

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

CHAPTER 130

HOUSE BILL 2689

AN ACT

AMENDING SECTION 6-977, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 1994, CHAPTER 302, SECTION 2; REPEALING SECTION 6-977, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 45, SECTION 6; AMENDING SECTION 13-4517, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 158, SECTION 1; REPEALING SECTION 13-4517, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 352, SECTION 6; AMENDING SECTION 15-217.02, ARIZONA REVISED STATUTES; AMENDING SECTION 15-910, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 317, SECTION 6; REPEALING SECTION 15-910, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 285, SECTION 3; AMENDING SECTION 15-961, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 317, SECTION 12; REPEALING SECTION 15-961, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 285, SECTION 8; AMENDING SECTION 15-2401, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 44, SECTION 9; REPEALING SECTION 15-2401, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 388, SECTION 1; AMENDING SECTION 16-550, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 271, SECTION 2; REPEALING SECTION 16-550, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 358, SECTION 1; AMENDING SECTION 28-7006, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2000, CHAPTER 193, SECTION 236; REPEALING SECTION 28-7006, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 322, SECTION 6; AMENDING SECTION 32-1923.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 59, SECTION 72; REPEALING SECTION 32-1923.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS

2022, CHAPTER 362, SECTION 5; AMENDING SECTION 36-2232, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 217, SECTION 1; REPEALING SECTION 36-2232, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 381, SECTION 3; AMENDING SECTION 36-2604, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 284, SECTION 1; REPEALING SECTION 36-2604, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 362, SECTION 12; RELATING TO MULTIPLE, DEFECTIVE AND CONFLICTING LEGISLATIVE DISPOSITIONS OF STATUTORY TEXT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Purpose

3 1. Section 6-977, Arizona Revised Statutes, was amended by Laws
4 2022, chapter 45, section 6. However, this version did not reflect the
5 previous valid version of the section. In order to comply with article
6 IV, part 2, section 14, Constitution of Arizona, this act amends section
7 6-977, Arizona Revised Statutes, as added by Laws 1994, chapter 302,
8 section 2, to incorporate the amendments made by Laws 2022, chapter 45 and
9 repeals the chapter 45 version.

10 2. Section 13-4517, Arizona Revised Statutes, was amended by Laws
11 2022, chapter 158, section 1 and chapter 352, section 6. The chapter 352
12 version could not be blended because of the delayed effective date. In
13 order to combine these versions, this act amends the Laws 2022, chapter
14 158 version of section 13-4517, Arizona Revised Statutes, to incorporate
15 the amendments made by Laws 2022, chapter 352 and repeals the chapter 352
16 version.

17 3. Section 15-217.02, Arizona Revised Statutes, was added by Laws
18 2022, chapter 317, section 2. However, Laws 2022, chapter 317 did not
19 contain all of the amendments made by the house of representatives on June
20 23, 2022. This act amends section 15-217.02, Arizona Revised Statutes, as
21 added by Laws 2022, chapter 317, section 2, to correct an engrossing
22 error.

23 4. Section 15-910, Arizona Revised Statutes, was amended by Laws
24 2022, chapter 285, section 3 and chapter 317, section 6. The chapter 285
25 version could not be blended because of the delayed effective date. In
26 order to combine these versions, this act amends the Laws 2022, chapter
27 317 version of section 15-910, Arizona Revised Statutes, to incorporate
28 the amendments made by Laws 2022, chapter 285 and repeals the chapter 285
29 version.

30 5. Section 15-961, Arizona Revised Statutes, was amended by Laws
31 2022, chapter 285, section 8 and chapter 317, section 12. The chapter 285
32 version could not be blended because of the delayed effective date. In
33 order to combine these versions, this act amends the Laws 2022, chapter
34 317 version of section 15-961, Arizona Revised Statutes, to incorporate
35 the amendments made by Laws 2022, chapter 285 and repeals the chapter 285
36 version.

37 6. Section 15-2401, Arizona Revised Statutes, was amended by Laws
38 2022, chapter 44, section 9 and chapter 388, section 1. The chapter 388
39 version could not be blended because section 15-2401, Arizona Revised
40 Statutes, was subject to a referendum petition. However, the section
41 failed to be referred to the ballot. In order to combine these versions,
42 this act amends the Laws 2022, chapter 44 version of section 15-2401,
43 Arizona Revised Statutes, to incorporate the amendments made by Laws 2022,
44 chapter 388 and repeals the chapter 388 version.

1 7. Section 16-550, Arizona Revised Statutes, was amended by Laws
2 2022, chapter 271, section 2 and chapter 358, section 1. The chapter 358
3 version could not be blended because of the delayed effective date. In
4 order to combine these versions, this act amends the Laws 2022, chapter
5 271 version of section 16-550, Arizona Revised Statutes, to incorporate
6 the amendments made by Laws 2022, chapter 358 and repeals the chapter 358
7 version.

8 8. Section 28-7006, Arizona Revised Statutes, was amended by Laws
9 2022, chapter 322, section 6. However, this version did not reflect the
10 previous valid version of the section. In order to comply with article
11 IV, part 2, section 14, Constitution of Arizona, this act amends section
12 28-7006, Arizona Revised Statutes, as amended by Laws 2000, chapter 193,
13 section 236, to incorporate the amendments made by Laws 2022, chapter 322
14 and repeals the chapter 322 version.

