State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HB 2613

Introduced by
Representatives Petersen, Allen J, Weninger, Senators Worsley, Yee:
Representatives Lawrence, Livingston, Norgaard, Rivero, Shope, Senators
Begay, Farnsworth D

AN ACT

AMENDING SECTIONS 3-449, 3-466, 3-492, 3-496, 3-521, 15-341, 20-3151, 27-102, 28-411, 28-7361, 32-101, 32-102, 32-103, 32-112, 32-122, 32-122.01, 32-142 AND 32-143, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 1, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-153; AMENDING SECTIONS 32-1301, 32-1309, 32-1334 AND 32-1394, ARIZONA REVISED STATUTES; REPEALING SECTIONS 32-1394.01 AND 32-1394.02, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-1395, 32-1396.01, 32-1399, 32-1921 AND 32-2352, ARIZONA REVISED STATUTES; REPEALING SECTIONS 32-2372, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-2373, 32-2374, 32-2391, 32-3101, 32-3201, 32-3218 AND 32-4101, ARIZONA REVISED STATUTES; REPEALING SECTIONS 32-4102, 32-4103 AND 32-4104, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 41, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 32-4102; REPEALING SECTION 32-4105, ARIZONA REVISED STATUTES; REPEALING TITLE 32, CHAPTER 41, ARTICLES 2 AND 3, ARIZONA REVISED STATUTES; AMENDING SECTIONS 34-101, 36-601.01, 41-619.51, 41-1092, 41-1758, 41-1758.01, 41-2503 AND 41-2571, ARIZONA REVISED STATUTES; REPEALING SECTION 41-3020.07, ARIZONA REVISED STATUTES; AMENDING SECTIONS 42-5075, 45-454, 45-596 AND 49-1052, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO REGULATORY LICENSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 3-449, Arizona Revised Statutes, is amended to read:

3-449. Annual licensing; fees; application; penalty

A. No person shall transact business as a citrus fruit dealer, packer or shipper without first obtaining a license as provided in this article. The license expires on August 1 of each year and is renewable annually. The license fee shall be determined according to the annual gross sales based on the dealer's or shipper's previous fiscal year as follows:

1. If the annual gross sales are five hundred thousand dollars or more, the annual fee is four hundred fifty dollars.
2. If the annual gross sales are between two hundred thousand dollars and five hundred thousand dollars, the annual fee is three hundred dollars.
3. If the annual gross sales are two hundred thousand dollars or less, the annual fee is one hundred fifty dollars.
4. If the person was not in business the previous fiscal year, the annual fee is one hundred fifty dollars.

B. The application for a packer license shall be filed with the supervisor and be accompanied by an annual license fee of one hundred fifty dollars.

C. If a person engages in business in more than one category as a dealer or shipper or packer, the license designation shall be based on the category in which most of the licensee's business is conducted.

D. The license fees collected by the supervisor shall be paid into the citrus, fruit and vegetable trust fund.

E. The application for a dealer, or shipper or packer license shall contain the following information:

1. The full name of the person applying for the license.
2. Whether the applicant is an individual, partnership, firm, corporation, association, trust or cooperative association and the full name of each member of the partnership or firm, the full name of each officer and director of the association or corporation or the full name of each trustee.
3. The principal business address of the applicant in this state and elsewhere and the address where the applicant conducts the described business.
4. The name of the statutory agent in this state for service of legal notice.
5. The category of license for which the applicant is applying.
6. A statement of the facts, signed under penalty of perjury, entitling the applicant to a license under the applicable category and stating whether the applicant has ever had any license to handle citrus, fruit or vegetables in any state denied, suspended or revoked.
7. If the applicant acts as a commission merchant, a schedule of commissions and charges for services, which may not be altered during the term of the license except by written agreement between the parties involved.
F. E. The supervisor shall issue to the applicant a license to conduct the business described for a period of one year unless it is revoked for cause.

G. F. An applicant who tenders a renewal application for a license that is received by the supervisor after August 15 shall pay a penalty of twenty-five dollars. An applicant who tenders a renewal application for a license that is received after September 1 shall pay a penalty of fifty dollars. All penalties shall be deposited in the citrus, fruit and vegetable trust fund.

Sec. 2. Section 3-466, Arizona Revised Statutes, is amended to read:

3-466. Civil penalties; hearing

A. A person is subject to a civil penalty of not more than five hundred dollars if the person does either of the following:

1. Acts as a dealer, OR shipper or packer without a valid license.
2. Knowingly falsifies or causes to be falsified information in a record intended to show proof of ownership.

B. A person shall be subject to a civil penalty of not more than three hundred dollars if the person does any of the following:

1. Makes a written or oral false, deceptive or misleading representation or assertion concerning the quality, size, maturity or condition of citrus fruit.
2. Alters, removes or destroys a warning notice from a lot or part of a lot to which it was affixed except on written authorization of an inspector, the supervisor or the director or by court order.
3. Alters a notice of noncompliance, notice of compliance or notice of disposal that is issued by an inspector.
4. Refuses to submit any container or lot of citrus fruit governed pursuant to this article to an inspection of a representative sample or to refuse to stop and permit inspection of a representative sample of any commercial vehicle containing citrus fruit governed pursuant to this article.

C. A commission merchant is subject to a civil penalty of not more than five hundred dollars if the commission merchant does any of the following:

1. Knowingly makes a false or misleading statement as to the condition of any citrus fruit.
2. Makes a fraudulent charge or return for handling or selling citrus fruit or for rendering any service in connection with handling or selling citrus fruit.
3. Reconsigns a consignment to receive, collect or charge more than one commission without the consent of the consignor.
4. Sells citrus fruit at less than market price to a person with whom the consignment merchant has a direct or indirect financial connection.
5. Makes a sale and directly or indirectly receives a portion of the purchase price other than the commission specified in the contract.
D. A person who is charged with violating this article or rules
adopted pursuant to this article may request a hearing pursuant to title 41,
chapter 6, article 10.

E. Civil penalties collected pursuant to this section shall be
deposited in the citrus, fruit and vegetable trust fund.

Sec. 3. Section 3-492, Arizona Revised Statutes, is amended to read:

3-492. Licensing dealers and shippers; application; fees;

penalty
A. No A person shall MAY NOT act as a dealer or shipper without first
obtaining a license as provided in this article. Application for the license
shall be filed with the supervisor and accompanied by a license fee
determined according to the annual gross sales based on the dealer's or
shipper's previous fiscal year as follows:

1. If the annual gross sales are five hundred thousand dollars or
more, the annual fee is five hundred dollars.

2. If the annual gross sales are between two hundred thousand dollars
and five hundred thousand dollars, the annual fee is three hundred fifty
dollars.

3. If the annual gross sales are two hundred thousand dollars or less,
the annual fee is two hundred dollars.

4. If the person was not in business the previous fiscal year, the
annual fee is two hundred dollars.

B. A person may not act as a packer without first obtaining a license
as provided in this article. The application for a packer license shall be
filed with the supervisor and accompanied by an annual license fee of two
hundred dollars.

C. If a person engages in business in more than one category as a
dealer OR shipper OR packer, the license designation shall be based on the
category in which most of the licensee's business is conducted.

D. The monies received as license fees under this section shall be
paid into the citrus, fruit and vegetable trust fund. The license shall
expire on September 1 of each year and is renewable annually.

E. The application for a dealer OR shipper OR packer license
shall contain the following information:

1. The full name of the person applying for the license.

2. Whether the applicant is an individual, partnership, firm,
corporation, association, trust or cooperative association and the full name
of each member of the partnership or firm, the full name of each officer and
director of the association or corporation or the full name of each trustee.

3. The principal business address of the applicant in this state and
elsewhere and the address where the applicant conducts the described
business.

4. The name of the statutory agent in this state for service of legal
notice.

5. The category of license for which the applicant is applying.
6. A statement of the facts, signed under penalty of perjury, entitling the applicant to a license under the applicable category and stating whether the applicant has ever had any license to handle citrus, fruit or vegetables in any state denied, suspended or revoked.

7. If the applicant acts as a commission merchant, a schedule of commissions and charges for services, which may not be altered during the term of the license except by written agreement between the parties involved.

F. E. The supervisor shall issue to the applicant a license to conduct the business described for a period of one year unless it is revoked for cause.

G. F. An applicant who tenders a renewal application for a license that is received by the supervisor after September 15 shall pay a penalty of twenty-five dollars. An applicant who tenders a renewal application for a license that is received after October 1 shall pay a penalty of fifty dollars. All penalties shall be deposited in the citrus, fruit and vegetable trust fund.

Sec. 4. Section 3-496, Arizona Revised Statutes, is amended to read:

3-496. List of licensees; display of license
A. The supervisor may publish a pamphlet containing a list of all licensed dealers— AND shippers and packers and the rules pertaining to the enforcement of this article.

B. Each licensed dealer— AND shipper and packer shall keep the license in his THE DEALER’S OR SHIPPER’S office or at his THE DEALER’S OR SHIPPER’S principal place of business.

Sec. 5. Section 3-521, Arizona Revised Statutes, is amended to read:

3-521. Civil penalties; hearing
A. A person is subject to a civil penalty of not more than five hundred dollars— if the person does either of the following:
1. Acts as a dealer— OR shipper or packer without a valid license.
2. Knowingly falsifies or causes to be falsified information in a record intended to show proof of ownership.

B. A person shall be subject to a civil penalty of not more than three hundred dollars— if the person does any of the following:
1. Makes a written or oral false, deceptive or misleading representation or assertion concerning the quality, size, maturity or condition of fruit or vegetables.
2. Alters, removes or destroys a warning notice from a lot or part of a lot to which it was affixed except on written authorization of an inspector, the supervisor or the director or by court order.
3. Alters a notice of noncompliance, notice of compliance or notice of disposal that is issued by an inspector.
4. Refuses to submit any container or lot of fruit or vegetables governed by this article to an inspection of a representative sample or refuses to stop and permit inspection of a representative sample of any commercial vehicle containing fruit and vegetables governed by this article.
C. A commission merchant is subject to a civil penalty of not more than five hundred dollars if the commission merchant does any of the following:

1. Knowingly makes a false or misleading statement as to the condition of any fruit or vegetable.
2. Makes a fraudulent charge or return for handling or selling a fruit or vegetable or for rendering any service in connection with handling or selling a fruit or vegetable.
3. Reconsigns a consignment to receive, collect or charge more than one commission without the consent of the consignor.
4. Sells a fruit or vegetable at less than market price to a person with whom the consignment merchant has a direct or indirect financial connection.
5. Makes a sale and directly or indirectly receives a portion of the purchase price other than the commission specified in the contract.

D. A person who is charged with violating this article or rules adopted pursuant to this article may request a hearing before an administrative law judge pursuant to title 41, chapter 6, article 10. The decision of the administrative law judge is subject to review by the director as provided by title 41, chapter 6, article 10.

E. Civil penalties collected pursuant to this section shall be deposited in the citrus, fruit and vegetable trust fund.

Sec. 6. Section 15-341, Arizona Revised Statutes, is amended to read:

15-341. General powers and duties; immunity; delegation

A. The governing board shall:

1. Prescribe and enforce policies and procedures for the governance of the schools, not inconsistent with law or rules prescribed by the state board of education.
2. Exclude from schools all books, publications, papers or audiovisual materials of a sectarian, partisan or denominational character. This paragraph shall not be construed to prohibit the elective course permitted by section 15-717.01.
3. Manage and control the school property within its district.
4. Acquire school furniture, apparatus, equipment, library books and supplies for the use of the schools.
5. Prescribe the curricula and criteria for the promotion and graduation of pupils as provided in sections 15-701 and 15-701.01.
6. Furnish, repair and insure, at full insurable value, the school property of the district.
7. Construct school buildings on approval by a vote of the district electors.
8. Make in the name of the district conveyances of property belonging to the district and sold by the board.
9. Purchase school sites when authorized by a vote of the district at an election conducted as nearly as practicable in the same manner as the
election provided in section 15-481 and held on a date prescribed in section
15-491, subsection E, but such authorization shall not necessarily specify
the site to be purchased and such authorization shall not be necessary to
exchange unimproved property as provided in section 15-342, paragraph 23.

10. Construct, improve and furnish buildings used for school purposes
when such buildings or premises are leased from the national park service.

11. Purchase school sites or construct, improve and furnish school
buildings from the proceeds of the sale of school property only on approval
by a vote of the district electors.

12. Hold pupils to strict account for disorderly conduct on school
property.

13. Discipline students for disorderly conduct on the way to and from
school.

14. Except as provided in section 15-1224, deposit all monies received
by the district as gifts, grants and devises with the county treasurer who
shall credit the deposits as designated in the uniform system of financial
records. If not inconsistent with the terms of the gifts, grants and devises
given, any balance remaining after expenditures for the intended purpose of
the monies have been made shall be used for reduction of school district
taxes for the budget year, except that in the case of accommodation schools
the county treasurer shall carry the balance forward for use by the county
school superintendent for accommodation schools for the budget year.

15. Provide that, if a parent or legal guardian chooses not to accept a
decision of the teacher as provided in section 15-521, paragraph 4, the
parent or legal guardian may request in writing that the governing board
review the teacher's decision. This paragraph shall not be construed to
release school districts from any liability relating to a child's promotion
or retention.

16. Provide for adequate supervision over pupils in instructional and
noninstructional activities by certificated or noncertificated personnel.

17. Use school monies received from the state and county school
apportionment exclusively for payment of salaries of teachers and other
employees and contingent expenses of the district.

18. Make an annual report to the county school superintendent on or
before October 1 in the manner and form and on the blanks prescribed by the
superintendent of public instruction or county school superintendent. The
board shall also make reports directly to the county school superintendent or
the superintendent of public instruction whenever required.

19. Deposit all monies received by school districts other than student
activities monies or monies from auxiliary operations as provided in sections
15-1125 and 15-1126 with the county treasurer to the credit of the school
district except as provided in paragraph 20 of this subsection and sections
15-1223 and 15-1224, and the board shall expend the monies as provided by law
for other school funds.
20. Establish bank accounts in which the board during a month may deposit miscellaneous monies received directly by the district. The board shall remit monies deposited in the bank accounts at least monthly to the county treasurer for deposit as provided in paragraph 19 of this subsection and in accordance with the uniform system of financial records.

21. Prescribe and enforce policies and procedures for disciplinary action against a teacher who engages in conduct that is a violation of the policies of the governing board but that is not cause for dismissal of the teacher or for revocation of the certificate of the teacher. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board may designate a person or persons to act on behalf of the board on these matters.

22. Prescribe and enforce policies and procedures for disciplinary action against an administrator who engages in conduct that is a violation of the policies of the governing board regarding duties of administrators but that is not cause for dismissal of the administrator or for revocation of the certificate of the administrator. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board may designate a person or persons to act on behalf of the board on these matters. For violations that are cause for dismissal, the provisions of notice, hearing and appeal in chapter 5, article 3 of this title shall apply. The filing of a timely request for a hearing suspends the imposition of a suspension without pay or a dismissal pending completion of the hearing.

23. Notwithstanding sections 13-3108 and 13-3120, prescribe and enforce policies and procedures that prohibit a person from carrying or possessing a weapon on school grounds unless the person is a peace officer or has obtained specific authorization from the school administrator.

24. Prescribe and enforce policies and procedures relating to the health and safety of all pupils participating in district sponsored practice sessions or games or other interscholastic athletic activities, including:
   (a) The provision of water.
   (b) Guidelines, information and forms, developed in consultation with a statewide private entity that supervises interscholastic activities, to inform and educate coaches, pupils and parents of the dangers of concussions and head injuries and the risks of continued participation in athletic activity after a concussion. The policies and procedures shall require that, before a pupil participates in an athletic activity, the pupil and the pupil's parent must sign an information form at least once each school year.
that states that the parent is aware of the nature and risk of concussion. The policies and procedures shall require that a pupil who is suspected of sustaining a concussion in a practice session, game or other interscholastic athletic activity be immediately removed from the athletic activity. A coach from the pupil's team or an official or a licensed health care provider may remove a pupil from play. A team parent may also remove the parent's own child from play. A pupil may return to play on the same day if a health care provider rules out a suspected concussion at the time the pupil is removed from play. On a subsequent day, the pupil may return to play if the pupil has been evaluated by and received written clearance to resume participation in athletic activity from a health care provider who has been trained in the evaluation and management of concussions and head injuries. A health care provider who is a volunteer and who provides clearance to participate in athletic activity on the day of the suspected injury or on a subsequent day is immune from civil liability with respect to all decisions made and actions taken that are based on good faith implementation of the requirements of this subdivision, except in cases of gross negligence or wanton or wilful neglect. A school district, school district employee, team coach, official or team volunteer or a parent or guardian of a team member is not subject to civil liability for any act, omission or policy undertaken in good faith to comply with the requirements of this subdivision or for a decision made or an action taken by a health care provider. A group or organization that uses property or facilities owned or operated by a school district for athletic activities shall comply with the requirements of this subdivision. A school district and its employees and volunteers are not subject to civil liability for any other person or organization's failure or alleged failure to comply with the requirements of this subdivision. This subdivision does not apply to teams that are based in another state and that participate in an athletic activity in this state. For the purposes of this subdivision, athletic activity does not include dance, rhythmic gymnastics, competitions or exhibitions of academic skills or knowledge or other similar forms of physical noncontact activities, civic activities or academic activities, whether engaged in for the purposes of competition or recreation. For the purposes of this subdivision, "health care provider" means a physician who is licensed pursuant to title 32, chapter 13 or 17, an athletic trainer who is licensed pursuant to title 32, chapter 41, a nurse practitioner who is licensed pursuant to title 32, chapter 15— and a physician assistant who is licensed pursuant to title 32, chapter 25.

25. Prescribe and enforce policies and procedures regarding the smoking of tobacco within school buildings. The policies and procedures shall be adopted in consultation with school district personnel and members of the community and shall state whether smoking is prohibited in school buildings. If smoking in school buildings is not prohibited, the policies and procedures shall clearly state the conditions and circumstances under which smoking is permitted, those areas in a school building that may be designated as smoking
areas and those areas in a school building that may not be designated as
smoking areas.

26. Establish an assessment, data gathering and reporting system as
prescribed in chapter 7, article 3 of this title.

27. Provide special education programs and related services pursuant to
section 15-764, subsection A to all children with disabilities as defined in
section 15-761.

28. Administer competency tests prescribed by the state board of
education for the graduation of pupils from high school.

29. Ensure that insurance coverage is secured for all construction
projects for purposes of general liability, property damage and workers'
compensation and secure performance and payment bonds for all construction
projects.

30. Keep on file the resumes of all current and former employees who
provide instruction to pupils at a school. Resumes shall include an
individual's educational and teaching background and experience in a
particular academic content subject area. A school district shall inform
parents and guardians of the availability of the resume information and shall
make the resume information available for inspection on request of parents
and guardians of pupils enrolled at a school. This paragraph shall not be
construed to require any school to release personally identifiable
information in relation to any teacher or employee, including the teacher's
or employee's address, salary, social security number or telephone number.

31. Report to local law enforcement agencies any suspected crime
against a person or property that is a serious offense as defined in section
13-706 or that involves a deadly weapon or dangerous instrument or serious
physical injury and any conduct that poses a threat of death or serious
physical injury to employees, students or anyone on the property of the
school. This paragraph does not limit or preclude the reporting by a school
district or an employee of a school district of suspected crimes other than
those required to be reported by this paragraph. For the purposes of this
paragraph, "dangerous instrument", "deadly weapon" and "serious physical
injury" have the same meanings prescribed in section 13-105.

32. In conjunction with local law enforcement agencies and local
medical facilities, develop an emergency response plan for each school in the
school district in accordance with minimum standards developed jointly by the
department of education and the division of emergency management within the
department of emergency and military affairs.

33. Provide written notice to the parents or guardians of all students
affected in the school district at least ten days prior to a public meeting
to discuss closing a school within the school district. The notice shall
include the reasons for the proposed closure and the time and place of the
meeting. The governing board shall fix a time for a public meeting on the
proposed closure no less than ten days before voting in a public meeting to
close the school. The school district governing board shall give notice of
the time and place of the meeting. At the time and place designated in the notice, the school district governing board shall hear reasons for or against closing the school. The school district governing board is exempt from this paragraph if it is determined by the governing board that the school shall be closed because it poses a danger to the health or safety of the pupils or employees of the school. A governing board may consult with the school facilities board for technical assistance and for information on the impact of closing a school. The information provided from the school facilities board shall not require the governing board to take or not take any action.

34. Incorporate instruction on Native American history into appropriate existing curricula.

35. Prescribe and enforce policies and procedures:
   (a) Allowing pupils who have been diagnosed with anaphylaxis by a health care provider licensed pursuant to title 32, chapter 13, 14, 17 or 25 or by a registered nurse practitioner licensed and certified pursuant to title 32, chapter 15 to carry and self-administer emergency medications, including auto-injectable epinephrine, while at school and at school-sponsored activities. The pupil's name on the prescription label on the medication container or on the medication device and annual written documentation from the pupil's parent or guardian to the school that authorizes possession and self-administration is sufficient proof that the pupil is entitled to the possession and self-administration of the medication. The policies shall require a pupil who uses auto-injectable epinephrine while at school and at school-sponsored activities to notify the nurse or the designated school staff person of the use of the medication as soon as practicable. A school district and its employees are immune from civil liability with respect to all decisions made and actions taken that are based on good faith implementation of the requirements of this subdivision, except in cases of wanton or wilful neglect.
   (b) For the emergency administration of auto-injectable epinephrine by a trained employee of a school district pursuant to section 15-157.

36. Allow the possession and self-administration of prescription medication for breathing disorders in handheld inhaler devices by pupils who have been prescribed that medication by a health care professional licensed pursuant to title 32. The pupil's name on the prescription label on the medication container or on the handheld inhaler device and annual written documentation from the pupil's parent or guardian to the school that authorizes possession and self-administration shall be sufficient proof that the pupil is entitled to the possession and self-administration of the medication. A school district and its employees are immune from civil liability with respect to all decisions made and actions taken that are based on a good faith implementation of the requirements of this paragraph.

