

REFERENCE TITLE: local transportation assistance fund; restoration

State of Arizona
House of Representatives
Fifty-first Legislature
First Regular Session
2013

HB 2594

Introduced by
Representatives Orr, Fann, Wheeler: Escamilla, Pratt, Shope, Thorpe

AN ACT

AMENDING SECTIONS 5-554, 5-572, 9-626, 15-1682.03 AND 28-6543, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 24, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 1; AMENDING SECTION 36-274, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 1, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-175; AMENDING TITLE 41, CHAPTER 3, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 1; AMENDING SECTIONS 48-5103, 48-5104 AND 48-5314, ARIZONA REVISED STATUTES; RELATING TO LOCAL TRANSPORTATION ASSISTANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-554, Arizona Revised Statutes, is amended to
3 read:

4 5-554. Commission; director; powers and duties; definitions

5 A. The commission shall meet with the director not less than once each
6 quarter to make recommendations and set policy, receive reports from the
7 director and transact other business properly brought before the commission.

8 B. The commission shall oversee a state lottery to produce the maximum
9 amount of net revenue consonant with the dignity of the state. To achieve
10 these ends, the commission shall authorize the director to adopt rules in
11 accordance with title 41, chapter 6. Rules adopted by the director may
12 include provisions relating to the following:

13 1. Subject to the approval of the commission, the types of lottery
14 games and the types of game play-styles to be conducted.

15 2. The method of selecting the winning tickets or shares for
16 noncomputerized online games, except that no method may be used that, in
17 whole or in part, depends on the results of a dog race, a horse race or any
18 sporting event.

19 3. The manner of payment of prizes to the holders of winning tickets
20 or shares, including providing for payment by the purchase of annuities in
21 the case of prizes payable in installments, except that the commission staff
22 shall examine claims and may not pay any prize based on altered, stolen or
23 counterfeit tickets or based on any tickets that fail to meet established
24 validation requirements, including rules stated on the ticket or in the
25 published game rules, and confidential validation tests applied consistently
26 by the commission staff. No particular prize in a lottery game may be paid
27 more than once, and in the event of a binding determination that more than
28 one person is entitled to a particular prize, the sole remedy of the
29 claimants is the award to each of them of an equal portion of the single
30 prize.

31 4. The method to be used in selling tickets or shares, except that no
32 elected official's name may be printed on such tickets or shares. The
33 overall estimated odds of winning some prize or some cash prize, as
34 appropriate, in a given game shall be printed on each ticket or share.

35 5. The licensing of agents to sell tickets or shares, except that a
36 person who is under eighteen years of age shall not be licensed as an agent.

37 6. The manner and amount of compensation to be paid licensed sales
38 agents necessary to provide for the adequate availability of tickets or
39 shares to prospective buyers and for the convenience of the public, including
40 provision for variable compensation based on sales volume.

41 7. Matters necessary or desirable for the efficient and economical
42 operation and administration of the lottery and for the convenience of the
43 purchasers of tickets or shares and the holders of winning tickets or shares.

44 C. The commission shall authorize the director to issue orders and
45 shall approve orders issued by the director for the necessary operation of

1 the lottery. Orders issued under this subsection may include provisions
2 relating to the following:

3 1. The prices of tickets or shares in lottery games.

4 2. The themes, game play-styles, and names of lottery games and
5 definitions of symbols and other characters used in lottery games, except
6 that each ticket or share in a lottery game shall bear a unique
7 distinguishable serial number.

8 3. The sale of tickets or shares at a discount for promotional
9 purposes.

10 4. The prize structure of lottery games, including the number and size
11 of prizes available. Available prizes may include free tickets in lottery
12 games and merchandise prizes.

13 5. The frequency of drawings, if any, or other selections of winning
14 tickets or shares, except that:

15 (a) All drawings shall be open to the public.

16 (b) The actual selection of winning tickets or shares may not be
17 performed by an employee or member of the commission.

18 (c) Noncomputerized online game drawings shall be witnessed by an
19 independent observer.

20 6. Requirements for eligibility for participation in grand drawings or
21 other runoff drawings, including requirements for the submission of evidence
22 of eligibility within a shorter period than that provided for claims by
23 section 5-568.

24 7. Incentive and bonus programs designed to increase sales of lottery
25 tickets or shares and to produce the maximum amount of net revenue for this
26 state.

27 D. Notwithstanding title 41, chapter 6 and subsection B of this
28 section, the director, subject to the approval of the commission, may
29 establish a policy, procedure or practice that relates to an existing online
30 game or a new online game that is the same type and has the same type of game
31 play-style as an online game currently being conducted by the lottery or may
32 modify an existing rule for an existing online game or a new online game that
33 is the same type and has the same type of game play-style as an online game
34 currently being conducted by the lottery, including establishing or modifying
35 the matrix for an online game by giving notice of the establishment or
36 modification at least thirty days before the effective date of the
37 establishment or modification.

38 E. The commission shall maintain and make the following information
39 available for public inspection at its offices during regular business hours:

40 1. A detailed listing of the estimated number of prizes of each
41 particular denomination expected to be awarded in any instant game currently
42 on sale.

43 2. After the end of the claim period prescribed by section 5-568, a
44 listing of the total number of tickets or shares sold and the number of
45 prizes of each particular denomination awarded in each lottery game.

1 3. Definitions of all play symbols and other characters used in each
2 lottery game and instructions on how to play and how to win each lottery
3 game.

4 F. Any information that is maintained by the commission and that would
5 assist a person in locating or identifying a winning ticket or share or that
6 would otherwise compromise the integrity of any lottery game is deemed
7 confidential and is not subject to public inspection.

8 G. The commission, in addition to other games authorized by this
9 article, may establish multistate lottery games to be conducted concurrently
10 with other lottery games authorized under subsection B of this section. The
11 monies for prizes, for operating expenses and for payment to [THE LOCAL](#)
12 [TRANSPORTATION ASSISTANCE FUND, AS PROVIDED IN SECTION 28-8101, AND](#) the state
13 general fund shall be accounted for separately as nearly as practicable in
14 the lottery commission's general accounting system. The monies shall be
15 derived from the revenues of multistate lottery games.

16 H. The commission, in addition to other games authorized by this
17 article, shall establish special instant ticket games with play areas
18 protected by paper tabs designated for use by charitable organizations. The
19 monies for prizes and for operating expenses shall be accounted for
20 separately as nearly as practicable in the lottery commission's general
21 accounting system. Monies saved from the revenues of the special games, by
22 reason of operating efficiencies, shall become other revenue of the lottery
23 commission and revert to the state general fund.

24 I. The commission or director shall not establish or operate any
25 online or electronic keno game or any game played on the internet.

26 J. The commission or director shall not establish or operate any
27 lottery game or any type of game play-style, either individually or in
28 combination, that uses gaming devices or video lottery terminals as those
29 terms are used in section 5-601.02, including monitor games that produce or
30 display outcomes or results more than once per hour.

31 K. The director shall print, in a prominent location on each lottery
32 ticket or share, a statement that help is available if a person has a problem
33 with gambling and a toll-free telephone number where problem gambling
34 assistance is available. The director shall require all licensed agents to
35 post a sign with the statement that help is available if a person has a
36 problem with gambling and the toll-free telephone number at the point of sale
37 as prescribed and supplied by the director. The requirements of this
38 subsection apply to tickets and shares printed after July 18, 2000.

39 L. For the purposes of this section:

40 1. "Charitable organization" means any nonprofit organization,
41 including not more than one auxiliary of that organization, that has operated
42 for charitable purposes in this state for at least two years before
43 submitting a license application under this article.

1 2. "Game play-style" means the process or procedure that a player must
2 follow to determine if a lottery ticket or share is a winning ticket or
3 share.

4 3. "Matrix" means the odds of winning a prize and the prize payout
5 amounts in a given game.

6 Sec. 2. Section 5-572, Arizona Revised Statutes, is amended to read:
7 5-572. Use of monies in state lottery fund; report

8 A. If there are any bonds or bond related obligations payable from the
9 state lottery revenue bond debt service fund, the state lottery revenue bond
10 debt service fund shall be secured by a first lien on the monies in the state
11 lottery fund after the payment of operating costs of the lottery, as
12 prescribed in section 5-555, subsection A, paragraph 1, until the state
13 lottery bond debt service fund contains sufficient monies to meet all the
14 requirements for the current period as required by the bond documents. Debt
15 service for revenue bonds issued pursuant to this chapter shall be paid first
16 from monies that would have otherwise been deposited pursuant to this section
17 in the state general fund. After the requirements for the current period
18 have been satisfied as required by the bond documents, the monies in the
19 state lottery fund shall be expended for the expenses of the commission
20 incurred in carrying out its powers and duties and in the operation of the
21 lottery.