15 9. Section 32-1923.01, Arizona Revised Statutes, was amended by
16 Laws 2022, chapter 59, section 72 and chapter 362, section 5. The chapter
17 362 version could not be blended because of the delayed effective
18 date. In order to combine these versions, this act amends the Laws 2022,
19 chapter 59 version of section 32-1923.01, Arizona Revised Statutes, to
20 incorporate the amendments made by Laws 2022, chapter 362 and repeals the
21 chapter 362 version.

22 10. Section 36-2232, Arizona Revised Statutes, was amended by Laws
23 2022, chapter 217, section 1 and chapter 381, section 3. The chapter 381
24 version could not be blended because of the delayed effective date. In
25 order to combine these versions, this act amends the Laws 2022, chapter
26 217 version of section 36-2232, Arizona Revised Statutes, to incorporate
27 the amendments made by Laws 2022, chapter 381 and repeals the chapter 381
28 version.

29 11. Section 36-2604, Arizona Revised Statutes, was amended by Laws
30 2022, chapter 284, section 1 and chapter 362, section 12. The chapter 362
31 version could not be blended because of the delayed effective date. In
32 order to combine these versions, this act amends the Laws 2022, chapter
33 284 version of section 36-2604, Arizona Revised Statutes, to incorporate
34 the amendments made by Laws 2022, chapter 362 and repeals the chapter 362
35 version.

36 Sec. 2. Section 6-977, Arizona Revised Statutes, as added by Laws
37 1994, chapter 302, section 2, is amended to read:

38 6-977. Displaying and using license number

39 A. A licensee shall prominently display the commercial mortgage
40 banker license in the office of the commercial mortgage banker.

41 B. A licensee or an employee of the licensee shall not advertise
42 for or solicit commercial mortgage loans in any manner without using the
43 LICENSE name, OR OTHER ASSUMED NAME OR TRADE NAME THAT IS SUBMITTED TO THE
44 DEPARTMENT PURSUANT TO SECTION 6-117, and THE license number ~~as issued on~~
45 ~~the commercial mortgage banker's principal place of business license,~~

1 ~~except that a licensee may employ or refer to the commonly used name and~~
2 ~~any trademarks or service marks of any affiliate.~~ If a license is issued
3 in the name of a natural person, ~~nothing in~~ the advertising or
4 solicitation may NOT imply that the license is in the name of another
5 person or entity. For the purposes of this subsection, ~~“advertise”~~ does
6 not include business cards, radio and television advertising directed at
7 national or regional markets and promotional items unless those items
8 contain rates or terms on which a commercial mortgage loan may be
9 obtained.

10 Sec. 3. Repeal

11 Section 6-977, Arizona Revised Statutes, as amended by Laws 2022,
12 chapter 45, section 6, is repealed.

13 Sec. 4. Section 13-4517, Arizona Revised Statutes, as amended by
14 Laws 2022, chapter 158, section 1, is amended to read:

15 13-4517. Incompetent defendants; disposition; evaluator costs

16 A. If the court finds that a defendant is incompetent to stand
17 trial and that there is no substantial probability that the defendant will
18 regain competency within twenty-one months after the date of the original
19 finding of incompetency, any party may request that the court:

20 1. Remand the defendant to an evaluating agency for the institution
21 of civil commitment proceedings pursuant to title 36, chapter 5. If the
22 defendant is remanded, the prosecutor shall file a petition for evaluation
23 and provide any known criminal history for the defendant.

24 2. Appoint a guardian ad litem to investigate whether the defendant
25 is or may be in need of a guardian, a conservator or any other protective
26 order pursuant to title 14, chapter 5.

27 3. Release the defendant from custody and dismiss the charges
28 against the defendant without prejudice.

29 4. IF THE DEFENDANT IS CHARGED WITH A SERIOUS OFFENSE AS DEFINED IN
30 SECTION 13-706, ORDER A TRIAL TO DETERMINE IF THE DEFENDANT IS DANGEROUS
31 AND SHOULD BE INVOLUNTARILY COMMITTED PURSUANT TO SECTION 13-4521. IF THE
32 DEFENDANT IS NOT REPRESENTED BY AN ATTORNEY AND IS INDIGENT, THE COURT
33 SHALL APPOINT AN ATTORNEY TO REPRESENT THE DEFENDANT IN ALL PROCEEDINGS
34 UNDER SECTION 13-4521 AND ANY FURTHER PROCEEDINGS UNDER TITLE 36,
35 CHAPTER 40.

36 B. If the court enters an order pursuant to subsection A, paragraph
37 1, ~~or~~ 2 OR 4 of this section, the court may also order an assessment of
38 the defendant's eligibility for private insurance or public benefits that
39 may be applied to the expenses of the defendant's medically necessary
40 maintenance and treatment, including services pursuant to title 36,
41 chapter 29, state-only behavioral health services, title XVIII services
42 and medicare part D prescription drug benefits, supplemental security
43 income and supplemental security disability income.

