powers and duties relating to public buildings
12 maintenance; compensation of personnel

13 A. The department is responsible for the direction and control of
14 public buildings maintenance as prescribed in this article.

15 B. The department is responsible for the allocation of space,
16 operation, alteration, renovation and security of the following buildings:

- 17 1. The state capitol executive tower of the state capitol building.
- 18 2. The state office buildings in Tucson.
- 19 3. All other buildings owned or leased by the state and located near

20 the state capitol building and the state office buildings in Tucson, except
21 for:

22 (a) Buildings occupied, operated and maintained by the following state
23 agencies:

- 24 (i) The department of transportation.
- 25 (ii) The Arizona power authority.
- 26 (iii) The state compensation fund.

27 (b) The state capitol museum, the legislative services wing, ~~AND THE~~
28 house of representatives and senate wings of the state capitol building ~~and~~
29 ~~the public records retention center subject to section 41-1304.~~

30 (c) The department of economic security facilities purchased with
31 federal funding assistance and exclusively and continuously operated and
32 maintained for its own occupancy.

33 (d) The Arizona courts building.

34 C. The department is responsible for the maintenance of the following
35 buildings and grounds:

- 36 1. The entire state capitol building and the grounds adjacent to it.
- 37 2. The state office buildings in Tucson and the grounds adjacent to
- 38 them.

39 3. Other buildings and grounds owned or leased by the state if the
40 function is not otherwise assigned, except for the interior of the Arizona
41 courts building.

42 D. The director may establish rules for the operation, maintenance and
43 security of buildings and grounds under ~~his~~ THE DIRECTOR'S jurisdiction.

44 E. The department shall:

1 1. Employ engineers and maintenance and operations personnel as
2 required, including a buildings manager for the state office buildings in
3 Tucson.

4 2. Determine the hours of duty and assignment of personnel.

5 F. All personnel employed under this article are eligible to receive
6 compensation as determined under section 38-611.

7 Sec. 23. Section 41-792.01, Arizona Revised Statutes, is amended to
8 read:

9 41-792.01. Capital outlay stabilization fund; authorization for
10 collection of rental; basis of payment;
11 distribution of monies collected; transfer of
12 payment; lease-purchase building operating and
13 maintenance fund; exceptions; definition

14 A. The capital outlay stabilization fund is established which shall
15 consist of monies paid into it in accordance with subsections D and F of this
16 section and legislative appropriations to the account. All monies in the
17 fund are exempt from the provisions of section 35-190 relating to lapsing of
18 appropriations.

19 B. The director shall make a recommendation for the allocation of a
20 varying sum to the capital outlay stabilization fund each year. No part of
21 the fund may be expended without specific appropriation from the legislature.

22 C. Each state department and each state agency when using space under
23 the jurisdiction of the department as prescribed in section 41-791 or when
24 using space in a building owned by or leased to the state shall pay rental
25 and tenant improvement labor costs as prescribed in subsection D, E or F of
26 this section.

27 D. The rental rates authorized for agencies occupying state owned
28 buildings shall be determined by the joint committee on capital review after
29 recommendation by the director before July 1 of each even-numbered year. The
30 rental is payable whether the state department or state agency is funded in
31 whole or in part by state monies. The department of administration shall
32 transfer the entire amount of the rental fee assessed on a state agency from
33 the agency account into the capital outlay stabilization fund promptly at the
34 start of each fiscal year. During the remainder of the fiscal year, the
35 department of administration shall calculate pro rata adjustments to the
36 rental fee on a monthly basis to reflect any changes in the occupancy of
37 state owned buildings. The department of administration shall transfer the
38 amount of the rental fee adjustment assessed on a state agency from the
39 agency account into the capital outlay stabilization fund. The rental fee
40 authorized for state agencies occupying state owned buildings is the greater
41 of the amount included in each agency's annual operating budget as reported
42 by the staff of the joint legislative budget committee or the pro rata
43 adjusted amount based on actual occupancy. The director of the department of
44 administration, upon recommendation of the joint committee on capital review,
45 may authorize an exemption for periods of one year or more at a time for a

1 state agency from the full payment account transfer requirements of this
2 subsection if the agency can demonstrate a practice of making full payment of
3 rent on a different basis necessitated by its cash flow. If a state agency
4 does not have the financial resources for state owned space, or does not
5 occupy or vacates state owned space after the beginning of the fiscal year,
6 the director of the department of administration, on recommendation of the
7 joint committee on capital review, may authorize a whole or partial exemption
8 from payment of the rental fee. The department of administration shall
9 report quarterly to the director of the joint legislative budget committee on
10 the status of rental fee collections and adjustments.

11 E. The rental authorized for state agencies occupying state leased
12 buildings shall be the greater of the amount included in each agency's annual
13 operating budget as reported by the staff of the joint legislative budget
14 committee or the pro rata adjusted amount based on actual occupancy. The
15 rental amount shall include the amount necessary to pay the lease or
16 lease-purchase obligation and may include the amount necessary to pay
17 operating costs associated with the lease-purchase buildings. The rental is
18 payable whether the state department or state agency is funded in whole or in
19 part by state monies. At the start of each fiscal year, the department of
20 administration shall transfer the entire amount of the rental fee assessed on
21 a state agency from the agency account into the department of
22 administration's funds established for the purposes of this subsection. The
23 department shall transfer from the applicable state agency budgets to the
24 lease-purchase building operating and maintenance fund established in
25 subsection ~~H~~ I of this section amounts necessary to pay all operating costs
26 associated with a lease-purchase building in the amounts reported by the
27 staff of the joint legislative budget committee. During the remainder of the
28 fiscal year, the department of administration shall calculate pro rata
29 adjustments to the rental fee on a monthly basis to reflect any changes in
30 the occupancy of state leased buildings. The director of the department of
31 administration, on recommendation of the joint committee on capital review,
32 may authorize an exemption for a state agency from the full payment account
33 transfer requirements of this subsection for one year periods or longer
34 periods if the agency can demonstrate a practice of making full payment of
35 rent on a different basis necessitated by its cash flow. If a state agency
36 does not have the financial resources for state leased space, or does not
37 occupy or vacates state leased space after the beginning of the fiscal year,
38 the director of the department of administration, on recommendation of the
39 joint committee on capital review, may authorize a whole or partial exemption
40 from payment of the rental fee.

41 F. The department shall charge state agencies for the full costs of
42 labor services it provides to accomplish tenant improvement projects within a
43 building owned by or leased to the state. Charges for this labor shall be
44 deposited in the capital outlay stabilization fund.

1 G. State universities, community colleges and the department of
2 transportation are exempt from the provisions of this section, except when
3 these state agencies are using space under the jurisdiction of the department
4 of administration.

5 H. THE DEPARTMENT SHALL NOT CHARGE RENTAL OR TENANT IMPROVEMENT LABOR
6 COSTS AS PRESCRIBED IN SUBSECTION D, E OR F OF THIS SECTION FOR ANY BUILDINGS
7 OPERATED BY THE SECRETARY OF STATE PRIMARILY FOR THE PURPOSE OF STORING,
8 MANAGING OR PRESERVING A LARGE AMOUNT OF PUBLIC RECORDS OR ARCHIVAL MATERIAL.