22 B. Of the monies remaining in the state lottery fund each fiscal year
23 after appropriations and deposits authorized in subsection A of this section,
24 ten million dollars shall be deposited in the Arizona game and fish
25 commission heritage fund established by section 17-297.

26 C. EXCEPT AS PROVIDED IN SUBSECTION G OF THIS SECTION, STATE LOTTERY
27 FUND MONIES SHALL BE USED FOR PAYMENT TO THE LOCAL TRANSPORTATION ASSISTANCE
28 FUND ESTABLISHED BY SECTION 28-8101 OF NOT LESS THAN NINE MILLION DOLLARS,
29 INCREASING EACH YEAR THAT TOTAL REVENUES TO THE STATE LOTTERY FUND INCREASE
30 UP TO A MAXIMUM OF EIGHTEEN MILLION DOLLARS EACH FISCAL YEAR, EXCEPT THAT
31 PAYMENTS PURSUANT TO THIS SUBSECTION SHALL NOT INCREASE BY MORE THAN TEN PER
32 CENT PER YEAR.

33 D. OF THE MONIES REMAINING IN THE STATE LOTTERY FUND AFTER THE
34 APPROPRIATIONS AUTHORIZED IN SUBSECTIONS A, B AND C OF THIS SECTION, UP TO A
35 MAXIMUM OF TWENTY-THREE MILLION DOLLARS EACH FISCAL YEAR SHALL BE DEPOSITED
36 IN THE LOCAL TRANSPORTATION ASSISTANCE FUND ESTABLISHED BY SECTION 28-8101
37 AND UP TO A MAXIMUM OF SEVEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS EACH
38 FISCAL YEAR SHALL BE DEPOSITED IN THE COUNTY ASSISTANCE FUND ESTABLISHED BY
39 SECTION 41-175. MONIES DISTRIBUTED PURSUANT TO THIS SUBSECTION SHALL BE IN
40 ADDITION TO MONIES DISTRIBUTED PURSUANT TO SUBSECTION C OF THIS SECTION.

41 E. NOTWITHSTANDING SUBSECTION D OF THIS SECTION, IF THE STATE LOTTERY
42 DIRECTOR DETERMINES AT THE BEGINNING OF ANY FISCAL YEAR THAT MONIES AVAILABLE
43 TO CITIES, TOWNS AND COUNTIES UNDER THIS SECTION MAY NOT EQUAL THIRTY MILLION
44 SIX HUNDRED FIFTY THOUSAND DOLLARS, THE DIRECTOR SHALL NOT AUTHORIZE DEPOSITS

1 TO THE COUNTY ASSISTANCE FUND UNTIL THE DEPOSITS TO THE LOCAL TRANSPORTATION
 2 ASSISTANCE FUND EQUAL TWENTY-THREE MILLION DOLLARS.

3 ~~E.~~ F. Of the monies remaining in the state lottery fund each fiscal
 4 year after appropriations and deposits authorized in subsections A, ~~and~~ B, C,
 5 D, AND E of this section, AND APPROPRIATIONS AND DEPOSITS TO THE LOCAL
 6 TRANSPORTATION ASSISTANCE FUND AUTHORIZED BY THIS SECTION, TEN MILLION
 7 DOLLARS SHALL BE DEPOSITED IN THE ARIZONA STATE PARKS BOARD HERITAGE FUND
 8 ESTABLISHED BY SECTION 41-502 AND five million dollars shall be allocated to
 9 the department of economic security for the healthy families program
 10 established by section 8-701, four million dollars shall be allocated to the
 11 Arizona board of regents for the Arizona area health education system
 12 established by section 15-1643, three million dollars shall be allocated to
 13 the department of health services to fund the teenage pregnancy prevention
 14 programs established in Laws 1995, chapter 190, sections 2 and 3, two million
 15 dollars shall be allocated to the department of health services for the
 16 health start program established by section 36-697, two million dollars shall
 17 be deposited in the disease control research fund established by section
 18 36-274 and one million dollars shall be allocated to the department of health
 19 services for the federal women, infants and children food program. The
 20 allocations in this subsection shall be adjusted annually according to
 21 changes in the GDP price deflator as defined in section 41-563 and the
 22 allocations are exempt from the provisions of section 35-190 relating to
 23 lapsing of appropriations. If there are not sufficient monies available
 24 pursuant to this subsection, the allocation of monies for each program shall
 25 be reduced on a pro rata basis.

26 ~~D.~~ G. NOTWITHSTANDING SUBSECTION C OF THIS SECTION, if the state
 27 lottery director determines that monies available to the state general fund
 28 may not equal ~~eighty four million one hundred fifty thousand~~ THIRTY-ONE
 29 MILLION dollars in a fiscal year, the director shall not authorize deposits
 30 to the ~~Arizona game and fish commission heritage~~ LOCAL TRANSPORTATION
 31 ASSISTANCE fund pursuant to subsection ~~B- C~~ of this section until the
 32 deposits to the state general fund equal ~~eighty four million one hundred~~
 33 ~~fifty thousand~~ THIRTY-ONE MILLION dollars in a fiscal year.

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

1 3. Compute the net cumulative distributions for the eligible project
2 by subtracting the amount determined pursuant to paragraph 1, subdivision (b)
3 of this subsection from either the amounts determined pursuant to paragraph 2
4 of this subsection or, if applicable, the amount of state monies paid under a
5 lease purchase agreement pursuant to section 41-791.04.

6 4. Based on the analysis conducted pursuant to this subsection,
7 estimate the minimum required attendance at the eligible project for the
8 fifth year following the filing of the certificate of completion of
9 construction of an eligible project pursuant to section 9-622 and each year
10 thereafter. The estimates shall be computed as follows:

11 (a) Divide the total state general fund revenues estimated pursuant to
12 paragraph 1, subdivision (a), item (ii) of this subsection by the attendance
13 estimated pursuant to paragraph 1, subdivision (a), item (ii) of this
14 subsection.

15 (b) Divide the net cumulative distribution amounts for the fifth year
16 following the filing of the certificate of completion of construction of an
17 eligible project pursuant to section 9-622 and each year thereafter computed
18 pursuant to paragraph 3 of this subsection by the quotient computed pursuant
19 to subdivision (a) of this paragraph.

20 (c) Add the average annual attendance estimated pursuant to paragraph
21 1, subdivision (a), item (i) of this subsection to each of the quotients
22 determined pursuant to subdivision (b) of this paragraph. The resulting sums
23 are the minimum required attendance amounts for each year.

24 C. Beginning in the fifth calendar year following the filing of the
25 certificate of completion of construction of an eligible project pursuant to
26 section 9-622 and each year thereafter, the auditor general shall:

27 1. Estimate the average annual attendance at regional and national
28 conventions and trade shows held at the site of the eligible project using
29 any appropriate method to estimate the attendance. The eligible city shall
30 cooperate with and assist the auditor general in developing the estimates.

31 2. Compute the ratio of the cumulative sum of the estimated attendance
32 amounts developed pursuant to paragraph 1 of this subsection for all years
33 through the current year to the cumulative sum of the minimum required
34 attendance amounts for those years computed pursuant to subsection B,
35 paragraph 4, subdivision (c) of this section.

36 3. Notify the president of the senate, the speaker of the house of
37 representatives and the governor of:

38 (a) The minimum required attendance amounts for those years computed
39 pursuant to subsection B, paragraph 4, subdivision (c) of this section.

40 (b) The attendance estimate developed pursuant to paragraph 1 of this
41 subsection.

42 (c) The ratio computed pursuant to paragraph 2 of this subsection.

43 D. Except as provided in paragraph 4 of this subsection, if the ratio
44 computed pursuant to subsection C, paragraph 2 of this section is less than
45 one:

1 1. The auditor general shall compute the difference between the
2 estimated state general fund revenues and the net cumulative distributions by
3 multiplying the net cumulative distributions computed pursuant to subsection
4 B, paragraph 3 of this section by the difference between the ratio computed
5 pursuant to subsection C, paragraph 2 of this section and one.

6 2. The auditor general shall notify the state treasurer of:

7 (a) The ratio computed pursuant to subsection C, paragraph 2 of this
8 section.

9 (b) The difference computed pursuant to paragraph 1 of this
10 subsection.

11 3. At the time of the next regularly scheduled distribution, the state
12 treasurer shall withhold from the amount that would otherwise be distributed
13 to the eligible city ~~FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND~~ pursuant
14 to section ~~42-5029~~ 28-8102 an amount equal to the amount stated in the notice
15 received pursuant to paragraph 2 of this subsection. If the amount available
16 for distribution is less than the amount to be withheld, the state treasurer
17 shall continue withholding from subsequent distributions until the full
18 amount stated in the notice has been withheld.