37. Prescribe and enforce policies and procedures to prohibit pupils from harassing, intimidating and bullying other pupils on school grounds, on school property, on school buses, at school bus stops, at school-sponsored
events and activities and through the use of electronic technology or
electronic communication on school computers, networks, forums and mailing
lists that include the following components:
(a) A procedure for pupils, parents and school district employees to
confidentially report to school officials incidents of harassment, 
intimidation or bullying. The school shall make available written forms
designed to provide a full and detailed description of the incident and any
other relevant information about the incident.
(b) A requirement that school district employees report in writing
suspected incidents of harassment, intimidation or bullying to the
appropriate school official and a description of appropriate disciplinary
procedures for employees who fail to report suspected incidents that are
known to the employee.
(c) A requirement that, at the beginning of each school year, school
officials provide all pupils with a written copy of the rights, protections
and support services available to a pupil who is an alleged victim of an
incident reported pursuant to this paragraph.
(d) If an incident is reported pursuant to this paragraph, a
requirement that school officials provide a pupil who is an alleged victim of
the incident with a written copy of the rights, protections and support
services available to that pupil.
(e) A formal process for the documentation of reported incidents of
harassment, intimidation or bullying and for the confidentiality, maintenance
and disposition of this documentation. School districts shall maintain
documentation of all incidents reported pursuant to this paragraph for at
least six years. The school shall not use that documentation to impose
disciplinary action unless the appropriate school official has investigated
and determined that the reported incidents of harassment, intimidation or
bullying occurred. If a school provides documentation of reported incidents
to persons other than school officials or law enforcement, all individually
identifiable information shall be redacted.
(f) A formal process for the investigation by the appropriate school
officials of suspected incidents of harassment, intimidation or bullying,
including procedures for notifying the alleged victim on completion and
disposition of the investigation.
(g) Disciplinary procedures for pupils who have admitted or been found
to have committed incidents of harassment, intimidation or bullying.
(h) A procedure that sets forth consequences for submitting false
reports of incidents of harassment, intimidation or bullying.
(i) Procedures designed to protect the health and safety of pupils who
are physically harmed as the result of incidents of harassment, intimidation
and bullying, including, if appropriate, procedures to contact emergency
medical services or law enforcement agencies, or both.
(j) Definitions of harassment, intimidation and bullying.
38. Prescribe and enforce policies and procedures regarding changing or adopting attendance boundaries that include the following components:
   (a) A procedure for holding public meetings to discuss attendance boundary changes or adoptions that allows public comments.
   (b) A procedure to notify the parents or guardians of the students affected.
   (c) A procedure to notify the residents of the households affected by the attendance boundary changes.
   (d) A process for placing public meeting notices and proposed maps on the school district's website for public review, if the school district maintains a website.
   (e) A formal process for presenting the attendance boundaries of the affected area in public meetings that allows public comments.
   (f) A formal process for notifying the residents and parents or guardians of the affected area as to the decision of the governing board on the school district's website, if the school district maintains a website.
   (g) A formal process for updating attendance boundaries on the school district's website within ninety days of an adopted boundary change. The school district shall send a direct link to the school district's attendance boundaries website to the department of real estate.
   (h) If the land that a school was built on was donated within the past five years, a formal process to notify the entity that donated the land affected by the decision of the governing board.

39. If the state board of education determines that the school district has committed an overexpenditure as defined in section 15-107, provide a copy of the fiscal management report submitted pursuant to section 15-107, subsection H on its website and make copies available to the public on request. The school district shall comply with a request within five business days after receipt.

40. Ensure that the contract for the superintendent is structured in a manner in which up to twenty percent PERCENT of the total annual salary included for the superintendent in the contract is classified as performance pay. This paragraph shall not be construed to require school districts to increase total compensation for superintendents. Unless the school district governing board votes to implement an alternative procedure at a public meeting called for this purpose, the performance pay portion of the superintendent's total annual compensation shall be determined as follows:
   (a) Twenty-five percent PERCENT of the performance pay shall be determined based on the percentage of academic gain determined by the department of education of pupils who are enrolled in the school district compared to the academic gain achieved by the highest ranking of the fifty largest school districts in this state. For the purposes of this subdivision, the department of education shall determine academic gain by the academic growth achieved by each pupil who has been enrolled at the same school in a school district for at least five consecutive months measured
against that pupil's academic results in the 2008-2009 school year. For the purposes of this subdivision, of the fifty largest school districts in this state, the school district with pupils who demonstrate the highest statewide percentage of overall academic gain measured against academic results for the 2008-2009 school year shall be assigned a score of 100 and the school district with pupils who demonstrate the lowest statewide percentage of overall academic gain measured against academic results for the 2008-2009 school year shall be assigned a score of 0.

(b) Twenty-five percent of the performance pay shall be determined by the percentage of parents of pupils who are enrolled at the school district who assign a letter grade of "A" to the school on a survey of parental satisfaction with the school district. The parental satisfaction survey shall be administered and scored by an independent entity that is selected by the governing board and that demonstrates sufficient expertise and experience to accurately measure the results of the survey. The parental satisfaction survey shall use standard random sampling procedures and provide anonymity and confidentiality to each parent who participates in the survey. The letter grade scale used on the parental satisfaction survey shall direct parents to assign one of the following letter grades:

(i) A letter grade of "A" if the school district is excellent.
(ii) A letter grade of "B" if the school district is above average.
(iii) A letter grade of "C" if the school district is average.
(iv) A letter grade of "D" if the school district is below average.
(v) A letter grade of "F" if the school district is a failure.

(c) Twenty-five percent of the performance pay shall be determined by the percentage of teachers who are employed at the school district and who assign a letter grade of "A" to the school on a survey of teacher satisfaction with the school. The teacher satisfaction survey shall be administered and scored by an independent entity that is selected by the governing board and that demonstrates sufficient expertise and experience to accurately measure the results of the survey. The teacher satisfaction survey shall use standard random sampling procedures and provide anonymity and confidentiality to each teacher who participates in the survey. The letter grade scale used on the teacher satisfaction survey shall direct teachers to assign one of the following letter grades:

(i) A letter grade of "A" if the school district is excellent.
(ii) A letter grade of "B" if the school district is above average.
(iii) A letter grade of "C" if the school district is average.
(iv) A letter grade of "D" if the school district is below average.
(v) A letter grade of "F" if the school district is a failure.

(d) Twenty-five percent of the performance pay shall be determined by other criteria selected by the governing board.

41. Maintain and store permanent public records of the school district as required by law. Notwithstanding section 39-101, the standards adopted by the Arizona state library, archives and public records for the maintenance
and storage of school district public records shall allow school districts to
elect to satisfy the requirements of this paragraph by maintaining and
storing these records either on paper or in an electronic format, or a
combination of a paper and electronic format.

42. Adopt in a public meeting and implement by school year 2013-2014
policies for principal evaluations. Before the adoption of principal
evaluation policies, the school district governing board shall provide
opportunities for public discussion on the proposed policies. The policies
shall describe:
(a) The principal evaluation instrument, including the four
performance classifications adopted by the governing board pursuant to
section 15-203, subsection A, paragraph 38.
(b) Alignment of professional development opportunities to the
principal evaluations.
(c) Incentives for principals in one of the two highest performance
classifications pursuant to section 15-203, subsection A, paragraph 38, which
may include:
   (i) Multiyear contracts pursuant to section 15-503.
   (ii) Incentives to work at schools that are assigned a letter grade of
        D or F pursuant to section 15-241.
(d) Transfer and contract processes for principals designated in the
lowest performance classification pursuant to section 15-203, subsection A,
paragraph 38.
B. Notwithstanding subsection A, paragraphs 7, 9 and 11 of this
section, the county school superintendent may construct, improve and furnish
school buildings or purchase or sell school sites in the conduct of an
accommodation school.
C. If any school district acquires real or personal property, whether
by purchase, exchange, condemnation, gift or otherwise, the governing board
shall pay to the county treasurer any taxes on the property that were unpaid
as of the date of acquisition, including penalties and interest. The lien
for unpaid delinquent taxes, penalties and interest on property acquired by a
school district:
   1. Is not abated, extinguished, discharged or merged in the title to
      the property.
   2. Is enforceable in the same manner as other delinquent tax liens.
D. The governing board may not locate a school on property that is
less than one-fourth mile from agricultural land regulated pursuant to
section 3-365, except that the owner of the agricultural land may agree to
comply with the buffer zone requirements of section 3-365. If the owner
agrees in writing to comply with the buffer zone requirements and records the
agreement in the office of the county recorder as a restrictive covenant
running with the title to the land, the school district may locate a school
within the affected buffer zone. The agreement may include any stipulations
regarding the school, including conditions for future expansion of the school
and changes in the operational status of the school that will result in a
breach of the agreement.

E. A school district, its governing board members, its school council
members and its employees are immune from civil liability for the
consequences of adoption and implementation of policies and procedures
pursuant to subsection A of this section and section 15-342. This waiver
does not apply if the school district, its governing board members, its
school council members or its employees are guilty of gross negligence or
intentional misconduct.

F. A governing board may delegate in writing to a superintendent,
principal or head teacher the authority to prescribe procedures that are
consistent with the governing board’s policies.

G. Notwithstanding any other provision of this title, a school
district governing board shall not take any action that would result in a
reduction of pupil square footage unless the governing board notifies the
school facilities board established by section 15-2001 of the proposed action
and receives written approval from the school facilities board to take the
action. A reduction includes an increase in administrative space that
results in a reduction of pupil square footage or sale of school sites or
buildings, or both. A reduction includes a reconfiguration of grades that
results in a reduction of pupil square footage of any grade level. This
subsection does not apply to temporary reconfiguration of grades to
accommodate new school construction if the temporary reconfiguration does not
exceed one year. The sale of equipment that results in a reduction that
falls below the equipment requirements prescribed in section 15-2011,
subsection B is subject to commensurate withholding of school district
district additional assistance monies pursuant to the direction of the school
facilities board. Except as provided in section 15-342, paragraph 10,
proceeds from the sale of school sites, buildings or other equipment shall be
deposited in the school plant fund as provided in section 15-1102.

H. Subsections C through G of this section apply to a county board of
supervisors and a county school superintendent when operating and
administering an accommodation school.

Sec. 7. Section 20-3151, Arizona Revised Statutes, is amended to read:

20-3151. Definitions
For the purposes of this section CHAPTER:
1. “Enrollee” means an individual who is enrolled in a health care
plan provided by a health care insurer.

2. “Health care insurer” means a disability insurer, group disability
insurer, blanket disability insurer, health care services organization,
hospital service corporation, medical service corporation or hospital and
medical service corporation.

3. “Health care plan” means a policy, contract or evidence of coverage
issued to an enrollee. Health care plan does not include limited benefit
coverage as defined in section 20-1137.
4. "Health care professional" means a professional who is regulated pursuant to title 32, chapter 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 25, 28, 29, 33, 34, 35, OR 39 or 41, title 36, chapter 6, article 7 or title 36, chapter 17.

Sec. 8. Section 27-102, Arizona Revised Statutes, is amended to read:

27-102. Arizona geological survey; state geologist; powers
A. The Arizona geological survey is established with offices located in proximity to the university of Arizona in Tucson. The governor shall appoint a state geologist, pursuant to section 38-211, to be the administrative head of the Arizona geological survey and to serve at the pleasure of the governor. The state geologist shall be registered as a geologist by the state board of technical registration, a graduate of an accredited institution and otherwise qualified by education and experience to direct the research and information functions of the Arizona geological survey.

B. The state geologist may organize the Arizona geological survey into such administrative units, and, subject to title 41, chapter 4, article 4, employ professional and support staff, as necessary to achieve the objectives and promote the policies prescribed by this article.

C. The state geologist may:
1. Retain the services of faculty members or students, and shall have reasonable access to the data and other resources, of the university of Arizona or any other state university in this state to conduct or supervise research, experimentation or other related work of the Arizona geological survey.
2. Organize field expeditions to perform work for the Arizona geological survey using university students who are sufficiently advanced in their study of geology to be able to perform satisfactory work.
3. Establish and appoint an advisory board consisting of independent practicing geologists, university or college faculty, mining geologists and others who use and rely on data, information and other services of the Arizona geological survey.
4. Employ volunteer staff as necessary.

D. The expenses of the Arizona geological survey shall be paid by annual appropriation from the state general fund and as otherwise provided by this article.

Sec. 9. Section 28-411, Arizona Revised Statutes, is amended to read:

28-411. Prompt payment; progress payment; consultants and contractors; subconsultants and subcontractors; design professional
A. The department shall make progress payments pursuant to the terms of an agreement with a consultant or contractor on the basis of an invoice for work already performed. All progress payments shall be paid on or before the twenty-first day after the date the department receives the invoice
unless the department does not approve and certify the invoice pursuant to subsection B of this section.

B. Any invoice from a consultant or contractor for progress payments shall be deemed approved and certified by the department unless within seven days from the date the department receives the invoice the department sends the consultant or contractor written notice by first class mail or by electronic means of those items that the department does not approve and certify under the terms of the agreement.

C. On or before the seventh day after the date the department makes a progress payment, if the consultant or contractor contracted with subconsultants or subcontractors to perform the work for which the department made the progress payment, the consultant or contractor shall pay the subconsultants or subcontractors for the work performed to the extent of each subconsultant's or subcontractor's contractual interest in the progress payment. If any subconsultant or subcontractor contests the amount paid by a consultant or contractor from a progress payment made under subsection A of this section, the subconsultant or subcontractor shall notify the department in writing within thirty days after receiving the payment from the consultant or contractor. This subsection does not apply if the contract between the consultant or contractor and the subconsultant or subcontractor expressly provides that the prompt payment provisions of this subsection do not apply to the agreement between the consultant or contractor and the subconsultant or subcontractor.

D. If a consultant or contractor fails to pay a subconsultant or subcontractor within seven days of receiving a progress payment from the department, the consultant or contractor shall pay the subconsultant or subcontractor interest on the unpaid balance, beginning on the eighth day at the rate of one percent per month or fraction of a month. This subsection does not apply if the contract between the consultant or contractor and the subconsultant or subcontractor expressly provides that the prompt payment provisions of this subsection do not apply to the agreement between the consultant or contractor and the subconsultant or subcontractor.

E. A subconsultant or subcontractor may submit a written request to the department asking the department to notify the subconsultant or subcontractor of each subsequent progress payment made to the consultant or contractor. If the department receives a written request under this subsection, the department shall send the requesting party a written notice by first class mail of each subsequent progress payment within five days of making the progress payment.

F. Agreements with the department for consultant or contractor services do not alter the rights of any consultant or contractor to receive prompt and timely payment as provided under this section.

G. Subject to the requirements of this section, the department shall pay the agreed or reasonable value of all labor, materials, work or services furnished, installed or performed by a design professional pursuant to a
limited notice to proceed from the department's authorized agent before the
execution of a contract or contract modification applicable to the labor,
materials, work or services. The unit prices, contract sum, hourly rates or
other cost or pricing formula of the contract or contract modification
applicable to the labor, materials, work or services is the fair and
reasonable cost for purposes of this section unless the department and its
design professional otherwise agree in writing. If the parties fail to
successfully negotiate and sign a contract or contract modification, the
design professional shall be paid for costs incurred pursuant to the limited
notice to proceed and subject to the department's cost allowability
guidelines. For the purposes of this subsection, "design professional" means
A GEOLOGIST OR LANDSCAPE ARCHITECT OR an individual or firm registered
pursuant to title 32, chapter 1, article 1, to practice architecture,
engineering, geology, landscape architecture or land surveying or any
combination of those professions and persons employed by the registered
individual or firm.

H. To the extent that this section conflicts with section 28-6924,
section 28-6924 controls any agreement between the department and a
contractor for highway construction projects.

Sec. 10. Section 28-7361, Arizona Revised Statutes, is amended to
read:

28-7361. Definitions
In this article, unless the context otherwise requires:
1. "Architect services" means those professional architect services
that are within the scope of architectural practice as provided in title 32,
chapter 1.
2. "Construction-manager-at-risk" means a project delivery method in
which:
   (a) There is a contract for construction services that is separate
from the contract for design services, except that instead of a single
contract for construction services, the department may elect separate
contracts for preconstruction services during the design phase, for
construction during the construction phase and for any other construction
services.
   (b) Design services are performed under a separate design services
contract, except that as to bridges and other transportation facilities the
department may perform with its own employees or force account preliminary
design and either:
      (i) In the case of bridges only, all design services up to final
design.
      (ii) In the case of other transportation facilities, up to twenty percent
of the design work.
   (c) The contract for construction services may be entered into at the
same time as the design services are commenced or at a later time.
   (d) Design and construction of the project may be either:
(i) Sequential with the entire design complete before construction commences.
(ii) Concurrent with the design produced in two or more phases and construction of some phases commencing before the entire design is complete.
(e) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.
3. "Construction services" means either of the following for construction-manager-at-risk and job-order-contracting project delivery methods:
   (a) Construction, excluding services, through the construction-manager-at-risk or job-order-contracting project delivery methods.
   (b) A combination of construction and, as elected by the department, one or more related services, such as finance services, maintenance services, operations services, design services and preconstruction services, as those services are authorized in the definition of construction-manager-at-risk or job-order-contracting.
4. "Contract" means all types of department agreements, regardless of what they are called, for procurements pursuant to this article.
5. "Contractor" means any person who has a contract with the department.
6. "Design-build" means the process of entering into and managing a contract between the department and another party in which the other party agrees to both design and build a highway, a structure, a facility or other items specified in the contract.
7. "Design-builder" means any individual, partnership, joint venture, corporation or other legal entity that is appropriately licensed in this state and that furnishes the necessary design services, in addition to construction of the work, whether by itself or through subcontracts, including subcontracts for architectural and engineering services.
8. "Design services" means architect services, engineer services or landscape architect services.
9. "Emergency" means an immediate threat to public health, welfare or safety caused by flood, earthquake, hurricane, tornado, explosion, fire or other catastrophe such that compliance with normal bidding procedures for repair or reconstruction of transportation facilities would be impracticable or contrary to the public interest.
10. "Engineer services" means those professional engineer services that are within the scope of engineering practice as provided in title 32, chapter 1.
11. "Finance services" means financing for a construction services project.
12. “Job-order-contracting” means a project delivery method in which:
(a) The contract is for indefinite quantities of construction and, at
the election of the department, may or may not include a guaranteed minimum
amount of work.
(b) The construction to be performed is specified in job orders issued
during the contract.
(c) Finance services, maintenance services, operations services,
preconstruction services, design services and other related services may be
included.
13. “Landscape architect services” means those professional landscape
architect services that are within the scope of landscape architectural
practice as provided in title 32, chapter 1.
14. “Maintenance services” means routine maintenance, repair and
replacement of existing facilities, structures, buildings or real property.
15. “Operations services” means routine operation of existing
facilities, structures, buildings or real property.
16. “Person” means any corporation, business, individual, union,
committee, club, other organization or group of individuals.
17. “Preconstruction services” means services and other activities
during the design phase.
18. “Specific single project” means a project that is constructed
at a single location, at a common location or for a common purpose.
19. “Subcontractor” means a person who contracts to perform work
or render service to a contractor or to another subcontractor as a part of a
contract with the department.
Sec. 11. Heading change
The chapter heading of title 32, chapter 1, Arizona Revised Statutes,
is changed from “ARCHITECTS, ASSAYERS, ENGINEERS, GEOLOGISTS, HOME
INSPECTORS, LANDSCAPE ARCHITECTS AND SURVEYORS” to “ARCHITECTS, ENGINEERS,
HOME INSPECTORS AND SURVEYORS”.
Sec. 12. Section 32-101, Arizona Revised Statutes, is amended to read:
32-101. Purpose; definitions
A. The purpose of this chapter is to provide for the safety, health
and welfare of the public through the promulgation and enforcement of
standards of qualification for those individuals WHO ARE registered or
certified and seeking registration or certification pursuant to this chapter.
B. In this chapter, unless the context otherwise requires:
1. “Advertising” includes business cards, signs or letterhead provided
by a person to the public.
2. “Alarm” or “alarm system”:
(a) Means any mechanical or electrical device that is designed to emit
an audible alarm or transmit a signal or message if activated and that is
used to detect an unauthorized entry into a building or other facility or
alert other persons of the occurrence of a medical emergency or the
commission of an unlawful act against a person or in a building or other
c facility.
(b) Includes a silent, panic, holdup, robbery, duress, burglary, medical alert or proprietor alarm that requires emergency personnel to respond.
(c) Does not include a telephone call diverter or a system that is designed to report environmental and other occurrences and that is not designed or used to alert or cause other persons to alert public safety personnel.

3. "Alarm agent":
(a) Means a person, whether an employee, an independent contractor or otherwise, who acts on behalf of an alarm business and who tests, maintains, services, repairs, sells, rents, leases or installs alarm systems.
(b) Does not include any action by a person that:
   (i) Is performed in connection with an alarm system located on the person's own property or the property of the person's employer.
   (ii) Is acting on behalf of an alarm business whose work duties do not include visiting the location where an alarm system installation occurs.

4. "Alarm business":
(a) Means any person who, either alone or through a third party, engages in the business of either of the following:
   (i) Providing alarm monitoring services.
   (ii) Selling, leasing, renting, maintaining, repairing or installing a nonproprietor alarm system or service.
(b) Does not include any of the following:
   (i) A person or company that purchases, rents or uses an alarm that is affixed to a motor vehicle.
   (ii) A person who owns or conducts a business of selling, leasing, renting, installing, maintaining or monitoring an alarm that is affixed to a motor vehicle.
   (iii) A person who installs a nonmonitored proprietor alarm for a business that the person owns, is employed by or manages.
   (iv) The installation or monitoring of fire alarm systems.
   (v) An alarm system that is operated by a city or town.

5. "Alarm subscriber" means any person who:
(a) Leases, rents or purchases any monitored alarm system or service from an alarm business.
(b) Leases or rents an alarm system.
(c) Contracts with an alarm business for alarm monitoring, installation, repair or maintenance services.

6. "Architect" means a person who, by reason of knowledge of the mathematical and physical sciences and the principles of architecture and architectural engineering acquired by professional education and practical experience, is qualified to engage in the practice of architecture as attested by registration as an architect.
7. "Architect-in-training" means a candidate for registration as a professional architect who is a graduate of a school approved by the board or who has five years or more of education or experience, or both, in architectural work which meets standards specified by the board in its rules. In addition, the candidate shall have passed the architect-in-training examination.

8. "Architectural practice" means any professional service or creative work requiring architectural education, training and experience, and the application of the mathematical and physical sciences and the principles of architecture and architectural engineering to such professional services or creative work as consultation, evaluation, design and review of construction for conformance with contract documents and design, in connection with any building, planning or site development. A person shall be deemed to practice or offer to practice architecture who in any manner represents that the person is an architect or is able to perform any architectural service or other services recognized by educational authorities as architecture.