9 ~~H.~~ I. The lease-purchase building operating and maintenance fund is
10 established consisting of monies transferred into it in accordance with
11 subsection E of this section. All monies in the fund are exempt from the
12 provisions of section 35-190 relating to lapsing of appropriations. Monies
13 in the fund are subject to legislative appropriation.

14 ~~I.~~ J. For the purposes of this section, "state department" or "state
15 agency" means any department or agency of the executive or judicial branch of
16 state government.

17 Sec. 24. Repeal

18 Sections 41-794 and 41-795, Arizona Revised Statutes, are repealed.

19 Sec. 25. Section 41-796, Arizona Revised Statutes, is amended to read:

20 41-796. Regulation of traffic and parking; monetary penalties;
21 hearing; state traffic and parking control fund;
22 definition

23 A. The department of administration may adopt and administratively
24 enforce rules for the control of vehicles on state property with respect only
25 to the following:

26 1. Maximum speed of vehicles.

27 2. Direction of travel.

28 3. Place, method and time of parking.

29 4. Nonparking areas.

30 5. Designation of special parking areas for state employees and the
31 general public.

32 6. Prohibiting parking in vehicle emissions control areas as defined
33 in section 49-541 of those vehicles which fail to comply with section 49-542.

34 B. The department shall adopt and administratively enforce rules
35 requiring the designation of preferential parking areas, such as reserved,
36 close-in or covered parking, to state employees with offices in vehicle
37 emissions control areas as defined in section 49-541 who are car pool
38 operators as defined in section 28-4032 or who drive vehicles powered by
39 alternative fuel as defined in section 1-215.

40 C. The department may prescribe and collect reasonable monetary
41 penalties for violations of the rules adopted pursuant to subsection A of
42 this section.

43 D. The department shall:

44 1. Cause signs, markings and notices to be posted on the property for
45 the regulation of vehicles.

1 2. Maintain parking lots and structures.

2 E. ~~Police personnel shall be authorized to issue a notice to appear~~
3 ~~for an alleged violation in the form adopted by the department directing a~~
4 ~~person accused of violating a rule for control of vehicles on state property~~
5 ~~adopted pursuant to this section to appear at a designated place to contest~~
6 ~~the allegation of violation or to admit the violation and pay a penalty.~~
7 ~~Upon~~ ON THE failure of a person ~~served with a notice under~~ WHO IS ISSUED A
8 CITATION FOR A VIOLATION OF A RULE ADOPTED PURSUANT TO this section to
9 appear, the administrative law judge may proceed to determine whether a
10 violation has occurred and, if so, the penalty to be imposed.

11 F. Penalties ~~which~~ THAT are imposed pursuant to this section and ~~which~~
12 THAT are not paid within the time prescribed by the administrative law judge
13 may be collected by an action filed with the justice court.

14 G. A state traffic and parking control fund is established consisting
15 of monetary penalties collected pursuant to this section. The department
16 shall administer the fund. Monies in the fund are continuously appropriated
17 and are exempt from the provisions of section 35-190 relating to lapsing of
18 appropriations.

19 H. All monetary penalties collected by the department for violations
20 of the rules adopted pursuant to subsection A of this section shall be
21 deposited in the state traffic and parking control fund.

22 I. Except as provided in section 41-1092.08, subsection H, a person
23 who has received a final administrative ruling concerning a penalty imposed
24 on the person as a result of a violation of a rule adopted pursuant to this
25 section may have that ruling reviewed by the superior court in the county in
26 which the institution involved is located pursuant to title 12, chapter 7,
27 article 6.

28 J. ~~As used in~~ FOR THE PURPOSES OF this section, "state property" means
29 property ~~which~~ THAT is the responsibility of the department under section
30 41-791 and property ~~which~~ THAT is the responsibility of the speaker of the
31 house of representatives or the president of the senate under section
32 41-1304.05.

33 Sec. 26. Section 41-827.01, Arizona Revised Statutes, is amended to
34 read:

35 41-827.01. Centennial and mining and mineral museum advisory
36 council; membership; duties; terms; compensation

37 A. The centennial and mining and mineral museum advisory council is
38 established consisting of the following members who, except for the members
39 designated pursuant to paragraphs 1, AND 2 and 3 of this subsection, are
40 appointed by the governor:

41 1. The executive director of the Arizona historical society or the
42 director's designee.

43 ~~2. The chairman of the department of mines and mineral resources board~~
44 ~~of governors.~~

1 ~~3.~~ 2. The ~~director of the department of mines and mineral resources~~
2 STATE GEOLOGIST or the ~~director's~~ STATE GEOLOGIST'S designee.
3 ~~4.~~ 3. Two members representing the livestock industry.
4 ~~5.~~ 4. Two members representing the mining industry.
5 ~~6.~~ 5. Two members representing the agriculture industry.
6 ~~7.~~ 6. Two members representing tourism and other climate-related
7 industries.
8 ~~8.~~ 7. Two members representing the specialty crops industry.
9 ~~9.~~ 8. One member who is a natural resources education professional.
10 ~~10.~~ 9. One member representing a natural resources foundation.
11 ~~11.~~ 10. Two members representing the public.
12 B. The advisory council shall:
13 1. Select a chairperson and vice-chairperson from among its members.
14 2. Hold regular meetings and additional meetings at the call of the
15 chairperson or a majority of its members.
16 3. Provide oversight and advice to the director of the Arizona
17 historical society regarding the centennial museum that houses the mining and
18 mineral museum and assist in promoting the mission of the centennial museum.
19 The director shall accept the recommendations of the advisory council if the
20 director finds them to be practicable and in the best interest of the museum.
21 4. Establish a subcommittee ~~consisting of three members of the~~
22 ~~department of mines and mineral resources board of governors~~ to provide
23 assistance and advice in the areas of educational programming, the hiring and
24 retention of a curator and oversight of mineral collections. The advisory
25 council may establish subcommittees to act in an advisory capacity on other
26 matters relevant to the museum and the advisory council's duties.
27 C. The initial members appointed pursuant to subsection A, paragraphs
28 ~~4- 3~~ through ~~11 10~~ shall assign themselves by lot to three, four and five
29 year terms of office. All subsequent members serve five year terms of
30 office. A member may continue to serve until the member's successor is
31 appointed and assumes office.
32 D. Members of the advisory council are not eligible to receive
33 compensation but are eligible for reimbursement of expenses pursuant to title
34 38, chapter 4, article 2. The advisory council is a public body for purposes
35 of title 38, chapter 3, article 3.1.
36 Sec. 27. Section 41-1304, Arizona Revised Statutes, is amended to
37 read:
38 41-1304. Powers and duties
39 A. The legislative council shall:
40 1. Provide bill drafting, research and other services to the
41 legislature deemed necessary or advisable by the council to improve the
42 quality of legislation and to ensure full participation by the legislative
43 branch in determining and reviewing policy and the administration of state
44 affairs.

1 2. Adopt rules and formulate policies for the administration of this
2 article and for the conduct of the affairs of the council.

