

State of Arizona  
Senate  
Fifty-first Legislature  
Second Regular Session  
2014

**CHAPTER 9**  
**SENATE BILL 1487**

AN ACT

AMENDING SECTION 48-3772, ARIZONA REVISED STATUTES; AMENDING LAWS 2013, FIRST SPECIAL SESSION, CHAPTER 9, SECTION 16; MAKING APPROPRIATIONS; RELATING TO REVENUE BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 48-3772, Arizona Revised Statutes, is amended to  
3 read:

4 48-3772. Duties and powers of district regarding replenishment

5 A. The district shall:

6 1. Establish annually the costs and expenses to replenish groundwater  
7 pursuant to this article with respect to all parcels of member lands and all  
8 member service areas located in each active management area, including  
9 capital expenses, debt service expenses, the operation, maintenance,  
10 replacement and administrative costs and expenses of the district,  
11 replenishment reserve costs and expenses as provided in subsection E of this  
12 section and reasonable reserves. Separate calculations of costs and expenses  
13 shall be made for each active management area in which member lands or member  
14 service areas are located and for each membership category. Costs and  
15 expenses attributed by the district to contract replenishment obligations  
16 shall not be included in these calculations.

17 2. Provide for the payment of all costs and expenses to replenish  
18 groundwater pursuant to this chapter and the payment of operation,  
19 maintenance, replacement and administrative costs and expenses and debt  
20 service expenses of the district.

21 3. Levy an annual replenishment assessment against each parcel of  
22 member land pursuant to section 48-3778 and an annual replenishment tax  
23 against each municipal provider that has a member service area pursuant to  
24 section 48-3781 to pay the district's costs and expenses as established  
25 pursuant to paragraph 1 of this subsection.

26 4. Levy a contract replenishment tax against municipal providers that  
27 are parties to contracts authorized under subsection B, paragraph 9 of this  
28 section to pay the district's costs and expenses to replenish groundwater  
29 based on contract replenishment obligations.

30 5. Establish and maintain reserve accounts in amounts as may be deemed  
31 necessary to perform the district's obligations under this article.

32 6. Fulfill all obligations under resolutions adopted pursuant to  
33 subsection B, paragraph 10 of this section.

34 7. Levy an activation fee as follows:

35 (a) For subdivisions within member lands and member service areas that  
36 are enrolled before May 6, 2004 and that had not been issued a public report  
37 before August 12, 2005, the district shall levy a one-time activation fee  
38 against each housing unit to be constructed within the subdivision.

39 (b) For subdivisions within member lands and member service areas that  
40 are enrolled on or after May 6, 2004, the district shall levy a one-time  
41 activation fee against each housing unit to be constructed within the  
42 subdivision.

43 (c) The activation fee shall be paid to the district **ACCORDING TO**  
44 **EITHER OF THE FOLLOWING SCHEDULES, WHICHEVER THE SUBDIVIDER ELECTS:**

1 (i) PAID IN FULL before issuance of a public report for each real  
2 estate subdivision identified in subdivision (a) or (b) of this paragraph, ~~as~~  
3 ~~provided in section 45-576, subsection C.~~

4 (ii) ONE-HALF PAID BEFORE ISSUANCE OF A PUBLIC REPORT FOR EACH REAL  
5 ESTATE SUBDIVISION IDENTIFIED IN SUBDIVISION (a) OR (b) OF THIS PARAGRAPH AND  
6 THE REMAINING AMOUNT PAID NO LATER THAN ONE YEAR AFTER THE ISSUANCE OF THE  
7 PUBLIC REPORT. THE TOTAL AMOUNT OF THE ACTIVATION FEE MUST BE THE AMOUNT OF  
8 THE ACTIVATION FEE IN EFFECT AT THE TIME OF THE INITIAL PAYMENT. PAYMENT OF  
9 THE INITIAL ONE-HALF OF THE ACTIVATION FEE PURSUANT TO THIS ITEM CONSTITUTES  
10 SUFFICIENT PAYMENT OF APPLICABLE FEES FOR NOTICE OF INTENT TO SUBDIVIDE AS  
11 PRESCRIBED IN SECTION 32-2181, SUBSECTION C AND FOR ISSUANCE OF A PUBLIC  
12 REPORT AS PRESCRIBED IN SECTION 32-2183, SUBSECTION G AND SECTION 45-576,  
13 SUBSECTION C, EXCEPT THAT ON FAILURE TO PAY THE REMAINING AMOUNT, THE  
14 COMMISSIONER SHALL SUSPEND THE PUBLIC REPORT FOR THAT SUBDIVISION PURSUANT TO  
15 SECTION 32-2183.