9. "Assayer" means a person who analyzes metals, ores, minerals, or alloys in order to ascertain the quantity of gold or silver or any other substance present in them. A person employed on a full-time basis as an assayer by an employer engaged in the business of developing, mining or treating ores or other minerals shall not be deemed to be engaged in assaying practice for the purposes of this chapter if the person engages in assaying practice exclusively for and as an employee of such employer and does not represent that the person is available and is not represented as being available to perform any assaying services for anyone other than the person's employer.

10. "Assayer-in-training" means a candidate for registration as a professional assayer who is a graduate of a school and curriculum approved by the board or who has four years or more of education or experience, or both, in assaying work which meets standards specified by the board in its rules. In addition, the candidate shall have passed the assayer-in-training examination.

11. "Assaying practice" means any professional service or work requiring assaying education, training and experience and the application of special knowledge of the mineral sciences to such service or work as consultation and the evaluation of minerals. A person is deemed to practice or offer to practice assaying who in any manner represents that the person is an assayer or is able to perform any assaying service or other services recognized by educational authorities as assaying.

12. "Board" means the state board of technical registration.

13. "Certified remediation specialist" means a person who has been certified by the board to perform, supervise and review environmental remediations if the use of a certified remediation specialist is specifically authorized by title 49 and rules adopted pursuant to title 49.

14. "Controlling person":
(a) Means a person who is designated by an alarm business.
(b) Does not include an alarm agent.

16. 12. "Drug laboratory site remediation firm" means a firm that is licensed by the registrar of contractors pursuant to chapter 10 of this title and that performs remediation of residual contamination from the manufacture of methamphetamine, ecstasy or LSD or the storage of chemicals or equipment used in manufacturing methamphetamine, ecstasy or LSD. For the purposes of this paragraph:
   (a) "Ecstasy" has the same meaning prescribed in section 13-3401, paragraph 6 and includes any of the precursor chemicals, regulated chemicals, other substances or equipment used in the unlawful manufacture of the dangerous drug.
   (b) "LSD" has the same meaning prescribed in section 13-3401, paragraph 6 and includes any of the precursor chemicals, regulated chemicals, other substances or equipment used in the unlawful manufacture of the dangerous drug.
   (c) "Methamphetamine" has the same meaning prescribed in section 13-3401, paragraph 6 and includes any of the precursor chemicals, regulated chemicals, other substances or equipment used in the unlawful manufacture of the dangerous drug.

16. 13. "Engineer" means a person who, by reason of special knowledge of the mathematical and physical sciences and the principles and methods of engineering analysis and design acquired by professional education and practical experience, is qualified to practice engineering as attested by registration as a professional engineer.

17. 14. "Engineering practice" means any professional service or creative work requiring engineering education, training and experience and the application of special knowledge of the mathematical, physical and engineering sciences to such professional services or creative work as consultation, research investigation, evaluation, planning, surveying as defined in paragraph 21, subdivisions (d) and (e) of this subsection, design, location, development, and review of construction for conformance with contract documents and design, in connection with any public or private utility, structure, building, machine, equipment, process, work or project. Such services and work include plans and designs relating to the location, development, mining and treatment of ore and other minerals. A person shall be deemed to be practicing or offering to practice engineering if the person practices any branch of the profession of engineering, or by verbal claim, sign, advertisement, letterhead, card or any other manner represents that the person is a professional engineer, or is able to perform or does perform any engineering service or other service recognized by educational authorities as engineering. A person employed on a full-time basis as an engineer by an employer engaged in the business of developing, mining and treating ores and other minerals shall not be deemed to be practicing engineering for the purposes of this chapter if the person engages in the practice of engineering
exclusively for and as an employee of such employer and does not represent
that the person is available and is not represented as being available to
perform any engineering services for persons other than the person's
employer.

15. “Engineer-in-training” means a candidate for registration as a
professional engineer who is a graduate in an approved engineering curriculum
of four years or more of a school approved by the board or who has had four
years or more of education or experience, or both, in engineering work which
meets standards specified by the board in its rules. In addition, the
candidate shall have passed the engineer-in-training examination.

16. “Firm” means any individual or partnership, corporation or
other type of association, including the association of a nonregistrant and a
registrant who offers to the public professional services regulated by the
board.

17. “Geological practice” means any professional service or work
requiring geological education, training and experience, and the application
of special knowledge of the earth sciences to such professional services as
consultation, evaluation of mining properties, petroleum properties and
groundwater resources, professional supervision of exploration for mineral
natural resources including metallic and nonmetallic ores, petroleum and
groundwater, and the geological phases of engineering investigations.

18. “Geologist” means a person, not of necessity an engineer, who by
reason of special knowledge of the earth sciences and the principles and
methods of search for and appraisal of mineral or other natural resources
acquired by professional education and practical experience is qualified to
practice geology as attested by registration as a professional geologist. A
person employed on a full-time basis as a geologist by an employer engaged in
the business of developing, mining or treating ores and other minerals shall
not be deemed to be engaged in geological practice for the purposes of this
chapter if the person engages in geological practice exclusively for and as
an employee of such employer and does not represent that the person is
available and is not represented as being available to perform any geological
services for persons other than the person's employer.

19. “Geologist-in-training” means a candidate for registration as a
professional geologist who is a graduate of a school approved by the board or
who has had four years or more of education or experience, or both, in
geological work which meets standards specified by the board in its rules.
In addition, the candidate shall have passed the geologist-in-training
examination.

20. “Home inspection” means a visual analysis for the purposes of
providing a professional opinion of the building, any reasonably accessible
installed components and the operation of the building’s systems, including
the controls normally operated by the owner, for the following components of
a residential building of four units or less:

(a) Heating system.
(b) Cooling system.
(c) Plumbing system.
(d) Electrical system.
(e) Structural components.
(f) Foundation.
(g) Roof covering.
(h) Exterior and interior components.
(i) Site aspects as they affect the building.
(j) Pursuant to rules adopted by the board, swimming pool and spa.

24. "Home inspection report" means a written report that is prepared for compensation, that is issued after a home inspection and that clearly describes and identifies the inspected systems, structures and components of a completed dwelling and any visible major defects found to be in need of immediate major repair and any recommendations for additional evaluation by appropriate persons.

25. "Home inspector" means an individual who is certified pursuant to this chapter as a home inspector and who engages in the business of performing home inspections and writing home inspection reports.

26. "Home inspector-in-training" means a candidate for certification as a home inspector who has completed a course of study approved by the board and who is participating in a training program that complies with standards recommended by the home inspector rules and standards committee and approved by the board.

27. "Land surveying practice" means the performance of one or more of the following professional services:
   (a) Measurement of land to determine the position of any monument or reference point which marks a property line, boundary or corner for the purpose of determining the area or description of the land.
   (b) Location, relocation, establishment, reestablishment, setting, resetting or replacing of corner monuments or reference points which identify land boundaries, rights-of-way or easements.
   (c) Platting or plotting of lands for the purpose of subdividing.
   (d) Measurement by angles, distances and elevations of natural or artificial features in the air, on the surface and immediate subsurface of the earth, within underground workings and on the surface or within bodies of water for the purpose of determining or establishing their location, size, shape, topography, grades, contours or water surface and depths, and the preparation and perpetuation of field note records and maps depicting these features.
   (e) Setting, resetting or replacing of points to guide the location of new construction.

28. "Land surveyor" means a person who by reason of knowledge of the mathematical and physical sciences, principles of land surveying and evidence gathering acquired by professional education or practical experience, or both, is qualified to practice land surveying as attested by
registration as a land surveyor. A person employed on a full-time basis as a land surveyor by an employer engaged in the business of developing, mining or treating ores or other minerals shall not be deemed to be engaged in land surveying practice for purposes of this chapter if the person engages in land surveying practice exclusively for and as an employee of such employer and does not represent that the person is available and is not represented as being available to perform any land surveying services for persons other than the person's employer.

29. 23. "Land surveyor-in-training" means a candidate for registration as a professional land surveyor who is a graduate of a school and curriculum approved by the board— or who has four years or more of education or experience, or both, in land surveying work which meets standards specified by the board in its rules. In addition, the candidate shall have passed the land surveyor-in-training examination.

30. "Landscape architect" means a person who, by reason of professional education or practical experience, or both, is qualified to engage in the practice of landscape architecture as attested by registration as a landscape architect.

31. "Landscape architect-in-training" means a candidate for registration as a professional landscape architect who is a graduate of a school approved by the board or who has had four years or more of education or experience, or both, in landscape architectural work which meets standards specified by the board in its rules. In addition, the candidate shall have passed the landscape architect-in-training examination.

32. "Landscape architectural practice" means the performance of professional services such as consultations, investigation, reconnaissance, research, planning, design or responsible supervision in connection with the development of land and incidental water areas where, and to the extent that, the dominant purpose of such services is the preservation, enhancement or determination of proper land uses, natural land features, ground cover and planting, naturalistic and aesthetic values, the settings of and approaches to buildings, structures, facilities or other improvements, natural drainage and the consideration and the determination of inherent problems of the land relating to erosion, wear and tear, light or other hazards. This practice shall include the location and arrangement of such tangible objects and features as are incidental and necessary to the purposes outlined in this paragraph but shall not include the making of cadastral surveys or final land plats for official recording or approval, nor mandatorily include planning for governmental subdivisions.

33. 24. "Monitored alarm" means a device that is designed for the detection of an entry on any premises and that if activated generates a notification signal.

34. 25. "On-site supervisor" means the employee of a drug laboratory site remediation firm who is authorized to oversee on-site workers in the performance of their duties.
"On-site worker" means an employee of a drug laboratory site remediation firm who has on-site duties or who handles contaminated materials, chemicals or contaminated equipment.

"Person" means any individual, firm, partnership, corporation, association or other organization.

"Principal" means an individual who is an officer of the corporation or is designated by a firm as having full authority and responsible charge of the services offered by the firm.

"Proprietor alarm" means any alarm or alarm system that is owned by an alarm subscriber who has not contracted with an alarm business.

"Registrant" means a person registered or certified by the board.

"Registration" means a registration or certification issued by the board.

Sec. 13. Section 32-102, Arizona Revised Statutes, is amended to read:

State board of technical registration; vacancies; terms

A. THE state board of technical registration is established consisting of members WHO ARE appointed by the governor as follows:

1. Two architects.
2. Three professional engineers, two of whom are representatives of branches of engineering other than civil engineering and are registered in those branches pursuant to this chapter.
3. One THREE public member MEMBERS.
4. One landscape architect.
5. One geologist or assayer.
6. One land surveyor.

B. Upon ON the expiration of any of the terms, a successor, WHO IS qualified pursuant to subsection A OF THIS SECTION shall be appointed for a full term of three years. The governor may remove a member of the board for misconduct, incapacity or neglect of duty. Appointment to fill a vacancy caused other than by expiration of term shall be for the unexpired portion of the term.

C. No member may serve more than two consecutive terms.

Sec. 14. Section 32-103, Arizona Revised Statutes, is amended to read:

Qualifications of members

A. Each professional member of the board shall:

1. Be at least twenty-five years of age.
2. Have been a resident of the THIS state for at least three years immediately preceding appointment as a member.

B. Each member who is an architect, geologist, an assayer, a landscape architect, a professional engineer or a land surveyor shall have had at least five years' active professional experience as attested by registration under this chapter.
Sec. 15. Section 32-112, Arizona Revised Statutes, is amended to read:

32-112. Environmental remediation rules and standards committee
A. An environmental remediation rules and standards committee of the board is established and consists of:
  1. One industrial hygienist or toxicologist who is experienced in sampling and monitoring and indoor air quality issues and who is appointed by the board.
  2. One person who is experienced in operating a drug laboratory remediation firm and who is appointed by the board.
  3. One representative from the department of health services who is experienced in indoor air quality who is appointed by the director of the department of health services.
  4. One registered engineer or professional geologist who is experienced in environmental remediation and who is appointed by the board.
  5. One member of the board who is an engineer or a geologist.
B. The initial members shall assign themselves by lot to terms of one, two and three years in office. All subsequent members serve three-year terms of office. The board by a majority vote may remove any member for misconduct, incapacity or neglect of duty.
C. The committee may participate in the investigation and review of drug laboratory remediation complaints as authorized by the board.
D. The committee is responsible for drafting and recommending to the board best practices and standards for remediation of residual contamination found on real property from the manufacture of methamphetamine, ecstasy or LSD or the storage of chemicals or equipment used in manufacturing methamphetamine, ecstasy or LSD.

Sec. 16. Section 32-122, Arizona Revised Statutes, is amended to read:

32-122. Qualifications for in-training registration
A. An applicant for in-training registration as an architect, engineer, geologist or landscape architect shall:
  1. Be of good moral character and repute.
  2. Be a graduate of a school approved by the board or have four years or more, or if an applicant for in-training registration as an architect, five years or more, of education or experience, or both, in work in the profession in which registration is sought that meets standards specified by the board in its rules.
  3. Unless exempt under section 32-126, subsection D, pass the in-training examination in the profession in which registration is sought.
B. An applicant for in-training registration as an assayer or a land surveyor shall:
  1. Be of good moral character and repute.
  2. Be a graduate of a school and curriculum approved by the board, or have four years or more of education or experience, or both, in work in the profession in which registration is sought that meets standards specified by the board in its rules.
2. Unless exempt under section 32-126, subsection D, pass the in-training examination in the profession in which registration is sought.

C. An applicant for in-training registration as a home inspector-in-training shall:
   1. Be of good moral character and repute.
   2. Meet the requirements of section 32-122.02, subsection A, paragraphs 1 through 7.

Sec. 17. Section 32-122.01, Arizona Revised Statutes, is amended to read:

32-122.01. Qualifications for professional registration

A. An applicant for professional registration as an architect, engineer, geologist or landscape architect shall:
   1. Be of good moral character and repute.
   2. Be actively engaged in education or experience, or both, in the profession for which registration is sought for at least eight years.
   3. Unless exempt under section 32-126, pass the in-training and professional examinations in the profession in which registration is sought.

B. An applicant for professional registration as an assayer or a land surveyor shall:
   1. Be of good moral character and repute.
   2. Be actively engaged in education or experience, or both, in the profession for which registration is sought for at least six years.
   3. Unless exempt under section 32-126, pass the in-training and professional examinations in the profession in which registration is sought.

C. In computing the period of active engagement required under this section:
   1. Each year of study satisfactorily completed in an architectural, engineering, geological or landscape architectural school approved by the board is equivalent to one year of active engagement up to a maximum of five years. One year or more of teaching architectural, engineering, geological or landscape architectural subjects in a school approved by the board is equivalent to one year of active engagement.
   2. Each year of study satisfactorily completed in an assaying or a land surveying curriculum and school approved by the board is considered equivalent to one year of active engagement up to a maximum of four years. One year or more of teaching assaying or land surveying or other courses approved by the board as pertinent to the profession in which registration is sought in a school approved by the board is equivalent to one year of active engagement.
   
D. Except as provided in subsection E of this section, experience credited by the board under this section and sections 32-101, 32-122 and 32-126 must be attained under the direct supervision of a professional who is satisfactory to the board and registered in this state, another state or a foreign country in the profession in which the applicant is seeking registration, except that up to one year's experience may be attained under
the direct supervision of a professional who is satisfactory to the board and registered in another profession regulated under this chapter in this state, another state or a foreign country.

E. By two-thirds majority vote the board may allow an applicant except for an architect applicant to meet the requirements of subsection D of this section by crediting comparable experience satisfactory to the board that the applicant attained without direct supervision of a registered professional.

Sec. 18. Section 32-142, Arizona Revised Statutes, is amended to read:

32-142. Public works

A. Drawings, plans, specifications, estimates and construction observation for public works of the THIS state or a political subdivision thereof OF THIS STATE involving architecture, engineering, assaying, geology, landscape architecture or land surveying shall be prepared by or under the direct supervision of a registrant within the category involved.

B. Surveys OR maps OR assays required in connection with public land surveying OR assaying shall be made by or under the personal direction of a qualified registrant.

C. Drawings, plans, design specifications and construction observation of public works facilities of the state or a political subdivision thereof OF THIS STATE for the use or storage of hazardous materials shall be made by or under the direct supervision of a qualified registrant in the appropriate field.

Sec. 19. Section 32-143, Arizona Revised Statutes, is amended to read:

32-143. Exceptions

An architect, geologist, OR engineer OR landscape architect registered under this chapter may engage in practice in another category regulated pursuant to this chapter only to the extent that the person is qualified and to the extent that the work may be necessary and incidental to the work of the registrant's profession on a specific project. This exception does not apply to public works projects.

Sec. 20. Title 32, chapter 1, article 3, Arizona Revised Statutes, is amended by adding section 32-153, to read:

32-153. Use of titles; restrictions; definitions

A. A person or an employee, agent or representative of the person may NOT USE IN CONNECTION WITH THAT PERSON'S NAME OR BUSINESS ACTIVITY THE WORDS "PROFESSIONAL GEOLOGIST" OR "PROFESSIONAL GEOLOGICAL SERVICES" OR ANY OTHER WORDS, ABBREVIATIONS OR INSIGNIA INDICATING OR IMPLYING DIRECTLY OR INDIRECTLY THAT PROFESSIONAL GEOLOGICAL SERVICES ARE BEING PROVIDED OR SUPPLIED UNLESS THE SERVICES ARE PROVIDED BY A PROFESSIONAL GEOLOGIST.

B. A person or an employee, agent or representative of the person may NOT USE IN CONNECTION WITH THAT PERSON'S NAME OR BUSINESS ACTIVITY THE WORDS "PROFESSIONAL LANDSCAPE ARCHITECT" OR "PROFESSIONAL LANDSCAPE ARCHITECTURAL SERVICES" OR ANY OTHER WORDS, ABBREVIATIONS OR INSIGNIA INDICATING OR IMPLYING DIRECTLY OR INDIRECTLY THAT LANDSCAPE ARCHITECTURE SERVICES ARE
BEING PROVIDED OR SUPPLIED UNLESS THE SERVICES ARE PROVIDED BY A PROFESSIONAL
LANDSCAPE ARCHITECT.

C. FOR THE PURPOSES OF THIS SECTION, "PROFESSIONAL GEOLOGIST" AND
"PROFESSIONAL LANDSCAPE ARCHITECT" MEAN A PERSON WHO HAS EITHER OF THE
FOLLOWING:

1. A VALID CERTIFICATE OF QUALIFICATION IN THAT PERSON'S FIELD OF
APPLICATION THAT IS ISSUED BY A NATIONAL BUREAU OF REGISTRATION OR
CERTIFICATION.

2. A DEGREE OR CERTIFICATE FROM AN ACCREDITED EDUCATIONAL INSTITUTION
IN THAT PERSON'S FIELD.

Sec. 21. Section 32-1301, Arizona Revised Statutes, is amended to
read:

32-1301. Definitions
In this chapter, unless the context otherwise requires:
1. "Accredited" means recognized or authorized by the American board
   of funeral service education.
2. "Administrative costs and expenses" means the cost of copies,
   transcripts, court reporter and witness fees, reimbursement for mileage and
   office of administrative hearings costs.
3. "Alternative container" means any unfinished wood box or other
   nonmetal receptacle or enclosure, without ornamentation or a fixed interior
   lining, that is designed for the encasement of human remains.
4. "Authorizing agent" means a person who is legally entitled to order
   the cremation, disinterment or embalming of human remains pursuant to section
   32-1365.02.
5. "Beneficiary" means a person whose future funeral arrangements will
   be handled by a funeral establishment pursuant to a prearranged funeral
   agreement.
6. "Board" means the state board of funeral directors and embalmers.
7. "Business entity" includes any corporation, association, limited
   liability company, professional corporation, partnership, limited
   partnership, sole proprietorship, business trust, trust, joint venture and
   other business entity.
8. "Casket" means a rigid container that is designed for the permanent
   encasement of human remains and that is usually constructed of wood, metal or
   synthetic substances and ornamented and lined with fabric.
9. "Change of ownership" means a transfer of a controlling legal or
   equitable interest in a licensed funeral establishment or crematory resulting
   from a sale or merger. If the establishment or crematory is operated by a
   business entity, any transfer of the ownership of ten percent or
   more of the entity constitutes a change of ownership.
10. "Conviction" means a criminal adjudication or conviction by any
    state or federal court of competent jurisdiction, including a judgment based
    on a no contest plea, without regard to whether civil rights have been
    restored.
11. "Cremated remains" means the remaining bone fragments after cremation.

12. "Cremation" means the heating process that reduces human remains to bone fragments by combustion and evaporation.

13. "Cremation container" means a leak and spill resistant, rigid, combustible, closed receptacle into which human remains are placed before cremation.

14. "Cremationist" means a person who operates a crematory retort, who performs the actual cremation of human remains and who is licensed pursuant to article 6 of this chapter.

15. "Crematory" means a building or portion of a building that is licensed pursuant to article 6 of this chapter and that houses a retort in which only human remains are cremated.

16. "Disciplinary action" means action taken by the board to revoke or suspend a license or registration, to impose probationary requirements or civil penalties or to issue a letter of censure or reprimand to any person who is subject to this chapter and who violates any provision of this chapter or rules adopted by the board.

17. "Embalmer" means a person who is licensed pursuant to this chapter and who is engaged in embalming.

18. "Embalmer's assistant" means a person who is registered pursuant to this chapter and who is engaged in embalming without the supervision of a licensed embalmer.

19. "Embalming" means the implementation of reconstructive procedures and the process of disinfecting and preserving a dead human body to retard organic decomposition by treating the body to reduce the presence and growth of organisms.

20. "Financial institution" means a bank, savings and loan association, trust company or credit union that is lawfully doing business in this state and that is not affiliated with a funeral establishment.

21. "Fixed price prearranged funeral agreement funded by trust" means any agreement or combination of agreements that establishes a fixed price for funeral goods and services, that requires a funeral establishment to provide those funeral goods and services at the price levels in effect at the time of the execution of the agreement and that requires the purchaser to convey all or a portion of the accrued interest to the funeral establishment at the time that the funeral goods and services are actually provided.

22. "Funded by insurance" means that monies for a prearranged funeral agreement are paid directly to an insurance company licensed pursuant to title 20 on behalf of the beneficiary of the agreement.

23. "Funeral directing" means arranging, directing or providing a service in the disposition of dead human bodies for compensation, INCLUDING OPERATING A CREMATORY RETORT AND PERFORMING THE ACTUAL CREMATION OF HUMAN REMAINS.
23. "Funeral director" means a person who is licensed pursuant to this chapter and who is engaged in funeral directing.

24. "Funeral establishment" means a business at a specific location that is licensed pursuant to this chapter and that is devoted to the care, storage or preparation for final disposition or transportation of dead human bodies.