3 3. Appoint ~~such~~ clerical, stenographic, technical and professional
4 assistants deemed necessary or advisable to carry out the provisions of this
5 article, ~~and~~ fix their compensation and prescribe their powers and duties.

6 4. Consult with state departments or officers engaged in carrying out
7 construction programs authorized by law, and investigate the conduct of the
8 programs, with particular reference to the plans for and type of
9 construction.

10 5. Maintain a legislative reference library, containing legal,
11 statistical and descriptive data and authoritative philosophical and
12 scientific treatises on current and potential legislative subjects.

13 6. Procure information at the request of members of the legislature or
14 state officers on any legislative subject.

15 7. Prepare or revise bills and other legislative measures for members
16 or committees of the legislature and, on request of a member of the
17 legislature, for state officers and agencies.

18 8. Prepare and issue styles and forms for drafting bills, amendments
19 and other legislative measures for the use of the legislature, state officers
20 and persons interested in drafting amendments and bills or measures for
21 introduction in the legislature. The styles and forms for drafting
22 amendments shall be developed and adopted in consultation and cooperation
23 with the senate and the house of representatives.

24 9. Prepare and file with the secretary of state, not later than sixty
25 days preceding the regular primary election, an analysis of the provisions of
26 each ballot proposal of a measure or proposed amendment.

27 B. The legislative council may purchase, lease and otherwise acquire
28 land and buildings and make improvements to land and buildings it acquires or
29 uses for the purpose of providing suitable facilities for the use of the
30 legislative department. The council may obtain operational, ~~AND~~ maintenance
31 ~~and security~~ assistance for any legislative facilities without charge from
32 the department of administration, **MAY OBTAIN SECURITY ASSISTANCE FROM THE**
33 **DEPARTMENT OF PUBLIC SAFETY**, may employ personnel to discharge ~~such~~
34 **OPERATIONAL, MAINTENANCE AND SECURITY** functions or may contract for outside
35 services payable from council appropriations.

36 Sec. 28. Section 41-1304.05, Arizona Revised Statutes, is amended to
37 read:

38 41-1304.05. State capitol building areas and other facilities;
39 jurisdiction; maintenance; definition

40 A. The legislative council is responsible for the allocation of space,
41 operation, alteration, renovation and control of the following:

42 1. The original 1898 statehouse area of the state capitol building
43 known as the state capitol museum.

44 2. The 1919 wing and the 1938 justice addition of the state capitol
45 building known jointly as the legislative services wing.

1 ~~3. The public records retention center and the grounds adjacent to it.~~

2 ~~4.~~ 3. Any other facility acquired for legislative use and placed
3 under legislative council jurisdiction and the grounds adjacent to it.

4 ~~5.~~ 4. Except as provided in subsections B and C of this section, the
5 grounds adjacent to the state capitol museum, the legislative services wing,
6 the house of representatives wing and the senate wing and comprising the area
7 east of the state capitol executive tower with a northern boundary of west
8 Adams street, an eastern boundary of Seventeenth avenue and a southern
9 boundary of west Jefferson street in Phoenix, Arizona.

10 B. The speaker of the state house of representatives is responsible
11 for the following:

12 1. The allocation of space, operation, alteration, renovation and
13 control of the house of representatives wing of the state capitol building.

14 2. The allocation of space and control of the parking lot area
15 adjacent to the house of representatives wing, the parking lot area with a
16 southern boundary of west Adams street, an eastern boundary of Seventeenth
17 avenue and a northern boundary of west Monroe street in Phoenix, Arizona and
18 comprised of one hundred five parking spaces and the southeast portion of the
19 parking lot area with a southern boundary of west Monroe street and an
20 eastern boundary of Seventeenth avenue in Phoenix, Arizona and comprised of
21 fifty parking spaces.

22 C. The president of the state senate is responsible for the following:

23 1. The allocation of space, operation, alteration, renovation and
24 control of the senate wing of the state capitol building.

25 2. The allocation of space and control of the parking lot area
26 adjacent to the senate wing and the southwest portion of the parking lot area
27 of the Wesley Bolin memorial plaza east of the state capitol building and
28 comprised of one hundred twenty parking spaces.

29 D. The director of the department of administration is responsible for
30 the maintenance of the entire state capitol building ~~and the public records~~
31 ~~retention center subject to section 41-1304.~~

32 E. FOR THE PURPOSES OF THIS SECTION, "CONTROL" INCLUDES SECURITY
33 SERVICES.

34 Sec. 29. Section 41-1713, Arizona Revised Statutes, is amended to
35 read:

36 41-1713. Powers and duties of director; authentication of
37 records

38 A. The director of the department shall:

39 1. Be the administrative head of the department.

40 2. Subject to the merit system rules, appoint, suspend, demote,
41 promote or dismiss all other classified employees of the department ~~upon~~ ON
42 the recommendation of their respective division superintendent. The director
43 shall determine and furnish the law enforcement merit system council
44 established by section 41-1830.11 with a table of organization. The

1 superintendent of each division shall serve at the concurrent pleasure of the
2 director and the governor.

3 3. EXCEPT AS PROVIDED IN SECTIONS 12-119, 41-1304 AND 41-1304.05,
4 EMPLOY OFFICERS AND OTHER PERSONNEL AS THE DIRECTOR DEEMS NECESSARY FOR THE
5 PROTECTION AND SECURITY OF THE STATE BUILDINGS AND GROUNDS IN THE
6 GOVERNMENTAL MALL DESCRIBED IN SECTION 41-1362, STATE OFFICE BUILDINGS IN
7 TUCSON AND PERSONS WHO ARE ON ANY OF THOSE PROPERTIES. DEPARTMENT OFFICERS
8 MAY MAKE ARRESTS AND ISSUE CITATIONS FOR CRIMES OR TRAFFIC OFFENSES AND FOR
9 ANY VIOLATION OF A RULE ADOPTED UNDER SECTION 41-796. FOR THE PURPOSES OF
10 THIS PARAGRAPH, SECURITY DOES NOT MEAN SECURITY SERVICES RELATED TO BUILDING
11 OPERATION AND MAINTENANCE FUNCTIONS PROVIDED BY THE DEPARTMENT OF
12 ADMINISTRATION.

13 ~~3-~~ 4. Make rules necessary for the operation of the department.

14 ~~4-~~ 5. Annually submit a report of the work of the department to the
15 governor and the legislature, or more often if requested by the governor or
16 the legislature.

17 ~~5-~~ 6. Appoint a deputy director with the approval of the governor.

18 ~~6-~~ 7. Adopt an official seal that contains the words "department of
19 public safety" encircling the seal of this state as part of its design.

20 ~~7-~~ 8. Investigate, on receipt, credible evidence that a licensee or
21 registrant has been arrested for, charged with or convicted of an offense
22 that would preclude the person from holding a license or registration
23 certificate issued pursuant to title 32, chapter 26.

24 ~~8-~~ 9. Cooperate with the Arizona-Mexico commission in the governor's
25 office and with researchers at universities in this state to collect data and
26 conduct projects in the United States and Mexico on issues that are within
27 the scope of the department's duties and that relate to quality of life,
28 trade and economic development in this state in a manner that will help the
29 Arizona-Mexico commission to assess and enhance the economic competitiveness
30 of this state and of the Arizona-Mexico region.