16 (d) The activation fee shall be established annually by the district.  
17 THE AMOUNT OF THE ACTIVATION FEE TO BE PAID TO THE DISTRICT UNDER SUBDIVISION  
18 (c) OF THIS PARAGRAPH MUST BE THE AMOUNT OF THE ACTIVATION FEE IN EFFECT AT  
19 THE TIME OF PAYMENT. Revenues from the activation fee together with revenues  
20 from other sources that are legally available to the district for those uses  
21 shall be used by the district to acquire, lease or exchange water or water  
22 rights and develop infrastructure necessary for the district to perform its  
23 replenishment obligations.

24 8. For any year, set all of its rates and charges associated with the  
25 acquisition, lease or exchange of water or water rights and development of  
26 infrastructure necessary for the district to perform its replenishment  
27 obligations, other than the annual membership dues established pursuant to  
28 section 48-3779, so that the total projected revenues from revenue sources  
29 other than the annual membership dues, that are legally available to the  
30 district in that year to pay costs associated with the acquisition, lease or  
31 exchange of water or water rights and development of infrastructure necessary  
32 for the district to perform its replenishment obligations, shall be at least  
33 three times the total projected revenues from the annual membership dues in  
34 that year. For the purposes of this paragraph, costs associated with the  
35 acquisition, lease or exchange of water or water rights do not include the  
36 annual costs associated with delivery of water for replenishment purposes.

37 B. The district may:

38 1. Acquire, develop, construct, operate, maintain, replace and acquire  
39 permits for water storage, storage facilities and recovery wells for  
40 replenishment purposes.

41 2. Acquire, transport, hold, exchange, own, lease, store or replenish  
42 water, except groundwater withdrawn from an active management area, subject  
43 to the provisions of title 45, for the benefit of member lands and member  
44 service areas.

45 3. Acquire, hold, exchange, own, lease, retire or dispose of water  
46 rights for the benefit of member lands and member service areas.

1           4. Require municipal providers to provide such information, in such  
2 form and within the time limits prescribed by the district, as may be  
3 necessary to carry out the purpose of this chapter.

4           5. Levy and collect assessments, fees, charges, taxes and other  
5 revenues as are provided in this chapter for the financing of replenishment  
6 activities.

7           6. Contract for or perform feasibility studies of water storage,  
8 storage facilities and recovery wells for replenishment purposes.

9           7. Acquire real and personal property for water storage, storage  
10 facilities and recovery wells for replenishment purposes by purchase, lease,  
11 donation, dedication, exchange or other lawful means.

12           8. Use any facilities and any excess storage capacity of any state  
13 demonstration projects undertaken pursuant to title 45, chapter 3.1 for water  
14 storage for replenishment purposes.

15           9. Subject to subsection G of this section, contract with any  
16 municipal provider having a member service area to replenish groundwater on  
17 behalf of the municipal provider and with respect to the member service area  
18 in an amount in excess of the sum of the service area replenishment  
19 obligations applicable to the member service area for all years in which the  
20 district has not completed the replenishment of the groundwater replenishment  
21 obligation for the member service area.