1 C. The court may retain jurisdiction over the defendant until the
2 defendant is committed for treatment pursuant to SECTION 13-4521 OR title
3 36, chapter 5 or a guardian is appointed pursuant to title 14, chapter 5.

4 D. If the court remands the defendant for the institution of civil
5 commitment proceedings pursuant to title 36, chapter 5 and the court is
6 notified that the defendant has not had a civil commitment evaluation OR
7 IF THE COURT ENTERS AN ORDER PURSUANT TO SUBSECTION A, PARAGRAPH 4 OF THIS
8 SECTION, the court, if it has retained jurisdiction, may order the sheriff
9 to take the defendant into custody so that the court may explore options
10 pursuant to subsection A, paragraph 2, ~~OR~~ 3 OR 4 of this section.

11 E. If the court is notified that the defendant has not been ordered
12 into treatment pursuant to title 36, chapter 5 and the court has retained
13 jurisdiction, the court may order the sheriff to take the defendant into
14 custody so that the court may explore options pursuant to subsection A,
15 paragraph 2, ~~OR~~ 3 OR 4 of this section.

16 F. A guardian ad litem who is appointed pursuant to this section
17 and who determines that protective action is appropriate shall initiate
18 and prosecute proceedings for the appointment of a guardian, a conservator
19 or any other protective order pursuant to title 14, chapter 5. The court,
20 on the request of the guardian ad litem or on its own motion, may order an
21 independent evaluation of the defendant by a licensed physician, a
22 licensed psychologist or a registered nurse to assess whether the
23 defendant is an incapacitated person as defined in section 14-5101 or is a
24 person in need of protection as prescribed in section 14-5401, subsection
25 A, paragraph 2.

26 G. A guardian ad litem and any other evaluator who is appointed
27 pursuant to this section is entitled to reasonable compensation for the
28 work performed as a guardian ad litem or evaluator. If the defendant is
29 indigent, the court may order the reasonable compensation to be a county
30 expense.

31 Sec. 5. Repeal

32 Section 13-4517, Arizona Revised Statutes, as amended by Laws 2022,
33 chapter 352, section 6, is repealed.

34 Sec. 6. Section 15-217.02, Arizona Revised Statutes, is amended to
35 read:

36 15-217.02. Adult workforce diploma program; fund; program
37 providers; requirements; annual reports;
38 definitions

39 A. The adult workforce diploma program is established within the
40 state board of education to assist a person who is at least twenty-one
41 years of age in earning a high school diploma and developing critical
42 employability and career and technical skills to prepare the person for
43 employment. The department of education shall administer the
44 program. The program may be delivered in a campus-based, online or
45 blended modality.

1 B. The adult workforce diploma program fund is established
2 consisting of legislative appropriations, gifts, grants and other
3 donations. The department of education shall administer the fund. The
4 department of education shall use monies in the fund to pay approved
5 program providers as prescribed in subsection E of this section. Monies
6 in the fund are continuously appropriated and are exempt from the
7 provisions of section 35-190 relating to lapsing of appropriations.

8 C. On or before August 15 of each year, to be approved to
9 participate in the program, an eligible program provider shall submit to
10 the state board of education on a form that is developed by the board
11 information showing that the eligible program provider meets all of the
12 following requirements:

- 13 1. Is operating a regionally accredited high school
14 diploma-granting entity.
- 15 2. Has the ability to develop a learning plan for each student that
16 integrates graduation requirements and career goals.
- 17 3. Provides a course catalog that includes all courses that are
18 necessary to meet graduation requirements.
- 19 4. Has the ability to provide all of the following:
 - 20 (a) Remediation opportunities in literacy and numeracy.
 - 21 (b) Career pathways coursework.
 - 22 (c) Preparation for industry-recognized credentials and stackable
23 credentials.
 - 24 (d) Career placement services.
 - 25 (e) Academic skills intake assessments and transcript evaluations.

26 D. On or before October 15 of each year, the state board of
27 education, in consultation with the department of education, shall place
28 all qualified program providers that submit the form pursuant to
29 subsection C of this section on an approved program providers
30 list. Approved program providers shall begin enrolling students on or
31 before November 15 of each year. Approved program providers maintain
32 approval status unless the approved program provider is removed from the
33 approved program providers list pursuant to subsection J of this section.

34 E. The department of education shall pay approved program providers
35 the following amounts for each student who completes the following
36 milestones:

- 37 1. \$250 for each completed half unit of high school credit.
- 38 2. \$250 for each completed employability skills certification.
- 39 3. \$250 for each earned industry-recognized credential or stackable
40 credential that requires not more than fifty hours of training.
- 41 4. \$500 for each earned industry-recognized credential or stackable
42 credential that requires at least fifty hours but not more than one
43 hundred hours of training.
- 44 5. \$750 for each earned industry-recognized credential or stackable
45 credential that requires more than one hundred hours of training.