31 ~~9-~~ 10. Adopt and administer the breath, blood or other bodily
32 substances test rules pursuant to title 28, chapter 4.

33 ~~10-~~ 11. Develop procedures to exchange information with the department
34 of transportation for any purpose related to sections 28-1324, 28-1325,
35 28-1326, 28-1462 and 28-3318.

36 ~~11-~~ 12. Collaborate with the state forester in presentations to
37 legislative committees on issues associated with wildfire prevention,
38 suppression and emergency management as provided by section 37-622,
39 subsection B.

40 B. The director may:

41 1. Issue commissions to officers of the department.

42 2. Request the cooperation of the utilities, communication media and
43 public and private agencies and any sheriff or other peace officer in any
44 county or municipality, within the limits of their respective jurisdictions

1 when necessary, to aid and assist in the performance of any duty imposed by
2 this chapter.

3 3. Cooperate with any public or private agency or person to receive or
4 give necessary assistance and may contract for such assistance subject to
5 legislative appropriation controls.

6 4. Utilize the advice of the board and cooperate with sheriffs, local
7 police and peace officers within the state for the prevention and discovery
8 of crimes, the apprehension of criminals and the promotion of public safety.

9 5. Acquire in the name of the state, either in fee or lesser estate or
10 interest, all real or any personal property that the director considers
11 necessary for the department's use, by purchase, donation, dedication,
12 exchange or other lawful means. All acquisitions of personal property
13 pursuant to this paragraph shall be made as prescribed in chapter 23 of this
14 title unless otherwise provided by law.

15 6. Dispose of any property, real or personal, or any right, title or
16 interest in the property, when the director determines that the property is
17 no longer needed or necessary for the department's use. Disposition of
18 personal property shall be as prescribed in chapter 23 of this title. The
19 real property shall be sold by public auction or competitive bidding after
20 notice published in a daily newspaper of general circulation, not less than
21 three times, two weeks before the sale and subject to the approval of the
22 director of the department of administration. When real property is sold, it
23 shall not be sold for less than the appraised value as established by a
24 competent real estate appraiser. Any monies derived from the disposal of
25 real or personal property shall be deposited, pursuant to sections 35-146 and
26 35-147, in the Arizona highway patrol fund as authorized by section 41-1752,
27 subsection B, paragraph 6.

28 7. Sell, lend or lease personal property directly to any state, county
29 or local law enforcement agency. Personal property may be sold or leased at
30 a predetermined price without competitive bidding. Any state, county or
31 local law enforcement agency receiving personal property may not resell or
32 lease the property to any person or organization except for educational
33 purposes.

34 8. Dispose of surplus property by transferring the property to the
35 department of administration for disposition to another state budget unit or
36 political subdivision if the state budget unit or political subdivision is
37 not a law enforcement agency.

38 9. Lease or rent personal property directly to any state law
39 enforcement officer for the purpose of traffic safety, traffic control or
40 other law enforcement related activity.

41 10. Sell for one dollar, without public bidding, the department issued
42 handgun or shotgun to a department officer on duty related retirement
43 pursuant to title 38, chapter 5, article 4. Any monies derived from the sale
44 of the handgun or shotgun to the retiring department officer shall be

1 deposited, pursuant to sections 35-146 and 35-147, in the Arizona highway
2 patrol fund as authorized by section 41-1752, subsection B, paragraph 6.

3 11. Conduct state criminal history records checks for the purpose of
4 updating and verifying the status of current licensees or registrants who
5 have a license or certificate issued pursuant to title 32, chapter 26. The
6 director shall investigate, on receipt, credible evidence that a licensee or
7 registrant has been arrested for, charged with or convicted of an offense
8 that would preclude the person from holding a registration certificate issued
9 pursuant to title 32, chapter 26.

10 12. Grant a maximum of two thousand eighty hours of industrial injury
11 leave to any sworn department employee who is injured in the course of the
12 employee's duty, any civilian department employee who is injured in the
13 course of performing or assisting in law enforcement or hazardous duties or
14 any civilian department employee who was injured as a sworn department
15 employee rehired after August 9, 2001 and would have been eligible pursuant
16 to this paragraph and whose work-related injury prevents the employee from
17 performing the normal duties of that employee's classification. This
18 industrial injury leave is in addition to any vacation or sick leave earned
19 or granted to the employee and does not affect the employee's eligibility for
20 any other benefits, including workers' compensation. The employee is not
21 eligible for payment pursuant to section 38-615 of industrial injury leave
22 that is granted pursuant to this paragraph. Subject to approval by the law
23 enforcement merit system council, the director shall adopt rules and
24 procedures regarding industrial injury leave hours granted pursuant to this
25 paragraph.

26 13. Sell at current replacement cost, without public bidding, the
27 department issued badge of authority to an officer of the department ~~upon~~ ON
28 the officer's promotion or separation from the department. Any monies
29 derived from the sale of the badge to an officer shall be deposited, pursuant
30 to sections 35-146 and 35-147, in the department of public safety
31 administration fund to offset replacement costs.

32 C. The director and any employees of the department that the director
33 designates in writing may use the seal adopted pursuant to subsection A,
34 paragraph ~~6~~ 7 of this section to fully authenticate any department records
35 and copies of these records. These authenticated records or authenticated
36 copies of records shall be judicially noticed and shall be received in
37 evidence by the courts of this state without any further proof of their
38 authenticity.

39 Sec. 30. Title 41, chapter 12, article 2, Arizona Revised Statutes, is
40 amended by adding section 41-1725, to read:

41 41-1725. Capitol police administrative towing fund

42 THE CAPITOL POLICE ADMINISTRATIVE TOWING FUND IS ESTABLISHED CONSISTING
43 OF MONIES DEPOSITED PURSUANT TO SECTION 28-3513. THE DEPARTMENT SHALL
44 ADMINISTER THE FUND. THE MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED
45 AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF

1 APPROPRIATIONS. THE MONIES IN THE FUND MAY BE USED BY THE CAPITOL POLICE FOR
2 LAW ENFORCEMENT PURPOSES.

3 Sec. 31. Section 41-1804, Arizona Revised Statutes, is amended to
4 read:

5 41-1804. Guidelines committee; duties

6 A. The department of public safety, in consultation with the
7 department of emergency and military affairs, ~~government information~~
8 ~~technology agency~~ DEPARTMENT OF ADMINISTRATION, department of health
9 services, department of agriculture, Arizona radiation regulatory agency,
10 department of environmental quality, state department of corrections, Arizona
11 fire chiefs' association, Arizona police chiefs' association, Arizona
12 sheriffs' associations, Arizona association of counties, Arizona league of
13 cities and towns and representatives from every Indian tribal nation, shall
14 convene a consulting committee to establish guidelines related to the
15 critical infrastructure information system.

16 B. The committee shall:

17 1. Develop the type of information to be included in the critical
18 infrastructure information system.

19 2. Develop critical infrastructure information technology standards to
20 be used by all entities participating in the statewide critical
21 infrastructure information system.

22 3. Determine the order in which critical infrastructure shall be added
23 to the system when funding is received.