19 4. The eligible city may request and the auditor general shall conduct
20 or contract for a complete economic and fiscal impact analysis of the
21 eligible project. If an analysis is requested:

22 (a) The auditor general shall not notify the state treasurer pursuant
23 to paragraph 2 of this subsection, and the state treasurer shall not withhold
24 pursuant to paragraph 3 of this subsection, pending completion of the
25 analysis.

26 (b) The analysis shall be similar to the analysis described in
27 subsection B of this section, except that the analysis shall examine the
28 operations of the eligible project in the year for which the ratio is less
29 than one.

30 (c) The analysis, at a minimum, shall estimate the total cumulative
31 incremental revenues to the state general fund resulting from the completion
32 of the eligible project including the revenues resulting from the
33 construction activity associated with the completion of the eligible project.

34 (d) And the analysis demonstrates that the total cumulative
35 incremental revenues to the state general fund exceed the total cumulative
36 amount of distributions pursuant to section 9-602 as computed in subsection
37 B, paragraph 3 of this section, the auditor general shall not notify the
38 state treasurer pursuant to paragraph 2 of this subsection and the state
39 treasurer shall not withhold pursuant to paragraph 3 of this subsection.

40 (e) And the analysis demonstrates that the total cumulative
41 incremental revenues to the state general fund are less than the total
42 cumulative amount of distributions pursuant to section 9-602 as computed in
43 subsection B, paragraph 3 of this section:

1 (i) The auditor general shall subtract the amount of the total
2 cumulative incremental revenues to the state general fund from the amount of
3 the total cumulative distributions.

4 (ii) The auditor general shall notify the state treasurer of the
5 difference computed pursuant to item (i) of this subdivision.

6 (iii) At the time of the next regularly scheduled distribution, the
7 state treasurer shall withhold from the amount that would otherwise be
8 distributed to the eligible city pursuant to section 42-5029 an amount equal
9 to the amount stated in the notice received pursuant to item (ii) of this
10 subdivision. If the amount available for distribution is less than the
11 amount to be withheld, the state treasurer shall continue withholding from
12 subsequent distributions until the full amount stated in the notice has been
13 withheld.

14 E. The eligible city shall reimburse the auditor general for any costs
15 incurred in complying with the requirements of this section.

16 Sec. 4. Section 15-1682.03, Arizona Revised Statutes, is amended to
17 read:

18 15-1682.03. University capital improvement lease-to-own and
19 bond fund; lease-to-own and bond capital
20 improvement agreements

21 A. The university capital improvement lease-to-own and bond fund is
22 established consisting of the monies provided by the Arizona board of regents
23 pursuant to this section, monies deposited pursuant to section 5-572 and
24 monies appropriated by the legislature. The board shall administer the fund.
25 On notice from the board, the state treasurer shall invest and divest monies
26 in the fund as provided by section 35-313, and monies earned from investment
27 shall be credited to the fund. Monies in the fund are exempt from the
28 provisions of section 35-190 relating to lapsing of appropriations.

29 B. Through revenues of the state university system, the board shall
30 annually provide monies to the fund of at least twenty per cent of the
31 aggregate annual payments of lease-to-own and bond agreements entered into by
32 the board pursuant to this section.

33 C. The board shall distribute monies in the fund to make payments
34 pursuant to lease-to-own and bond agreements entered into by the board
35 pursuant to this section. The board may enter into lease-to-own and bond
36 agreements for the purposes of building renewal projects and new facilities.
37 New lease-to-own and bond agreements entered into pursuant to this section
38 shall not exceed one hundred sixty-seven million six hundred seventy-one
39 thousand two hundred dollars in fiscal year 2008-2009 and four hundred
40 million dollars in fiscal year 2009-2010. The board may enter into
41 lease-to-own and bond transactions up to a maximum of eight hundred million
42 dollars.

1 D. Notwithstanding section 5-572, subsection ~~G~~ I, the amount of state
2 lottery revenues distributed to the university capital improvement
3 lease-to-own and bond fund in fiscal year 2009-2010 and fiscal year 2010-2011
4 shall not exceed an amount sufficient for up to eighty per cent of the annual
5 payments of the first one hundred sixty-seven million six hundred seventy-one
6 thousand two hundred dollars of new lease-to-own and bond agreements entered
7 into pursuant to this section. The full amount of state lottery revenues
8 distributed to the university capital improvement lease-to-own and bond fund
9 pursuant to section 5-572, subsection ~~G~~ I shall be made available to the
10 board for the remaining new lease-to-own and bond agreements up to eight
11 hundred million dollars beginning in fiscal year 2011-2012.

12 E. In entering into lease-to-own and bond agreements pursuant to this
13 section, the board shall not obligate this state to provide any additional
14 monies from the state lottery fund above the amounts authorized in this
15 section and section 5-572, subsection ~~G~~ I. In entering into lease-to-own
16 and bond agreements pursuant to this section, the board shall not obligate
17 any state general fund monies.

18 Sec. 5. Section 28-6543, Arizona Revised Statutes, is amended to read:
19 28-6543. Local revenues; requirements

20 A. Each fiscal year a county with a population of more than four
21 hundred thousand persons or an incorporated city or town with a population of
22 more than thirty thousand persons that is located in such a county shall:

23 1. Budget and spend local revenues as defined in article IX, section
24 20, Constitution of Arizona, for street and highway purposes in an amount at
25 least equal to the average amount of local revenues budgeted and spent for
26 these purposes in any four of the five fiscal years during the period
27 beginning with fiscal year 1981-1982 and ending with fiscal year 1985-1986.

28 2. Through its chief financial officer, certify in writing to the
29 department whether or not the county, city or town has complied with the
30 requirements of paragraph 1 of this subsection.

31 3. File the certification on or before December 31 after the
32 completion of each fiscal year.

33 B. Failure to certify as required by subsection A, paragraph 2 of this
34 section is a failure to comply with subsection A, paragraph 1 of this
35 section.

36 C. In determining the amount of local revenues budgeted and spent for
37 street and highway purposes during a fiscal year pursuant to subsection A of
38 this section, a county or incorporated city or town shall not consider any of
39 the following:

40 1. Monies distributed from the Arizona highway user revenue fund.

41 2. MONIES DISTRIBUTED FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND
42 ESTABLISHED BY SECTION 28-8101.

43 ~~2-~~ 3. Monies spent by the county or incorporated city or town for
44 street and highway purposes directly needed by an emergency declared by the
45 governor.

1 Sec. 6. Title 28, chapter 24, Arizona Revised Statutes, is amended by
2 adding article 1, to read:

3 ARTICLE 1. GENERAL PROVISIONS

4 28-8101. Local transportation assistance fund

5 A. A LOCAL TRANSPORTATION ASSISTANCE FUND IS ESTABLISHED CONSISTING
6 OF:

7 1. MONIES DEPOSITED FROM THE STATE LOTTERY FUND PURSUANT TO SECTION
8 5-572.

9 2. MONIES APPROPRIATED PURSUANT TO SUBSECTION B OF THIS SECTION.

10 3. INTEREST EARNED ON LOCAL TRANSPORTATION ASSISTANCE MONIES AS
11 PROVIDED IN SUBSECTION C OF THIS SECTION.

12 B. THE LEGISLATURE SHALL APPROPRIATE AN AMOUNT THAT IS NECESSARY TO
13 PROVIDE THAT THE TOTAL MONIES AVAILABLE IN THE LOCAL TRANSPORTATION
14 ASSISTANCE FUND FOR EACH FISCAL YEAR EQUAL TWENTY MILLION FIVE HUNDRED
15 THOUSAND DOLLARS.

16 C. THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE LOCAL
17 TRANSPORTATION ASSISTANCE FUND AS PROVIDED BY SECTION 35-313, AND MONIES
18 EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

19 D. A MAXIMUM AMOUNT OF TWENTY-THREE MILLION DOLLARS MAY BE DEPOSITED
20 IN THE LOCAL TRANSPORTATION ASSISTANCE FUND EACH FISCAL YEAR FROM THE STATE
21 LOTTERY FUND AS PROVIDED IN SECTION 5-572, SUBSECTION D.

22 E. A MAXIMUM AMOUNT OF EIGHTEEN MILLION DOLLARS MAY BE DEPOSITED IN
23 THE LOCAL TRANSPORTATION ASSISTANCE FUND EACH FISCAL YEAR FROM THE STATE
24 LOTTERY FUND AS PROVIDED IN SECTION 5-572, SUBSECTION C.

25 28-8102. General lottery monies; fund distribution; definitions

26 A. THE STATE TREASURER SHALL PAY INCORPORATED CITIES AND TOWNS FROM
27 THE AVAILABLE MONIES IN THE LOCAL TRANSPORTATION ASSISTANCE FUND PURSUANT TO
28 SECTION 5-572, SUBSECTION D. A CITY OR TOWN SHALL RECEIVE MONIES IN THE
29 PROPORTION THAT THE POPULATION OF EACH CITY OR TOWN BEARS TO THE TOTAL
30 POPULATION OF ALL CITIES AND TOWNS IN THIS STATE, EXCEPT THAT A CITY OR TOWN
31 IS ENTITLED TO RECEIVE AT LEAST TEN THOUSAND DOLLARS.

