

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 258
HOUSE BILL 2191

AN ACT

AMENDING SECTIONS 41-608.04 AND 43-1086, ARIZONA REVISED STATUTES;
AMENDING LAWS 2008, CHAPTER 243, SECTION 6, AS AMENDED BY LAWS 2012,
CHAPTER 281, SECTION 2; APPROPRIATING MONIES; RELATING TO THE MILITARY
FAMILY RELIEF FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 41-608.04, Arizona Revised Statutes, is amended
3 to read:

4 41-608.04. Military family relief fund: subaccounts: advisory
5 committees

6 A. The military family relief fund is established through
7 December 31, ~~2018~~ 2026. The fund consists of private donations, grants,
8 bequests and any other monies received for that purpose.

9 B. THE PRE-9/11 VETERANS SUBACCOUNT AND POST-9/11 VETERANS
10 SUBACCOUNT OF THE MILITARY FAMILY RELIEF FUND ARE ESTABLISHED. The
11 department shall administer the ~~fund~~ SUBACCOUNTS. On notice from the
12 director, the state treasurer shall invest and divest monies in the ~~fund~~
13 SUBACCOUNTS as provided by section 35-313, and monies earned from
14 investment shall be credited to the ~~fund~~ SUBACCOUNTS. The monies in the
15 ~~fund~~ SUBACCOUNTS are continuously appropriated to the department solely
16 for the purposes described in this section. Any monies remaining
17 unexpended and unencumbered on December 31, ~~2018~~ 2026 shall be transferred
18 for deposit in the veterans' donations fund established by section 41-608.

19 ~~B.~~ C. The POST-9/11 military family relief advisory committee is
20 established to determine appropriate uses of the monies in the ~~military~~
21 ~~family relief fund~~ POST-9/11 VETERANS SUBACCOUNT as provided by this
22 section. The POST-9/11 MILITARY FAMILY RELIEF advisory committee consists
23 of the director or the director's designee and twelve additional members,
24 including widows and widowers of military personnel who died in the line
25 of duty, military retirees, veterans who have a service-connected
26 disability and their family members, Arizona army and air national guard
27 unit commanders and active and retired senior enlisted military personnel.
28 Except for the director, the governor shall appoint the members based on
29 recommendations by the director, the adjutant general and commanders of
30 military bases in this state. Appointed members serve at the pleasure of
31 the governor. The POST-9/11 MILITARY FAMILY RELIEF advisory committee
32 shall elect a chairperson from among the appointed members.

33 ~~C.~~ D. The POST-9/11 MILITARY FAMILY RELIEF advisory committee
34 shall:

- 35 1. Establish criteria for the use of monies in the ~~fund~~ POST-9/11
36 VETERANS SUBACCOUNT.
- 37 2. Establish and revise as necessary the application process for
38 financial assistance.
- 39 3. Review and evaluate applications.
- 40 4. Make other recommendations as necessary.

41 E. THE PRE-9/11 MILITARY FAMILY RELIEF ADVISORY COMMITTEE IS
42 ESTABLISHED TO DETERMINE APPROPRIATE USES OF THE MONIES IN THE PRE-9/11
43 VETERANS SUBACCOUNT AS PROVIDED BY THIS SECTION. THE PRE-9/11 MILITARY
44 FAMILY RELIEF ADVISORY COMMITTEE CONSISTS OF THE DIRECTOR OR THE
45 DIRECTOR'S DESIGNEE AND TWELVE ADDITIONAL MEMBERS, INCLUDING WIDOWS AND

1 WIDOWERS OF MILITARY PERSONNEL WHO DIED IN THE LINE OF DUTY, MILITARY
2 RETIREES, VETERANS WHO HAVE A SERVICE-CONNECTED DISABILITY AND THEIR
3 FAMILY MEMBERS, ARIZONA ARMY AND AIR NATIONAL GUARD UNIT COMMANDERS AND
4 ACTIVE AND RETIRED SENIOR ENLISTED MILITARY PERSONNEL. EXCEPT FOR THE
5 DIRECTOR, THE GOVERNOR SHALL APPOINT THE MEMBERS BASED ON RECOMMENDATIONS
6 BY THE DIRECTOR, THE ADJUTANT GENERAL AND COMMANDERS OF MILITARY BASES IN
7 THIS STATE. APPOINTED MEMBERS SERVE AT THE PLEASURE OF THE GOVERNOR. THE
8 PRE-9/11 MILITARY FAMILY RELIEF ADVISORY COMMITTEE SHALL ELECT A
9 CHAIRPERSON FROM AMONG THE APPOINTED MEMBERS.