24 4. Develop guidelines on how the information shall be made available.
25 These guidelines shall include detailed procedures and security measures to
26 ensure that the information is only made available to the government or a
27 private entity that either owns the critical infrastructure or is responding
28 to an incident involving the critical infrastructure.

29 Sec. 32. Section 41-2513, Arizona Revised Statutes, is amended to
30 read:

31 41-2513. Authority to contract for certain services

32 A. For the purpose of procuring the services of clergy, certified
33 public accountants, legal counsel pursuant to section 41-192, subsection E,
34 physicians or dentists as defined by the laws of this state, any state
35 governmental unit may act as a purchasing agency and contract on its own
36 behalf for such services, subject to this chapter and rules adopted by the
37 director.

38 B. In accordance with the provisions of section 41-192, subsection E
39 and notwithstanding any contrary statute, no contract for the services of
40 legal counsel may be awarded without the approval of the attorney general.

41 C. The auditor general shall approve state agency contracting for
42 financial and compliance auditing services except if specific statutory
43 authority is otherwise provided. The auditor general shall ensure that such
44 contract audits are conducted in accordance with generally accepted

1 governmental auditing standards. An audit shall not be accepted until it has
2 been approved by the auditor general.

3 D. The ~~government information technology agency established by section~~
4 ~~41-3502~~ DEPARTMENT may approve all information technology purchases exceeding
5 twenty-five thousand dollars for a budget unit as defined in section 41-3501.
6 Purchases shall not be artificially divided to avoid review.

7 E. Payment for any services, including those services described in
8 subsections A, B and C of this section, procured under this chapter shall not
9 be made unless pursuant to a fully approved written contract.

10 Sec. 33. Section 41-3012.07, Arizona Revised Statutes, is amended to
11 read:

12 41-3012.07. Arizona geological survey; termination July 1, 2012

13 A. The Arizona geological survey terminates on July 1, 2012.

14 B. Title 27, chapter 1, ~~article~~ ARTICLES 1 AND 4 ~~is~~ ARE repealed on
15 January 1, 2013.

16 Sec. 34. Section 41-3016.06, Arizona Revised Statutes, is amended to
17 read:

18 41-3016.06. Department of administration; termination July 1,
19 2016

20 A. The department of administration terminates on July 1, 2016.

21 B. Title 41, chapter 4, articles 1, 2, 3, 5 and 7 AND CHAPTER 32 are
22 repealed on January 1, 2017.

23 Sec. 35. Repeal

24 Sections 41-3016.17 and 41-3016.21, Arizona Revised Statutes, are
25 repealed.

26 Sec. 36. Heading change

27 The chapter heading of title 41, chapter 32, Arizona Revised Statutes,
28 is changed from "GOVERNMENT INFORMATION TECHNOLOGY AGENCY" to "GOVERNMENT
29 INFORMATION TECHNOLOGY".

30 Sec. 37. Section 41-3501, Arizona Revised Statutes, is amended to
31 read:

32 41-3501. Definitions

33 In this chapter, unless the context otherwise requires:

34 ~~1. "Agency" means the government information technology agency.~~

35 ~~2-~~ 1. "Budget unit" means a department, commission, board,
36 institution or other agency of the state receiving, expending or disbursing
37 state funds or incurring obligations of the state including the Arizona board
38 of regents but excluding the universities under the jurisdiction of the
39 Arizona board of regents, the community college districts and the legislative
40 or judicial branches.

41 ~~3-~~ 2. "Committee" means the information technology authorization
42 committee.

43 3. "DEPARTMENT" MEANS THE DEPARTMENT OF ADMINISTRATION.

44 4. "Director" means the director of the ~~agency~~ DEPARTMENT.

1 5. "Disaster recovery" means the measures required to mitigate the
2 loss of information technology capability.

3 6. "Information technology" means all computerized and auxiliary
4 automated information processing, telecommunications and related technology,
5 including hardware, software, vendor support and related services, equipment
6 and projects.

7 Sec. 38. Section 41-3502, Arizona Revised Statutes, is amended to
8 read:

9 41-3502. Government information technology

10 ~~A.~~ The DEPARTMENT IS RESPONSIBLE FOR government information technology
11 ~~agency is established~~ FUNCTIONS AS PRESCRIBED IN THIS CHAPTER.

12 ~~B. The governor shall appoint a director of the agency pursuant to~~
13 ~~section 38-211 to serve at the pleasure of the governor.~~

14 ~~C. The director is eligible to receive compensation as determined~~
15 ~~under section 38-611.~~

16 Sec. 39. Section 41-3503, Arizona Revised Statutes, is amended to
17 read:

18 41-3503. Powers and duties of director

19 IN REGARD TO GOVERNMENT INFORMATION TECHNOLOGY, the director shall:

20 1. ~~Serve as~~ APPOINT A chief information officer for information
21 technology.

22 2. Establish minimum qualifications for each position authorized for
23 the ~~agency~~ DEPARTMENT FOR GOVERNMENT INFORMATION TECHNOLOGY. The
24 qualifications shall be subject to the review of the information technology
25 authorization committee.

26 3. Employ, determine the conditions of employment and prescribe the
27 duties and powers of administrative, professional, technical, secretarial,
28 clerical and other persons as may be necessary in the performance of the
29 department's duties and contract for the services of outside advisors,
30 consultants and aides as may be reasonably necessary. Employees of the
31 ~~agency~~ DEPARTMENT are exempt from chapter 4, article 5 of this title but
32 shall meet the minimum qualifications established pursuant to this section.

33 Sec. 40. Section 41-3504, Arizona Revised Statutes, is amended to
34 read:

35 41-3504. Powers and duties of the department; violation;
36 classification

37 A. ~~For budget units,~~ The ~~agency~~ DEPARTMENT shall:

38 1. Develop, implement and maintain a coordinated statewide plan for
39 information technology. This includes:

40 (a) Adopting statewide technical, coordination and security standards
41 for information technology.

42 (b) Serving as statewide coordinator for information technology
43 resources.

44 (c) Developing a statewide disaster recovery plan.

1 (d) Developing a list of approved ~~agency~~ DEPARTMENT projects by
2 priority category.

3 (e) Developing a detailed list of information technology assets owned,
4 leased or employed by this state.

5 (f) Evaluating and either approving or disapproving budget unit
6 information technology plans. Budget units shall submit information
7 technology plans that include quality assurance plans and disaster recovery
8 plans to the ~~agency~~ DEPARTMENT each year on or before September 1. The
9 legislative and judicial departments of state government shall submit
10 information technology plans for information purposes.

11 (g) Evaluating specific information technology projects relating to
12 the approved budget unit and statewide information technology plans. The
13 ~~agency~~ DEPARTMENT shall approve or reject projects with total costs of at
14 least twenty-five thousand dollars but not more than one million dollars and
15 may establish conditional approval criteria including procurement purchase
16 authority. If the total project costs exceed one million dollars the ~~agency~~
17 DEPARTMENT shall evaluate the project and make recommendations to the
18 committee. Beginning on June 1, 1998, as part of a budget request for an
19 information technology project that has total costs of at least twenty-five
20 thousand dollars, a budget unit shall indicate the status of review by the
21 ~~agency~~ DEPARTMENT. Projects shall not be artificially divided to avoid
22 review by the ~~agency~~ DEPARTMENT.