25. "Funeral goods and services" means any personal property or services typically sold or provided in connection with the final disposition of human remains, including caskets, alternative containers, outer burial containers, cremation containers, transportation containers, funeral clothing or accessories, monuments, grave markers, urns, embalming services, funeral directing services and similar funeral or burial items. Funeral goods and services do not include goods and services sold by cemeteries.

26. "Good moral character" means that a person:
   (a) Has not been convicted of a class 1 or 2 felony by a court of competent jurisdiction.
   (b) Has not, within five years of application for licensure or registration, been convicted of a felony or misdemeanor if the offense has a reasonable relationship to the person's proposed area of licensure or registration.
   (c) Has not, within five years of application for licensure or registration, committed any act involving dishonesty, fraud, misrepresentation, breach of fiduciary duty, gross negligence or incompetence if the act has a reasonable relationship to the person's proposed area of licensure or registration.
   (d) Is not currently incarcerated in or on community supervision after a period of imprisonment in a local, state or federal penal institution or on criminal probation.
   (e) Has not engaged in fraud or misrepresentation in connection with an application for licensure or registration under this chapter or an examination required for licensure or registration.
   (f) Has not, within five years of application for licensure or registration, had a license, registration or endorsement revoked or suspended by the board or by the funeral services licensing authority of any other jurisdiction.
   (g) Has not surrendered a license, registration or endorsement to the board or the funeral licensing authority of any other jurisdiction in lieu of disciplinary action.
   (h) Has not practiced funeral directing or embalming without a license in this state or any other jurisdiction that requires licensure to perform these activities.

27. "Holding facility" means a designated area for the retention of human remains.

28. "Human remains" means a lifeless human body or parts of a human body that permit a reasonable inference that death occurred.
30. "Intern" means a person who is licensed pursuant to this chapter and who is engaged in embalming under the supervision of a licensed embalmer.

31. "Intern trainee" means a person who intends to enter training as an intern and who is temporarily employed by a funeral establishment.

32. "License" means a written authorization that is issued by the board that entitles a person to act as a funeral director, embalmer or intern or to operate a funeral establishment or crematory in this state.

33. "Licensee" means a person to whom the board has issued a license to act as a funeral director, embalmer or intern or to operate a funeral establishment or crematory in this state.

34. "Manage" means:

(a) for a responsible funeral director to exercise control and oversight over all employees of both of the following:
   (a) A funeral establishment and over funeral transactions, including the care of dead human bodies, funeral services and activities and the documentation and retention of records.

(b) for a responsible cremationist to exercise control and oversight over all employees of a crematory and crematory operations.

35. "National board examination" means the test or tests given by the conference of funeral service examining boards to determine the entry level knowledge and skills of a person regarding funeral directing and embalming.

36. "Net interest" means interest earned on a prearranged funeral trust account less applicable taxes, reasonable and necessary charges made by the financial institution and the annual service fee permitted to be deducted by the funeral establishment according to section 32-1391.06, subsection B.

37. "Outer burial container" means a container that is designed for placement in a grave around a casket, including burial vaults, grave boxes and grave liners.

38. "Owner" means a person who owns ten percent or more of a business entity. Owner does not include shareholders of companies who have a class of common equity stock listed or authorized to be listed on the New York stock exchange or the American stock exchange or listed on the NASDAQ stock market.

39. "Person legally responsible" means the person responsible for burying a dead body as determined in section 36-831.

40. "Prearranged funeral agreement" means any agreement or combination of agreements under which a payment is made before the death of the intended beneficiary for funeral goods and services to be delivered or performed after the death of the beneficiary.

41. "Prearranged funeral trust account" means a trust account that is established at a financial institution and into which all monies paid on behalf of a beneficiary pursuant to a prearranged funeral agreement are deposited.
42.  "Preparation" means washing, shaving, dressing or arranging hair on, applying cosmetics to or positioning bodily features on a dead human body and placing a dead human body in a casket.

43.  "Processed cremated remains" means cremated remains after they are pulverized and cleaned, leaving primarily small bone fragments.

44.  "Provisionally accredited" means granted candidacy status by the American board of funeral service education.

45.  "Registration" means a written authorization that is issued by the board and that entitles a person to act as an assistant funeral director, an embalmer's assistant or a prearranged funeral salesperson in this state.

46.  "Responsible cremationist" means a licensed cremationist who manages a crematory.

47.  "Responsible funeral director" means a person who is licensed pursuant to this chapter, who is engaged in funeral directing, and who manages and is accountable for a funeral establishment AND WHO MANAGES A CREMATORY.

48.  "Retort" means an enclosed space within which cremation takes place.

49.  "State equivalent examination" means the test or tests provided by the conference of funeral service examining boards and offered by the board to determine the entry level knowledge and skills of a person regarding funeral directing and embalming.

50.  "Supervise" or "supervision" means a licensed embalmer has responsibility for and is within sight and sound of a licensed intern who is embalming a dead human body or a student who is assisting in embalming a dead human body.

51.  "Temporary container" means a receptacle that is usually made of cardboard, rigid plastic or another similar material and that is designed to hold processed cremated remains until they are placed in an urn or another permanent container.

52.  "Trust funds" means all monies deposited on behalf of a beneficiary of a prearranged funeral agreement funded by trust and all accrued net interest. Trust funds shall be considered an account kept in suspense until distributed to the beneficiary, the funeral establishment or the estate of the beneficiary in accordance with this article.

53.  "Universal precautions" means the universal blood and fluid precautions recommended by the centers for disease control of the United States public health service to prevent the transmission of blood-borne blood-borne and bodily fluid-borne infectious diseases.

54.  "Unprofessional conduct" includes the following acts, whether occurring in this state or elsewhere:
   (a) Commission of a class 1 or 2 felony.
   (b) Commission of a felony or misdemeanor if the offense has a reasonable relationship to funeral directing or embalming. Conviction by any
court of competent jurisdiction or a plea of no contest is conclusive

evidence of the commission.

(c) Providing false, misleading or deceptive information on an
application for licensure or registration pursuant to this chapter or on an
examination required for licensure or registration.

(d) Bribing or offering to bribe, directly or indirectly, a member of
the board to influence the member's actions in the performance of the
member's duties.

(e) Wilfully interfering with an embalmer, funeral director or
cremationist who has lawful custody of a dead human body in the performance
of the embalmer's, funeral director's or cremationist's duty to embalm or
prepare the body for burial, transportation or cremation.

(f) Paying or causing money or other valuable consideration to be paid
to a person, other than an employee of a funeral establishment, to secure
business regulated pursuant to this chapter from or through the person.

(g) Violating any law of this state or any rule adopted by the
department of health services that relates to the embalming or preparation of
dead human bodies.

(h) Certifying falsely to having embalmed or prepared a dead human
body that was embalmed by a person other than a licensed embalmer making the
certification or an intern under the supervision of a licensed embalmer
making the certification.

(i) Falsely advertising or labeling any service or merchandise with
the intention of deceiving the public.

(j) Shipping or delivering any merchandise or supplies that are not
the substantial equivalent of or superior in quality to merchandise or
supplies previously presented to the purchaser as samples.

(k) Committing any act involving dishonesty, fraud, misrepresentation,
breach of fiduciary duty, gross negligence or incompetence if the act has a
reasonable relationship to funeral directing or embalming.

(l) Engaging in any conduct or practice that is reasonably related to
funeral directing or embalming and that is or may be harmful or dangerous to
the health, safety or welfare of the public.

(m) Within a period of five years, having a license, registration or
endorsement suspended or revoked by the board or by the funeral services
licensing authority of any other jurisdiction or surrendering a license,
registration or endorsement in lieu of disciplinary action.

55. 53. "Urn" means a receptacle into which processed cremated remains
are placed for disposition.

Sec. 22. Section 32-1309, Arizona Revised Statutes, is amended to
read:

32-1309. Fees
A. The board shall establish and collect the following application
fees:

1. For a funeral director license, eighty-five dollars.
2. For an embalmer license, eighty-five dollars.
3. For an embalmer's assistant registration, eighty-five dollars.
4. For an intern license, eighty-five dollars.
5. For a funeral director or embalmer license for a person who does not reside in this state, eighty-five dollars.
6. For a prearranged funeral salesperson registration, eighty-five dollars.
7. For a funeral establishment license:
   (a) For a new establishment, new owner or new location, five hundred dollars.
   (b) For a change of name, one hundred seventy-five dollars.
8. For a prearranged funeral sales establishment endorsement, one hundred eighty-five dollars.
9. For a crematory license:
   (a) For a new crematory, new owner or new location, one hundred dollars per retort.
   (b) For a change of name, one hundred seventy-five dollars.
10. For a cremationist license, eighty-five dollars.
B. The board shall establish and collect the following examination fees:
1. For the funeral director state laws and rules examination, eighty dollars.
2. For the embalmer state laws and rules examination, eighty dollars.
3. For the prearranged funeral salesperson state laws and rules examination, eighty dollars.
4. For the funeral service science section of the state equivalent examination, one hundred fifty dollars.
5. For the funeral service arts section of the state equivalent examination, one hundred fifty dollars.
C. The board shall establish and collect the following license and registration issuance fees:
1. For a funeral director license, eighty-five dollars.
2. For an embalmer license, eighty-five dollars.
3. For an embalmer's assistant registration, eighty-five dollars.
4. For an intern license, eighty-five dollars.
5. For a prearranged funeral salesperson registration, eighty-five dollars.
6. For a cremationist license, eighty-five dollars.
D. The board shall establish and collect the following renewal fees:
1. For a funeral director license, eighty-five dollars.
2. For an embalmer license, eighty-five dollars.
3. For an embalmer's assistant registration, eighty-five dollars.
4. For an intern license, eighty-five dollars.
5. For an assistant funeral director registration, eighty-five dollars.
6. For a prearranged funeral salesperson registration, eighty-five dollars.

7. For an establishment license, four dollars for each disposition performed by the establishment during the immediately preceding calendar year. For the purposes of this paragraph, a funeral establishment performs a disposition each time the establishment files a death certificate pursuant to section 36-325.

8. For a prearranged funeral sales establishment endorsement, one hundred eighty-five dollars.

9. For a crematory license, two hundred dollars per retort.

10. For a cremationist license, eighty-five dollars.

E. The board shall establish and collect the following fees:

1. For a duplicate license or registration, twenty-five dollars.

2. For a reexamination:
   (a) For a state laws and rules examination, fifty dollars.
   (b) For the funeral service science section or the funeral service arts section of the state equivalent examination, sixty-five dollars.

3. For late renewal of a licensee or registration, thirty-five dollars.

4. For late renewal of an establishment license or endorsement, sixty dollars.

5. For inactive licensure or registration, twenty-five dollars.

6. For reinstatement of an inactive license, fifty dollars.

7. For reinstatement of an inactive registration, one hundred thirty dollars.

8. For an interim funeral establishment permit, twenty-five dollars.

9. For filing an annual trust report, a fee of not more than two hundred dollars.

10. For filing a late or incomplete annual trust report, a penalty of not more than two hundred dollars.

F. The board may establish and collect a fee for intern trainees in an amount to be determined by the board.

Sec. 23. Section 32-1334, Arizona Revised Statutes, is amended to read:

32-1334. Inactive status

A. A licensed embalmer, funeral director, cremationist who retires from practicing embalming, funeral directing or cremation and who is not currently practicing embalming, funeral directing or cremation in this state may request that the board place the person's license on inactive status. The person shall submit the request on a form prescribed by the board and shall pay the applicable fee pursuant to section 32-1309.

B. A person who holds an inactive license shall not practice embalming, funeral directing or cremation in this state.
C. A person who holds an inactive license may request that the board reactivate the person’s license. If an inactive licensee desires to reactivate a license, the inactive licensee shall submit a completed application on a form prescribed by the board, the applicable fee pursuant to section 32-1309, a completed fingerprint card and the prescribed fingerprint background check fee. The person shall demonstrate that he THE PERSON is of good moral character and shall pass the applicable state laws and rules examination.

Sec. 24. Section 32-1394, Arizona Revised Statutes, is amended to read:

32-1394. Crematory requirements

A crematory THAT IS licensed pursuant to this article shall:
1. Maintain a retort that is operated at all times in a sanitary and professional manner, that conforms to local building and environmental codes and that provides protection for the health and safety of persons in attendance at a cremation and employees of the crematory.
2. Maintain a holding facility that is secure from access by anyone other than employees of the crematory and public officials in the performance of their official duties, that complies with applicable public health laws, that protects the health and safety of employees of the crematory and that preserves the dignity of human remains in the facility.
3. Possess all equipment and supplies that are necessary to conduct cremations in a manner that provides protection for the health and safety of persons in attendance at a cremation and employees of the crematory.
4. Employ and designate a responsible cremationist who is licensed pursuant to this article and who is trained in crematory operations to manage the daily operation of the crematory. The responsible cremationist is responsible for the crematory complying with the laws of this state and the rules of the board or the rules of the department of real estate, as applicable. The crematory or the responsible cremationist shall designate a licensed cremationist to act as an interim responsible cremationist.

Sec. 25. Repeal
Sections 32-1394.01 and 32-1394.02, Arizona Revised Statutes, are repealed.

Sec. 26. Section 32-1395, Arizona Revised Statutes, is amended to read:

32-1395. Application; qualifications for licensure

A. An applicant for a crematory license shall submit a completed application on a form prescribed by the board. If the applicant is a business entity, the entity shall direct a natural person who is an owner of the entity to submit its application. The application shall be subscribed under oath, shall contain the name of the responsible cremationist FUNERAL DIRECTOR and shall be accompanied by the applicable fee pursuant to section 32-1309 and any additional information that the board deems necessary. A business entity that applies for a license pursuant to this article shall
submit to the board with its application for licensure a copy of its partnership agreement, its articles of incorporation or organization or any other organizational documents required to be filed with the corporation commission.

B. A person who applies for a license pursuant to this article, or if the applicant is a business entity, the owners, partners, officers, directors and trust beneficiaries of the entity, shall:

1. Be of good moral character.
2. Submit a completed fingerprint card, criminal history background information and a fingerprint background check fee to the board.

C. The board or the board's designee shall inspect the premises of a crematory and investigate the character and other qualifications of all applicants for licensure pursuant to this article to determine whether the crematory and the applicants are in compliance with the requirements of this article and rules adopted by the board.

D. If the board finds that the applicant meets the criteria for licensure under this article and rules adopted by the board, the board shall issue a crematory license.

Sec. 27. Section 32-1396.01, Arizona Revised Statutes, is amended to read:

32-1396.01. Display of license
A crematory shall display its license and the responsible cremationist's FUNERAL DIRECTOR'S license at the crematory to which the license was issued in a location that enables any member of the public who enters the crematory to observe and read the license.

Sec. 28. Section 32-1399, Arizona Revised Statutes, is amended to read:

32-1399. Crematories; standards of practice
The board shall adopt rules that establish standards equivalent to section 32-1307, subsection A, paragraph 5 for the regulation of crematories and cremation and that include the following:

1. A crematory shall develop, implement and maintain a written procedure for the identification of human remains that ensures that remains can be identified from the time that a crematory accepts the delivery of the remains until the cremated remains are released to the authorizing agent. The identification procedures shall require the crematory to comply with the requirements of this section. The crematory shall not open a container containing human remains, except under the personal supervision of a licensed funeral director or embalmer, or a responsible cremationist WHO IS licensed pursuant to this article CHAPTER and trained in crematory operations to manage the daily operation of the crematory. After taking custody of human remains, a crematory shall immediately verify the identification attached to the casket or cremation container and assign an identification number. The crematory shall not accept unidentified caskets or cremation containers. The identification shall include the name and address of the deceased, the name
and relationship of the authorizing agent, the name of the person or entity
engaging the crematory services, a valid cremation permit issued by a
government agency and a metal cremation disk containing the identification
number. The disk shall be placed with the deceased during cremation.

2. If a crematory is unable to cremate the human remains immediately
after taking custody, the crematory shall store the remains in a holding
facility that is secure from access by anyone other than employees of the
crematory and public officials in the performance of their duty and that
complies with applicable public health laws, preserves the dignity of the
human remains and protects the health of employees of the crematory.

3. A crematory shall not accept a casket or cremation container from
which there is evidence of leakage of body fluids from the human remains and
shall not hold human remains for cremation unless they are contained in an
individual, closed casket or rigid cremation container of combustible
material that preserves the dignity of the human remains and that protects
the health of employees of the crematory. Human remains that are not
embalmed shall be held by the crematory in a refrigerated holding facility or
in compliance with applicable public health laws.

4. All body prostheses, bridgework or similar items removed from the
cremated remains shall be disposed of by the crematory unless an alternative
disposition is agreed to in the authorization to cremate.

5. After cremation, the crematory as far as practicable shall remove
visible parts of the residual of the cremation process from the retort, shall
not combine the cremated or processed remains with other cremated or
processed remains and shall attach the identification of the cremated or
processed remains to the temporary container or urn into which the remains
are placed.

6. The crematory shall place cremated or processed remains in a
temporary container or urn. Extra space may be filled with clean packing
material that will not combine with the cremated or processed remains. The
lid or top shall be securely closed. Any cremated or processed remains that
do not fit in the temporary container or urn shall be returned in a separate
container or, with permission of the authorizing agent, disposed of by the
crematory.

7. A crematory may dispose of cremated or processed remains in any
legal manner directed by a document prepared pursuant to section 32-1365.01
or agreed to by the authorizing agent. If the authorizing agent agrees to
take possession and does not take possession of the remains within thirty
days after cremation or on an agreed date, the crematory shall send written
notice to the last known address of the authorizing agent to take
possession. Ninety days after the notification is sent or delivered, the
crematory may dispose of the cremated or processed remains in any legal
manner.

8. Unless the deceased has prepared a document pursuant to section
32-1365.01, the crematory shall obtain an authorization to cremate from the
authorizing agent that shall contain a provision holding the crematory harmless for the disposition of unclaimed cremated or processed remains.

9. All employees of the crematory who handle dead human bodies shall use universal precautions and shall otherwise exercise reasonable care to minimize the risk of transmitting any communicable disease from a dead human body.

10. Unless the deceased has prepared a document pursuant to section 32-1365.01, employees of the crematory shall not remove a dead human body from the container in which it is delivered to the crematory without the express written consent of the authorizing agent. If, after accepting a dead human body for cremation, employees of a crematory discover that a mechanical or radioactive device is implanted in the body, an embalmer licensed pursuant to article 2 of this chapter shall remove the device from the body before cremation takes place.

11. A crematory shall keep an accurate record of all cremations performed, including dispositions of cremated and processed remains, for not fewer than five years after the cremation.

Sec. 29. Section 32-1921, Arizona Revised Statutes, is amended to read:

32-1921. Exempted acts; exemption from registration fees; definition

A. This chapter does not prevent:

1. The prescription and dispensing of drugs or prescription medications by a registered nurse practitioner pursuant to rules adopted by the ARIZONA STATE board of nursing in consultation with the Arizona medical board, the board of osteopathic examiners in medicine and surgery and the board of pharmacy.

2. The sale of nonprescription drugs that are sold at retail in original packages by a person holding a permit issued by the board under this chapter.

3. The sale of drugs at wholesale by a wholesaler or manufacturer that holds the required permit issued by the board to a person who holds the required permit issued under this chapter.

4. The manufacturing of drugs by a person who is not a pharmacist and who holds the required permit issued by the board under this chapter.

5. The following health professionals from dispensing or personally administering drugs or devices to a patient for a condition being treated by the health professional:

   (a) A doctor of medicine licensed pursuant to chapter 13 of this title.

   (b) An osteopathic physician licensed pursuant to chapter 17 of this title.

   (c) A homeopathic physician licensed pursuant to chapter 29 of this title.

   (d) A podiatrist licensed pursuant to chapter 7 of this title.
(e) A dentist licensed pursuant to chapter 11 of this title.

(f) A doctor of naturopathic medicine who is authorized to prescribe natural substances, drugs or devices and who is licensed pursuant to chapter 14 of this title.

(g) An optometrist who is licensed pursuant to chapter 16 of this title and who is certified for topical or oral pharmaceutical agents.

6. A veterinarian licensed pursuant to chapter 21 of this title from dispensing or administering drugs to an animal or from dispensing or administering devices to an animal being treated by the veterinarian.

7. The use of any pesticide chemical, soil or plant nutrient or other agricultural chemical that is a color additive solely because of its effect in aiding, retarding or otherwise affecting directly or indirectly the growth or other natural physiological process of produce of the soil and thereby affecting its color whether before or after harvest.

8. A licensed practical or registered nurse employed by a person licensed pursuant to chapter 7, 11, 13, 14, 17 or 29 of this title from assisting in the delivery of drugs and devices to patients, in accordance with chapter 7, 11, 13, 14, 17 or 29 of this title.

9. The use of any mechanical device or vending machine in connection with the sale of any nonprescription drug, including proprietary and patent medicine. The board may adopt rules to prescribe conditions under which nonprescription drugs may be dispensed pursuant to this paragraph.

B. A person who is licensed pursuant to chapter 7, 11, 13, 14, 17 or 29 of this title and who employs a licensed practical or registered nurse who in the course of employment assists in the delivery of drugs and devices is responsible for the dispensing process.

C. Pursuant to a prescription order written by a physician for the physician's patients and dispensed by a licensed pharmacist, a physical therapist licensed pursuant to chapter 19 of this title—OR an occupational therapist licensed pursuant to chapter 34 of this title or an athletic trainer licensed pursuant to chapter 41 of this title—may procure, store and administer nonscheduled legend and topical anti-inflammatories and topical anesthetics for use in phonophoresis and iontophoresis procedures and within the scope of practice of physical or occupational therapy or athletic training.

D. A public health facility operated by this state or a county and a qualifying community health center may dispense medication or devices to patients at no cost without providing a written prescription if the public health facility or the qualifying community health center meets all storage, labeling, safety and record keeping rules adopted by the board of pharmacy.

E. A person who is licensed pursuant to chapter 7, 11, 13, 14, 17 or 29 of this title, who is practicing at a public health facility or a qualifying community health center and who is involved in the dispensing of medication or devices only at a facility or center, whether for a charge or
at no cost, shall register to dispense with the appropriate licensing board but is exempt from paying registration fees.

F. For the purposes of this section, "qualifying community health center" means a primary care clinic that is recognized as nonprofit under section 501(c)(3) of the United States internal revenue code and whose board of directors includes patients of the center and residents of the center's service area.