10 F. THE PRE-9/11 MILITARY FAMILY RELIEF ADVISORY COMMITTEE SHALL:

11 1. ESTABLISH CRITERIA FOR THE USE OF MONIES IN THE PRE-9/11
12 VETERANS SUBACCOUNT.

13 2. ESTABLISH AND REVISE AS NECESSARY THE APPLICATION PROCESS FOR
14 FINANCIAL ASSISTANCE.

15 3. REVIEW AND EVALUATE APPLICATIONS.

16 4. MAKE OTHER RECOMMENDATIONS AS NECESSARY.

17 ~~D.~~ G. The advisory ~~committee~~ COMMITTEES may establish
18 ~~a subcommittee~~ SUBCOMMITTEES, consisting of not more than five members of
19 the full ~~committee~~ COMMITTEES, to recommend approval of a grant to an
20 applicant of not more than three thousand dollars.

21 ~~E.~~ H. Notwithstanding section 38-431.03, the ~~subcommittee~~
22 SUBCOMMITTEES may meet in executive session without advance notice. The
23 full advisory ~~committee~~ COMMITTEES may meet in executive session, with
24 notice pursuant to section 38-431.02, to review and evaluate applications
25 or review recommendations of the ~~subcommittee~~ SUBCOMMITTEES. Applications
26 for financial assistance and all committee considerations and evaluations
27 of the applications are confidential.

28 ~~F.~~ I. The monies in the ~~fund~~ POST-9/11 VETERANS SUBACCOUNT shall
29 be used to provide financial assistance pursuant to this subsection. The
30 service member of an applying family must have been deceased, wounded or
31 injured or become seriously ill after September 11, 2001, been deployed
32 from a military base in this state, claimed this state as the service
33 member's home of record or been a member of the Arizona national guard at
34 the time of deployment. If discharged from military service, the service
35 member must have been discharged under honorable conditions. The
36 assistance shall be based on financial need up to twenty thousand dollars
37 per family. Eligible assistance is as follows:

38 1. Widows, widowers or dependent children of service members who
39 died in the line of duty in a combat zone or a zone where the person was
40 receiving hazardous duty pay may apply for a stipend for living expenses
41 for up to six months. For the purposes of the stipend, qualifying living
42 expenses are residential mortgage, rent and utility payments and other
43 basic living expenses. Payments with respect to any deceased person under
44 this paragraph are limited to a total of twenty thousand dollars.

1 2. An immediate family member may apply for payment of costs of
2 temporary residence near the medical facility where the service member or
3 former service member is being treated, including living, travel and
4 housing expenses. Payments may be payable in monthly installments as long
5 as the person is hospitalized or receiving medical care or rehabilitation
6 services as authorized by military or veterans' medical personnel.

7 3. An immediate family member, service member or former service
8 member may apply for:

9 (a) Living expenses.

10 (b) Other appropriate expenses as determined by the POST-9/11
11 military family relief advisory committee.