23 2. Require that budget units incorporate life cycle analysis
24 prescribed by section 41-2553 into the information technology planning,
25 budgeting and procurement processes.

26 3. Require that budget units demonstrate expertise to carry out
27 information technology plans, either by employing staff or contracting for
28 outside services.

29 4. Monitor information technology projects that the ~~agency~~ DEPARTMENT
30 considers to be major or critical, including expenditure and activity reports
31 and periodic review.

32 5. Temporarily suspend the expenditure of monies if the ~~agency~~
33 DEPARTMENT determines that the information technology project is at risk of
34 failing to achieve its intended results or does not comply with the
35 requirements of this section.

36 6. Continuously study emergent technology and evaluate its impact on
37 this state's system.

38 7. Advise each budget unit as necessary and report to the committee on
39 an annual basis.

40 8. Provide to budget units, information technology consulting services
41 it deems necessary, either directly or by procuring outside consulting
42 services.

43 9. Maintain all otherwise confidential information received from a
44 budget unit pursuant to this section as confidential.

45 10. Provide staff support to the committee.

1 11. Subject to section 35-149, accept, spend and account for grants,
2 monies and direct payments from public or private sources and other grants of
3 monies or property for the conduct of programs that it deems consistent with
4 the ~~overall~~ GOVERNMENT INFORMATION TECHNOLOGY purposes and objectives of the
5 ~~agency~~ DEPARTMENT.

6 12. Adopt rules it deems necessary or desirable to further the
7 GOVERNMENT INFORMATION TECHNOLOGY objectives and programs of the ~~agency~~
8 DEPARTMENT.

9 13. Formulate policies, plans and programs to effectuate the GOVERNMENT
10 INFORMATION TECHNOLOGY purposes of the ~~agency~~ DEPARTMENT.

11 14. Advise and make recommendations to the governor and the legislature
12 on all matters concerning its objectives.

13 15. Contract and enter into interagency and intergovernmental
14 agreements pursuant to title 11, chapter 7, article 3 with any public or
15 private party.

16 16. Have an official seal that shall be judicially noticed.

17 B. The ~~agency~~ DEPARTMENT shall advise the judicial and legislative
18 branches of state government concerning information technology.

19 C. The ~~agency~~ DEPARTMENT may examine all books, papers, records and
20 documents in the office of any budget unit and may require any state officer
21 of the budget unit to furnish information or statements necessary to carry
22 out the provisions of this chapter.

23 D. The director, any member of the director's staff or any employee
24 who knowingly divulges or makes known in any manner not permitted by law any
25 particulars of any confidential record, document or information is guilty of
26 a class 5 felony.

27 Sec. 41. Section 41-3505, Arizona Revised Statutes, is amended to
28 read:

29 41-3505. Information technology fund

30 A. The information technology fund is established for use by the
31 ~~agency~~ DEPARTMENT and the committee. Monies in the fund are subject to
32 legislative appropriation.

33 B. ~~Beginning January 1, 1997,~~ State service agencies subject to
34 section 41-764, ~~and, beginning July 1, 1997,~~ all budget units and the
35 legislative and judicial branches of state government, shall contribute a pro
36 rata share of the overall cost of information technology services provided by
37 the ~~agency~~ DEPARTMENT or committee. The pro rata share is payable by payroll
38 fund source, and the resultant amount shall be deposited in the information
39 technology fund. ~~Beginning July 1, 2008,~~ For all budget units and the
40 legislative and judicial branches of state government, the pro rata share
41 shall be .20 per cent of the total payroll. Total payroll includes all fund
42 sources including the state general fund, federal monies, special revenue
43 funds, intergovernmental revenue monies, trust funds and other payroll fund
44 sources.

1 C. A claim for the pro rata share percentage payment shall be
2 submitted according to the fund source, with the accompanying payroll, to the
3 department of administration for deposit in the information technology fund.

4 D. Notwithstanding section 35-190, monies in the information
5 technology fund do not revert to the state general fund at the end of each
6 fiscal year.

7 Sec. 42. Section 41-3506, Arizona Revised Statutes, is amended to
8 read:

9 41-3506. State web portal fund; exemption

10 A. The state web portal fund is established and is subject to
11 legislative appropriation. The ~~government information technology agency~~
12 DEPARTMENT shall administer the fund. The state web portal fund shall
13 consist of:

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

15 2. Any web portal usage fees collected under any agreement between
16 this state and an independent contractor providing services for the common
17 web portal less the contractor's price of maintaining and operating the web
18 portal.

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

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

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

26 C. If the state chooses to use an independent contractor to provide
27 services for the state web portal, the selection of the independent
28 contractor may be made using a competitive bid process.

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

31 Sec. 43. Section 41-3507, Arizona Revised Statutes, is amended to
32 read:

33 41-3507. Statewide information security and privacy office;
34 duties; suspension of budget unit's information
35 infrastructure

36 A. The statewide information security and privacy office is
37 established in the ~~government information technology agency~~ DEPARTMENT. The
38 statewide information security and privacy office shall serve as the
39 strategic planning, facilitation and coordination office for information
40 technology security in this state. Individual budget units shall continue to
41 maintain operational responsibility for information technology security.

42 B. The director shall appoint a statewide chief information security
43 officer to manage the statewide information security and privacy office. The
44 statewide chief information security officer shall report to the director
45 pursuant to section 41-3503.

1 C. The statewide information security and privacy office shall
2 develop, implement, maintain and ensure compliance by each budget unit with a
3 coordinated statewide assurance plan for information security and privacy.
4 The statewide information security and privacy office shall:

5 1. Direct information security and privacy protection compliance
6 reviews with each budget unit to ensure compliance with standards and
7 effectiveness of security assurance plans as necessary.

8 2. Identify information security and privacy protection risks in each
9 budget unit and direct agencies to adopt risk mitigation strategies, methods
10 and procedures to lessen these risks.

11 3. Monitor and report compliance of each budget unit with state
12 information security and privacy protection policies, standards and
13 procedures.

14 4. Coordinate statewide information security and privacy protection
15 awareness and training programs.

16 5. Develop other strategies as necessary to protect this state's
17 information technology infrastructure and the data that is stored on or
18 transmitted by such infrastructure.

19 D. The statewide information security and privacy office may
20 temporarily suspend operation of information infrastructure that is owned,
21 leased, outsourced or shared in order to isolate the source of, or stop the
22 spread of, an information security breach or other similar incident. A
23 budget unit shall comply with directives to temporarily discontinue or
24 suspend operations of information infrastructure.

25 E. Each budget unit and its contractors shall identify and report
26 security incidents to the statewide information security and privacy office
27 immediately on discovery and deploy mitigation strategies as directed.

28 Sec. 44. Section 41-3508, Arizona Revised Statutes, is amended to
29 read:

30 41-3508. Statewide e-rate program fund

31 A. The statewide e-rate program fund is established. The ~~government~~
32 ~~information technology agency~~ DEPARTMENT shall administer the fund. The
33 statewide e-rate program fund shall consist of:

34 1. Monies received pursuant to the e-rate program under the
35 telecommunications act of 1996 or other grants to assist this state in
36 improving broadband internet and telecommunications access for public schools
37 and libraries in this state.