32 B. THE STATE TREASURER SHALL PAY CITIES AND TOWNS AS PROVIDED IN
33 SUBSECTION A OF THIS SECTION A MAXIMUM AMOUNT OF TWENTY-THREE MILLION DOLLARS
34 IN ANY ONE FISCAL YEAR FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND.

35 C. A CITY OR TOWN WITH A POPULATION OF THREE HUNDRED THOUSAND PERSONS
36 OR LESS SHALL USE THE MONIES RECEIVED UNDER SUBSECTION A OF THIS SECTION FOR
37 TRANSPORTATION PURPOSES EXCEPT AS PROVIDED IN SECTION 28-8104 AND MAY USE THE
38 MONIES FOR PUBLIC TRANSPORTATION OPERATING AND RELATED CAPITAL PURPOSES. A
39 CITY OR TOWN WITH A POPULATION OF MORE THAN THREE HUNDRED THOUSAND PERSONS
40 SHALL USE THE MONIES RECEIVED UNDER SUBSECTION A OF THIS SECTION FOR PUBLIC
41 TRANSPORTATION OPERATING AND RELATED CAPITAL PURPOSES EXCEPT AS PROVIDED IN
42 SECTION 28-8104.

43 D. FOR THE PURPOSES OF THIS SECTION:

44 1. "POPULATION" MEANS THE POPULATION OF A CITY, TOWN OR COUNTY AS
45 DEFINED IN SECTION 41-563.

1 2. "PUBLIC TRANSPORTATION" MEANS LOCAL TRANSPORTATION OF PASSENGERS BY
2 MEANS OF A PUBLIC CONVEYANCE.

3 28-8103. Special lottery and vehicle license tax monies; fund
4 distribution; notice; proposals; annual financial
5 report; definitions

6 A. MONIES IN THE LOCAL TRANSPORTATION ASSISTANCE FUND PURSUANT TO
7 SECTION 5-572, SUBSECTION C SHALL BE AVAILABLE FOR DISTRIBUTION BY THE
8 DEPARTMENT TO THE FOLLOWING IN THE PROPORTION THAT THE POPULATION OF EACH
9 BEARS TO THE TOTAL POPULATION OF THIS STATE:

10 1. IN EACH COUNTY WITH A POPULATION OF ONE MILLION TWO HUNDRED
11 THOUSAND OR MORE PERSONS, TO THE PUBLIC TRANSPORTATION FUND ESTABLISHED BY
12 SECTION 48-5103.

13 2. IN EACH COUNTY WITH A POPULATION OF FIVE HUNDRED THOUSAND OR MORE
14 PERSONS BUT LESS THAN ONE MILLION TWO HUNDRED THOUSAND PERSONS, TO THE
15 METROPOLITAN PLANNING ORGANIZATION IN THE COUNTY.

16 3. IN EACH COUNTY WITH A POPULATION OF LESS THAN FIVE HUNDRED THOUSAND
17 PERSONS, TO CITIES AND TOWNS LOCATED IN THE COUNTY AND TO THE COUNTY BOARD OF
18 SUPERVISORS. THE DISTRIBUTION TO THE COUNTY BOARD OF SUPERVISORS SHALL BE
19 BASED ON THE UNINCORPORATED POPULATION OF THE COUNTY.

20 B. THE DEPARTMENT SHALL NOT DISTRIBUTE MORE THAN EIGHTEEN MILLION
21 DOLLARS IN ANY ONE FISCAL YEAR AS PROVIDED IN THIS SECTION. MONIES
22 DISTRIBUTED PURSUANT TO THIS SECTION ARE EXEMPT FROM THE PROVISIONS OF
23 SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

24 C. THE DEPARTMENT SHALL DISTRIBUTE MONIES TO A PUBLIC TRANSPORTATION
25 FUND OR A METROPOLITAN PLANNING ORGANIZATION PURSUANT TO SUBSECTION A,
26 PARAGRAPHS 1 AND 2 OF THIS SECTION WHEN A REGIONAL PUBLIC TRANSPORTATION
27 AUTHORITY OR METROPOLITAN PLANNING ORGANIZATION CERTIFIES THAT ITS LOCAL
28 MONIES HAVE BEEN SPENT OR ARE IN THE PROCESS OF BEING SPENT. THE MONIES
29 DISTRIBUTED PURSUANT TO SUBSECTION A, PARAGRAPHS 1 AND 2 OF THIS SECTION
30 SHALL BE FURTHER DISTRIBUTED AS MATCHING GRANTS TO CITIES AND TOWNS LOCATED
31 IN THE COUNTY IN THE PROPORTION THAT THE POPULATION OF EACH CITY OR TOWN
32 BEARS TO THE TOTAL POPULATION IN THAT COUNTY AND TO THE BOARD OF SUPERVISORS
33 IN THE PROPORTION THAT THE UNINCORPORATED POPULATION OF THE COUNTY BEARS TO
34 THE TOTAL POPULATION IN THAT COUNTY. THE MONIES DISTRIBUTED PURSUANT TO
35 SUBSECTION A, PARAGRAPH 3 OF THIS SECTION SHALL BE DISTRIBUTED AS MATCHING
36 GRANTS TO CITIES, TOWNS AND BOARDS OF SUPERVISORS.

37 D. MONIES DISTRIBUTED PURSUANT TO SUBSECTION C OF THIS SECTION SHALL
38 BE DISTRIBUTED ONLY TO CITIES, TOWNS AND COUNTIES THAT SATISFY THE FOLLOWING
39 MATCH REQUIREMENTS:

40 1. FOR COUNTIES WITH A POPULATION OF FIVE HUNDRED THOUSAND OR MORE
41 PERSONS, A MATCH THAT IS AT LEAST EQUAL TO THE AMOUNT OF GRANT MONIES
42 REQUESTED BY A COUNTY.

43 2. FOR COUNTIES WITH A POPULATION OF LESS THAN FIVE HUNDRED THOUSAND
44 PERSONS, A MATCH THAT IS AT LEAST EQUAL TO ONE-FOURTH OF THE AMOUNT OF GRANT
45 MONIES REQUESTED BY A COUNTY.

1 3. FOR CITIES WITH A POPULATION OF FIFTY THOUSAND OR MORE PERSONS, A
2 MATCH THAT IS AT LEAST EQUAL TO THE AMOUNT OF GRANT MONIES REQUESTED BY A
3 CITY.

4 4. FOR CITIES OR TOWNS WITH A POPULATION OF LESS THAN FIFTY THOUSAND
5 PERSONS, A MATCH THAT IS AT LEAST EQUAL TO ONE-FOURTH OF THE AMOUNT OF THE
6 GRANT MONIES REQUESTED BY A CITY OR TOWN.

7 E. A REGIONAL PUBLIC TRANSPORTATION AUTHORITY, A METROPOLITAN PLANNING
8 ORGANIZATION AND THE DEPARTMENT SHALL NOTIFY CITIES, TOWNS AND BOARDS OF
9 SUPERVISORS WITHIN THEIR JURISDICTIONS OF THE MAXIMUM AMOUNT OF MATCHING
10 GRANT MONIES AVAILABLE TO THEM EACH YEAR PURSUANT TO THIS SECTION. EACH YEAR
11 CITIES, TOWNS AND COUNTIES MAY SUBMIT PROPOSALS TO A REGIONAL PUBLIC
12 TRANSPORTATION AUTHORITY, A METROPOLITAN PLANNING ORGANIZATION OR THE
13 DEPARTMENT REQUESTING SOME OR ALL OF THE MATCHING GRANT MONIES AVAILABLE TO
14 THEM IN THAT YEAR. FOR DISTRIBUTIONS PURSUANT TO SUBSECTION A, PARAGRAPH 1
15 OR 2 OF THIS SECTION, EACH PROPOSAL SHALL CERTIFY THAT THE CITY, TOWN OR
16 COUNTY WILL INVEST LOCAL MONIES IN AN AMOUNT THAT IS AT LEAST EQUAL TO THE
17 AMOUNT PRESCRIBED IN SUBSECTION D OF THIS SECTION AND SHALL DETAIL A PLAN FOR
18 SPENDING ALL MATCHING GRANT AND LOCAL MONIES, AND IF A CITY, TOWN OR COUNTY
19 COMPLIES WITH THIS SECTION, THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY OR
20 METROPOLITAN PLANNING ORGANIZATION SHALL DISTRIBUTE MATCHING GRANT MONIES TO
21 THE CITY, TOWN OR COUNTY. FOR DISTRIBUTIONS PURSUANT TO SUBSECTION A,
22 PARAGRAPH 3 OF THIS SECTION, EACH PROPOSAL SHALL CERTIFY THAT THE CITY, TOWN
23 OR COUNTY WILL INVEST LOCAL MONIES IN AN AMOUNT THAT IS AT LEAST EQUAL TO THE
24 AMOUNT PRESCRIBED IN SUBSECTION D OF THIS SECTION AND SHALL DETAIL A PLAN FOR
25 SPENDING ALL MATCHING GRANT AND LOCAL MONIES.