12 J. THE MONIES IN THE PRE-9/11 VETERANS SUBACCOUNT SHALL BE USED TO
13 PROVIDE FINANCIAL ASSISTANCE PURSUANT TO THIS SUBSECTION. THE SERVICE
14 MEMBER OF AN APPLYING FAMILY MUST HAVE BEEN DECEASED, WOUNDED OR INJURED
15 OR BECOME SERIOUSLY ILL ON OR BEFORE SEPTEMBER 11, 2001, BEEN DEPLOYED
16 FROM A MILITARY BASE IN THIS STATE, CLAIMED THIS STATE AS THE SERVICE
17 MEMBER'S HOME OF RECORD OR BEEN A MEMBER OF THE ARIZONA NATIONAL GUARD AT
18 THE TIME OF DEPLOYMENT. IF DISCHARGED FROM MILITARY SERVICE, THE SERVICE
19 MEMBER MUST HAVE BEEN DISCHARGED UNDER HONORABLE CONDITIONS. THE
20 ASSISTANCE SHALL BE BASED ON FINANCIAL NEED UP TO TWENTY THOUSAND DOLLARS
21 PER FAMILY. ELIGIBLE ASSISTANCE IS AS FOLLOWS:

22 1. WIDOWS, WIDOWERS OR DEPENDENT CHILDREN OF SERVICE MEMBERS WHO
23 DIED IN THE LINE OF DUTY IN A COMBAT ZONE OR A ZONE WHERE THE PERSON WAS
24 RECEIVING HAZARDOUS DUTY PAY MAY APPLY FOR A STIPEND FOR LIVING EXPENSES
25 FOR UP TO SIX MONTHS. FOR THE PURPOSES OF THE STIPEND, QUALIFYING LIVING
26 EXPENSES ARE RESIDENTIAL MORTGAGE, RENT AND UTILITY PAYMENTS AND OTHER
27 BASIC LIVING EXPENSES. PAYMENTS WITH RESPECT TO ANY DECEASED PERSON UNDER
28 THIS PARAGRAPH ARE LIMITED TO A TOTAL OF TWENTY THOUSAND DOLLARS.

29 2. AN IMMEDIATE FAMILY MEMBER MAY APPLY FOR PAYMENT OF COSTS OF
30 TEMPORARY RESIDENCE NEAR THE MEDICAL FACILITY WHERE THE SERVICE MEMBER OR
31 FORMER SERVICE MEMBER IS BEING TREATED, INCLUDING LIVING, TRAVEL AND
32 HOUSING EXPENSES. PAYMENTS MAY BE PAYABLE IN MONTHLY INSTALLMENTS AS LONG
33 AS THE PERSON IS HOSPITALIZED OR RECEIVING MEDICAL CARE OR REHABILITATION
34 SERVICES AS AUTHORIZED BY MILITARY OR VETERANS' MEDICAL PERSONNEL.

35 3. AN IMMEDIATE FAMILY MEMBER, SERVICE MEMBER OR FORMER SERVICE
36 MEMBER MAY APPLY FOR:

37 (a) LIVING EXPENSES.

38 (b) OTHER APPROPRIATE EXPENSES AS DETERMINED BY THE PRE-9/11
39 MILITARY FAMILY RELIEF ADVISORY COMMITTEE.

40 ~~G.~~ K. The director may allocate up to five percent of the
41 donations received for administering the ~~fund~~ SUBACCOUNTS and the
42 financial assistance program under this section, including the hiring of
43 an employee to process applications and provide support to the committee.
44 The department shall provide reasonable office space and other necessary
45 resources for the employee.

1 ~~H-~~ L. The director shall receive private donations for deposit in
2 the ~~fund~~ SUBACCOUNTS and issue receipts to the donors. A DONOR SHALL
3 DESIGNATE THE SUBACCOUNT IN WHICH THE DONOR WISHES THE DONATION TO BE
4 DEPOSITED AS FOLLOWS:

5 1. ONE HUNDRED PERCENT OF THE DONATION TO BE DEPOSITED IN THE
6 PRE-9/11 VETERANS SUBACCOUNT.

7 2. ONE HUNDRED PERCENT OF THE DONATION TO BE DEPOSITED IN THE
8 POST-9/11 VETERANS SUBACCOUNT.

9 3. FIFTY PERCENT OF THE DONATION TO BE DEPOSITED IN THE PRE-9/11
10 VETERANS SUBACCOUNT AND FIFTY PERCENT OF THE DONATION TO BE DEPOSITED IN
11 THE POST-9/11 VETERANS SUBACCOUNT.