Sec. 30. Section 32-2352, Arizona Revised Statutes, is amended to read:

32-2352. Enforcement; contract with private entity
A. The director, subject to title 41, chapter 6, shall adopt such rules concerning the administration and enforcement of this chapter as are necessary to carry out the intent of this chapter and to protect the public. The director or the director's authorized representative shall inspect the school facilities and equipment used by applicants and licensees under this chapter and examine applicants for instructor's licenses.
B. The director shall administer and enforce this chapter.
C. The director may contract with a private entity to conduct inspections pursuant to this section and to administer any rules adopted pursuant to this section that relate to the licensure and administration of professional driver training schools pursuant to this chapter. The term of any contract entered into pursuant to this subsection shall not exceed five years with a right to renew for an additional five years. The private entity that contracts with the director pursuant to this subsection:
1. Shall not provide professional driver training school courses.
2. May charge a fee to each person who enrolls in a professional driver training school.

Sec. 31. Repeal
Section 32-2372, Arizona Revised Statutes, is repealed.
Sec. 32. Section 32-2373, Arizona Revised Statutes, is amended to read:

32-2373. Refusal to issue or renew license of school or agent
A. The director may refuse to issue or renew the license for a school or an agent or instructor in any case where IN WHICH the director determines that the licensee or applicant has not complied with, or has knowingly violated, any provision of this chapter or any rule adopted pursuant to this chapter by the director.
B. An applicant or licensee who is aggrieved by the director's decision may make a written request to the department for a hearing within thirty days after service of notice of the refusal. If the applicant or licensee does not request a hearing within thirty days, the decision is final. If the applicant or licensee requests a hearing, the director shall give written notice to the applicant or licensee to appear at the hearing and show cause why the refusal to issue or renew the license should not be upheld. After consideration of the evidence presented at the hearing, the
director shall serve notice in writing to the applicant or licensee of the
director's findings and order.

Sec. 33. Section 32-2374, Arizona Revised Statutes, is amended to
read:

32-2374. Fees

Except as provided in section 32-4301, all licenses expire on the last
day of the calendar year and may be renewed upon application to the
director as prescribed by rule. Each application for an original or renewal
license to operate a professional driver training school shall be accompanied
by a fee of two hundred dollars. Each application for an original or renewal
agent's or instructor's license shall be accompanied by a fee of ten
dollars. An application for a branch license shall be accompanied by a fee
of fifty dollars. No license fee may be refunded in the event a license is
suspended or revoked.

Sec. 34. Section 32-2391, Arizona Revised Statutes, is amended to
read:

32-2391. Suspension and revocation of license; determination;
appeal

The director, after conducting a hearing for the licensee, may cancel,
suspend or revoke the license of a school—or agent or instructor in any
case where the director finds that the licensee has not complied
with, or has knowingly violated, this chapter or any rule adopted under this
chapter. Each cancelled, suspended or revoked license shall be returned to
the director by the licensee. Decisions of the director shall be subject to
judicial review pursuant to title 12, chapter 7, article 6.

Sec. 35. Section 32-3101, Arizona Revised Statutes, is amended to
read:

32-3101. Definitions

In this chapter, unless the context otherwise requires:

1. "Applicant group" means any health professional group or
organization, any individual or any other interested party that proposes that
any health professional group not presently regulated be regulated or that
proposes to increase the scope of practice of a health profession.

2. "Certification" means a voluntary process by which a regulatory
entity grants recognition to an individual who has met certain prerequisite
qualifications specified by that regulatory entity and who may assume or use
the word "certified" in a title or designation to perform prescribed health
professional tasks.

3. "Grandfather clause" means a provision applicable to practitioners
actively engaged in the regulated health profession before the effective date
of a law that exempts the practitioners from meeting the prerequisite
qualifications set forth in the law to perform prescribed occupational tasks.

4. "Health professions" means professions regulated pursuant to
chapter 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 21, 25, 28, 29, 33,
34, 35, OR 39 or 41 of this title, title 36, chapter 6, article 7 or title 36, chapter 17.

5. "Increase the scope of practice" means to engage in conduct beyond the authority granted to a health profession by law.

6. "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety and welfare.

7. "Legislative committees of reference" means joint subcommittees composed of the members of the appropriate standing committees of the house of representatives and senate appointed pursuant to section 41-2954.

8. "Licensure" or "license" means an individual, nontransferable authorization to carry on a health activity that would otherwise be unlawful in this state in the absence of the permission, and that is based on qualifications that include graduation from an accredited or approved program and acceptable performance on a qualifying examination or a series of examinations.

9. "Practitioner" means an individual who has achieved knowledge and skill by practice and who is actively engaged in a specified health profession.

10. "Public member" means an individual who is not and never has been a member or spouse of a member of the health profession being regulated and who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

11. "Registration" means the formal notification that, before rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner, the location, nature and operation of the health activity to be practiced and, if required by a regulatory entity, a description of the service to be provided.

12. "Regulatory entity" means any board, commission, agency or department of this state that regulates one or more health professions in this state.

13. "State agency" means any department, board, commission or agency of this state.

Sec. 36. Section 32-3201, Arizona Revised Statutes, is amended to read:

32-3201. Definitions
In this chapter, unless the context otherwise requires:
1. "Health profession regulatory board" means any board that regulates one or more health professionals in this state.
2. "Health professional" means a person who is certified or licensed pursuant to chapter 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 21, 25, 28, 29, 33, 34, 35, 39, 41 or 42 of this title, title 36, chapter 4, article 6, title 36, chapter 6, article 7 or title 36, chapter 17.
3. "Medical record RECORDS" has the same meaning prescribed in section 12-2291 but does not include prescription orders.

Sec. 37. Section 32-3218, Arizona Revised Statutes, is amended to read:

32-3218. Health profession regulatory boards; members; training; definitions

A. Beginning January 1, 2015, each member of a health profession regulatory board shall complete a twelve-hour training within one year after the member's initial appointment to the board. Any member of a health profession regulatory board whose initial appointment was before January 1, 2015 has until January 1, 2016 to complete the training required by this subsection. The training must include the subjects of governance and administrative management, disciplinary procedures, conduct of quasi-judicial proceedings, administrative procedure and rule adoption and licensure as they apply to the health profession regulatory board. Any training completed by a current board member on and after January 1, 2014 on the topics specified in this subsection may count toward the requirements of this subsection.

B. The training of board members required by this section may be provided by the staff of any health profession regulatory board, the office of the attorney general, the department of administration, the auditor general or an outside educational institution or any other provider that is approved by the health profession regulatory board on which the member is serving.

C. Any board action taken by a health profession regulatory board is not subject to challenge or invalidation because a board member has not completed the training required by this section.

D. For the purposes of this section:

1. "Health profession regulatory board" means any board that regulates one or more health professional PROFESSIONALS in this state.

2. "Health professional" means a person who is certified or licensed pursuant to chapter 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 21, 25, 28, 29, 34, 35, 39, 41 or 42 of this title.

Sec. 38. Section 32-4101, Arizona Revised Statutes, is amended to read:

32-4101. Definitions

In this chapter, unless the context otherwise requires:

1. "Athletic illness" means an illness that arises from, or a manifestation of an illness that occurs as a result of, a person's participation in or preparation for games or sports or participation in recreational activities or physical fitness activities.

2. "Athletic injury" means an injury sustained by a person as a result of that person's participation in or preparation for games or sports or participation in recreational activities or physical fitness activities, or any injury sustained by a person that is of the type that occurs during participation in or preparation for games or sports or participation in
recreational activities or physical fitness activities, regardless of the circumstances under which the injury was sustained.

3. "Athletic trainer" means a person who is licensed pursuant to this chapter.

4. 3. "Athletic training" includes the following performed under the direction of a licensed physician and for which the athletic trainer has received appropriate education and training as prescribed by the board:
   (a) The prevention, recognition, examination, evaluation, rehabilitation and management of athletic injuries.
   (b) The prevention, evaluation, immediate care and monitoring of athletic illnesses.
   (c) The referral of a person receiving athletic training services to appropriate health care professionals, as necessary.
   (d) The use of heat, cold, water, light, sound, electricity, passive or active exercise, massage, mechanical devices or any other therapeutic modality to prevent, treat, rehabilitate or recondition athletic injuries.
   (e) The planning, administration, evaluation, and modification of methods for prevention and risk management of athletic injuries and athletic illnesses.
   (f) Education and counseling related to all aspects of the practice of athletic training.
   (g) The use of topical pharmacological agents in conjunction with the administration of therapeutic modalities and pursuant to a prescription issued pursuant to the laws of this state and for which an athletic trainer has received appropriate education and training.

5. "Athletic training student" means a student who is currently enrolled in an athletic training education program that is accredited by an accrediting agency recognized by the board.

6. "Board" means the board of athletic training.

7. "Direct supervision" means that the supervising athletic trainer is present in the facility or on the campus where athletic training students are performing services, is immediately available to assist the person being supervised in the services being performed and maintains continued involvement in appropriate aspects of the services being performed.

8. "Direction of a licensed physician" means direction as prescribed by the board by rule pursuant to section 32-4103.

9. "Licensed physician" means a person who is licensed pursuant to chapter 13 or 17 of this title.

10. "Restricted license" means a license on which the board places restrictions or conditions, or both, as to the scope of practice, place of practice, supervision of practice, duration of license status or type or condition of a person to whom the licensee may provide services.

Sec. 39. **Repeal**
Sections 32-4102, 32-4103 and 32-4104, Arizona Revised Statutes, are repealed.
Sec. 40.  Title 32, chapter 41, article 1, Arizona Revised Statutes, is 
amended by adding a new section 32-4102, to read:

32-4102.  Regulation

A PERSON MAY PRACTICE ATHLETIC TRAINING IN THIS STATE IF BOTH OF THE
FOLLOWING APPLY:
1.  THE PERSON OPERATES UNDER THE SUPERVISION OF A PHYSICIAN WHO IS
LICENSED PURSUANT TO CHAPTER 13 OR 17 OF THIS TITLE.
2.  THE PERSON IS CERTIFIED BY A NATIONAL ACCREDITED ATHLETIC TRAINING
PROGRAM.

Sec. 41.  Repeal; transfer of monies
A.  Section 32-4105, Arizona Revised Statutes, is repealed.
B.  All unexpended and unencumbered monies remaining in the athletic
training fund established by section 32-4105, Arizona Revised Statutes, as
repealed by subsection A of this section, are transferred to the state
general fund on the effective date of this section.

Sec. 42.  Repeal
Title 32, chapter 41, articles 2 and 3, Arizona Revised Statutes, are
repealed.

Sec. 43.  Section 34-101, Arizona Revised Statutes, is amended to read:

34-101.  Definitions
In this title, unless the context otherwise requires:
1.  "Agent":
   (a)  Means any county, city or town, or officer, board or commission of
any county, city or town, and irrigation, power, electrical, drainage, flood
protection and flood control districts, tax levying public improvement
districts and county or city improvement districts.
   (b)  Includes any county board of supervisors and any representative
authorized by an agent to act as an agent for the purpose of authorizing
necessary change orders to previously awarded contracts in accordance with
guidelines established by rule of the agent, including the board of
supervisors.
   2.  "Architect services" means those professional architect services
that are within the scope of architectural practice as provided in title 32,
chapter 1.
   3.  "Construction":
   (a)  Means the process of building, altering, repairing, improving or
demolishing any public structure or building or other public improvements of
any kind to any public real property.
   (b)  Does not include the routine operation, routine repair or routine
maintenance of existing facilities, structures, buildings or real property.
   4.  "Construction-manager-at-risk" means a project delivery method in
which:
   (a) There is a separate contract for design services and a separate
contract for construction services, except that instead of a single contract
for construction services, the agent may elect separate contracts for
preconstruction services during the design phase, for construction during the
construction phase and for any other construction services.

(b) The contract for construction services may be entered into at the
same time as the contract for design services or at a later time.

(c) Design and construction of the project may be either:
(i) Sequential with the entire design complete before construction
commences.
(ii) Concurrent with the design produced in two or more phases and
construction of some phases commencing before the entire design is complete.

(d) Finance services, maintenance services, operations services,
preconstruction services and other related services may be included.

5. "Construction services" means either of the following for
construction-manager-at-risk, design-build and job-order-contracting project
delivery methods:
(a) Construction, excluding services, through the
construction-manager-at-risk or job-order-contracting project delivery
methods.
(b) A combination of construction and, as elected by the agent, one or
more related services, such as finance services, maintenance services,
operations services, design services and preconstruction services, as those
services are authorized in the definitions of construction-manager-at-risk,
design-build or job-order-contracting in this section.

6. "Contract" means all types of agent agreements, regardless of what
they are called, for the procurement of services pursuant to this title.

7. "Contractor" means any person who has a contract with an agent.

8. "Design-bid-build" means a project delivery method in which:
(a) There is a sequential award of two separate contracts.
(b) The first contract is for design services.
(c) The second contract is for construction.
(d) Design and construction of the project are in sequential phases.
(e) Finance services, maintenance services and operations services are
not included.

9. "Design-build" means a project delivery method in which:
(a) There is a single contract for design services and construction
services, except that instead of a single contract for design services and
construction services, the agent may elect separate contracts for
preconstruction services and design services during the design phase, for
construction and design services during the construction phase and for any
other construction services.
(b) Design and construction of the project may be either:
(i) Sequential with the entire design complete before construction
commences.
(ii) Concurrent with the design produced in two or more phases and
construction of some phases commencing before the entire design is complete.
(c) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

10. "Design professional" means A GEOLOGIST OR LANDSCAPE ARCHITECT OR an individual or firm that is registered by the state board of technical registration pursuant to title 32, chapter 1 to practice architecture, engineering, geology, landscape architecture or land surveying or any combination of those professions and persons employed by the registered individual or firm.

11. "Design requirements":
   (a) Means at a minimum the agent's written description of the project or service to be procured, including:
      (i) The required features, functions, characteristics, qualities and properties.
      (ii) The anticipated schedule, including start, duration and completion.
      (iii) The estimated budgets applicable to the specific procurement for design and construction and, if applicable, for operation and maintenance.
   (b) May include:
      (i) Drawings and other documents illustrating the scale and relationship of the features, functions and characteristics of the project, which shall all be prepared by a design professional who is registered pursuant to section 32-121.
      (ii) Additional design information or documents that the agent elects to include.

12. "Design services" means architect services, engineer services or landscape architect services.

13. "Direct selection" means the selection of a technical registrant without the requirement of advertising or the use of a current register.

14. "Engineer services" means those professional engineer services that are within the scope of engineering practice as provided in title 32, chapter 1.

15. "Finance services" means financing for a construction services project.

16. "Horizontal construction" means construction of highways, roads, streets, bridges, canals, floodways, earthen dams, landfills, light rail and airport runways, taxiways and aprons. For the purposes of this paragraph, light rail does not include any related rail stations, maintenance facilities or parking facilities.

17. "Job-order-contracting" means a project delivery method in which:
   (a) The contract is a requirements contract for indefinite quantities of construction.
   (b) The construction to be performed is specified in job orders issued during the contract.
(c) Finance services, maintenance services, operations services, preconstruction services, design services and other related services may be included.

18. “Landscape architect services” means those professional landscape architect services that are within the scope of landscape architectural practice as provided in title 32, chapter 1.

19. 18. “Maintenance services” means routine maintenance, repair and replacement of existing facilities, structures, buildings or real property.

20. 19. “Materials”:
(a) Means all property, including equipment, supplies, printing, insurance and leases of property.
(b) Does not include land, a permanent interest in land or real property or leasing space.

21. 20. “Operations services” means routine operation of existing facilities, structures, buildings or real property.

22. 21. “Person” means any corporation, business, individual, union, committee, club, other organization or group of individuals.

23. 22. “Preconstruction services” means services and other activities during the design phase.

24. 23. “Procurement”:
(a) Means buying, purchasing, renting, leasing or otherwise acquiring any materials, services, construction or construction services.
(b) Includes all functions that pertain to obtaining any materials, services, construction or construction services, including description of requirements, selection and solicitation of sources, preparation and award of contract and all phases of contract administration.

25. 24. “Public competition” means a competitive procurement process pursuant to section 34-103, subsection G that includes advertising in a public newspaper and a qualification-based selection process.

26. 25. “Services”:
(a) Means the furnishing of labor, time or effort by a contractor or subcontractor that does not involve the delivery of a specific end product other than required reports and performance.
(b) Does not include employment agreements or collective bargaining agreements.

27. 26. “Subcontractor” means a person who contracts to perform work or render service to a contractor or to another subcontractor as a part of a contract with an agent.

28. 27. “Technical registrant” means a person who provides any of the professional services listed in title 32, chapter 1.
Sec. 44. Subject to the requirements of article IV, part 1, section 1, Constitution of Arizona, section 36-601.01, Arizona Revised Statutes, is amended to read:

36-601.01. Smoke-free Arizona act

A. Definitions. The following words and phrases, whenever used in this section, shall be construed as defined in this section:

1. "Employee" means any person who performs any service on a full-time, part-time or contracted basis whether or not the person is denominated an employee, independent contractor or otherwise and whether or not the person is compensated or is a volunteer.

2. "Employer" means a person, business, partnership, association, the state of Arizona and its political subdivisions, corporations, including a municipal corporations, trust, or non-profit entity that employs the services of one or more individual persons.

3. "Enclosed area" means all space between a floor and ceiling that is enclosed on all sides by permanent or temporary walls or windows (exclusive of doorways), which extend from the floor to the ceiling. Enclosed area includes a reasonable distance from any entrances, windows and ventilation systems so that persons entering or leaving the building or facility shall not be subjected to breathing tobacco smoke and so that tobacco smoke does not enter the building or facility through entrances, windows, ventilation systems or any other means.

4. "Health care facility" means any enclosed area utilized by any health care institution licensed according to title 36 chapter 4, chapter 6 article 7, or chapter 17, or any health care professional licensed according to title 32 chapters 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 21, 25, 28, 29, 33, 34, 35, 39, 41, or 42.

5. "Person" means an individual, partnership, corporation, limited liability company, entity, association, governmental subdivision or unit of a governmental subdivision, or a public or private organization of any character.

6. "Physically separated" means all space between a floor and ceiling which is enclosed on all sides by solid walls or windows (exclusive of door or passageway) and independently ventilated from smoke-free areas, so that air within permitted smoking areas does not drift or get vented into smoke-free areas.

7. "Places of employment" means an enclosed area under the control of a public or private employer that employees normally frequent during the course of employment, including office buildings, work areas, auditoriums, employee lounges, restrooms, conference rooms, meeting rooms, classrooms, cafeterias, hallways, stairs, elevators, health care facilities, private offices and vehicles owned and operated by the employer during working hours when the vehicle is occupied by more than one person. A private residence is not a "place of employment" unless it is used as a child care, adult day care, or health care facility.
8. "Veteran and fraternal clubs" means a club as defined in A.R.S. 4-101(7)(a)(b) or (c) SECTION 4-101, PARAGRAPH 7, SUBDIVISION (a), (b) OR (c).

9. "Public place" means any enclosed area to which the public is invited or in which the public is permitted, including airports, banks, bars, common areas of apartment buildings, condominiums or other multifamily housing facilities, educational facilities, entertainment facilities or venues, health care facilities, hotel and motel common areas, laundromats, public transportation facilities, reception areas, restaurants, retail food production and marketing establishments, retail service establishments, retail stores, shopping malls, sports facilities, theaters, and waiting rooms. A private residence is not a "public place" unless it is used as a child care, adult day care, or health care facility.

10. "Retail tobacco store" means a retail store that derives the majority of its sales from tobacco products and accessories.

11. "Smoking" means inhaling, exhaling, burning, or carrying or possessing any lighted tobacco product, including cigars, cigarettes, pipe tobacco and any other lighted tobacco product.

12. "Sports facilities" means enclosed areas of sports pavilions, stadiums, gymnasiums, health spas, boxing arenas, swimming pools, roller and ice rinks, billiard halls, bowling alleys, and other similar places where members of the general public assemble to engage in physical exercise, participate in athletic competition, or witness sporting events.

B. Smoking is prohibited in all public places and places of employment within the state of Arizona, except the following:

1. Private residences, except when used as a licensed child care, adult day care, or health care facility.

2. Hotel and motel rooms that are rented to guests and are designated as smoking rooms; provided, however, that not more than fifty percent of rooms rented to guests in a hotel or motel are so designated.

3. Retail tobacco stores that are physically separated so that smoke from retail tobacco stores does not infiltrate into areas where smoking is prohibited under the provisions of this section.

4. Veterans and fraternal clubs when they are not open to the general public.

5. Smoking when associated with a religious ceremony practiced pursuant to the American Indian religious freedom act of 1978.

6. Outdoor patios so long as tobacco smoke does not enter areas where smoking is prohibited through entrances, windows, ventilation systems, or other means.

7. A theatrical performance upon a stage or in the course of a film or television production if the smoking is part of the performance or production.
C. The prohibition on smoking in places of employment shall be communicated to all existing employees by the effective date of this section and to all prospective employees upon their application for employment.

D. Notwithstanding any other provision of this section, an owner, operator, manager— or other person or entity in control of an establishment, facility, or outdoor area may declare that entire establishment, facility— or outdoor area as a nonsmoking place.

E. Posting of signs and ashtray removal.

1. "No smoking" signs or the international "no smoking" symbol (consisting of a pictorial representation of a burning cigarette enclosed in a red circle with a red bar across it) shall be clearly and conspicuously posted by the owner, operator, manager, or other person in control of that place identifying where smoking is prohibited by this section and where complaints regarding violations may be registered.

2. Every public place and place of employment where smoking is prohibited by this section shall have posted at every entrance a conspicuous sign clearly stating that smoking is prohibited.

3. All ashtrays shall be removed from any area where smoking is prohibited by this section by the owner, operator, manager— or other person having control of the area.

F. No employer may discharge or retaliate against an employee because that employee exercises any rights afforded by this section or reports or attempts to prosecute a violation of this section.

G. The law shall be implemented and enforced by the department of health services as follows:

1. The department shall design and implement a program, including the establishment of an internet website, to educate the public regarding the provisions of this law.

2. The department shall inform persons who own, manage, operate or otherwise control a public place or place of employment of the requirements of this law and how to comply with its provisions, including making information available and providing a toll-free telephone number and e-mail address to be used exclusively for this purpose.

3. Any member of the public may report a violation of this law to the department. The department shall accept oral and written reports of violation and establish an e-mail address(es) and toll-free telephone number(s) to be used exclusively for the purpose of reporting violations. A person shall not be required to disclose the person's identity when reporting a violation.

4. If the department has reason to believe a violation of this law exists, the department may enter upon and into any public place or place of employment for purposes of determining compliance with this law. However, the department may inspect public places where food or alcohol is served at any time to determine compliance with this law.
5. If the department determines that a violation of this law exists at a public place or place of employment, the department shall issue a notice of violation to the person who owns, manages, operates or otherwise controls the public place or place of employment. The notice shall include the nature of each violation, date and time each violation occurred, and department contact person.