22           10. Adopt resolutions granting water availability status to a member  
23 service area of a city, town or private water company and committing to  
24 replenish a specified average annual volume of water in a location where the  
25 city, town or private water company may physically access the water for  
26 service to its customers, if all of the following apply:

27           (a) The district has reviewed its requirements for transportation of  
28 central Arizona project water, its contracts, subcontracts, letter  
29 agreements, excess water contracts, and other contractual obligations and its  
30 member service area and member land requirements and has determined that the  
31 district can meet those obligations and that capacity remains in the central  
32 Arizona project to meet the obligations undertaken through the resolution.

33           (b) The resolution acknowledges that the commitment to replenish the  
34 specified average annual volume of water in the location cited in the  
35 resolution shall be a permanent obligation of the district, unless one of the  
36 following applies:

37           (i) A permanent substitute supply of water is found for the city, town  
38 or private water company and the substitution is approved by the director of  
39 water resources, thus terminating the water availability status of the member  
40 service area.

41           (ii) The requirements of section 45-576.07, subsection A are not met,  
42 and thus the director of water resources does not issue an order granting or  
43 maintaining the city, town or private water company as having an assured  
44 water supply based in whole or in part on section 45-576.07. If no order is  
45 issued within two years of the district adopting the resolution, the

1 resolution may be repealed, and the district shall be relieved of all  
2 obligations under the resolution.

3 (c) The average annual volume of water specified in the resolution,  
4 when added to the average annual volume of water specified in all other  
5 resolutions adopted pursuant to this paragraph, does not exceed twenty  
6 thousand acre-feet.

7 (d) The district has entered into an agreement with the city, town or  
8 private water company under which the city, town or private water company  
9 will hold for the district's future use, and provide to the district when  
10 needed, sufficient water to meet the obligations undertaken by the district  
11 through the resolution.

12 (e) The district determines that the obligations undertaken by the  
13 district through the resolution will not increase annual replenishment  
14 assessment rates or costs to central Arizona project contract and subcontract  
15 holders and its member service areas and member lands.

16 (f) The director of water resources has found, pursuant to section  
17 45-576.07, subsection H, that the district has the capability to grant water  
18 availability status to member service areas.

19 11. Provide in resolutions adopted pursuant to paragraph 10 of this  
20 subsection that the district may fulfill its obligations under the resolution  
21 in any year by directly delivering to the city, town or private water company  
22 the water that otherwise would have been replenished pursuant to the  
23 resolution, if all of the following apply:

24 (a) The district has reviewed its requirements for transportation of  
25 central Arizona project water, its contracts, subcontracts, letter  
26 agreements, excess water contracts, and other contractual obligations, its  
27 member service area and member land requirements and has determined that the  
28 district can meet those obligations and that capacity remains in the central  
29 Arizona project to make direct deliveries pursuant to this paragraph.

30 (b) The district determines that the delivery will not increase annual  
31 replenishment assessment rates or costs to central Arizona project contract  
32 and subcontract holders, its member service area and member lands.

33 12. Enter into agreements with a city, town or private water company  
34 that will have water made available to it through a resolution adopted  
35 pursuant to paragraph 10 of this subsection and under which the city, town or  
36 private water company compensates the district for the costs and fair value  
37 of the water supply provided by the district.

38 13. Issue revenue bonds pursuant to article 3 of this chapter to fund  
39 the costs and expenses of the district for the acquisition, lease or exchange  
40 of water or water rights and the development of infrastructure necessary for  
41 the district to perform its replenishment obligations subject to the  
42 following:

43 (a) The principal of, interest and premiums, if any, on revenue bonds  
44 issued pursuant to article 3 of this chapter to acquire, lease or exchange  
45 water or water rights and develop infrastructure necessary for the district  
46 to perform its replenishment obligations are not payable from any revenues of

1 the district other than revenues generated or collected pursuant to this  
2 article that are legally available to the district for those purposes and  
3 revenues from the investment of the proceeds of the bonds.

4 (b) The district may not use the proceeds of the bonds to acquire or  
5 lease:

6 (i) Groundwater, as defined in section 45-101, except as expressly  
7 authorized in sections 45-547, 45-553 and 45-554.

8 (ii) Surface water, as defined in section 45-101, that is the subject  
9 of a general adjudication pursuant to title 45, chapter 1, article 9.