- 1 6. \$1,000 for each earned high school diploma.
- 2 F. Approved program providers shall submit monthly invoices to the
3 department of education not later than the tenth calendar day of each
4 month for milestones met in the previous calendar month. The department
5 of education shall pay approved program providers in the order in which
6 invoices are submitted until all available monies are exhausted. The
7 department of education shall provide a written update to the approved
8 program providers on or before the last calendar day of each month,
9 including the aggregate total dollars that have been paid to approved
10 program providers to date and the estimated number of enrollments still
11 available for the program year.
- 12 G. On or before October 30 of each year, each approved program
13 provider shall report the following to the department of education:
- 14 1. The total number of students who were funded through the
15 program.
- 16 2. The total number of earned credits.
- 17 3. The total number of earned industry-recognized credentials or
18 stackable credentials earned for each tier of funding.
- 19 4. The total number of students who graduated through the program.
- 20 5. The information required by the performance measures adopted by
21 the state board of education pursuant to section 15-217.
- 22 H. The department of education shall compile the reports received
23 from each approved program provider under subsection G of this section
24 and, on or before December 15 of each year, shall provide an annual report
25 to the governor, the president of the senate, the speaker of the house of
26 representatives and the state board of education and provide a copy of
27 this report to the secretary of state.
- 28 I. Beginning with the end of the second fiscal year of the program,
29 the state board of education, in cooperation with the department of
30 education, shall review data from each approved program provider to ensure
31 that each approved program provider is achieving minimum program
32 performance standards, including:
- 33 1. A graduation rate of at least fifty percent.
- 34 2. An average cost per graduate of \$7,000 or less.
- 35 J. The state board of education, **IN COOPERATION WITH THE DEPARTMENT**
36 **OF EDUCATION**, may develop a process to bring an approved program provider
37 into compliance. The state board of education shall revoke an approved
38 program provider's authorization to participate in the program if the
39 approved program provider does not comply with the requirements of this
40 section within two years.
- 41 K. The department of education shall provide adequate staff support
42 for the state board of education to comply with this section.
- 43 L. For the purposes of this section:
- 44 1. "Academic skills intake assessment" means a criterion-referenced
45 assessment of numeracy and literacy skills with high reliability and

- 1 validity that is determined by third-party research and that may be
2 administered in person or online.
- 3 2. "Accredited provider" means an entity that is currently
4 accredited by one of the seven regional accreditation organizations or any
5 successor entity.
- 6 3. "Approved program provider" means a public, nonprofit or other
7 entity that meets the requirements of this section and that does not
8 receive federal or state funding or private tuition for a student who is
9 funded through the program.
- 10 4. "Average cost per graduate" means the total program funding
11 dispersed to an approved program provider divided by the total number of
12 graduates for a cohort calculated twelve months after the close of the
13 cohort.
- 14 5. "Career pathways coursework" means one or more courses that
15 align with the skill needs of industries in the economy of this state or
16 region and that assist students to enter or advance within a specific
17 occupation or occupational cluster.
- 18 6. "Career placement services" means services that are designed to
19 assist students in obtaining employment, including career interest
20 self-assessments, job search skills, résumé development and mock
21 interviews.
- 22 7. "Cohort" means the students who enter the program between July 1
23 and June 30 of each program year.
- 24 8. "Employability skills certification" means a certificate earned
25 by demonstrating professional nontechnical skills through assessment and
26 must include the program standards of the United States department of
27 labor's "skills to pay the bills: mastering soft skills for workplace
28 success".
- 29 9. "Graduate" means a student who has successfully completed all
30 state and approved program provider requirements to earn a high school
31 diploma.
- 32 10. "Graduation rate" means the total number of graduates from a
33 cohort divided by the total number of students from the same cohort
34 calculated twelve months after the close of the cohort.
- 35 11. "Graduation requirements" means course and credit requirements
36 needed to earn a high school diploma from an approved program provider.
- 37 12. "High school diploma" means a diploma that is issued by an
38 accredited provider and that is recognized as a secondary school diploma
39 by this state.
- 40 13. "Industry-recognized credential" means an education-related or
41 work-related credential that verifies an individual's qualification or
42 competence and that is issued by a third party with the relevant authority
43 to issue the credential.

1 14. "Learning plan" means a documented plan that both:
2 (a) Is designed to prepare a student to succeed in the program and
3 the student's future endeavors.

4 (b) Identifies the courses and credits that are needed for a
5 student to complete the program and that are approved program provider
6 graduation requirements.

7 15. "Milestones" means objective measures of progress for which
8 payment is made to an approved program provider under this section,
9 including earned units of high school credit, earned industry-recognized
10 credentials and earned high school diplomas.

11 16. "Program" means the adult workforce diploma program.

12 17. "Stackable credential" means a third-party credential that is
13 part of a sequence of credentials that can be accumulated over time to
14 build up an individual's qualifications to advance along a career pathway.

15 18. "Student" means a participant in the program who is at least
16 twenty-one years of age, who is a resident of this state and who has not
17 earned a high school diploma.

18 19. "Transcript evaluation" means a documented summary of credits
19 that were earned in previous public or private accredited high schools
20 compared with program and approved program provider graduation
21 requirements.

22 20. "Unit of high school credit" means a credit that is awarded
23 based on a student's demonstration that the student has successfully met
24 the content expectations for the credit area as defined by subject area
25 standards, expectations or guidelines.