26 F. EXCEPT AS PROVIDED IN SUBSECTION G OF THIS SECTION, MONIES
27 DISTRIBUTED PURSUANT TO THIS SECTION SHALL BE USED ONLY FOR PUBLIC TRANSIT
28 PURPOSES, INCLUDING OPERATING AND CAPITAL PURPOSES, THAT ARE DETERMINED BY
29 THE DISTRIBUTING AGENCY TO CONFORM WITH THE LONG-RANGE TRANSPORTATION PLAN OR
30 REGIONAL TRANSPORTATION PLAN.

31 G. A CITY, TOWN OR COUNTY MAY USE MONIES IT RECEIVES PURSUANT TO THIS
32 SECTION FOR OTHER TRANSPORTATION PURPOSES IF IT RECEIVES LESS THAN TWO
33 THOUSAND FIVE HUNDRED DOLLARS PURSUANT TO THIS SECTION IN A CALENDAR YEAR.

34 H. ON OR BEFORE NOVEMBER 1 OF EACH YEAR, A REGIONAL PUBLIC
35 TRANSPORTATION AUTHORITY OR METROPOLITAN PLANNING ORGANIZATION THAT RECEIVES
36 MONIES PURSUANT TO THIS SECTION SHALL SUBMIT AN ANNUAL REPORT TO THE DIRECTOR
37 THAT CONTAINS THE FOLLOWING INFORMATION THAT IS ATTESTED TO BY AN INDEPENDENT
38 CERTIFIED PUBLIC ACCOUNTANT:

39 1. A SCHEDULE OF BEGINNING AND ENDING FUND BALANCES.

40 2. ALL MONIES RECEIVED PURSUANT TO THIS SECTION AND THE SPECIFIC
41 PURPOSES FOR WHICH THEY ARE SPENT, INCLUDING WHETHER THEY ARE SPENT FOR
42 OPERATING OR CAPITAL PURPOSES.

43 3. ALL LOCAL MATCHING EXPENDITURES MADE PURSUANT TO THIS SECTION.

44 I. ON OR BEFORE JANUARY 1 OF EACH YEAR, THE DIRECTOR SHALL SUBMIT A
45 REPORT ON COMPLIANCE WITH THE REPORTING REQUIREMENTS PRESCRIBED IN THIS

1 SECTION TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE
2 HOUSE OF REPRESENTATIVES AND THE JOINT LEGISLATIVE BUDGET COMMITTEE. THE
3 DIRECTOR'S REPORT SHALL INCLUDE:

4 1. A DETERMINATION OF WHETHER EACH REGIONAL PUBLIC TRANSPORTATION
5 AUTHORITY AND METROPOLITAN PLANNING ORGANIZATION HAS COMPLIED WITH THE
6 REPORTING REQUIREMENTS PRESCRIBED IN THIS SECTION.

7 2. A SUMMARY OF THE MONIES ALLOCATED TO EACH REGIONAL PUBLIC
8 TRANSPORTATION AUTHORITY AND METROPOLITAN PLANNING ORGANIZATION PURSUANT TO
9 THIS SECTION IN THE PRECEDING FISCAL YEAR.

10 3. A SUMMARY OF LOCAL MONIES SPENT ON PUBLIC TRANSIT PURSUANT TO THIS
11 SECTION.

12 J. THE DIRECTOR SHALL NOTIFY BY CERTIFIED MAIL EACH REGIONAL PUBLIC
13 TRANSPORTATION AUTHORITY AND METROPOLITAN PLANNING ORGANIZATION THAT IS NOT
14 IN COMPLIANCE WITH THE REPORTING REQUIREMENTS PRESCRIBED IN THIS SECTION OF
15 ITS NONCOMPLIANCE. A REGIONAL PUBLIC TRANSPORTATION AUTHORITY OR
16 METROPOLITAN PLANNING ORGANIZATION THAT RECEIVES THIS NOTICE SHALL COMPLY
17 WITH THE REPORTING REQUIREMENTS PRESCRIBED IN THIS SECTION WITHIN THIRTY DAYS
18 AFTER RECEIPT OF THE NOTICE. IF A REGIONAL PUBLIC TRANSPORTATION AUTHORITY
19 OR METROPOLITAN PLANNING ORGANIZATION FAILS TO COMPLY WITH THE REPORTING
20 REQUIREMENTS PRESCRIBED IN THIS SECTION WITHIN THIRTY DAYS AFTER RECEIPT OF
21 THE NOTICE, IT IS NOT ELIGIBLE TO RECEIVE ANY MONIES PURSUANT TO THIS SECTION
22 IN THE NEXT FISCAL YEAR.

23 K. A METROPOLITAN PLANNING ORGANIZATION, CITY, TOWN OR COUNTY MAY
24 ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH A FEDERALLY RECOGNIZED INDIAN
25 TRIBE TO PROVIDE FINANCIAL ASSISTANCE PURSUANT TO THIS SECTION FOR
26 MAINTAINING OR OPERATING AN EXISTING PUBLIC TRANSIT SERVICE PROVIDED BY THE
27 INDIAN TRIBE.

28 L. FOR THE PURPOSES OF THIS SECTION:

29 1. "LOCAL MONIES" MEANS:

30 (a) REVENUE THAT IS GENERATED BY A CITY, TOWN OR COUNTY FROM
31 NONFEDERAL SOURCES AND THAT WAS FIRST APPROPRIATED BY THE CITY, TOWN OR
32 COUNTY FOR PUBLIC TRANSIT ACTIVITIES IN OR AFTER FISCAL YEAR 1993-1994.

33 (b) DONATIONS THAT ARE RECEIVED BY A CITY, TOWN OR COUNTY FROM
34 NONGOVERNMENTAL SOURCES AND THAT ARE IN THE FORM OF MONIES OR IN-KIND
35 CONTRIBUTIONS.

36 2. "POPULATION" MEANS THE POPULATION OF A CITY, TOWN OR COUNTY AS
37 DEFINED IN SECTION 41-563.

38 3. "PUBLIC TRANSIT" MEANS LOCAL, REGIONAL OR INTERCITY TRANSPORTATION
39 OF PASSENGERS BY MEANS OF A PUBLIC CONVEYANCE, INCLUDING PARA-TRANSIT AND
40 LOCAL TRANSPORTATION OF PASSENGERS BY CAR POOL VEHICLE. FOR THE PURPOSES OF
41 THIS PARAGRAPH, "CAR POOL VEHICLE" MEANS ANY MOTOR VEHICLE WHEN OPERATED BY A
42 CAR POOL OPERATOR AS DEFINED IN SECTION 28-4032.

43 28-8104. Alternative uses; local transportation assistance fund

44 BY RESOLUTION, A CITY OR TOWN MAY AUTHORIZE THE USE OF UP TO TEN PER
45 CENT OF LOCAL TRANSPORTATION ASSISTANCE FUND MONIES RECEIVED PURSUANT TO

1 SECTION 28-8102 IN ANY ONE FISCAL YEAR FOR CULTURAL, EDUCATIONAL, HISTORICAL,
2 RECREATIONAL OR SCIENTIFIC FACILITIES OR PROGRAMS OR FOR NONRESIDENTIAL
3 OUTPATIENT PROGRAMS OR SERVICES FOR PERSONS WITH A DEVELOPMENTAL DISABILITY
4 AS DEFINED IN SECTION 36-551 WHO HAVE NEVER RESIDED WITHIN A FACILITY
5 IDENTIFIED IN OR ESTABLISHED PURSUANT TO SECTION 36-558, IF THE MONIES ARE
6 MATCHED EQUALLY BY NONPUBLIC MONIES RECEIVED BY THE CITY OR TOWN AND SPENT
7 FOR THE SAME PURPOSES, EXCEPT IN A FISCAL YEAR WHEN THE TOTAL DISTRIBUTED
8 FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND IS LESS THAN TWENTY-THREE
9 MILLION DOLLARS.

10 Sec. 7. Section 36-274, Arizona Revised Statutes, is amended to read:

11 36-274. Disease control research fund; lapsing; investment

12 A. The disease control research fund is established consisting of
13 monies received from the state lottery fund pursuant to section 5-572,
14 subsection ~~D~~ F, monies appropriated by the legislature and any gifts,
15 contributions or other monies received by the department from any source to
16 carry out the purposes of this article, except monies from the health
17 research fund established by section 36-275. The department shall administer
18 the disease control research fund.