10 (c) Nothing in subdivision (b) of this paragraph prohibits the  
11 district from acquiring or leasing central Arizona project water.

12 14. Except as provided in section 48-3780.01, subsection B, in addition  
13 to any other assessments, fees, charges or taxes levied and collected under  
14 this chapter, or under any declaration, contract or agreement entered into  
15 under this chapter, charge annual dues for membership pursuant to section  
16 48-3779 against each parcel of member land and each municipal provider that  
17 has a member service area.

18 C. The functions of the district under subsection B, paragraph 1 of  
19 this section may be performed on behalf of the district by other persons  
20 under contract with the district.

21 D. The capital costs of the facilities of any state demonstration  
22 projects used by the district pursuant to subsection B, paragraph 8 of this  
23 section shall not be included in the capital costs and expenses established  
24 by the district under subsection A, paragraph 1 of this section.

25 E. The district shall establish and maintain a replenishment reserve  
26 as follows:

27 1. The district shall calculate a reserve target for each of the three  
28 active management areas within the district and shall identify the reserve  
29 target in the plan of operation prepared pursuant to section 45-576.02. The  
30 reserve target for each active management area shall be calculated as  
31 follows:

32 (a) Establish the projected one hundred year replenishment obligation  
33 for each active management area. For the purposes of this subdivision, each  
34 active management area's projected one hundred year replenishment obligation  
35 does not include replenishment obligations under resolutions adopted pursuant  
36 to subsection B, paragraph 10 of this section or replenishment obligations  
37 for category 2 member lands.

38 (b) Subtract from the active management area's projected one hundred  
39 year replenishment obligation the sum of the following volumes of water  
40 derived from sources identified in the plan as water that the district plans  
41 to use to meet its replenishment obligations for that active management area:

42 (i) The annual volume of each nondeclining, long-term municipal and  
43 industrial subcontract for central Arizona project water multiplied by one  
44 hundred.

45 (ii) The annual volume of water under leases or contracts that can be  
46 made physically and legally available to the district consistent with the

1 rules adopted pursuant to section 45-576, subsection H, multiplied by the  
2 number of years, not to exceed one hundred, in which the water is to be made  
3 available to the district. The water need not be continuously available to  
4 be included in this item. A lease or contract shall not be considered under  
5 this item if the water to be made available under the lease or contract is  
6 for a term of less than twenty years.

7 (iii) The total volume of groundwater that the district plans to  
8 transport to the active management area during the next one hundred years as  
9 allowed by title 45, chapter 2, article 8.1.

10 (iv) The total volume of all sources of water not identified in items  
11 (i), (ii) or (iii) of this subdivision that will not be held by the district  
12 under a lease or contract. Volumes to be included under this item must be  
13 consistent with the rules adopted by the director pursuant to section 45-576,  
14 subsection H.

15 (c) Multiply the result from subdivision (b) of this paragraph by  
16 twenty per cent. The result is the reserve target for the active management  
17 area.

18 2. The reserve target for an active management area may be adjusted by  
19 the district, subject to the approval of the director of water resources,  
20 based on changes in either of the following:

21 (a) The active management area's projected one hundred year  
22 replenishment obligation.

23 (b) The volumes of water identified in the plan of operation prepared  
24 pursuant to section 45-576.02 as water that the district plans to use to meet  
25 its replenishment obligations for that active management area.

26 3. The district shall include a replenishment reserve charge in the  
27 annual replenishment assessment levied against all parcels of category 1  
28 member land as provided in section 48-3774.01 and in the annual replenishment  
29 tax levied against all municipal providers that have member service areas as  
30 provided in section 48-3780.01. The replenishment reserve charge for each  
31 active management area is established annually by the district based on the  
32 reserve target for that active management area.