12 M. Private donations may qualify for the purposes of income tax
13 credits under section 43-1086. The director may receive donations in any
14 amount, but donations that qualify for tax credits are subject to the
15 limits prescribed by section 43-1086. Donations to the ~~fund~~ SUBACCOUNTS
16 that otherwise qualify under the tax credit limits prescribed by section
17 43-1086 but that exceed a combined total of one million dollars in any
18 calendar year, on a ~~first come first served~~ FIRST-COME, FIRST-SERVED
19 basis, do not qualify for the income tax credits. The director shall
20 provide the taxpayer a donation receipt, which shall include the
21 taxpayer's full name and address, the last four digits of the taxpayer's
22 social security number and the amount of the donation. The director shall
23 designate on the donation receipt whether the donation qualifies under the
24 limits prescribed by this subsection and section 43-1086. The director
25 shall send a record of receipts that qualify under this subsection to the
26 department of revenue.

27 ~~I-~~ N. On or before March 31 of each year, the director shall
28 provide for an audit by an independent certified public accountant of the
29 ~~fund~~ SUBACCOUNTS and of the aggregate amount authorized by the director
30 for income tax credits under subsection ~~H-~~ M of this section. The
31 director shall promptly submit a certified copy of the audit to the
32 auditor general. The auditor general may make further audits and
33 examinations as necessary and may take appropriate action relating to the
34 audit or examination pursuant to chapter 7, article 10.1 of this title.
35 If the auditor general does not take further action within thirty days
36 after the audit is filed, the audit is considered to be sufficient. The
37 director shall pay the costs of the certified public accountant and the
38 auditor general from the administration allocation under subsection ~~K-~~ K
39 of this section.

40 Sec. 2. Section 43-1086, Arizona Revised Statutes, is amended to
41 read:

42 43-1086. Credit for donation to the military family relief
43 fund subaccounts

44 A. For taxable years beginning from and after December 31, 2007
45 through December 31, ~~2018~~ 2026, a credit is allowed against the taxes

1 imposed by this title for cash contributions made by a taxpayer during the
2 taxable year to the PRE-9/11 VETERANS SUBACCOUNT OR POST-9/11 VETERANS
3 SUBACCOUNT OF THE military family relief fund established by section
4 41-608.04. The amount of the credit is the lowest of the following
5 amounts, as applicable:

6 1. The total amount of contributions to the ~~fund~~ PRE-9/11 VETERANS
7 SUBACCOUNT OR POST-9/11 VETERANS SUBACCOUNT, OR BOTH SUBACCOUNTS, by the
8 taxpayer during the taxable year.

9 2. Two hundred dollars of contributions during the taxable year by
10 a taxpayer filing as a single individual or a head of household.

11 3. Four hundred dollars of contributions during the taxable year by
12 a married couple filing a joint return.

13 4. The taxpayer's tax liability for the taxable year.

14 B. A husband and wife who file separate returns for a taxable year
15 in which they could have filed a joint return may each claim only one-half
16 of the tax credit that would have been allowed on a joint return.

17 Sec. 3. Laws 2008, chapter 243, section 6, as amended by Laws 2012,
18 chapter 281, section 2, is amended to read:

19 Sec. 6. Delayed repeal

20 A. Section 41-608.04, Arizona Revised Statutes, AS AMENDED BY THIS
21 ACT, is repealed from and after December 31, ~~2018~~ 2026.

22 B. Section 43-1086, Arizona Revised Statutes, AS AMENDED BY THIS
23 ACT, is repealed from and after December 31, ~~2018~~ 2026.

24 Sec. 4. Transfers of monies

25 All unexpended and unencumbered monies remaining in the military
26 family relief fund established by section 41-608.04, Arizona Revised
27 Statutes, as amended by this act, are transferred to the post-9/11
28 veterans subaccount established by section 41-608.04, Arizona Revised
29 Statutes, as amended by this act, on the effective date of this section.

APPROVED BY THE GOVERNOR APRIL 23, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 23, 2018.