19 B. The department may expend monies in the disease control research
20 fund for projects or services pursuant to section 36-273 and for expenses
21 incurred by the department in carrying out the purposes of this article,
22 including filing applications and maintaining patents.

23 C. As a condition of each contract for cancer research projects or
24 services, the department shall require that the recipient shall not use fund
25 monies for any purpose, including any administrative or building purposes,
26 other than the specific cancer research grant project contract.

27 D. Monies in the disease control research fund are exempt from the
28 provisions of section 35-190 relating to lapsing of appropriations.

29 E. On notice from the department, the state treasurer shall invest and
30 divest monies in the disease control research fund as provided by section
31 35-313, and monies earned from investment shall be credited to the fund.

32 Sec. 8. Title 41, chapter 1, article 4, Arizona Revised Statutes, is
33 amended by adding section 41-175, to read:

34 41-175. County assistance fund

35 A. THE COUNTY ASSISTANCE FUND IS ESTABLISHED. THE FUND SHALL CONSIST
36 OF MONIES APPROPRIATED PURSUANT TO SECTION 5-572 AND SHALL BE ADMINISTERED BY
37 THE STATE TREASURER.

38 B. EACH MONTH IN WHICH MONIES ARE DEPOSITED IN THE FUND THE STATE
39 TREASURER SHALL DISTRIBUTE THOSE MONIES TO THE COUNTIES IN THIS STATE. THE
40 TOTAL AMOUNT DISTRIBUTED TO COUNTIES FROM THE FUND SHALL NOT EXCEED SEVEN
41 MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS IN ANY FISCAL YEAR. MONIES IN THE
42 FUND SHALL BE DISTRIBUTED AS FOLLOWS:

43 1. NINETY-THREE AND FORTY-SEVEN ONE-HUNDREDTHS PER CENT OF SUCH MONIES
44 SHALL BE DISTRIBUTED EQUALLY AMONG COUNTIES WITH A POPULATION OF FIVE HUNDRED
45 THOUSAND OR FEWER PERSONS.

1 2. SIX AND FIFTY-THREE ONE-HUNDREDTHS PER CENT OF SUCH MONIES SHALL BE
2 DISTRIBUTED EQUALLY AMONG COUNTIES WITH A POPULATION OF MORE THAN FIVE
3 HUNDRED THOUSAND PERSONS.

4 Sec. 9. Title 41, chapter 3, Arizona Revised Statutes, is amended by
5 adding article 1, to read:

6 ARTICLE 1. ARIZONA STATE PARKS BOARD HERITAGE FUND

7 41-501. Definitions

8 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "ENVIRONMENTAL EDUCATION" MEANS EDUCATIONAL PROCESSES, PROGRAMS AND
10 ACTIVITIES THAT ARE SPECIFICALLY DESIGNED TO ENHANCE STUDENT ACQUISITION OF
11 KNOWLEDGE OF SCIENTIFIC AND ECONOMIC PRINCIPLES, CONCEPTS AND FACTS AS THEY
12 RELATE TO ENVIRONMENTAL TOPICS AND ISSUES AND THAT ARE TAUGHT IN AN UNBIASED,
13 FAIR AND BALANCED MANNER.

14 2. "HISTORIC PRESERVATION" MEANS ARCHAEOLOGICAL OR HISTORIC PROPERTIES
15 LISTED ON OR ELIGIBLE FOR LISTING ON THE ARIZONA REGISTER OF HISTORIC PLACES
16 THAT REQUIRE FUNDING FOR EASEMENTS, STABILIZATION, REHABILITATION, EDUCATION
17 AND PRESERVATION PROGRAM DEVELOPMENT, RECONSTRUCTION, RESTORATION,
18 INTERPRETIVE DEVELOPMENT, ACQUISITION AND MAINTENANCE.

19 3. "NATURAL AREAS" MEANS PARCELS OF LAND OR WATER THAT CONTAIN
20 EXAMPLES OF UNIQUE NATURAL TERRESTRIAL OR AQUATIC ECOSYSTEMS, RARE SPECIES OF
21 PLANTS AND ANIMALS OR UNUSUAL OR OUTSTANDING GEOLOGIC OR HYDROLOGIC FEATURES.

22 4. "TRAILS" MEANS THOSE TRAILS FOR NONMOTORIZED USE NOMINATED FOR
23 INCLUSION IN THE STATE TRAILS SYSTEM, INCLUDING URBAN, CROSS-STATE,
24 RECREATION, INTERPRETIVE OR HISTORIC TRAILS.

25 41-502. Establishment of fund

26 A. THE ARIZONA STATE PARKS BOARD HERITAGE FUND IS ESTABLISHED
27 CONSISTING OF MONIES DEPOSITED FROM THE STATE LOTTERY FUND PURSUANT TO
28 SECTION 5-572 AND INTEREST EARNED ON THOSE MONIES.

29 B. THE FUND SHALL BE ADMINISTERED BY THE ARIZONA STATE PARKS BOARD AND
30 IS NOT SUBJECT TO APPROPRIATION. EXPENDITURES FROM THE FUND ARE NOT SUBJECT
31 TO ADDITIONAL APPROVAL NOTWITHSTANDING ANY PROVISION OF SECTION 41-511.05 OR
32 41-511.11 OR ANY OTHER STATUTORY PROVISION TO THE CONTRARY. MONIES RECEIVED
33 PURSUANT TO SECTION 5-572 SHALL BE DEPOSITED DIRECTLY WITH THE ARIZONA STATE
34 PARKS BOARD HERITAGE FUND. ON NOTICE FROM THE ARIZONA STATE PARKS BOARD, THE
35 STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY
36 SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE
37 FUND.

38 C. THE BOARD SHALL NOT USE ITS POWER OF EMINENT DOMAIN UNDER SECTION
39 41-511.06 TO ACQUIRE PROPERTY TO BE PAID FOR WITH MONIES FROM THE ARIZONA
40 STATE PARKS BOARD HERITAGE FUND.

41 D. ALL MONIES IN THE ARIZONA STATE PARKS BOARD HERITAGE FUND SHALL BE
42 SPENT BY THE ARIZONA STATE PARKS BOARD ONLY FOR THE PURPOSES AND IN THE
43 PERCENTAGES SET FORTH IN THIS ARTICLE. MONIES IN THE FUND SHALL NOT REVERT
44 TO THE STATE GENERAL FUND AND ARE EXEMPT FROM THE PROVISIONS OF SECTION
45 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

1 41-503. Expenditures from fund; purpose and amounts
2 A. MONIES IN THE FUND FOR LOCAL, REGIONAL AND STATE TRAILS, PARKS,
3 OUTDOOR RECREATION AND OPEN SPACE SHALL CONSIST OF:
4 1. FIVE PER CENT OF MONIES RECEIVED PURSUANT TO SECTION 5-572 SHALL BE
5 SPENT ON LOCAL, REGIONAL AND STATE TRAILS.
6 2. THIRTY-FIVE PER CENT OF MONIES RECEIVED PURSUANT TO SECTION 5-572
7 SHALL BE SPENT ON LOCAL, REGIONAL OR STATE PARKS, FOR OUTDOOR RECREATION AND
8 OPEN SPACE.
9 B. ARIZONA STATE PARKS BOARD HERITAGE FUND MONIES ALLOCATED PURSUANT
10 TO SUBSECTION A, PARAGRAPHS 1 AND 2 OF THIS SECTION SHALL BE SPENT IN
11 ACCORDANCE WITH SECTION 41-511.25 AND SHALL BE AVAILABLE AS MATCHING FUNDS.
12 C. NO ENTITY RECEIVING MONIES UNDER SUBSECTIONS A AND B OF THIS
13 SECTION SHALL RECEIVE MORE THAN TWENTY PER CENT OF THE MONIES AVAILABLE IN
14 ANY FISCAL YEAR.
15 D. MONIES RECEIVED PURSUANT TO SECTION 5-572 SHALL BE SPENT AS
16 FOLLOWS:
17 1. SEVENTEEN PER CENT ON ACQUISITION OF NATURAL AREAS.
18 2. FOUR PER CENT ON MAINTENANCE, OPERATION AND MANAGEMENT OF NATURAL
19 AREAS ADMINISTERED BY THE ARIZONA STATE PARKS BOARD.
20 3. SEVENTEEN PER CENT ON LOCAL, REGIONAL AND STATE HISTORIC
21 PRESERVATION PROJECTS. MONIES PROVIDED UNDER THIS PARAGRAPH SHALL BE
22 ADMINISTERED BY THE ARIZONA STATE PARKS BOARD THROUGH THE STATE HISTORIC
23 PRESERVATION OFFICER.
24 4. SEVENTEEN PER CENT ON STATE PARK ACQUISITION OR DEVELOPMENT.
25 5. FIVE PER CENT ON ENVIRONMENTAL EDUCATION.
26 E. ALL MONIES EARNED AS INTEREST ON MONIES RECEIVED PURSUANT TO
27 SECTION 5-572 SHALL BE SPENT ONLY IN THE PERCENTAGES AND FOR THE PURPOSES
28 DESCRIBED IN SUBSECTIONS A THROUGH D OF THIS SECTION OR FOR COSTS OF
29 ADMINISTERING THE ARIZONA STATE PARKS BOARD HERITAGE FUND IN SUCH AMOUNTS AS
30 DETERMINED BY THE ARIZONA STATE PARKS BOARD.
31 F. ON OR BEFORE DECEMBER 31 EACH YEAR THE BOARD SHALL SUBMIT ITS
32 ANNUAL REPORT TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
33 REPRESENTATIVES AND THE CHAIRPERSON OF THE SENATE NATURAL RESOURCES AND RURAL
34 AFFAIRS COMMITTEE AND THE CHAIRPERSON OF THE HOUSE OF REPRESENTATIVES ENERGY,
35 ENVIRONMENT AND NATURAL RESOURCES COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.
36 THE ANNUAL REPORT SHALL INCLUDE INFORMATION ON:
37 1. THE AMOUNT OF MONIES SPENT OR ENCUMBERED IN THE FUND DURING THE
38 PRECEDING FISCAL YEAR AND A SUMMARY OF THE PROJECTS, ACTIVITIES AND
39 EXPENDITURES RELATING TO:
40 (a) LOCAL, REGIONAL AND STATE TRAILS.
41 (b) LOCAL, REGIONAL OR STATE PARKS FOR OUTDOOR RECREATION AND OPEN
42 SPACE.
43 (c) NATURAL AREAS, INCLUDING ACQUISITION AND MAINTENANCE, OPERATION
44 AND MANAGEMENT OF NATURAL AREAS.
45 (d) LOCAL, REGIONAL AND STATE HISTORIC PRESERVATION PROJECTS.