33 4. The district shall levy a replenishment reserve fee against  
34 category 1 member lands pursuant to section 48-3774.01 and against member  
35 service areas pursuant to section 48-3780.01. For category 1 member lands  
36 the fee is equal to twice the applicable replenishment reserve charge  
37 multiplied by the total projected average annual replenishment obligation for  
38 the member lands as reported by the director of water resources pursuant to  
39 section 45-578, subsection F. For member service areas the fee is equal to  
40 twice the applicable replenishment reserve charge multiplied by the excess  
41 groundwater increment. With the approval of the district and the director of  
42 water resources, long-term storage credits as defined in section 45-802.01  
43 may be assigned to the district's replenishment reserve subaccount in lieu of  
44 paying the replenishment reserve fee.

45 5. The district shall use replenishment reserve charges and  
46 replenishment reserve fees collected within each active management area

1 together with all interest earned on the charges and fees to store water in  
2 that active management area in advance of groundwater replenishment  
3 obligations for the purpose of developing long-term storage credits as  
4 defined in section 45-802.01 that shall be credited to the replenishment  
5 reserve subaccount for that active management area as provided in section  
6 45-859.01.

7 6. Beginning on January 1, 2030 or earlier, on approval of the  
8 director of water resources pursuant to section 45-859.01, subsection K, the  
9 district may transfer credits from a replenishment reserve subaccount to a  
10 conservation district account as provided in section 45-859.01 to satisfy its  
11 groundwater replenishment obligations.

12 7. If the district transfers credits from the replenishment reserve  
13 subaccount for an active management area pursuant to section 45-859.01,  
14 subsection E, the district shall include in the annual replenishment  
15 assessment levied against all parcels of category 1 member land in that  
16 active management area and, except as provided in section 48-3780.01,  
17 subsection B, in the annual replenishment tax levied against all municipal  
18 providers that have member service areas in that active management area a  
19 reserve replacement component to fund the replacement of the transferred  
20 credits. The district shall use all monies from the reserve replacement  
21 component collected within an active management area together with all  
22 interest earned on the monies to develop long-term storage credits as defined  
23 in section 45-802.01 within that active management area to be credited to the  
24 replenishment reserve subaccount for that active management area as provided  
25 in section 45-859.01.

26 8. For the purposes of establishing and maintaining the replenishment  
27 reserve, the district shall have access to excess central Arizona project  
28 water equivalent to but no more than the access the Arizona water banking  
29 authority has for the purposes specified in section 45-2401, subsection H,  
30 paragraph 2.

31 F. Groundwater replenished by the district pursuant to a contract to  
32 replenish groundwater under subsection B, paragraph 9 of this section shall  
33 not be credited to a replenishment reserve subaccount established under  
34 section 45-859.01.

35 G. The district shall not enter into a contract authorized under  
36 subsection B, paragraph 9 of this section unless the district has determined  
37 that the contract will not adversely affect the district's ability to fulfill  
38 its obligations under this chapter. For each contract entered into under  
39 subsection B, paragraph 9 of this section, the district shall perform its  
40 contract replenishment obligations in the active management area in which the  
41 service area of the municipal provider that is the party to the contract is  
42 located.

43 H. If the district replenishes groundwater on behalf of a municipal  
44 provider pursuant to a contract to replenish groundwater under subsection B,  
45 paragraph 9 of this section, the amount of groundwater so replenished shall  
46 be a replenishment credit to the municipal provider that may be applied by



1 the municipal provider on notice to the district to reduce the service area  
2 replenishment obligations applicable to the municipal provider.

3 I. In the Phoenix active management area, the district, to the extent  
4 reasonably feasible, shall replenish groundwater in the east portion of the  
5 active management area and in the west portion of the active management area  
6 in the approximate proportion that the groundwater replenishment obligation  
7 attributable in a particular year to member lands and member service areas  
8 located in the east portion of the active management area bears to the  
9 groundwater replenishment obligation attributable in that year to member  
10 lands and member service areas located in the west portion of the active  
11 management area. For the purposes of this subsection, the boundary between  
12 the east Salt river valley subbasin and the west Salt river valley subbasin  
13 is the boundary between the east and west portions of the active management  
14 area.