26 Sec. 7. Section 15-910, Arizona Revised Statutes, as amended by
27 Laws 2022, chapter 317, section 6, is amended to read:

28 15-910. School district budgets; excess utility costs;
29 desegregation costs; tuition costs for bond issues;
30 costs for registering warrants; report

31 A. The governing board may budget for the district's excess utility
32 costs that are specifically exempt from the district's revenue control
33 limit. If approved by the qualified electors voting at a statewide
34 general election, the exemption from the revenue control limit under this
35 subsection expires at the end of the 2008-2009 budget year. The uniform
36 system of financial records shall specify expenditure items allowable as
37 excess utility costs, which are limited to direct operational costs of
38 heating, cooling, water and electricity, telephone communications and
39 sanitation fees. The department of education and the auditor general
40 shall include in the maintenance and operation section of the budget
41 format, as provided in section 15-903, a separate line for utility
42 expenditures and a special excess utility cost category. The special
43 excess utility cost category shall contain budgeted expenditures for
44 excess utility costs, determined as follows:

- 1 1. Determine the lesser of the total budgeted or total actual
2 utility expenditures for fiscal year 1984-1985.
- 3 2. Multiply the amount in paragraph 1 of this subsection by the
4 total percentage increase or decrease in the revenue control limit and the
5 capital outlay revenue limit for the budget year over the revenue control
6 limit and the capital outlay revenue limit for fiscal year 1984-1985.
- 7 3. The sum of the amounts in paragraphs 1 and 2 of this subsection
8 is the amount budgeted in the utility expenditure line.
- 9 4. Additional expenditures for utilities are budgeted in the excess
10 utility cost category.
- 11 B. The governing board shall apply the same percentage increase or
12 decrease allowed in the revenue control limit and the capital outlay
13 revenue limit as provided in section 15-905, subsection E to the utility
14 expenditure line of the budget.
- 15 C. The governing board may expend from the excess utility cost
16 category only after it has expended for utility purposes the full amount
17 budgeted in the utility expenditure line of the budget.
- 18 D. The governing board, after notice is given and a public meeting
19 is held as provided in section 15-905, subsection D, may revise at any
20 time before May 15 the amount budgeted in the excess utility cost category
21 for the current year. Not later than May 18, the budget as revised shall
22 be submitted electronically to the superintendent of public instruction.
- 23 E. If the revised excess utility cost category results in an
24 expenditure of monies in excess of school district revenues for the
25 current year, the county school superintendent shall include within the
26 revenue estimate for the budget year monies necessary to meet the
27 liabilities incurred by the school district in the current year in excess
28 of revenues received for the current year.
- 29 F. If a school district receives a refund of utility expenditures
30 or a rebate on energy saving devices or services, the refund or rebate
31 shall be applied against utility expenditures for the current year as a
32 reduction of the expenditures, except that the reduction of expenditures
33 shall not exceed the amount of actual utility expenditures.
- 34 G. The governing board may budget for expenses of complying with or
35 continuing to implement activities that were required or permitted by a
36 court order of desegregation or administrative agreement with the United
37 States department of education office for civil rights directed toward
38 remediating alleged or proven racial discrimination that are specifically
39 exempt in whole or in part from the revenue control limit and district
40 additional assistance. This exemption applies only to expenses incurred
41 for activities that are begun before the termination of the court order or
42 administrative agreement. If a district is levying a property tax on
43 February 23, 2006 and using those monies to administer an English language
44 learner program to remedy alleged or proven discrimination under title VI
45 of the civil rights act of 1964 (42 United States Code section 2000d), the

1 district may spend those monies to remedy a violation of the equal
2 educational opportunities act of 1974 (20 United States Code section
3 1703(f)). Nothing in this subsection allows a school district to levy a
4 property tax for violations of the equal educational opportunities act of
5 1974 (20 United States Code section 1703(f)) in the absence of an alleged
6 or proven discrimination under title VI of the civil rights act of 1964
7 (42 United States Code section 2000d).

8 H. If a governing board chooses to budget monies outside of the
9 revenue control limit as provided in subsection G of this section, the
10 governing board may do one of the following:

11 1. Use monies from the maintenance and operation fund equal to any
12 excess desegregation or compliance expenses beyond the revenue control
13 limit before June 30 of the current year.

14 2. Notify the county school superintendent to include the cost of
15 the excess expenses in the county school superintendent's estimate of the
16 additional amount needed for the school district from the secondary
17 property tax as provided in section 15-991.

18 3. Employ the provisions of both paragraphs 1 and 2 of this
19 subsection, provided that the total amount transferred and included in the
20 amount needed from property taxes does not exceed the total amount
21 budgeted as prescribed in subsection J, paragraph 1 of this section.

22 I. If a governing board chooses to budget monies outside of
23 district additional assistance as provided in subsection G of this
24 section, the governing board may notify the county school superintendent
25 to include the cost of the excess expenses in the county school
26 superintendent's estimate of the additional amount needed for the school
27 district from the secondary property tax as provided in section 15-991.