38 2. Monies received as a result of an intergovernmental agreement
39 between the ~~government information technology agency~~ DEPARTMENT and other
40 political subdivisions of this state.

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

1 B. Monies in the fund shall be used to assist public school districts,
2 charter schools and libraries to submit applications for funding pursuant to
3 subsection C and to fulfill the terms of an intergovernmental agreement or
4 private contract pursuant to subsection D.

5 C. The ~~government information technology agency~~ DEPARTMENT shall
6 develop policies and procedures for the e-rate application for public school
7 districts, charter schools and libraries in this state, including providing
8 technical assistance.

9 D. The ~~government information technology agency~~ DEPARTMENT may enter
10 into contracts with private organizations and intergovernmental agreements
11 with other state agencies and political subdivisions of this state to
12 administer the statewide e-rate program.

13 Sec. 45. Section 41-3521, Arizona Revised Statutes, is amended to
14 read:

15 41-3521. Information technology authorization committee;
16 members; terms; duties; compensation; definition

17 A. The information technology authorization committee is established
18 consisting of the following ~~fifteen~~ members:

19 1. One member of the house of representatives who is appointed by the
20 speaker of the house of representatives and who shall serve as an advisory
21 member.

22 2. One member of the senate who is appointed by the president of the
23 senate and who shall serve as an advisory member.

24 3. Four members from private industry who are appointed by the
25 governor pursuant to section 38-211 and who are knowledgeable in information
26 technology.

27 4. One local government member and one federal government member who
28 are appointed by the governor and who shall serve as advisory members.

29 5. Two members who are directors of state agencies and who are
30 appointed by the governor.

31 6. The administrative director of the courts or the director's
32 designee.

33 7. The director of the ~~government information technology agency.~~ ~~The~~
34 ~~director~~ DEPARTMENT OF ADMINISTRATION OR THE DIRECTOR'S DESIGNEE, WHO shall
35 be the chairperson of the committee but for all other purposes shall serve as
36 an advisory member.

37 8. Two members from either private industry or state government who
38 are appointed by the governor.

39 9. The staff director of the joint legislative budget committee, or
40 the staff director's designee, who shall serve as an advisory member.

41 B. Committee members who are from private industry serve two year
42 terms. The other members serve at the pleasure of their appointing officers.

43 C. For all budget units and the legislative and judicial branches of
44 state government, the committee shall:

- 1 1. Review established statewide information technology standards and
2 the statewide information technology plan.
- 3 2. Review the minimum qualifications established by the director for
4 each position authorized for the ~~agency~~ DEPARTMENT FOR INFORMATION
5 TECHNOLOGY.
- 6 3. Approve or disapprove all proposed information technology projects,
7 including project changes and contract amendments, that exceed a total cost
8 of one million dollars, excluding public monies from county, municipal and
9 other political subdivision sources that are not deposited in a state
10 fund. As part of a budget request for an information technology project that
11 has total costs of more than one million dollars, a budget unit and the
12 legislative and judicial branches of state government shall indicate the
13 status of review by the committee. Projects shall not be artificially
14 divided to avoid review by the committee.
- 15 4. Develop a report format that incorporates the life cycle analysis
16 prescribed by section 41-2553 for use in submitting project requests to the
17 committee.
- 18 5. Require expenditure and activity reports from a budget unit or the
19 legislative or judicial branches of state government on implementing
20 information technology projects approved by the committee.
- 21 6. Conduct periodic reviews on the progress of implementing
22 information technology projects approved by the committee.
- 23 7. Monitor information technology projects that the committee
24 considers to be major or critical.
- 25 8. Temporarily suspend the expenditure of monies if the committee
26 determines that the information technology project is at risk of failing to
27 achieve its intended results or does not comply with the requirements of this
28 chapter.
- 29 9. Hear and decide appeals made by budget units regarding the ~~agency's~~
30 DEPARTMENT'S rejection of their proposed information technology plans or
31 projects.
- 32 10. Report to the governor, the speaker of the house of
33 representatives, the president of the senate, the secretary of state and the
34 director of the Arizona state library, archives and public records at least
35 annually on all matters concerning its objectives. This includes:
36 (a) Its review of the statewide information technology plan developed
37 by the ~~agency~~ DEPARTMENT.
38 (b) The findings and conclusions of its periodic reviews.
39 (c) Its recommendations on desirable legislation relating to
40 information technology.
- 41 11. Adopt rules it deems necessary or desirable to further the
42 objectives and programs of the committee.
- 43 D. The committee shall meet at the call of the chairperson.

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

4 F. For the purposes of this section, "advisory member" means a member
5 who gives advice to the other members of the committee at committee meetings
6 but who is not eligible to vote and is not a member for purposes of
7 determining whether a quorum is present.

8 Sec. 46. Section 41-3542, Arizona Revised Statutes, is amended to
9 read:

10 41-3542. Advisory commission; powers and duties; report

11 A. The Arizona public safety communications advisory commission shall
12 make recommendations to the ~~agency~~ DEPARTMENT regarding the development and
13 maintenance of work plans to outline areas of work to be performed and
14 appropriate schedules for at least the following:

15 1. The development of a standard based system that provides
16 interoperability of public safety agencies' communications statewide.

17 2. The promotion of the development and use of standard based systems.

18 3. The identification of priorities and essential tasks determined by
19 the advisory commission.

20 4. The development of a timeline for project activities.

21 5. Completion of a survey of existing and planned efforts statewide
22 and benchmark against similar efforts nationally.

23 6. Providing support for the state interoperability executive
24 committee.

25 7. Establishing committees and work groups as necessary.

26 B. The ~~agency~~ DEPARTMENT may:

27 1. Employ personnel as required with available monies.

28 2. Enter into contracts to assess, design, construct and use public
29 safety communications systems.

30 3. Accept grants, fees and other monies for use by the agency and the
31 advisory commission.

32 4. Enter into agreements to carry out the purposes of this article.

33 5. Request cooperation from any state agency for the purposes of this
34 article.

35 C. The department of public safety shall consult with the director of
36 the ~~government information technology agency~~ DEPARTMENT OF ADMINISTRATION or
37 the director's designee on an ongoing basis. The director ~~of the government~~
38 ~~information technology agency~~ shall submit a quarterly report to the joint
39 legislative budget committee for review regarding expenditures and progress
40 of the commission, including a review of staff operations and preparation of
41 requests for proposals for system detail and concept work.

42 D. The commission shall annually submit a report of its activities and
43 recommendations to the governor, the speaker of the house of representatives
44 and the president of the senate on or before December 1 and shall provide a

1 copy of the report to the secretary of state ~~and the director of the Arizona~~
2 ~~state library, archives and public records.~~

3 Sec. 47. Section 44-7041, Arizona Revised Statutes, is amended to
4 read:

5 44-7041. Creation; retention; conversion of written records

6 A. Each governmental agency shall determine if, and the extent to
7 which, the governmental agency will create and retain electronic records and
8 convert written records to electronic records. Any governmental agency that
9 is subject to the management, preservation, determination of value and
10 disposition of records requirements prescribed in sections 41-1345,
11 41-1345.01 and 41-1346 through 41-1351 and the permanent public records
12 requirements prescribed in section 39-101 shall comply with those
13 requirements.