15 J. The costs and expenses charged by the district to an active  
16 management area water district established under chapter 28 of this title for  
17 delivery of surplus central Arizona project water to such active management  
18 area water district for replenishment purposes shall not exceed the costs and  
19 expenses for delivery of such water that are or would be included by the  
20 district in the costs and expenses of replenishment for member lands and  
21 member service areas within the active management area in which such active  
22 management area water district is situated.

23 Sec. 2. Laws 2013, first special session, chapter 9, section 16 is  
24 amended to read:

25 Sec. 16. Department receivership revolving fund; use; intent

26 A. Notwithstanding section 6-135.01, Arizona Revised Statutes, in  
27 fiscal ~~year~~ YEARS 2013-2014 AND 2014-2015, the superintendent of the  
28 department of financial institutions may use monies in the department  
29 receivership revolving fund established by section 6-135.01, Arizona Revised  
30 Statutes, for expenditures on an electronic licensing system.

31 B. It is the intent of the legislature that expenditures in fiscal  
32 ~~year~~ YEARS 2013-2014 AND 2014-2015 on an electronic licensing system as  
33 prescribed in subsection A of this section not exceed A TOTAL OF \$850,000.

34 Sec. 3. Racing and boxing fees; increases; rulemaking  
35 exemption; intent

36 A. The Arizona department of racing is exempt from the rulemaking  
37 requirements of title 41, chapter 6, Arizona Revised Statutes, for the  
38 purpose of increasing fees pursuant to sections 5-104 and 5-230, Arizona  
39 Revised Statutes, until July 1, 2015.

40 B. It is the intent of the legislature that the revenue generated by  
41 the fees collected pursuant to sections 5-104 and 5-230, Arizona Revised  
42 Statutes, not exceed \$2,600,000 in fiscal year 2014-2015.

43 Sec. 4. Radiation regulatory agency; fees; increases; intent;  
44 rulemaking exemption

1 A. Notwithstanding any other law, the director of the radiation  
2 regulatory agency may increase fees in fiscal year 2014-2015 for services  
3 provided in fiscal year 2014-2015.

4 B. It is the intent of the legislature that the revenue generated by  
5 the fees collected pursuant to subsection A of this section not exceed  
6 \$561,000.

7 C. The radiation regulatory agency shall deposit monies received from  
8 any fees increased pursuant to subsection A of this section in the radiation  
9 regulatory fee fund established by section 30-658, Arizona Revised Statutes.

10 D. The radiation regulatory agency is exempt from the rulemaking  
11 requirements of title 41, chapter 6, Arizona Revised Statutes, for the  
12 purpose of increasing fees pursuant to this section until July 1, 2015.

13 Sec. 5. Agricultural fees; intent; rulemaking exemption

14 A. Notwithstanding any other law, the director of the Arizona  
15 department of agriculture, with the assistance of the department of  
16 agriculture advisory council, may continue existing fees from fiscal year  
17 2013-2014 in fiscal year 2014-2015 for services provided in fiscal year  
18 2014-2015.

19 B. It is the intent of the legislature that the additional revenue  
20 generated by the fees prescribed in subsection A of this section not exceed  
21 \$218,000 to the state general fund, \$113,000 to the pesticide trust fund  
22 established by section 3-350, Arizona Revised Statutes, and \$26,000 to the  
23 dangerous plants, pests and diseases trust fund established by section  
24 3-214.01, Arizona Revised Statutes, in fiscal year 2014-2015.

25 C. The Arizona department of agriculture is exempt from the rulemaking  
26 requirements of title 41, chapter 6, Arizona Revised Statutes, for the  
27 purpose of establishing fees pursuant to this section until July 1, 2015.

28 Sec. 6. Department of insurance; fee and assessment adjustment  
29 suspension

30 Notwithstanding section 20-167, subsection F, Arizona Revised Statutes,  
31 and section 20-466, subsection J, Arizona Revised Statutes, the director of  
32 insurance may not revise fees or assessments in fiscal year 2014-2015 for the  
33 purpose of meeting the requirement to recover at least ninety-five per cent  
34 but not more than one hundred ten per cent of the department of insurance's  
35 appropriated budget.