6. The department shall impose a civil penalty on the person in an amount of not less than $100, but not more than $500 for each violation. In considering whether to impose a fine and the amount of the fine, the department may consider whether the person has been cited previously and what efforts the person has taken to prevent or cure the violation including reporting the violation or taking action under subsection J of this section. Each day that a violation occurs constitutes a separate violation. The director may issue a notice that includes the proposed amount of the civil penalty assessment. A person may appeal the assessment of a civil penalty by requesting a hearing. If a person requests a hearing to appeal an assessment, the director shall not take further action to enforce and collect the assessment until the hearing process is complete. The director shall impose a civil penalty only for those days on which the violation has been documented by the department.

7. If a civil penalty imposed by this section is not paid, the attorney general or a county attorney shall file an action to collect the civil penalty in a justice court or the superior court in the county in which the violation occurred.

8. The department may apply for injunctive relief to enforce these provisions in the superior court in the county in which the violation occurred. The court may impose appropriate injunctive relief and impose a penalty of not less than $100 but not more than $500 for each violation. Each day that a violation occurs constitutes a separate violation. If the superior court finds the violations are willful or evidence a pattern of noncompliance, the court may impose a fine up to $5000 per violation.

9. The department may contract with a third party to determine compliance with this law.

10. The department may delegate to a state agency or political subdivision of this state any functions, powers or duties under this law.

11. The director of the department may promulgate rules for the implementation and enforcement of this law. The department is exempt from the rulemaking procedures in A.R.S. § title 41, chapter 6 except the department shall publish draft rules and thereafter take public input including hold at least two public hearings prior to implementing the rules. This exemption expires May 1, 2007.

H. Beginning on June 1, 2008 and every other June 1 thereafter, the director of the Arizona department of health services shall issue a report analyzing its activities to enforce this law, including the activities of all
of the state agencies or political subdivisions to whom the department has
deleagated responsibility under this law.

I. An owner, manager, operator or employee of A place regulated by
this law shall inform any person who is smoking in violation of this law that
smoking is illegal and request that the illegal smoking stop immediately.

J. This law does not create any new private right of action nor does
it extinguish any existing common law causes of action.

K. A person who smokes where smoking is prohibited is guilty of a
petty offense with a fine of not less than fifty dollars and not more than
three hundred dollars.

L. Smoke-free Arizona fund.

1. The smoke-free Arizona fund is established consisting of all
revenues deposited in the fund pursuant to §42-3251.02 SECTION 42-3251.02 and
interest earned on those monies. The Arizona department of health services
shall administer the fund. On notice from the department, the state
treasurer shall invest and divest monies in the fund as provided by §35-313
SECTION 35-313, and monies earned from investment shall be credited to the
fund.

2. All money in the smoke-free Arizona fund shall be used to enforce
the provisions of this section provided however that if there is money
remaining after the department has met its enforcement obligations, that
remaining money shall be deposited in the tobacco products tax fund and used
for education programs to reduce and eliminate tobacco use and for no other
purpose.

3. Monies in this fund are continuously appropriated, are not subject
to further approval, do not revert to the general fund and are exempt from
the provisions of §36-190 SECTION 35-190 relating to the lapsing of
appropriations.

M. This section does not prevent a political subdivision of the state
from adopting ordinances or regulations that are more restrictive than this
section nor does this section repeal any existing ordinance or regulation
that is more restrictive than this section.

N. Tribal sovereignty - this section has no application on Indian
reservations as defined in ARS 42-3301(2) SECTION 42-3301.

Sec. 45. Section 41-619.51, Arizona Revised Statutes, is amended to
read:

41-619.51. Definitions
In this article, unless the context otherwise requires:

1. "Agency" means the supreme court, the department of economic
security, the department of child safety, the department of education, the
department of health services, the department of juvenile corrections, the
department of emergency and military affairs, the department of
transportation, the state real estate department, the state board of
appraisal DEPARTMENT OF FINANCIAL INSTITUTIONS, the Arizona game and fish
department, or the board of examiners of nursing care institution
administrators and assisted living facility managers OR THE STATE BOARD OF

2. "Board" means the board of fingerprinting.

3. "Central registry exception" means notification to the department
   of economic security, the department of child safety or the department of
   health services, as appropriate, pursuant to section 41-619.57 that the
   person is not disqualified because of a central registry check conducted
   pursuant to section 8-804.

4. "Expeditied review" means an examination, in accordance with board
   rule, of the documents an applicant submits by the board or its hearing
   officer without the applicant being present.

5. "Good cause exception" means the issuance of a fingerprint
   clearance card to an employee pursuant to section 41-619.55.

6. "Person" means a person who is required to be fingerprinted
   pursuant to this article or who is subject to a central registry check and
   any of the following:
   (a) Section 8-105.
   (b) Section 8-322.
   (c) Section 8-463.
   (d) Section 8-509.
   (e) Section 8-802.
   (f) Section 8-804.
   (g) Section 15-183.
   (h) Section 15-503.
   (i) Section 15-512.
   (j) Section 15-534.
   (k) Section 15-763.01.
   (l) Section 15-782.02.
   (m) Section 15-1330.
   (n) Section 15-1881.
   (o) Section 17-215.
   (p) Section 28-3413.
   (q) Section 32-1232.
   (r) SECTION 32-1284.
   (s) SECTION 32-1297.01.
   (t) Section 32-2108.01.
   (u) Section 32-2123.
   (v) Section 32-2371.
   (w) Section 32-2372.
   (x) Section 32-3620.
   (y) Section 32-3668.
   (z) Section 32-3669.
   (aa) Section 36-207.
   (ab) Section 36-411.
   (ac) (bb) Section 36-425.03.
Sec. 46. Section 41-1092, Arizona Revised Statutes, is amended to read:

41-1092. Definitions

In this article, unless the context otherwise requires:

1. "Administrative law judge" means an individual or an agency head, board or commission that sits as an administrative law judge, that conducts administrative hearings in a contested case or an appealable agency action and that makes decisions regarding the contested case or appealable agency action.

2. "Administrative law judge decision" means the findings of fact, conclusions of law and recommendations or decisions issued by an administrative law judge.

3. "Appealable agency action" means an action that determines the legal rights, duties or privileges of a party and that is not a contested case. Appealable agency actions do not include interim orders by self-supporting regulatory boards, rules, orders, standards or statements of policy of general application issued by an administrative agency to implement, interpret or make specific the legislation enforced or administered by it or clarifications of interpretation, nor does it mean or include rules concerning the internal management of the agency that do not affect private rights or interests. For the purposes of this paragraph, administrative hearing does not include a public hearing held for the purpose of receiving public comment on a proposed agency action.

4. "Director" means the director of the office of administrative hearings.

5. "Final administrative decision" means a decision by an agency that is subject to judicial review pursuant to title 12, chapter 7, article 6.

6. "Office" means the office of administrative hearings.

7. "Self-supporting regulatory board" means any one of the following:
Section 47. Section 41-1758, Arizona Revised Statutes, is amended to read:

41-1758. Definitions
In this article, unless the context otherwise requires:
1. "Agency" means the supreme court, the department of economic security, the department of child safety, the department of education, the department of health services, the department of juvenile corrections, the department of emergency and military affairs, the department of transportation, the state real estate department, the state board of appraisal, the Department of Financial Institutions, the board of fingerprinting, and the state board of appraisal.
the Arizona game and fish department, or the board of examiners of nursing care institution administrators and assisted living facility managers OR THE STATE BOARD OF DENTAL EXAMINERS.

2. "Division" means the fingerprinting division in the department of public safety.

3. "Electronic or internet-based fingerprinting services" means a secure system for digitizing applicant fingerprints and transmitting the applicant data and fingerprints of a person or entity submitting fingerprints to the department of public safety for any authorized purpose under this title. For the purposes of this paragraph, "secure system" means a system that complies with the information technology security policy approved by the department of public safety.

4. "Good cause exception" means the issuance of a fingerprint clearance card to an applicant pursuant to section 41-619.55.

5. "Person" means a person who is required to be fingerprinted pursuant to any of the following:

   (a) Section 8-105.
   (b) Section 8-322.
   (c) Section 8-463.
   (d) Section 8-509.
   (e) Section 8-802.
   (f) Section 15-183.
   (g) Section 15-503.
   (h) Section 15-512.
   (i) Section 15-534.
   (j) Section 15-763.01.
   (k) Section 15-782.02.
   (l) Section 15-1330.
   (m) Section 15-1881.
   (n) Section 17-215.
   (o) Section 28-3413.
   (p) Section 32-1232.
   (q) SECTION 32-1284.
   (r) SECTION 32-1297.01.
   (s) Section 32-2108.01.
   (t) Section 32-2123.
   (u) Section 32-2371.
   (v) Section 32-2372.
   (w) Section 32-3620.
   (x) Section 32-3668.
   (y) Section 32-3669.
   (z) Section 36-207.
   (aa) Section 36-411.
   (bb) Section 36-425.03.
   (cc) Section 36-446.04.
6. "Vulnerable adult" has the same meaning prescribed in section 13-3623.

Sec. 48. Section 41-1758.01, Arizona Revised Statutes, is amended to read:

41-1758.01. **Fingerprinting division; powers and duties**

A. The fingerprinting division is established in the department of public safety and shall:

1. Conduct fingerprint background checks for persons and applicants who are seeking licenses from state agencies, employment with licensees, contract providers and state agencies or employment or educational opportunities with agencies that require fingerprint background checks pursuant to sections 8-105, 8-322, 8-463, 8-509, 8-802, 15-183, 15-503, 15-512, 15-534, 15-763.01, 15-782.02, 15-1330, 15-1881, 17-215, 28-3413, 32-1232, 32-1284, 32-1297.01, 32-2108.01, 32-2123, 32-2371, 32-2372, 32-3620, 32-3668, 32-3669, 36-207, 36-411, 36-425.03, 36-446.04, 36-594.01, 36-594.02, 36-882, 36-883.02, 36-897.01, 36-897.03, 36-3008, 41-619.52, 41-619.53, 41-619.54, 41-619.55, 41-1964, 41-1967.01, 41-1968, 41-1969 and 41-2814, section 46-141, subsection A and section 46-321.

2. Issue fingerprint clearance cards. On issuance, a fingerprint clearance card becomes the personal property of the cardholder and the cardholder shall retain possession of the fingerprint clearance card.

3. On submission of an application for a fingerprint clearance card, collect the fees established by the board of fingerprinting pursuant to section 41-619.53 and deposit, pursuant to sections 35-146 and 35-147, the monies collected in the board of fingerprinting fund.

4. Inform in writing each person who submits fingerprints for a fingerprint background check of the right to petition the board of fingerprinting for a good cause exception pursuant to section 41-1758.03, 41-1758.04 or 41-1758.07.
5. If after conducting a state and federal criminal history records check the division determines that it is not authorized to issue a fingerprint clearance card to a person, inform the person in writing that the division is not authorized to issue a fingerprint clearance card. The notice shall include the criminal history information on which the denial was based. This criminal history information is subject to dissemination restrictions pursuant to section 41-1750 and Public Law 92-544.

6. Notify the person in writing if the division suspends, revokes or places a driving restriction notation on a fingerprint clearance card pursuant to section 41-1758.04. The notice shall include the criminal history information on which the suspension, revocation or placement of the driving restriction notation was based. This criminal history information is subject to dissemination restrictions pursuant to section 41-1750 and Public Law 92-544.

7. Administer and enforce this article.

B. The fingerprinting division may contract for electronic or internet-based fingerprinting services through an entity or entities for the acquisition and transmission of applicant fingerprint and data submissions to the department, including identity verified fingerprints pursuant to section 15-106. The entity or entities contracted by the department of public safety may charge the applicant a fee for services provided pursuant to this article. The entity or entities contracted by the department of public safety shall comply with:

1. All information privacy and security measures and submission standards established by the department of public safety.

2. The information technology security policy approved by the department of public safety.

Sec. 49. Section 41-2503, Arizona Revised Statutes, is amended to read:

41-2503. Definitions

In this chapter, unless the context otherwise requires:

1. "Architect services" means those professional architect services that are within the scope of architectural practice as provided in title 32, chapter 1.

2. "Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or other private legal entity.

3. "Change order" means a written order that is signed by a procurement officer and that directs the contractor to make changes that the changes clause of the contract authorizes the procurement officer to order.

4. "Construction":

   (a) Means the process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property.

   (b) Does not include:
(i) The routine operation, routine repair or routine maintenance of existing facilities, structures, buildings or real property.

(ii) The investigation, characterization, restoration or remediation due to an environmental issue of existing facilities, structures, buildings or real property.

5. "Construction-manager-at-risk" means a project delivery method in which:

(a) There is a separate contract for design services and a separate contract for construction services, except that instead of a single contract for construction services, the purchasing agency may elect separate contracts for preconstruction services during the design phase, for construction during the construction phase and for any other construction services.

(b) The contract for construction services may be entered into at the same time as the contract for design services or at a later time.

(c) Design and construction of the project may be either:

(i) Sequential with the entire design complete before construction commences.

(ii) Concurrent with the design produced in two or more phases and construction of some phases commencing before the entire design is complete.

(d) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

6. "Construction services" means either of the following for construction-manager-at-risk, design-build and job-order-contracting project delivery methods:

(a) Construction, excluding services, through the construction-manager-at-risk or job-order-contracting project delivery methods.

(b) A combination of construction and, as elected by the purchasing agency, one or more related services, such as finance services, maintenance services, operations services, design services and preconstruction services, as those services are authorized in the definitions of construction-manager-at-risk, design-build or job-order-contracting in this section.

7. "Contract" means all types of state agreements, regardless of what they may be called, for the procurement of materials, services, construction, construction services or the disposal of materials.

8. "Contract modification" means any written alteration in the terms and conditions of any contract accomplished by mutual action of the parties to the contract.

9. "Contractor" means any person who has a contract with a state governmental unit.

10. "Data" means documented information, regardless of form or characteristic.

11. "Department" means the department of administration.

12. "Design-bid-build" means a project delivery method in which:
(a) There is a sequential award of two separate contracts.
(b) The first contract is for design services.
(c) The second contract is for construction.
(d) Design and construction of the project are in sequential phases.
(e) Finance services, maintenance services and operations services are not included.

13. "Design-build" means a project delivery method in which:
(a) There is a single contract for design services and construction services, except that instead of a single contract for design services and construction services, the purchasing agency may elect separate contracts for preconstruction services and design services during the design phase, for construction and design services during the construction phase and for any other construction services.
(b) Design and construction of the project may be either:
(i) Sequential with the entire design complete before construction commences.
(ii) Concurrent with the design produced in two or more phases and construction of some phases commencing before the entire design is complete.
(c) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

14. "Design professional" means A GEOLOGIST OR LANDSCAPE ARCHITECT OR an individual or firm that is registered by the state board of technical registration pursuant to title 32, chapter 1 to practice architecture, engineering, geology, landscape architecture or land surveying or any combination of those professions and any person employed by the registered individual or firm.

15. "Design requirements":
(a) Means at a minimum the purchasing agency's written description of the project or service to be procured, including:
(i) The required features, functions, characteristics, qualities and properties.
(ii) The anticipated schedule, including start, duration and completion.
(iii) The estimated budgets applicable to the specific procurement for design and construction and, if applicable, for operation and maintenance.
(b) May include:
(i) Drawings and other documents illustrating the scale and relationship of the features, functions and characteristics of the project, which shall all be prepared by a design professional who is registered pursuant to section 32-121.
(ii) Additional design information or documents that the purchasing agency elects to include.

16. "Design services" means architect services, engineer services or landscape architect services.

17. "Designee" means a duly authorized representative of the director.
18. "Director" means the director of the department of administration.
19. "Employee" means an individual drawing a salary from a state
governmental unit, whether elected or not, and any noncompensated individual
performing personal services for any state governmental unit.
20. "Engineer services" means those professional engineer services that
are within the scope of engineering practice as provided in title 32,
chapter 1.
21. "Finance services" means financing for a construction services
project.
22. "General services administration contract" means contracts awarded
by the United States government general services administration.
23. "Grant" means the furnishing of financial or other assistance,
including state funds or federal grant funds, by any state governmental unit
to any person for the purpose of supporting or stimulating educational,
cultural, social or economic quality of life.
24. "Job-order-contracting" means a project delivery method in which:
   (a) The contract is a requirements contract for indefinite quantities
       of construction.
   (b) The construction to be performed is specified in job orders issued
during the contract.
   (c) Finance services, maintenance services, operations services,
       preconstruction services, design services and other related services may be
       included.
25. "Landscape architect services" means those professional landscape
architect services that are within the scope of landscape architectural
practice as provided in title 32, chapter 1.
26. "Maintenance services" means routine maintenance, repair and
    replacement of existing facilities, structures, buildings or real property.
27. "Materials":
   (a) Means all property, including equipment, supplies, printing,
       insurance and leases of property.
   (b) Does not include land, a permanent interest in land or real
       property or leasing space.
28. "Operations services" means routine operation of existing
    facilities, structures, buildings or real property.
29. "Owner" means a state purchasing agency or state governmental
    unit.
30. "Person" means any corporation, business, individual, union,
    committee, club, other organization or group of individuals.
31. "Preconstruction services" means services and other activities
during the design phase.
32. "Procurement":
   (a) Means buying, purchasing, renting, leasing or otherwise acquiring
       any materials, services, construction or construction services.
(b) Includes all functions that pertain to obtaining any materials, services, construction or construction services, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

32. "Procurement officer":
(a) Means any person duly authorized to enter into and administer contracts and make written determinations with respect to the contracts.
(b) Includes an authorized representative acting within the limits of the authorized representative's authority.

33. "Purchasing agency" means any state governmental unit that is authorized by this chapter or rules adopted pursuant to this chapter, or by way of delegation from the director, to enter into contracts.

34. "Services":
(a) Means the furnishing of labor, time or effort by a contractor or subcontractor that does not involve the delivery of a specific end product other than required reports and performance.
(b) Does not include employment agreements or collective bargaining agreements.

35. "Significant procurement role":
(a) Means any role that includes any of the following duties:
(i) Participating in the development of a procurement.
(ii) Participating in the development of an evaluation tool.
(iii) Approving a procurement or an evaluation tool.
(iv) Soliciting quotes greater than ten thousand dollars for the provision of materials, services or construction.
(v) Serving as a technical advisor or an evaluator who evaluates a procurement.
(vi) Recommending or selecting a vendor that will provide materials, services or construction to this state.
(vii) Serving as a decision-maker or designee on a protest or an appeal by a party regarding an agency procurement selection or decision.
(b) Does not include making decisions on developing specifications and the scope of work for a procurement if the decision is based on the application of commonly accepted industry standards or known published standards of the agency as applied to the project, services, goods or materials.

36. "State governmental unit" means any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of this state.

37. "Subcontractor" means a person who contracts to perform work or render service to a contractor or to another subcontractor as a part of a contract with a state governmental unit.
"Using agency" means any state governmental unit that uses any materials, services or construction procured under this chapter.

Sec. 50. Section 41-2571, Arizona Revised Statutes, is amended to read:

41-2571. Definitions
In this article, unless the context otherwise requires:
1. "Architect services", "engineer services", AND "land surveying services", "assayer services", "geologist services" and "landscape architect services" means those professional services within the scope of the practice of those services as provided in title 32, chapter 1, article 1.
2. "Cost" means the aggregate cost of all materials and services, including labor performed by force account.
3. "Design professional service contract" means a written agreement relating to the planning, design, construction administration, study, evaluation, consulting, inspection, surveying, mapping, material sampling, testing or other professional, scientific or technical services furnished in connection with any actual or proposed study, planning, survey, environmental remediation, construction, improvement, alteration, repair, maintenance, relocation, moving, demolition or excavation of a structure, street or roadway, appurtenance, facility or development or other improvement to land.
4. "Design professional services" means architect services, engineer services, land surveying services, geologist services or landscape architect services or any combination of those services performed by or under the supervision of a design professional or employees or subconsultants of the design professional.
5. "Subconsultant" means any person, firm, partnership, corporation, association or other organization, or a combination of any of them, that has a direct contract with a design professional or another subconsultant to perform a portion of the work under a design professional service contract.

Sec. 51. Repeal
Section 41-3020.07, Arizona Revised Statutes, is repealed.

Sec. 52. Section 42-5075, Arizona Revised Statutes, is amended to read:

42-5075. Prime contracting classification; exemptions; definitions
A. The prime contracting classification is comprised of the business of prime contracting and the business of manufactured building dealer. Sales for resale to another manufactured building dealer are not subject to tax. Sales for resale do not include sales to a lessor of manufactured buildings. The sale of a used manufactured building is not taxable under this chapter.
B. The tax base for the prime contracting classification is sixty-five percent of the gross proceeds of sales or gross income derived from the business. The following amounts shall be deducted from the gross proceeds of sales or gross income before computing the tax base:
1. The sales price of land, which shall not exceed the fair market value.

2. Sales and installation of groundwater measuring devices required under section 45-604 and groundwater monitoring wells required by law, including monitoring wells installed for acquiring information for a permit required by law.

3. The sales price of furniture, furnishings, fixtures, appliances and attachments that are not incorporated as component parts of or attached to a manufactured building or the setup site. The sale of such items may be subject to the taxes imposed by article 1 of this chapter separately and distinctly from the sale of the manufactured building.

4. The gross proceeds of sales or gross income received from a contract entered into for the modification of any building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement located in a military reuse zone for providing aviation or aerospace services or for a manufacturer, assembler or fabricator of aviation or aerospace products within an active military reuse zone after the zone is initially established or renewed under section 41-1531. To be eligible to qualify for this deduction, before beginning work under the contract, the prime contractor must have applied for a letter of qualification from the department of revenue.

5. The gross proceeds of sales or gross income derived from a contract to construct a qualified environmental technology manufacturing, producing or processing facility, as described in section 41-1514.02, and from subsequent construction and installation contracts that begin within ten years after the start of initial construction. To qualify for this deduction, before beginning work under the contract, the prime contractor must obtain a letter of qualification from the department of revenue. This paragraph shall apply for ten full consecutive calendar or fiscal years after the start of initial construction.

6. The gross proceeds of sales or gross income from a contract to provide for one or more of the following actions, or a contract for site preparation, constructing, furnishing or installing machinery, equipment or other tangible personal property, including structures necessary to protect exempt incorporated materials or installed machinery or equipment, and tangible personal property incorporated into the project, to perform one or more of the following actions in response to a release or suspected release of a hazardous substance, pollutant or contaminant from a facility to the environment, unless the release was authorized by a permit issued by a governmental authority:

   (a) Actions to monitor, assess and evaluate such a release or a suspected release.