28 J. A governing board using subsections G, H and I of this section:

29 1. Shall prepare and employ a separate maintenance and operation
30 desegregation budget and capital outlay desegregation budget on a form
31 prescribed by the superintendent of public instruction in conjunction with
32 the auditor general. The budget format shall be designed to allow a
33 school district to plan and provide in detail for expenditures to be
34 incurred solely as a result of compliance with or continuing to implement
35 activities that were required or permitted by a court order of
36 desegregation or administrative agreement with the United States
37 department of education office for civil rights directed toward
38 remediating alleged or proven racial discrimination.

39 2. Shall prepare as a part of the annual financial report a
40 detailed report of expenditures incurred solely as a result of compliance
41 with or continuing to implement activities that were required or permitted
42 by a court order of desegregation or administrative agreement with the
43 United States department of education office for civil rights directed
44 toward remediating alleged or proven racial discrimination, in a format

1 prescribed by the auditor general in conjunction with the Arizona
2 department of education as provided by section 15-904.

3 3. On or before July 15 each year, shall collect and report data
4 regarding activities related to a court order of desegregation or an
5 administrative agreement with the United States department of education
6 office for civil rights directed toward remediating alleged or proven
7 racial discrimination in a format prescribed by the Arizona department of
8 education. The Arizona department of education shall compile and submit
9 copies of the reports to the governor, the president of the senate, the
10 speaker of the house of representatives and the chairpersons of the
11 education committees of the senate and the house of representatives and
12 shall submit a copy to the secretary of state. A school district that
13 becomes subject to a new court order of desegregation or a party to an
14 administrative agreement with the United States department of education
15 office for civil rights directed toward remediating alleged or proven
16 racial discrimination shall submit these reports on or before July 15 or
17 within ninety days of the date of the court order or administrative
18 agreement, whichever occurs first. The Arizona department of education,
19 in consultation with the auditor general, shall develop reporting
20 requirements to ensure that school districts submit at least the following
21 information and documentation to the Arizona department of education:

22 (a) A district-wide budget summary and a budget summary on a
23 school-by-school basis for each school in the school district that lists
24 the sources and uses of monies that are designated for desegregation
25 purposes.

26 (b) A detailed list of desegregation activities on a district-wide
27 basis and on a school-by-school basis for each school in the school
28 district.

29 (c) The date that the school district was determined to be out of
30 compliance with title VI of the civil rights act of 1964 (42 United States
31 Code section 2000d) and the basis for that determination.

32 (d) The initial date that the school district began to levy
33 property taxes to provide funding for desegregation expenses and any dates
34 that these property tax levies were increased.

35 (e) If applicable, a current and accurate description of all magnet
36 type programs that are in operation pursuant to the court order during the
37 current school year on a district-wide basis and on a school-by-school
38 basis. This information shall contain the eligibility and attendance
39 criteria of each magnet type program, the capacity of each magnet type
40 program, the ethnic composition goals of each magnet type program, the
41 actual attending ethnic composition of each magnet type program and the
42 specific activities offered in each magnet type program.

43 (f) The number of pupils who participate in desegregation
44 activities on a district-wide basis and on a school-by-school basis for
45 each school in the school district.

1 (g) A detailed summary of the academic achievement of pupils on a
2 district-wide basis and on a school-by-school basis for each school in the
3 school district.

4 (h) The number of employees, including teachers and administrative
5 personnel, on a district-wide basis and on a school-by-school basis for
6 each school in the school district that is necessary to conduct
7 desegregation activities.

8 (i) The number of employees, including teachers and administrative
9 personnel, on a district-wide basis and on a school-by-school basis for
10 each school in the school district and the number of employees at school
11 district administrative offices that are funded in whole or in part with
12 desegregation monies received pursuant to this section.

13 (j) The amount of monies that is not derived through a primary or
14 secondary property tax levy and that is budgeted and spent on
15 desegregation activities on a district-wide basis and on a
16 school-by-school basis for each school in the school district.

17 (k) Verification that the desegregation funding will supplement and
18 not supplant funding for other academic and extracurricular activities.

19 (l) Verification that the desegregation funding is educationally
20 justifiable.

21 (m) Any documentation that supports the proposition that the
22 requested desegregation funding is intended to result in equal education
23 opportunities for all pupils in the school district.

24 (n) Verification that the desegregation funding will be used to
25 promote systemic and organizational changes within the school district.

26 (o) Verification that the desegregation funding will be used in
27 accordance with the academic standards adopted by the state board of
28 education pursuant to sections 15-701 and 15-701.01.

29 (p) Verification that the desegregation funding will be used to
30 accomplish specific actions to remediate proven discrimination pursuant to
31 title VI of the civil rights act of 1964 (42 United States Code section
32 2000d) as specified in the court order or administrative agreement.

33 (q) An evaluation by the school district of the effectiveness of
34 the school district's desegregation measures.

35 (r) An estimate of when the school district will be in compliance
36 with the court order or administrative agreement and a detailed account of
37 the steps that the school district will take to achieve compliance.

38 (s) Any other information that the Arizona department of education
39 deems necessary to carry out the purposes of this paragraph.