36 Sec. 7. Department of financial institutions; financial  
37 services fund

38 Notwithstanding any other law, the department of financial institutions  
39 may use the financial services fund established by section 6-991.21, Arizona  
40 Revised Statutes, for general operating expenditures of the department.

41 Sec. 8. County fiscal obligations; report

42 A. Notwithstanding any other law, for fiscal year 2014-2015, a county  
43 with a population of less than two hundred thousand persons according to the  
44 2010 United States decennial census may meet any county fiscal obligation  
45 from any source of county revenue designated by the county, including monies

1 of any countywide special taxing jurisdiction in which the board of  
2 supervisors serves as the board of directors.

3 B. On or before October 1, 2014, all counties with a population of  
4 less than two hundred thousand persons according to the 2010 United States  
5 decennial census shall report to the director of the joint legislative budget  
6 committee whether the county used a revenue source to meet a county fiscal  
7 obligation pursuant to subsection A of this section and, if so, the specific  
8 source and amount of revenues that the county intends to use in fiscal year  
9 2014-2015.

10 Sec. 9. Appropriation: arts fund

11 Notwithstanding section 35-144, Arizona Revised Statutes, the sum of  
12 \$1,000,000 from interest income earned on the budget stabilization fund  
13 established by section 35-144, Arizona Revised Statutes, is appropriated in  
14 fiscal year 2014-2015 for deposit in the arts fund established by section  
15 41-983, Arizona Revised Statutes.

16 Sec. 10. Child protective services; office of  
17 ombudsman-citizens aide; investigations; delayed  
18 repeal

19 A. Child protective services or its successor agency shall establish a  
20 mechanism to direct complainants to the office of ombudsman-citizens aide.  
21 The ombudsman-citizens aide shall process these complaints pursuant to title  
22 41, chapter 8, article 5, Arizona Revised Statutes, except that  
23 notwithstanding section 41-1379, Arizona Revised Statutes, after  
24 investigating a complaint, the ombudsman-citizens aide may refer the matter  
25 to the presiding judge of the superior court of the appropriate county for  
26 further review and action.

27 B. This section is repealed from and after June 30, 2016.

28 Sec. 11. Arizona highway user revenue fund; distribution;  
29 fiscal years 2014-2015, 2015-2016 and 2016-2017

30 A. Notwithstanding any other law, before the distribution of revenues  
31 of the Arizona highway user revenue fund pursuant to section 28-6538, Arizona  
32 Revised Statutes, the department of transportation shall allocate and the  
33 state treasurer shall distribute \$30,000,000 in fiscal year 2014-2015,  
34 \$30,000,000 in fiscal year 2015-2016 and \$60,000,000 in fiscal year 2016-2017  
35 as follows:

- 36 1. To the counties, 33.231 per cent.
- 37 2. To the incorporated cities and towns, 48.097 per cent.
- 38 3. To incorporated cities with a population of three hundred thousand  
39 or more persons, 5.247 per cent.
- 40 4. To counties with a population of more than eight hundred thousand  
41 persons, 13.425 per cent.

42 B. The allocation and distribution made pursuant to subsection A,  
43 paragraphs 1, 2 and 3 of this section must be made as prescribed in section  
44 28-6540, Arizona Revised Statutes. The allocation and distribution made  
45 pursuant to subsection A, paragraph 4 of this section must be made as  
46 prescribed in section 28-6538, subsection B, Arizona Revised Statutes.

1           C. The amounts appropriated in this section may be used only for the  
2 direct costs of constructing, reconstructing, maintaining or repair of public  
3 highways, streets or bridges and direct costs of rights-of-way acquisitions  
4 and expenses related thereto.

5           Sec. 12. Effective date

6           Section 48-3772, Arizona Revised Statutes, as amended by this act, is  
7 effective from and after December 31, 2014.

APPROVED BY THE GOVERNOR APRIL 11, 2014.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2014.