   (b) Excavation, removal and transportation of contaminated soil and its treatment or disposal.
(c) Treatment of contaminated soil by vapor extraction, chemical or physical stabilization, soil washing or biological treatment to reduce the concentration, toxicity or mobility of a contaminant.

(d) Pumping and treatment or in situ treatment of contaminated groundwater or surface water to reduce the concentration or toxicity of a contaminant.

(e) The installation of structures, such as cutoff walls or caps, to contain contaminants present in groundwater or soil and prevent them from reaching a location where they could threaten human health or welfare or the environment.

This paragraph does not include asbestos removal or the construction or use of ancillary structures such as maintenance sheds, offices or storage facilities for unattached equipment, pollution control equipment, facilities or other control items required or to be used by a person to prevent or control contamination before it reaches the environment.

7. The gross proceeds of sales or gross income that is derived from a contract for the installation, assembly, repair or maintenance of machinery, equipment or other tangible personal property that is either deducted from the tax base of the retail classification under section 42-5061, subsection B or that is exempt from use tax under section 42-5159, subsection B and that has independent functional utility, pursuant to the following provisions:

(a) The deduction provided in this paragraph includes the gross proceeds of sales or gross income derived from all of the following:

(i) Any activity performed on machinery, equipment or other tangible personal property with independent functional utility.

(ii) Any activity performed on any tangible personal property relating to machinery, equipment or other tangible personal property with independent functional utility in furtherance of any of the purposes provided for under subdivision (d) of this paragraph.

(iii) Any activity that is related to the activities described in items (i) and (ii) of this subdivision, including inspecting the installation of or testing the machinery, equipment or other tangible personal property.

(b) The deduction provided in this paragraph does not include gross proceeds of sales or gross income from the portion of any contracting activity that consists of the development of, or modification to, real property in order to facilitate the installation, assembly, repair, maintenance or removal of machinery, equipment or other tangible personal property that is either deducted from the tax base of the retail classification under section 42-5061, subsection B or exempt from use tax under section 42-5159, subsection B.

(c) The deduction provided in this paragraph shall be determined without regard to the size or useful life of the machinery, equipment or other tangible personal property.

(d) For the purposes of this paragraph, "independent functional utility" means that the machinery, equipment or other tangible personal
property can independently perform its function without attachment to real
property, other than attachment for any of the following purposes:

(i) Assembling the machinery, equipment or other tangible personal
property.

(ii) Connecting items of machinery, equipment or other tangible personal
property to each other.

(iii) Connecting the machinery, equipment or other tangible personal
property, whether as an individual item or as a system of items, to water,
power, gas, communication or other services.

(iv) Stabilizing or protecting the machinery, equipment or other
tangible personal property during operation by bolting, burying or performing
other similar nonpermanent connections to either real property or real
property improvements.

8. The gross proceeds of sales or gross income attributable to the
purchase of machinery, equipment or other tangible personal property that is
exempt from or deductible from transaction privilege and use tax under:

(a) Section 42-5061, subsection A, paragraph 25, 29, 57 or 59.

(b) Section 42-5061, subsection B.

(c) Section 42-5159, subsection A, paragraph 13, subdivision (a), (b),
(d), (e), (f), (j), (k), (m) or (n) or paragraph 54 or 56.

(d) Section 42-5159, subsection B.

9. The gross proceeds of sales or gross income received from a
contract for the construction of an environmentally controlled facility for
the raising of poultry for the production of eggs and the sorting, cooling
and packaging of eggs.

10. The gross proceeds of sales or gross income that is derived from a
contract entered into with a person who is engaged in the commercial
production of livestock, livestock products or agricultural, horticultural,
viticultural or floricultural crops or products in this state for the
modification of any building, highway, road, excavation, manufactured
building or other structure, project, development or improvement used
directly and primarily to prevent, monitor, control or reduce air, water or
land pollution.

11. The gross proceeds of sales or gross income that is derived from
the installation, assembly, repair or maintenance of clean rooms that are
deducted from the tax base of the retail classification pursuant to section
42-5061, subsection B.

12. For taxable periods beginning from and after June 30, 2001, the
gross proceeds of sales or gross income derived from a contract entered into
for the construction of a residential apartment housing facility that
qualifies for a federal housing subsidy for low income persons over sixty-two
years of age and that is owned by a nonprofit charitable organization that
has qualified under section 501(c)(3) of the internal revenue code.

13. For taxable periods beginning from and after December 31, 1996 and
ending before January 1, 2017, the gross proceeds of sales or gross income
derived from a contract to provide and install a solar energy device. The contractor shall register with the department as a solar energy contractor. By registering, the contractor acknowledges that it will make its books and records relating to sales of solar energy devices available to the department for examination.

14. The gross proceeds of sales or gross income derived from a contract entered into for the construction of a launch site, as defined in 14 Code of Federal Regulations section 401.5.

15. The gross proceeds of sales or gross income derived from a contract entered into for the construction of a domestic violence shelter that is owned and operated by a nonprofit charitable organization that has qualified under section 501(c)(3) of the internal revenue code.

16. The gross proceeds of sales or gross income derived from contracts to perform postconstruction treatment of real property for termite and general pest control, including wood destroying organisms.

17. The gross proceeds of sales or gross income received from contracts entered into before July 1, 2006 for constructing a state university research infrastructure project if the project has been reviewed by the joint committee on capital review before the university enters into the construction contract for the project. For the purposes of this paragraph, "research infrastructure" has the same meaning prescribed in section 15-1670.

18. The gross proceeds of sales or gross income received from a contract for the construction of any building, or other structure, project, development or improvement owned by a qualified business under section 41-1516 for harvesting or processing qualifying forest products removed from qualifying projects as defined in section 41-1516 if actual construction begins before January 1, 2024. To qualify for this deduction, the prime contractor must obtain a letter of qualification from the Arizona commerce authority before beginning work under the contract.

19. Any amount of the gross proceeds of sales or gross income attributable to development fees that are incurred in relation to a contract for construction, development or improvement of real property and that are paid by a prime contractor or subcontractor. For the purposes of this paragraph:

   (a) The attributable amount shall not exceed the value of the development fees actually imposed.

   (b) The attributable amount is equal to the total amount of development fees paid by the prime contractor or subcontractor, and the total development fees credited in exchange for the construction of, contribution to or dedication of real property for providing public infrastructure, public safety or other public services necessary to the development. The real property must be the subject of the development fees.

   (c) "Development fees" means fees imposed to offset capital costs of providing public infrastructure, public safety or other public services to a
development and authorized pursuant to section 9-463.05, section 11-1102 or
title 48 regardless of the jurisdiction to which the fees are paid.

20. The gross proceeds of sales or gross income derived from a
contract entered into for the construction of a mixed waste processing
facility that is located on a municipal solid waste landfill and that is
constructed for the purpose of recycling solid waste or producing renewable
energy from landfill waste. For the purposes of this paragraph:

(a) "Mixed waste processing facility" means a solid waste facility
that is owned, operated or used for the treatment, processing or disposal of
solid waste, recyclable solid waste, conditionally exempt small quantity
generator waste or household hazardous waste. For the purposes of
this subdivision, "conditionally exempt small quantity generator waste",
"household hazardous waste" and "solid waste facility" have the same meanings
prescribed in section 49-701, except that solid waste facility does include a
site that stores, treats or processes paper, glass, wood, cardboard,
household textiles, scrap metal, plastic, vegetative waste, aluminum, steel
or other recyclable material.

(b) "Municipal solid waste landfill" has the same meaning prescribed
in section 49-701.

(c) "Recycling" means collecting, separating, cleansing, treating and
reconstituting recyclable solid waste that would otherwise become solid
waste, but does not include incineration or other similar processes.

(d) "Renewable energy" has the same meaning prescribed in section
41-1511.

C. Entitlement to the deduction pursuant to subsection B, paragraph 7
of this section is subject to the following provisions:

1. A prime contractor may establish entitlement to the deduction by
both:

(a) Marking the invoice for the transaction to indicate that the gross
proceeds of sales or gross income derived from the transaction was deducted
from the base.

(b) Obtaining a certificate executed by the purchaser indicating the
name and address of the purchaser, the precise nature of the business of the
purchaser, the purpose for which the purchase was made, the necessary facts
to establish the deductibility of the property under section 42-5061,
subsection B, and a certification that the person executing the certificate
is authorized to do so on behalf of the purchaser. The certificate may be
disregarded if the prime contractor has reason to believe that the
information contained in the certificate is not accurate or complete.

2. A person who does not comply with paragraph 1 of this subsection
may establish entitlement to the deduction by presenting facts necessary to
support the entitlement, but the burden of proof is on that person.

3. The department may prescribe a form for the certificate described
in paragraph 1, subdivision (b) of this subsection. The department may also
adopt rules that describe the transactions with respect to which a person is
not entitled to rely solely on the information contained in the certificate provided in paragraph 1, subdivision (b) of this subsection but must instead obtain such additional information as required in order to be entitled to the deduction.

4. If a prime contractor is entitled to a deduction by complying with paragraph 1 of this subsection, the department may require the purchaser who caused the execution of the certificate to establish the accuracy and completeness of the information required to be contained in the certificate that would entitle the prime contractor to the deduction. If the purchaser cannot establish the accuracy and completeness of the information, the purchaser is liable in an amount equal to any tax, penalty and interest that the prime contractor would have been required to pay under article 1 of this chapter if the prime contractor had not complied with paragraph 1 of this subsection. Payment of the amount under this paragraph exempts the purchaser from liability for any tax imposed under article 4 of this chapter. The amount shall be treated as a transaction privilege tax to the purchaser and as tax revenues collected from the prime contractor in order to designate the distribution base for purposes of section 42-5029.

D. Subcontractors or others who perform modification activities are not subject to tax if they can demonstrate that the job was within the control of a prime contractor or contractors or a dealership of manufactured buildings and that the prime contractor or dealership is liable for the tax on the gross income, gross proceeds of sales or gross receipts attributable to the job and from which the subcontractors or others were paid.

E. Amounts received by a contractor for a project are excluded from the contractor's gross proceeds of sales or gross income derived from the business if the person who hired the contractor executes and provides a certificate to the contractor stating that the person providing the certificate is a prime contractor and is liable for the tax under article 1 of this chapter. The department shall prescribe the form of the certificate. If the contractor has reason to believe that the information contained on the certificate is erroneous or incomplete, the department may disregard the certificate. If the person who provides the certificate is not liable for the tax as a prime contractor, that person is nevertheless deemed to be the prime contractor in lieu of the contractor and is subject to the tax under this section on the gross receipts or gross proceeds received by the contractor.

F. Every person engaging or continuing in this state in the business of prime contracting or dealership of manufactured buildings shall present to the purchaser of such prime contracting or manufactured building a written receipt of the gross income or gross proceeds of sales from such activity and shall separately state the taxes to be paid pursuant to this section.

G. For the purposes of section 42-5032.01, the department shall separately account for revenues collected under the prime contracting classification from any prime contractor engaged in the preparation or
construction of a multipurpose facility, and related infrastructure, that is
owned, operated or leased by the tourism and sports authority pursuant to
title 5, chapter 8.

H. For the purposes of section 42-5032.02, from and after
September 30, 2013, the department shall separately account for revenues
reported and collected under the prime contracting classification from any
prime contractor engaged in the construction of any buildings and associated
improvements that are for the benefit of a manufacturing facility. For the
purposes of this subsection, "associated improvements" and "manufacturing
facility" have the same meanings prescribed in section 42-5032.02.

I. The gross proceeds of sales or gross income derived from a contract
for lawn maintenance services are not subject to tax under this section if
the contract does not include landscaping activities. Lawn maintenance
service is a service pursuant to section 42-5061, subsection A, paragraph 1,
and includes lawn mowing and edging, weeding, repairing sprinkler heads or
drip irrigation heads, seasonal replacement of flowers, refreshing gravel,
lawn de-thatching, seeding winter lawns, leaf and debris collection and
removal, tree or shrub pruning or clipping, garden and gravel raking and
applying pesticides, as defined in section 3-361, and fertilizer materials,
as defined in section 3-262.

J. Except as provided in subsection O of this section, the gross
proceeds of sales or gross income derived from landscaping activities are
subject to tax under this section. Landscaping includes installing lawns,
grading or leveling ground, installing gravel or boulders, planting trees and
other plants, felling trees, removing or mulching tree stumps, removing other
imbedded plants, building irrigation berms, installing railroad ties and
installing underground sprinkler or watering systems.

K. The portion of gross proceeds of sales or gross income attributable
to the actual direct costs of providing architectural or engineering services
that are incorporated in a contract is not subject to tax under this section.
For the purposes of this subsection, "direct costs" means the portion of the
actual costs that are directly expended in providing architectural or
engineering services.

L. Operating a landfill or a solid waste disposal facility is not
subject to taxation under this section, including filling, compacting and
creating vehicle access to and from cell sites within the landfill.
Constructing roads to a landfill or solid waste disposal facility and
constructing cells within a landfill or solid waste disposal facility may be
deemed prime contracting under this section.

M. The following apply in determining the taxable situs of sales of
manufactured buildings:

1. For sales in this state where the manufactured building dealer
contracts to deliver the building to a setup site or to perform the setup in
this state, the taxable situs is the setup site.
2. For sales in this state where the manufactured building dealer does not contract to deliver the building to a setup site or does not perform the setup, the taxable situs is the location of the dealership where the building is delivered to the buyer.

3. For sales in this state where the manufactured building dealer contracts to deliver the building to a setup site that is outside this state, the situs is outside this state and the transaction is excluded from tax.

N. The gross proceeds of sales or gross income attributable to a written contract for design phase services or professional services, executed before modification begins and with terms, conditions and pricing of all of these services separately stated in the contract from those for construction phase services, is not subject to tax under this section, regardless of whether the services are provided sequential to or concurrent with prime contracting activities that are subject to tax under this section. This subsection does not include the gross proceeds of sales or gross income attributable to construction phase services. For the purposes of this subsection:

1. "Construction phase services" means services for the execution and completion of any modification, including the following:
   (a) Administration or supervision of any modification performed on the project, including team management and coordination, scheduling, cost controls, submittal process management, field management, safety program, close-out process and warranty period services.
   (b) Administration or supervision of any modification performed pursuant to a punch list. For the purposes of this subdivision, "punch list" means minor items of modification work performed after substantial completion and before final completion of the project.
   (c) Administration or supervision of any modification performed pursuant to change orders. For the purposes of this subdivision, "change order" means a written instrument issued after execution of a contract for modification work, providing for all of the following:
      (i) The scope of a change in the modification work, contract for modification work or other contract documents.
      (ii) The amount of an adjustment, if any, to the guaranteed maximum price as set in the contract for modification work. For the purposes of this item, "guaranteed maximum price" means the amount guaranteed to be the maximum amount due to a prime contractor for the performance of all modification work for the project.
      (iii) The extent of an adjustment, if any, to the contract time of performance set forth in the contract.
   (d) Administration or supervision of any modification performed pursuant to change directives. For the purposes of this subdivision, "change directive" means a written order directing a change in modification work before agreement on an adjustment of the guaranteed maximum price or contract time.
(e) Inspection to determine the dates of substantial completion or final completion.

(f) Preparation of any manuals, warranties, as-built drawings, spares or other items the prime contractor must furnish pursuant to the contract for modification work. For the purposes of this subdivision, "as-built drawing" means a drawing that indicates field changes made to adapt to field conditions, field changes resulting from change orders or buried and concealed installation of piping, conduit and utility services.

(g) Preparation of status reports after modification work has begun detailing the progress of work performed, including preparation of any of the following:
   (i) Master schedule updates.
   (ii) Modification work cash flow projection updates.
   (iii) Site reports made on a periodic basis.
   (iv) Identification of discrepancies, conflicts or ambiguities in modification work documents that require resolution.
   (v) Identification of any health and safety issues that have arisen in connection with the modification work.

(h) Preparation of daily logs of modification work, including documentation of personnel, weather conditions and on-site occurrences.
   (i) Preparation of any submittals or shop drawings used by the prime contractor to illustrate details of the modification work performed.
   (j) Administration or supervision of any other activities for which a prime contractor receives a certificate for payment or certificate for final payment based on the progress of modification work performed on the project.

2. "Design phase services" means services for developing and completing a design for a project that are not construction phase services, including the following:
   (a) Evaluating surveys, reports, test results or any other information on-site conditions for the project, including physical characteristics, legal limitations and utility locations for the site.
   (b) Evaluating any criteria or programming objectives for the project to ascertain requirements for the project, such as physical requirements affecting cost or projected utilization of the project.
   (c) Preparing drawings and specifications for architectural program documents, schematic design documents, design development documents, modification work documents or documents that identify the scope of or materials for the project.
   (d) Preparing an initial schedule for the project, excluding the preparation of updates to the master schedule after modification work has begun.
   (e) Preparing preliminary estimates of costs of modification work before completion of the final design of the project, including an estimate or schedule of values for any of the following:
(i) Labor, materials, machinery and equipment, tools, water, heat, utilities, transportation and other facilities and services used in the execution and completion of modification work, regardless of whether they are temporary or permanent or whether they are incorporated in the modifications.

(ii) The cost of labor and materials to be furnished by the owner of the real property.

(iii) The cost of any equipment of the owner of the real property to be assigned by the owner to the prime contractor.

(iv) The cost of any labor for installation of equipment separately provided by the owner of the real property that has been designed, specified, selected or specifically provided for in any design document for the project.

(v) Any fee paid by the owner of the real property to the prime contractor pursuant to the contract for modification work.

(vi) Any bond and insurance premiums.

(vii) Any applicable taxes.

(viii) Any contingency fees for the prime contractor that may be used before final completion of the project.

(f) Reviewing and evaluating cost estimates and project documents to prepare recommendations on site use, site improvements, selection of materials, building systems and equipment, modification feasibility, availability of materials and labor, local modification activity as related to schedules and time requirements for modification work.

(g) Preparing the plan and procedures for selection of subcontractors, including any prequalification of subcontractor candidates.

3. "Professional services" means architect services, assayer services, engineer services, geologist services, OR land surveying services or landscape architect services that are within the scope of those services as provided in title 32, chapter 1 and for which gross proceeds of sales or gross income has not otherwise been deducted under subsection K of this section.

O. The gross proceeds of sales or gross income derived from a contract with the owner of real property or improvements to real property for the maintenance, repair, replacement or alteration of existing property is not subject to tax under this section if the contract does not include modification activities, except as specified in this subsection. The gross proceeds of sales or gross income derived from a de minimis amount of modification activity does not subject the contract or any part of the contract to tax under this section. For the purposes of this subsection:

1. Tangible personal property that is incorporated or fabricated into a project described in this subsection may be subject to the amount prescribed in section 42-5008.01.

2. Each contract is independent of any other contract, except that any change order that directly relates to the scope of work of the original contract shall be treated the same as the original contract under this chapter, regardless of the amount of modification activities included in the
change order. If a change order does not directly relate to the scope of work of the original contract, the change order shall be treated as a new contract, with the tax treatment of any subsequent change order to follow the tax treatment of the contract to which the scope of work of the subsequent change order directly relates.

P. Notwithstanding subsection O of this section, a contract that primarily involves surface or subsurface improvements to land and that is subject to title 28, chapter 19, 20 or 22 or title 34, chapter 2 or 6 is taxable under this section, even if the contract also includes vertical improvements. Agencies that are subject to procurement processes under those provisions shall include in the request for proposals a notice to bidders when those projects are subject to this section. This subsection does not apply to contracts with:

1. Community facilities districts, fire districts, county television improvement districts, community park maintenance districts, cotton pest control districts, hospital districts, pest abatement districts, health service districts, agricultural improvement districts, county free library districts, county jail districts, county stadium districts, special health care districts, public health services districts, theme park districts, regional attraction districts or revitalization districts.

2. Any special taxing district not specified in paragraph 1 of this subsection if the district does not substantially engage in the modification, maintenance, repair, replacement or alteration of surface or subsurface improvements to land.

Q. Notwithstanding subsection R, paragraph 10 of this section, a person owning real property who enters into a contract for sale of the real property, who is responsible to the new owner of the property for modifications made to the property in the period subsequent to the transfer of title and who receives a consideration for the modifications is considered a prime contractor solely for purposes of taxing the gross proceeds of sale or gross income received for the modifications made subsequent to the transfer of title. The original owner's gross proceeds of sale or gross income received for the modifications shall be determined according to the following methodology:

1. If any part of the contract for sale of the property specifies amounts to be paid to the original owner for the modifications to be made in the period subsequent to the transfer of title, the amounts are included in the original owner's gross proceeds of sale or gross income under this section. Proceeds from the sale of the property that are received after transfer of title and that are unrelated to the modifications made subsequent to the transfer of title are not considered gross proceeds of sale or gross income from the modifications.

2. If the original owner enters into an agreement separate from the contract for sale of the real property providing for amounts to be paid to the original owner for the modifications to be made in the period subsequent
to the transfer of title to the property, the amounts are included in the
original owner's gross proceeds of sale or gross income received for the
modifications made subsequent to the transfer of title.

3. If the original owner is responsible to the new owner for
modifications made to the property in the period subsequent to the transfer
of title and derives any gross proceeds of sale or gross income from the
project subsequent to the transfer of title other than a delayed disbursement
from escrow unrelated to the modifications, it is presumed that the amounts
are received for the modifications made subsequent to the transfer of title
unless the contrary is established by the owner through its books, records
and papers kept in the regular course of business.

4. The tax base of the original owner is computed in the same manner
as a prime contractor under this section.

R. For the purposes of this section:

1. "Alteration" means an activity or action that causes a direct
physical change to existing property. For the purposes of this paragraph:

(a) For existing property that is properly classified as class two
property under section 42-12002, paragraph 1, subdivision (c) or paragraph 2,
subdivision (c) and that is used for residential purposes, class three
property under section 42-12003 or class four property under 42-12004, this
paragraph does not apply if the contract amount is more than twenty-five
percent of the most recent full cash value established under chapter 13,
article 2 of this title as of the date of any bid for the work or the date of
the contract, whichever value is higher.

(b) For all existing property other than existing property described
in subdivision (a) of this paragraph, this paragraph does not apply if any of
the following is true:

(i) The contract amount is more than seven hundred fifty thousand
dollars.

(ii) The scope of work directly relates to more than forty percent of
the existing square footage of the existing property.

(iii) The scope of work involves expanding the square footage of more
than ten percent of the existing property.