40 K. If a school district governing board budgets for expenses of
41 complying with a court order of desegregation or an administrative
42 agreement with the United States department of education office for civil
43 rights directed toward remediating alleged or proven racial
44 discrimination, the governing board shall ensure that the desegregation
45 expenses will:

- 1 1. Be educationally justifiable.
- 2 2. Result in equal education opportunities for all pupils in the
- 3 school district.
- 4 3. Be used to promote systemic and organizational changes within
- 5 the school district.
- 6 4. Be used in accordance with the academic standards adopted by the
- 7 state board of education pursuant to sections 15-701 and 15-701.01.
- 8 5. Be used to accomplish specific actions to remediate proven
- 9 discrimination pursuant to title VI of the civil rights act of 1964
- 10 (42 United States Code section 2000d) as specified in the court order or
- 11 administrative agreement.
- 12 6. Be used in accordance with a plan submitted to the department of
- 13 education that includes an estimate of the amount of monies that will be
- 14 required to bring the school district into compliance with the court order
- 15 or administrative agreement and an estimate of when the school district
- 16 will be in compliance with the court order or administrative agreement.
- 17 7. Each fiscal year, not exceed the amount budgeted by the school
- 18 district for desegregation expenses in fiscal year 2008-2009.
- 19 L. ~~Beginning in fiscal year 2018-2019,~~ Subsections G through K of
- 20 this section apply only if the governing board uses revenues from
- 21 secondary property taxes rather than primary property taxes to fund
- 22 expenses of complying with or continuing to implement activities that were
- 23 required or allowed by a court order of desegregation or administrative
- 24 agreement with the United States department of education office for civil
- 25 rights directed toward remediating alleged or proven racial discrimination
- 26 that are specifically exempt in whole or in part from the revenue control
- 27 limit and district additional assistance. Secondary property taxes levied
- 28 pursuant to this subsection do not require voter approval, but shall be
- 29 separately delineated on a property owner's property tax statement.
- 30 M. ~~The governing board may budget for the bond issues portion of~~
- 31 ~~the cost of tuition charged the district as provided in section 15-824 for~~
- 32 ~~the pupils attending school in another school district, except that if the~~
- 33 ~~district is a common school district not within a high school district,~~
- 34 ~~the district may only include that part of tuition that is excluded from~~
- 35 ~~the revenue control limit and district support level as provided in~~
- 36 ~~section 15-951. The bond issues portion of the cost of tuition charged is~~
- 37 ~~specifically exempt from the revenue control limit of the school district~~
- 38 ~~of residence, and the primary property tax rate set to fund this amount~~
- 39 ~~shall not be included in the computation of additional state aid for~~
- 40 ~~education as provided in section 15-972, except as provided in section~~
- 41 ~~15-972, subsection E. The department of education and the auditor general~~
- 42 ~~shall include in the maintenance and operation section of the budget~~
- 43 ~~format, as provided in section 15-903, a separate category for the bond~~
- 44 ~~issues portion of the cost of tuition.~~

1 ~~N.~~ M. The governing board may budget for interest expenses it
2 incurred for registering warrants drawn against a fund of the school
3 district or net interest expense on tax anticipation notes as prescribed
4 in section 35-465.05, subsection C for the fiscal year preceding the
5 current year if the county treasurer pooled all school district monies for
6 investment as provided in section 15-996 for the fiscal year preceding the
7 current year and, in those school districts that receive state aid, the
8 school districts applied for an apportionment of state aid before the date
9 set for the apportionment as provided in section 15-973 for the fiscal
10 year preceding the current year. The governing board may budget an amount
11 for interest expenses for registering warrants or issuing tax anticipation
12 notes equal to or less than the amount of the warrant interest expense or
13 net interest expense on tax anticipation notes as prescribed in section
14 35-465.05, subsection C for the fiscal year preceding the current year as
15 provided in this subsection that is specifically exempt from the revenue
16 control limit. For the purposes of this subsection, "state aid" means
17 state aid as determined in sections 15-971 and 15-972.

18 Sec. 8. Repeal

19 Section 15-910, Arizona Revised Statutes, as amended by Laws 2022,
20 chapter 285, section 3, is repealed.

21 Sec. 9. Section 15-961, Arizona Revised Statutes, as amended by
22 Laws 2022, chapter 317, section 12, is amended to read:

23 15-961. District additional assistance; growth rate

24 A. District additional assistance per student count is established
25 as follows:

26 1. For school districts with a student count of less than one
27 hundred for kindergarten programs and grades one through eight,
28 \$606.88. For school districts with a student count of one hundred or more
29 and less than six hundred for kindergarten programs and grades one through
30 eight, multiply \$433.78 by the weight that corresponds to the student
31 count for kindergarten programs and grades one through eight for the
32 school district as provided in section 15-943, paragraph 1, subdivision
33 (a), column 3. For a school district with a student count of six hundred
34 or more in kindergarten programs and grades one through eight, the limit
35 is \$502.33.

36 2. For school districts with a student count of less than one
37 hundred for grades nine through twelve, \$670.02. For school districts
38 with a student count of one hundred or more and less than six hundred for
39 grades nine through twelve, multiply \$451.99 by the weight that
40 corresponds to the student count for grades nine through twelve for the
41 school district as provided in section 15-943, paragraph 1, subdivision
42 (b), column 3. For a school district with a student count of six hundred
43 or more in grades nine through twelve, the limit is \$549.33.