14 B. State agencies shall comply with the standards adopted by the
15 ~~government information technology agency~~ DEPARTMENT OF ADMINISTRATION
16 pursuant to title 41, chapter 32.

17 C. All governmental agencies shall comply with the policies that are
18 established by the secretary of state pursuant to section 41-132 and that
19 apply to the use of electronic signatures.

20 Sec. 48. Section 44-7042, Arizona Revised Statutes, is amended to
21 read:

22 44-7042. Sending and accepting electronic records

23 A. Except as otherwise provided in section 44-7012, subsection E, each
24 governmental agency shall determine if, and the extent to which, the
25 governmental agency will send and accept electronic records and electronic
26 signatures to and from other persons and otherwise create, generate,
27 communicate, store, process, use and rely on electronic records and
28 electronic signatures. State agencies shall comply with the appropriate
29 standards and policies adopted or established by the ~~government information~~
30 ~~technology agency~~ DEPARTMENT OF ADMINISTRATION pursuant to title 41, chapter
31 32 and the secretary of state pursuant to section 41-132.

32 B. To the extent that a governmental agency uses electronic records
33 and electronic signatures pursuant to subsection A of this section, the
34 governmental agency after giving due consideration to security may specify:

35 1. The manner and format in which the electronic records must be
36 created, generated, sent, communicated, received and stored and the systems
37 established for those purposes.

38 2. If electronic records must be signed by electronic means, the type
39 of electronic signature required, the manner and format in which the
40 electronic signature must be affixed to the electronic record and the
41 identity of or criteria that must be met by any third party used by a person
42 filing a document to facilitate the process.

43 3. Control processes and procedures as appropriate to ensure adequate
44 preservation, disposition, integrity, security, confidentiality and ability
45 to perform audits of electronic records.

1 4. Any other required attributes for electronic records that are
2 specified for corresponding nonelectronic records or that are reasonably
3 necessary under the circumstances.

4 C. Except as otherwise provided in section 44-7012, subsection E, this
5 chapter does not require a governmental agency to use or allow the use of
6 electronic records or electronic signatures.

7 Sec. 49. Termination of department of administration local
8 board; transfer of personnel, records and equipment;
9 transfer of retirement assets; study

10 A. The department of administration public safety personnel retirement
11 system local board is terminated. The department of administration shall
12 transfer the records of employees who are currently members of the public
13 safety personnel retirement system to the department of public safety public
14 safety personnel retirement system local board.

15 B. All equipment, records, furnishings, vehicles and other property,
16 all data and investigative findings and all appropriated and nonappropriated
17 monies that remain unexpended and unencumbered on the effective date of this
18 act that relate to the capitol police are transferred from the department of
19 administration to the department of public safety. All equipment, records,
20 furnishings, vehicles and other property that are transferred pursuant to
21 this subsection shall not be upgraded at the time of transfer unless the
22 legislature approves the upgrade.

23 C. All personnel who are under the state personnel system and employed
24 by the department of administration as capitol police officers and sergeants
25 are transferred to the following department of public safety positions:

26 1. Capitol police officers shall become department of public safety
27 capitol police with an annual salary equivalent to the entry level salary of
28 a department of public safety officer.

29 2. Capitol police sergeants shall each become a department of public
30 safety capitol police sergeant with an annual salary equivalent to the
31 sergeant I classification in the department of public safety.

32 D. All personnel who are under the state personnel system and employed
33 by the department of administration as capitol police personnel and that are
34 not officers and sergeants are transferred to the department of public safety
35 to equivalent classifications or new classifications as approved by the law
36 enforcement merit system council.

37 E. The administrator of the public safety personnel retirement system
38 shall transfer the assets in the public safety personnel retirement system
39 department of administration account to the public safety personnel
40 retirement system department of public safety account.

41 Sec. 50. Succession; government information technology agency

42 A. As provided by this act, the department of administration succeeds
43 to the authority, powers, duties and responsibilities of the government
44 information technology agency.

1 B. This act does not alter the effect of any actions that were taken
2 or impair the valid obligations of the government information technology
3 agency in existence before the effective date of this act.

4 C. Administrative rules and orders that were adopted by the government
5 information technology agency continue in effect until superseded by
6 administrative action by the department of administration.

7 D. All administrative matters, contracts and judicial and
8 quasi-judicial actions, whether completed, pending or in process, of the
9 government information technology agency on the effective date of this act
10 are transferred to and retain the same status with the department of
11 administration.

12 E. All certificates, licenses, registrations, permits and other
13 indicia of qualification and authority that were issued by the government
14 information technology agency retain their validity for the duration of their
15 terms of validity as provided by law.

16 F. All equipment, records, furnishings and other property, all data
17 and investigative findings and all appropriated monies that remain unexpended
18 and unencumbered on the effective date of this act of the government
19 information technology agency are transferred to the department of
20 administration.

21 G. All personnel who are under the state personnel system and employed
22 by the government information technology agency are transferred to comparable
23 positions and pay classifications in the respective administrative units of
24 the department of administration on the effective date of this act.

25 Sec. 51. Succession; department of mines and mineral resources

26 A. As provided by this act, the Arizona geological survey succeeds to
27 the authority, powers, duties and responsibilities of the department of mines
28 and mineral resources.

29 B. This act does not alter the effect of any actions that were taken
30 or impair the valid obligations of the department of mines and mineral
31 resources in existence before the effective date of this act.

32 C. Administrative rules and orders that were adopted by the department
33 of mines and mineral resources continue in effect until superseded by
34 administrative action by the Arizona geological survey.

35 D. All administrative matters, contracts and judicial and
36 quasi-judicial actions, whether completed, pending or in process, of the
37 department of mines and mineral resources on the effective date of this act
38 are transferred to and retain the same status with the Arizona geological
39 survey.

40 E. All certificates, licenses, registrations, permits and other
41 indicia of qualification and authority that were issued by the department of
42 mines and mineral resources retain their validity for the duration of their
43 terms of validity as provided by law.

1 F. All equipment, records, furnishings and other property, all data
2 and investigative findings and all appropriated monies that remain unexpended
3 and unencumbered on the effective date of this act of the department of mines
4 and mineral resources are transferred to the Arizona geological survey.

5 G. All personnel who are under the state personnel system and employed
6 by the department of mines and mineral resources are transferred to
7 comparable positions and pay classifications in the respective administrative
8 units of the Arizona geological survey on the effective date of this act.

9 Sec. 52. Mines and mineral resources fund; transfers

10 Of the monies in the mines and mineral resources fund established by
11 section 27-111, Arizona Revised Statutes, on the effective date of this act:

12 1. \$32,200 is transferred to the permanent Arizona historical society
13 revolving fund established by section 41-826, Arizona Revised Statutes.

14 2. The remainder of the monies is transferred to the geological survey
15 fund established by section 27-152.02, Arizona Revised Statutes.

16 Sec. 53. Effective date

17 This act is effective from and after June 30, 2011.