(c) Project elements may not be artificially separated from a contract
to cause a project to qualify as an alteration. The department has the
burden of proof that project elements have been artificially separated from a
contract.

(d) If a project for which the owner and the person performing the
work reasonably believed, at the inception of the contract, would be treated
as an alteration under this paragraph and, on completion of the project, the
project exceeded the applicable threshold described in either subdivision (a)
or (b) of this paragraph by no more than twenty-five percent of the
applicable threshold for any reason, the work performed under the contract
qualifies as an alteration.
(e) A change order that directly relates to the scope of work of the original contract shall be treated as part of the original contract, and the contract amount shall include any amount attributable to a change order that directly relates to the scope of work of the original contract.

(f) Alteration does not include maintenance, repair or replacement.

2. "Contracting" means engaging in business as a contractor.

3. "Contractor" is synonymous with the term "builder" and means any person or organization that undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does personally or by or through others, modify any building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement, or to do any part of such a project, including the erection of scaffolding or other structure or works in connection with such a project, and includes subcontractors and specialty contractors. For all purposes of taxation or deduction, this definition shall govern without regard to whether or not such contractor is acting in fulfillment of a contract.

4. "Manufactured building" means a manufactured home, mobile home or factory-built building, as defined in section 41-2142.

5. "Manufactured building dealer" means a dealer who either:
   (a) Is licensed pursuant to title 41, chapter 16 and who sells manufactured buildings to the final consumer.
   (b) Supervises, performs or coordinates the excavation and completion of site improvements or the setup or moving of a manufactured building, including the contracting, if any, with any subcontractor or specialty contractor for the completion of the contract.

6. "Modification" means construction, grading and leveling ground, wreckage or demolition. Modification does not include:
   (a) Any project described in subsection O of this section.
   (b) Any wreckage or demolition of existing property, or any other activity that is a necessary component of a project described in subsection O of this section.
   (c) Any mobilization or demobilization related to a project described in subsection O of this section, such as the erection or removal of temporary facilities to be used by those persons working on the project.

7. "Modify" means to make a modification or cause a modification to be made.

8. "Owner" means the person that holds title to the real property or improvements to real property that is the subject of the work, as well as an agent of the title holder and any person with the authority to perform or authorize work on the real property or improvements, including a tenant and a property manager. For the purposes of subsection O of this section, a person who is hired by a general contractor that is hired by an owner, or a subcontractor of a general contractor that is hired by an owner, is considered to be hired by the owner.

10. "Prime contractor" means a contractor who supervises, performs or coordinates the modification of any building, highway, road, railroad, excavation, manufactured building or other structure, project, development or improvement, including the contracting, if any, with any subcontractors or specialty contractors and who is responsible for the completion of the contract. Except as provided in subsections E and Q of this section, a person who owns real property, who engages one or more contractors to modify that real property and who does not itself modify that real property is not a prime contractor within the meaning of this paragraph regardless of the existence of a contract for sale or the subsequent sale of that real property.

11. "Replacement" means the removal from service of one component or system of existing property or tangible personal property installed in existing property, including machinery or equipment, and the installation of a new component or system or new tangible personal property, including machinery or equipment, that provides the same similar or upgraded design or functionality, regardless of the contract amount and regardless of whether the existing component or system or existing tangible personal property is physically removed from the existing property.

12. "Sale of a used manufactured building" does not include a lease of a used manufactured building.

Sec. 53. Section 45-454, Arizona Revised Statutes, is amended to read:

45-454. Exemption of small non-irrigation wells; definitions

A. Withdrawals of groundwater for non-irrigation uses from wells having a pump with a maximum capacity of not more than thirty-five gallons per minute which were drilled before April 28, 1983 or which were drilled after April 28, 1983 pursuant to a notice of intention to drill which was on file with the department on such date are exempt from this chapter, except that:

1. Wells drilled before June 12, 1980 which are not abandoned or capped or wells which were not completed on June 12, 1980 but for which a notice of intention to drill was on file with the Arizona water commission on such date are subject to subsections J, K and L of this section and must be registered pursuant to section 45-593. If two or more wells in an active management area are exempt under this paragraph and are used to serve the same non-irrigation use at the same location, the aggregate quantity of groundwater withdrawn from the wells shall not exceed fifty-six acre-feet per year.

2. Wells drilled between June 12, 1980 and April 28, 1983, except as provided in paragraph 1 of this subsection, and wells drilled after April 28, 1983 pursuant to a notice of intention to drill which was on file with the department on April 28, 1983, are subject to subsections G, I, J and K of this section.
B. Withdrawals of groundwater for non-irrigation uses from wells having a pump with a maximum capacity of not more than thirty-five gallons per minute drilled on or after April 28, 1983, except wells drilled after April 28, 1983 pursuant to a notice of intention to drill which was on file with the department on such date, are exempt from this chapter, except that:

1. Such wells are subject to subsections G through K of this section.
2. In an active management area, other than a subsequent active management area designated for a portion of a groundwater basin in the regional aquifer systems of northern Arizona, withdrawals of groundwater from such wells for non-irrigation uses other than domestic purposes and stock watering shall not exceed ten acre-feet per year.
3. In a subsequent active management area that is designated for a portion of a groundwater basin in the regional aquifer systems of northern Arizona, groundwater withdrawn from such wells may be used only for domestic purposes and stock watering.

C. On or after January 1, 2006, an exempt well otherwise allowed by this section may not be drilled on land if any part of the land is within one hundred feet of the operating water distribution system of a municipal provider with an assured water supply designation within the boundaries of an active management area established on or before July 1, 1994, as shown on a digitized service area map provided to the director by the municipal provider and updated by the municipal provider as specified by the director.

D. On request from the owner of the land on which an exempt well is prohibited pursuant to subsection C of this section on a form prescribed by the director, the director shall issue an exemption from subsection C of this section if the landowner demonstrates to the satisfaction of the director that any of the following applies:

1. The landowner submitted a written request for service to the municipal provider that operates the distribution system and the municipal provider did not provide written verification to the landowner within thirty calendar days after receipt of the request that water service is available to the landowner after payment of any applicable fee to the municipal provider.
2. The total capital cost and fees for connecting to the operating water distribution system exceed the total capital cost and fees for drilling and fully equipping an exempt well.
3. If the applicant must obtain an easement across other land to connect to the water distribution system of the municipal provider, the applicant sent the owner of the land a request for the easement by certified mail, return receipt requested, and either the applicant did not receive a response to the request within thirty calendar days of mailing the request or the request was denied.
4. The landowner does not qualify for an exemption pursuant to paragraph 1, 2 or 3 of this subsection and the landowner provides written verification from the municipal provider that the landowner shall not receive or request water service from the municipal provider while the exempt well is
operational. The exemption for that well is revoked if the landowner or any
subsequent landowner receives water service from the municipal provider. In
determining whether to approve or reject a permit application filed under
section 45-599, the director shall not consider any impacts the proposed well
may have on an exempt well drilled pursuant to this paragraph.

E. This section does not prohibit a property owner, after January 1,
2006, from drilling a replacement exempt well for a lawful exempt well if the
replacement well does not increase the total number of operable exempt wells
on the applicant’s land.

F. A remediation well drilled for the purpose of remediating
groundwater is exempt from this section if it meets one of the following:
1. The remediation well is for an approved department of environmental
quality or United States environmental protection agency remediation program.
2. A registered PROFESSIONAL geologist certifies that the remediation
well is for the purpose of remediation.

G. A person shall file a notice of intention to drill with the
director pursuant to section 45-596 before drilling an exempt well or causing
an exempt well to be drilled.

H. The registered well owner shall file a completion report pursuant
to section 45-600, subsection B.

I. In an active management area only one exempt well may be drilled or
used to serve the same non-irrigation use at the same location, except that a
person may drill or use a second exempt well to serve the same non-irrigation
use at the same location if the director determines that all of the following
apply:
1. Because of its location, the first exempt well is not capable of
consistently producing more than three gallons per minute of groundwater when
equipped with a pump with a maximum capacity of thirty-five gallons per
minute.
2. The second exempt well is located on the same parcel of land as the
first exempt well, the parcel of land is at least one acre in size, all
groundwater withdrawn from both exempt wells is used on that parcel of land
and there are no other exempt wells on that parcel of land.
3. Combined withdrawals from both wells do not exceed five acre-feet
per year.
4. If the second exempt well is drilled after January 1, 2000, the
county health authority for the county in which the well is located or any
other local health authority that controls the installation of septic tanks
or sewer systems in the county has approved the location of the well in
writing after physically inspecting the well site.
5. Use of two wells for the same non-irrigation use at the same
location is not contrary to the health and welfare of the public.

J. An exempt well is subject to sections 45-594 and 45-595.

K. Groundwater withdrawn from an exempt well may be transported only
pursuant to articles 8 and 8.1 of this chapter.
L. A person who owns land from which exempt withdrawals were being made as of the date of the designation of the active management area is not eligible for a certificate of grandfathered right for a type 2 non-irrigation use for such withdrawals.

M. For the purposes of this section:
   1. "Domestic purposes" means uses related to the supply, service and activities of households and private residences and includes the application of water to less than two acres of land to produce plants or parts of plants for sale or human consumption, or for use as feed for livestock, range livestock or poultry, as such terms are defined in section 3-1201.
   2. "Municipal provider" means a city, town, private water company or irrigation district that supplies water for non-irrigation use.
   3. "Stock watering" means the watering of livestock, range livestock or poultry, as such terms are defined in section 3-1201.

Sec. 54. Section 45-596, Arizona Revised Statutes, is amended to read:

45-596. Notice of intention to drill; fee

A. In an area not subject to active management, a person may not drill or cause to be drilled any well or deepen an existing well without first filing notice of intention to drill pursuant to subsection C of this section or obtaining a permit pursuant to section 45-834.01. Only one notice of intention to drill is required for all wells that are drilled by or for the same person to obtain geophysical, mineralogical or geotechnical data within a single section of land.

B. In an active management area, a person may not drill or cause to be drilled an exempt well, a replacement well in approximately the same location or any other well for which a permit is not required under this article, article 7 of this chapter or section 45-834.01 or deepen an existing well without first filing a notice of intention to drill pursuant to subsection C of this section. Only one notice of intention to drill is required for all wells that are drilled by or for the same person to obtain geophysical, mineralogical or geotechnical data within a single section of land.

C. A notice of intention to drill shall be filed with the director on a form that is prescribed and furnished by the director and that shall include:
   1. The name and mailing address of the person filing the notice.
   2. The legal description of the land on which the well is proposed to be drilled and the name and mailing address of the owner of the land.
   3. The legal description of the location of the well on the land.
   4. The depth, diameter and type of casing of the proposed well.
   5. Such legal description of the land on which the groundwater is proposed to be used as may be required by the director to administer this chapter.
   6. When construction is to begin.
   7. The proposed uses to which the groundwater will be applied.
8. The name and well driller's license number of the well driller who
is to construct the well.

9. The design pumping capacity of the well.

10. If for a replacement well, the maximum capacity of the original
well and the distance of the replacement well from the original well.

11. Proof that the director determines to be satisfactory that the
person proposing to construct the well holds a valid license issued by the
registrar of contractors pursuant to title 32, chapter 10 and that the
license is of the type necessary to construct the well described in the
notice of intention to drill. If the proposed well driller does not hold a
valid license, the director may accept proof that the proposed well driller
is exempt from licensing as prescribed by section 32-1121.

12. If any water from the proposed well will be used for domestic
purposes as defined in section 45-454, evidence of compliance with the
requirements of subsection F of this section.

13. If for a second exempt well at the same location for the same use
pursuant to section 45-454, subsection I, proof that the requirements of that
subsection are met.

14. If for a well to obtain geophysical, mineralogical or geotechnical
data within a single section of land, the information prescribed by this
subsection for each well that will be included in that section of land before
each well is drilled.

15. Such other information as the director may require.

D. On receiving a notice of intention to drill and the fee required by
subsection L of this section, the director shall endorse on the notice the
date of its receipt. The director shall then determine whether all
information that is required has been submitted and whether the requirements
of subsection C, paragraphs 11 and 12 and subsection I of this section have
been met. If so, within fifteen days of receipt of the notice, or such
longer time as provided in subsection J of this section, the director shall
record the notice, mail a drilling card that authorizes the drilling of the
well to the well driller identified in the notice and mail written notice of
the issuance of the drilling card to the person filing the notice of
intention to drill at the address stated in the notice. On receipt of the
drilling card, the well driller may proceed to drill or deepen the well as
described in the notice of intention to drill. If the director determines
that the required information has not been submitted or that the requirements
of subsection C, paragraphs 11 and 12 or subsection I of this section have
not been met, the director shall mail a statement of the determination to the
person giving the notice to the address stated in the notice, and the person
giving the notice may not proceed to drill or deepen the well.

E. The well shall be completed within one year after the date of the
notice unless the director approves a longer period of time pursuant to this
subsection. If the well is not completed within one year or within the time
approved by the director pursuant to this subsection, the person shall file a
new notice before proceeding with further construction. At the time the drilling card for the well is issued, the director may provide for and approve a completion period that is greater than one year but not to exceed five years from the date of the notice if both of the following apply:

1. The proposed well is a nonexempt well within an active management area and qualifies as a replacement well in approximately the same location as prescribed in rules adopted by the director pursuant to section 45-597.

2. The applicant has submitted evidence that demonstrates one of the following:
   (a) This state or a political subdivision of this state has acquired or has begun a condemnation action to acquire the land on which the original well is located.
   (b) The original well has been rendered inoperable due to flooding, subsidence or other extraordinary physical circumstances that are beyond the control of the well owner.

F. If any water from a proposed well will be used for domestic purposes as defined in section 45-454 on a parcel of land of five or fewer acres, the applicant shall submit a well site plan of the property with the notice of intention to drill. The site plan shall:

1. Include the county assessor’s parcel identification number.
2. Show the proposed well location and the location of any septic tank or sewer system that is either located on the property or within one hundred feet of the proposed well site.
3. Show written approval by the county health authority that controls the installation of septic tanks or sewer systems in the county, or by the local health authority in areas where the authority to control installation of septic tanks or sewer systems has been delegated to a local authority. In areas where there is no local or county authority that controls the installation of septic tanks or sewer systems, the applicant shall apply for approval directly to the department of water resources.

G. Before approving a well site plan submitted pursuant to subsection F of this section, the county or local health authority or the department of water resources, as applicable, pursuant to subsection F of this section, shall review the well site plan and determine whether the proposed well location complies with applicable local laws, ordinances and regulations and any laws or rules adopted under this title and title 49 regarding the placement of wells and the proximity of wells to septic tanks or sewer systems. If the health authority or the department of water resources, as applicable, pursuant to subsection F of this section, finds that the proposed well location complies with this title and title 49 and with local requirements, it shall endorse the site plan and the proposed well placement in a manner indicating approval. On endorsement, the director of water resources shall approve the construction of the well, if all remaining requirements have been met. If the health authority is unable to determine whether the proposed well location complies with this title and title 49 and
local requirements, it shall indicate this on the site plan and the decision
to approve or reject the proposed construction rests with the director of
water resources. If parcel size, geology or location of improvements on the
property prevents the well from being drilled in accordance with this title
and title 49 or local requirements, the property owner may apply for a
variance. The property owner shall make the request for a variance to the
county or local authority if a county or local law, ordinance or regulation
prevents the proposed construction. If a law or rule adopted under this
title or title 49 prevents the proposed construction, the property owner
shall make the request for a variance directly to the department of water
resources. The request for a variance shall be in the form and shall contain
the information that the department of water resources, county or local
authority may require. The department of water resources, or the county or
local authority whose law, ordinance or regulation prevents the proposed
construction, may expressly require that a particular variance shall include
certification by a registered professional engineer or  A PROFESSIONAL
geologist that the location of the well will not pose a health hazard to the
applicant or surrounding property or inhabitants. If all necessary variances
are obtained, the director of water resources shall approve the construction
of the well if all remaining requirements have been met.

H. If a well that was originally drilled as an exploration well, a
monitor well or a piezometer well or for any use other than domestic use is
later proposed to be converted to use for domestic purposes as defined in
section 45-454, the well owner shall file a notice of intention to drill and
shall comply with this section before the well is converted and any water
from that well is used for domestic purposes.

I. Except as prescribed in subsection K of this section, the director
shall not approve the drilling of the well if the director determines that
the well will likely cause the migration of contaminated groundwater from a
remedial action site to another well, resulting in unreasonably increasing
damage to the owner of the well or persons using water from the well. In
making this determination, the director of water resources shall follow the
applicable criteria in the rules adopted by the director of water resources
pursuant to section 45-598, subsection A and shall consult with the director
of environmental quality. For the purposes of this subsection:

1. "Contaminated groundwater" means groundwater that has been
contaminated by a release of a hazardous substance, as defined in section
49-201, or a pollutant, as defined in section 49-201.

2. "Remedial action site" means any of the following:
(a) The site of a remedial action undertaken pursuant to the
comprehensive environmental response, compensation, and liability act of
1980, as amended (P.L. 96-510; 94 Stat. 2767; 42 United States Code sections
9601 through 9657), commonly known as "superfund".
(b) The site of a corrective action undertaken pursuant to title 49,
chapter 6.
(c) The site of a voluntary remediation action undertaken pursuant to title 49, chapter 1, article 5.

(d) The site of a remedial action undertaken pursuant to title 49, chapter 2, article 5, including mitigation of a nonhazardous release undertaken pursuant to an order issued by the department of environmental quality pursuant to section 49-286.


(f) The site of remedial action undertaken pursuant to the department of defense environmental restoration program (P.L. 99-499; 100 Stat. 1719; 10 United States Code section 2701).

J. Except as prescribed in subsection K of this section, the director shall approve or deny the drilling of a well within forty-five days after receipt of the notice of intention to drill if one of the following applies:
1. The proposed well is located within a remedial action site.
2. The proposed well is located within one mile of any of the following remedial action sites:
   (a) A remedial action undertaken pursuant to title 49, chapter 2, article 5, including mitigation of a nonhazardous release undertaken pursuant to an order issued by the department of environmental quality pursuant to section 49-286.
   (b) A remedial action undertaken pursuant to the comprehensive environmental response, compensation, and liability act of 1980, as amended (P.L. 96-510; 94 Stat. 2767; 42 United States Code sections 9601 through 9657), commonly known as "superfund".
   (c) A remedial action undertaken pursuant to the department of defense environmental restoration program (P.L. 99-499; 100 Stat. 1719; 10 United States Code section 2701).
3. The proposed well is located within one-half mile of either of the following remedial action sites:
   (a) A remedial action undertaken pursuant to title 49, chapter 1, article 5.
   (b) A remedial action undertaken pursuant to the resource conservation and recovery act of 1976 (P.L. 94-580; 90 Stat. 2795; 42 United States Code sections 6901 through 6992).
4. The proposed well is located within five hundred feet of the site of a corrective action undertaken pursuant to title 49, chapter 6.

K. Subsections I and J of this section do not apply to the deepening of a well or to the drilling of a replacement well in approximately the same location.

L. A notice of intention to drill filed under this section shall be accompanied by a filing fee of one hundred fifty dollars, except that a notice filed for a proposed well that will not be located within an active management area or an irrigation nonexpansion area, that will be used solely
for domestic purposes as defined in section 45-454 and that will have a pump
with a maximum capacity of not more than thirty-five gallons per minute shall
be accompanied by a filing fee of one hundred dollars. The director shall
deposit, pursuant to sections 35-146 and 35-147, all fees collected pursuant
to this subsection in the well administration and enforcement fund
established by section 45-606.

Sec. 55. Section 49-1052, Arizona Revised Statutes, is amended to read:

49-1052. Noncorrective actions; baseline assessment

A. A baseline period of seven years from January 1, 2016 is
established for underground storage tanks. Beginning January 1, 2016, during
the baseline period, an owner, operator or person who meets the requirements
of section 49-1016, subsection C may do the following:
1. Elect to conduct a baseline assessment pursuant to this section.
2. Request a grant to cover costs associated with the baseline
assessment pursuant to section 49-1071.
3. Request the department to perform the baseline assessment under
section 49-1017.02.

B. The department shall establish standards for conducting baseline
assessments pursuant to this section. Until the department establishes
standards by rule or by guidance documents, baseline assessment work plans
shall be submitted to the department for approval and shall be considered for
preapproval on a case-by-case basis, based on compliance with subsection D of
this section.

C. Baseline assessments shall be conducted under the direction of a
person who is a professional engineer or a registered geologist who is
registered under title 32, chapter 1, or a remediation specialist who is
certified under title 32, chapter 1 and the rules adopted under that chapter
OR A PROFESSIONAL GEOLOGIST.

D. The scope of the baseline assessment shall address likely release
areas and shall include a collection of sufficient information to allow for a
determination of the current environmental condition of the property.
Samples shall be collected in areas where contamination is most likely to
have occurred and sample locations shall consider site-specific conditions,
location of potential receptors and preexisting contamination. The baseline
assessment must include the registered or certified professional's
interpretation regarding confirmation of an unknown release and evaluation of
potential risk for the purpose of prioritizing corrective actions.

E. If unknown contamination is identified in the baseline assessment,
all of the following apply:
1. The owner, operator or person that meets the requirements of
section 49-1016, subsection C shall comply with the reporting requirements
pursuant to section 49-1004 and shall initiate corrective actions pursuant to
section 49-1005.
2. Unless documentation is provided to the department that demonstrates that the operating underground storage tank is not the source of the release, the department shall require tightness testing.

3. If continued operation of the underground storage tank may result in a continued release, the department may initiate delivery prohibition as prescribed in section 49-1023.

Sec. 56. Department of administration; transfer of nonhealth regulatory boards; study; report

A. The department of administration shall conduct a study relating to the transfer of all nonhealth regulatory boards in title 32 to a new licensing and regulatory division in the department of administration. The study shall include the costs and benefits associated with the transfer.

B. The department of administration shall submit a report of its findings and recommendations to the governor, the president of the senate and the speaker of the house of representatives on or before October 1, 2016 and shall provide a copy of this report to the secretary of state.

Sec. 57. Retention of members

Notwithstanding section 32-102, Arizona Revised Statutes, as amended by this act, all persons serving as members of the state board of technical registration on the effective date of this act may continue to serve until the expiration of their normal terms. The governor shall make all subsequent appointments as prescribed by statute.

Sec. 58. Requirements for enactment; three-fourths vote

Pursuant to article IV, part 1, section 1, Constitution of Arizona, section 36-601.01, Arizona Revised Statutes, as amended by this act, is effective only on the affirmative vote of at least three-fourths of the members of each house of the legislature.