- 1 (e) STATE PARK ACQUISITION AND DEVELOPMENT.
- 2 (f) ENVIRONMENTAL EDUCATION.
- 3 2. THE NUMBER AND LOCATION OF PARCELS OF PROPERTY ACQUIRED DURING THE
- 4 PRECEDING FISCAL YEAR.
- 5 3. FOR PERSONAL AND REAL PROPERTIES ACQUIRED WITH FUND MONIES DURING
- 6 THE PRECEDING FISCAL YEAR, THE AMOUNT OF PROPERTY TAX REVENUE PAID TO EACH
- 7 TAXING JURISDICTION DURING THE LAST FULL TAX YEAR PRIOR TO ACQUISITION.
- 8 4. THE AMOUNT OF MONEY SPENT FROM THE FUND DURING THE PRECEDING FISCAL
- 9 YEAR FOR EMPLOYEE PERSONAL SERVICES.
- 10 5. THE NUMBER OF FULL-TIME EMPLOYEES EMPLOYED IN THE PRECEDING FISCAL
- 11 YEAR IN CONNECTION WITH PROPERTY ACQUISITION, INCLUDING SURVEY, APPRAISAL AND
- 12 OTHER RELATED ACTIVITIES.
- 13 41-504. Performance audit
- 14 THE AUDITOR GENERAL SHALL CONDUCT A PERFORMANCE AUDIT, AS DEFINED IN
- 15 SECTION 41-1278, OF THE PROGRAMS AND EXPENDITURES OF THE ARIZONA STATE PARKS
- 16 BOARD HERITAGE FUND PURSUANT TO THIS ARTICLE AT THE SAME TIME ANY AGENCY
- 17 PERFORMANCE AUDIT OF THE ARIZONA STATE PARKS BOARD IS CONDUCTED. THE AUDITOR
- 18 GENERAL SHALL SUBMIT COPIES OF THE PERFORMANCE AUDIT TO THE PRESIDENT OF THE
- 19 SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE CHAIRPERSON OF
- 20 THE SENATE NATURAL RESOURCES AND RURAL AFFAIRS COMMITTEE AND THE CHAIRPERSON
- 21 OF THE HOUSE OF REPRESENTATIVES ENERGY, ENVIRONMENT AND NATURAL RESOURCES
- 22 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.
- 23 Sec. 10. Section 48-5103, Arizona Revised Statutes, is amended to
- 24 read:
- 25 48-5103. Public transportation fund
- 26 A. A public transportation fund is established for the authority. The
- 27 fund consists of:
- 28 1. Monies appropriated by each municipality that is a member of the
- 29 authority or the county, if it elected to enter into the authority. Each
- 30 member municipality and member county shall appropriate monies to the public
- 31 transportation fund in an amount determined by the board.
- 32 2. Monies appropriated by a county that has not elected to enter into
- 33 the authority in an amount determined by the county board of supervisors.
- 34 3. Transportation excise tax revenues that are allocated to the fund
- 35 pursuant to section 42-6105. The board shall separately account for monies
- 36 from transportation excise tax revenues allocated pursuant to section
- 37 42-6105, subsection D, paragraph 3 for:
- 38 (a) A light rail public transit system.
- 39 (b) Capital costs for other public transportation.
- 40 (c) Operation and maintenance costs for other public transportation.
- 41 4. Monies distributed under title 28, chapter 17, article 1.
- 42 5. Grants, gifts or donations from public or private sources.
- 43 6. Monies granted by the federal government or appropriated by the
- 44 legislature.

1 7. Fares or other revenues collected in operating a public
2 transportation system.

3 8. LOCAL TRANSPORTATION ASSISTANCE MONIES THAT ARE DISTRIBUTED TO EACH
4 MEMBER UNDER SECTION 28-8102 AND AS PROVIDED IN SECTION 48-5104.

5 9. LOCAL TRANSPORTATION ASSISTANCE MONIES THAT ARE DISTRIBUTED TO A
6 MEMBER PURSUANT TO SECTION 28-8102 AND THAT MUST BE USED FOR PUBLIC
7 TRANSPORTATION.

8 10. LOCAL TRANSPORTATION ASSISTANCE MONIES THAT ARE DISTRIBUTED
9 PURSUANT TO SECTION 28-8103, SUBSECTION A, PARAGRAPH 1.

10 B. On behalf of the authority, the fiscal agent shall administer
11 monies paid into the public transportation fund. Monies in the fund may be
12 spent pursuant to or to implement the public transportation element of the
13 regional transportation plan developed and approved by the regional planning
14 agency, including reimbursement for utility relocation costs as prescribed in
15 section 48-5107, adopted pursuant to section 48-5121 and for projects
16 identified in the regional transportation plan adopted by the regional
17 planning agency pursuant to section 28-6308.

18 C. Monies in the fund shall not be spent to promote or advocate a
19 position, alternative or outcome of an election, to influence public opinion
20 or to pay or contract for consultants or advisors to influence public opinion
21 with respect to an election regarding taxes or other sources of revenue for
22 the fund or regarding the regional transportation plan.

23 Sec. 11. Section 48-5104, Arizona Revised Statutes, is amended to
24 read:

25 48-5104. Municipality and county participation; withdrawal

26 A. A municipality located in a county eligible to establish an
27 authority may elect to enter into the authority by adopting an ordinance
28 declaring its participation. IF AN ORDINANCE IS ADOPTED, THE MUNICIPALITY
29 SHALL ANNUALLY APPLY FOR MONIES FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND
30 AS PROVIDED IN:

31 1. SECTION 28-8102 AND SHALL USE A PORTION OF THOSE LOCAL
32 TRANSPORTATION ASSISTANCE FUND MONIES FOR PUBLIC TRANSPORTATION EACH FISCAL
33 YEAR.

34 2. SECTION 28-8103 AND SHALL USE THOSE LOCAL TRANSPORTATION ASSISTANCE
35 FUND MONIES AS PROVIDED IN SECTION 28-8103.

36 B. IF A MUNICIPALITY WITH A POPULATION OF LESS THAN SIXTY THOUSAND
37 PERSONS IS UNABLE TO USE THREE-FOURTHS OF ITS LOCAL TRANSPORTATION ASSISTANCE
38 FUND MONIES PROVIDED PURSUANT TO SECTION 28-8102 FOR PUBLIC TRANSPORTATION
39 EACH FISCAL YEAR, IT SHALL APPROPRIATE ANY REMAINING AMOUNT OF THE
40 THREE-FOURTHS OF ITS LOCAL TRANSPORTATION ASSISTANCE FUND MONIES TO THE
41 PUBLIC TRANSPORTATION FUND AS PROVIDED IN SECTION 48-5103. IF A MUNICIPALITY
42 WITH A POPULATION OF SIXTY THOUSAND PERSONS OR MORE IS UNABLE TO USE
43 ONE-THIRD OF ITS LOCAL TRANSPORTATION ASSISTANCE FUND MONIES PROVIDED
44 PURSUANT TO SECTION 28-8102 FOR PUBLIC TRANSPORTATION EACH FISCAL YEAR, IT
45 SHALL APPROPRIATE ANY REMAINING AMOUNT OF THE ONE-THIRD OF ITS LOCAL

1 TRANSPORTATION ASSISTANCE FUND MONIES TO THE PUBLIC TRANSPORTATION FUND AS
2 PROVIDED IN SECTION 48-5103.

3 ~~B.~~ C. The county may elect to enter into the authority by adopting a
4 resolution declaring its participation. The county shall represent persons
5 residing in the unincorporated areas of the county.

6 ~~C.~~ D. A member municipality or member county may withdraw from the
7 authority at the end of a fiscal year by adopting an ordinance or resolution
8 not later than ninety days before the end of the fiscal year that states its
9 intention to withdraw. The withdrawal from the authority shall not result in
10 the cancellation of a contractual agreement entered into between the
11 withdrawing member and the authority.

12 Sec. 12. Section 48-5314, Arizona Revised Statutes, is amended to
13 read:

14 48-5314. Election on regional transportation plan and excise
15 tax

16 A. The board shall:

17 1. Adopt a twenty year comprehensive multimodal regional
18 transportation plan consistent with the requirements of this article,
19 including transportation corridors by priority and a schedule indicating the
20 dates that construction will begin for projects contained in the plan.

21 2. Request by resolution certified to the county board of supervisors
22 that the issue of levying a transportation excise tax pursuant to section
23 42-6106 be submitted to the qualified electors at a countywide special
24 election or placed on the ballot at a countywide general election. Within
25 six months after receiving a certified copy of the resolution, the county
26 board of supervisors shall either call a special election or place the issue
27 on the ballot of a general election, subject to the requirements of this
28 section.

29 B. The election ballot shall include a description of each
30 transportation element of the regional transportation plan including a
31 separate percentage share and dollar share of the transportation excise tax
32 revenues allocated to each element.

33 C. In addition to any other requirements prescribed by law, the county
34 board of supervisors shall prepare and print a publicity pamphlet concerning
35 the ballot question and mail one copy of the pamphlet to each household
36 containing a registered voter in the county. The mailings may be made over a
37 period of days but shall be mailed for delivery before the earliest date
38 registered voters may receive early ballots for the election. The publicity
39 pamphlet shall contain:

40 1. The date of the election.

41 2. The individual household's polling place and the time the polls
42 will be open.

43 3. A summary of the principal provisions of the issue presented to the
44 voters, including the rate of the transportation excise tax, the number of

1 years the tax will be in effect and the projected annual and cumulative
2 amount of revenues to be raised.

3 4. A statement describing the purposes for which the transportation
4 excise tax monies may be spent as provided by law, including:

5 (a) A summary of the regional transportation plan adopted pursuant to
6 section 48-5309 and subsection A of this section, including a description of
7 each transportation element of the regional transportation plan.

8 (b) A map of proposed routes and transportation corridors of all major
9 transportation projects and public transportation systems.

10 (c) The percentage share and dollar amount of transportation excise
11 tax revenues, together with other identified revenues, dedicated for each
12 transportation element, transportation project and public transportation
13 system, and conditions and limitations on the use of the money.

14 5. The form of the ballot.

15 6. Any arguments for or against the ballot measure. Affirmative
16 arguments, arranged in the order in which the elections director received
17 them, shall be placed before the negative arguments, also arranged in the
18 order in which they were received.

19 D. Not later than ninety days before the date of the election, a
20 person may file with the county elections director an argument, not more than
21 three hundred words in length, advocating or opposing the ballot measure,
22 subject to the following requirements:

23 1. The person who files the argument shall also pay to the elections
24 director a publication fee prescribed by the board of supervisors. Payment
25 of the fee required by this paragraph, or reimbursement of the payor,
26 constitutes sponsorship of the argument.

27 2. If the argument is sponsored by one or more individuals, the
28 argument shall be signed by each sponsoring individual.

29 3. If the argument is sponsored by one or more organizations, the
30 argument shall be signed by two executive officers of each organization.

31 4. If the argument is sponsored by one or more political committees,
32 the argument shall be signed by each committee's chairperson or treasurer.

33 5. The names of persons who have signed arguments and the names of
34 sponsoring organizations shall appear with the argument in the pamphlet. The
35 person or persons signing the argument shall also give their residence or
36 post office address and a telephone number, which shall not appear in the
37 pamphlet.

38 E. In addition to any other ballot requirements prescribed by law, the
39 elections director shall cause the following to be printed on the official
40 ballot:

41 1. The designation of the measure as follows: "Relating to county
42 transportation excise (sales) taxes".

43 2. Instructions directing the voter to the full text of the official
44 and descriptive titles containing the summary as printed in the sample ballot

1 and posted in the polling place. The ballot may include the summary of the
2 regional transportation plan.

3 3. The questions submitted to the voters as follows:

4 I. Do you approve the regional transportation plan for
5 _____ county? YES _____ NO _____

6 (A "YES" vote indicates your approval of the proposed regional
7 transportation plan as developed by the regional transportation
8 authority and described in the election materials.)

9 (A "NO" vote indicates your disapproval of the proposed regional
10 transportation plan.)

11 II. Do you favor the levy of a transaction privilege
12 (sales) tax for regional transportation purposes in _____
13 county? YES _____ NO _____

14 (A "YES" vote has the effect of imposing a transaction privilege
15 (sales) tax in _____ county for _____ years to provide
16 funding for the transportation projects contained in the
17 regional transportation plan.)

18 (A "NO" vote has the effect of rejecting the transaction
19 privilege (sales) tax for transportation purposes in _____
20 county.)

21 F. For either ballot question I or II to be approved, both the
22 proposed regional transportation plan and the proposed transaction privilege
23 tax must be approved by a majority of the qualified electors voting on the
24 measure. If either ballot question I or II fails to be approved by a
25 majority of the qualified electors voting on the measure, both fail.

26 G. Except as otherwise provided by this section, the election under
27 this section shall be conducted as nearly as practicable in the manner
28 prescribed for general elections in title 16.

29 H. The county election officer shall account for costs specifically
30 incurred with respect to the ballot issue under this section. **REGARDLESS OF**
31 **THE OUTCOME OF THE ELECTION, AND NOTWITHSTANDING ANY OTHER LAW, THE STATE**
32 **TREASURER SHALL PAY THE COSTS LISTED IN THIS SUBSECTION SPECIFICALLY INCURRED**
33 **WITH RESPECT TO THE BALLOT ISSUE. PAYMENT SHALL BE MADE UNDER THIS SECTION**
34 **FROM THE CITIES' SHARE OF LOCAL TRANSPORTATION ASSISTANCE FUND MONIES**
35 **DISTRIBUTED UNDER SECTION 28-8102 TO THE CITIES AND TOWNS WITHIN THE COUNTY,**
36 **AND FROM THE COUNTY'S SHARE OF THE COUNTY ASSISTANCE FUND UNDER SECTION**
37 **41-175. IF THE TRANSPORTATION EXCISE TAX IS APPROVED, THE REGIONAL**
38 **TRANSPORTATION AUTHORITY SHALL REIMBURSE THE LOCAL TRANSPORTATION ASSISTANCE**
39 **FUND AND THE COUNTY ASSISTANCE FUND FROM THE FIRST RECEIVED TRANSPORTATION**
40 **EXCISE TAX REVENUES. THE FOLLOWING COSTS INCURRED BY THE COUNTY ELECTIONS**
41 **OFFICER ARE AUTHORIZED FOR PAYMENT PURSUANT TO THIS SUBSECTION:**

42 1. COSTS OF MAILING, PUBLISHING, POSTING AND PRINTING BALLOTS,
43 PUBLICITY PAMPHLETS, NOTICES, ELECTION MATERIALS AND OTHER MATTERS CONCERNING
44 THE ELECTION.

- 1 2. LEGAL AND OTHER CONSULTING FEES AND COSTS RELATING TO THE ELECTION.
- 2 3. TELECOMMUNICATIONS COSTS.
- 3 4. COMPENSATION OF THE ELECTION BOARD, COUNTY ELECTION OFFICERS AND
- 4 EMPLOYEES AND OTHER LABOR COSTS INCURRED TO ADMINISTER, HOLD, CANVASS AND
- 5 ANNOUNCE THE RESULTS OF THE ELECTION.
- 6 5. ANY OTHER COSTS ATTRIBUTABLE TO THE ELECTION.