44 3. For programs for preschool children with disabilities, \$502.33.

1 B. District additional assistance for a school district shall be
2 computed as follows:

3 1. Select the applicable district additional assistance per student
4 count for the school district.

5 2. Multiply the amount or amounts selected in paragraph 1 of this
6 subsection by the appropriate student count of the school district.

7 3. If a school district's student count used for the budget year is
8 greater than one hundred five percent of the student count used for the
9 current year's budget, increase the adjusted district additional
10 assistance determined in paragraph 2 of this subsection by fifty percent
11 of the actual percentage increase in the school district's student count.

12 C. An amount for the purchase of required textbooks and related
13 printed subject matter materials shall be used to increase the district
14 additional assistance for a school district as determined in subsection B,
15 paragraph 2 or 3 of this section, whichever is applicable. This amount
16 shall equal the student count in grades nine through twelve multiplied by
17 \$77.65.

18 D. NOTWITHSTANDING SUBSECTIONS A, B AND C OF THIS SECTION, DISTRICT
19 ADDITIONAL ASSISTANCE FOR A COMMON SCHOOL DISTRICT THAT IS NOT WITHIN A
20 HIGH SCHOOL DISTRICT OR FOR A TRANSPORTING SCHOOL DISTRICT IS DISTRICT
21 ADDITIONAL ASSISTANCE AS PRESCRIBED IN THIS SECTION BUT EXCLUDING PUPILS
22 WHO ARE ADMITTED TO ANOTHER SCHOOL DISTRICT AS PROVIDED IN SECTION 15-824,
23 SUBSECTION A, PARAGRAPH 2 OR 3, EXCEPT THAT IF THE SCHOOL DISTRICT
24 TRANSPORTS HIGH SCHOOL PUPILS, THE DISTRICT ADDITIONAL ASSISTANCE AMOUNT
25 PRESCRIBED IN THIS SECTION SHALL BE INCREASED BY AN AMOUNT EQUAL TO FIFTY
26 PERCENT OF THE DISTRICT ADDITIONAL ASSISTANCE PER PUPIL AMOUNT PRESCRIBED
27 FOR THE SCHOOL DISTRICT PURSUANT TO THIS SECTION MULTIPLIED BY THE NUMBER
28 OF HIGH SCHOOL PUPILS TRANSPORTED.

29 Sec. 10. Repeal

30 Section 15-961, Arizona Revised Statutes, as amended by Laws 2022,
31 chapter 285, section 8, is repealed.

32 Sec. 11. Section 15-2401, Arizona Revised Statutes, as amended by
33 Laws 2022, chapter 44, section 9, is amended to read:

34 15-2401. Definitions

35 In this chapter, unless the context otherwise requires:

36 1. "Annual education plan" means an initial individualized
37 evaluation and subsequent annual reviews that are developed for a
38 qualified student who meets the criteria specified in paragraph 7,
39 subdivision (a), item (i), (ii) or (iii) of this section to determine
40 ongoing annual eligibility through the school year in which the qualified
41 student reaches twenty-two years of age and whether the student may be
42 eligible pursuant to section 36-2981 and should be referred for
43 eligibility determination.

- 1 2. "Curriculum" means a course of study for content areas or grade
2 levels, including any supplemental materials required or recommended by
3 the curriculum, approved by the department.
- 4 3. "Department" means the department of education.
- 5 4. "Eligible postsecondary institution" means a community college
6 as defined in section 15-1401, a university under the jurisdiction of the
7 Arizona board of regents or an accredited private postsecondary
8 institution.
- 9 5. "Parent" means a resident of this state who is the parent,
10 stepparent or legal guardian of a qualified student.
- 11 6. "Qualified school" means a nongovernmental primary or secondary
12 school or a preschool for pupils with disabilities that is located in this
13 state or, for qualified students who reside within the boundaries of an
14 Indian reservation in this state, that is located in an adjacent state and
15 that is within two miles of the border of the state in which the qualified
16 student resides, and that does not discriminate on the basis of race,
17 color or national origin.
- 18 7. "Qualified student" means a resident of this state who:
19 (a) Is any of the following:
20 (i) Identified as having a disability under section 504 of the
21 rehabilitation act of 1973 (29 United States Code section 794).
22 (ii) Identified by a school district or by an independent third
23 party pursuant to section 15-2403, subsection ~~I~~ J as a child with a
24 disability as defined in section 15-731 or 15-761.
25 (iii) A child with a disability who is eligible to receive services
26 from a school district under section 15-763.
27 (iv) Attending a school or school district that was assigned a
28 letter grade of D or F pursuant to section 15-241 for the most recent year
29 in which letter grades were assigned or is currently eligible to attend
30 kindergarten and resides within the attendance boundary of a school that
31 was assigned a letter grade of D or F pursuant to section 15-241 for the
32 most recent year in which letter grades were assigned. A child who meets
33 the requirements of this item and who meets the income eligibility
34 requirements for free and reduced-price lunches under the national school
35 lunch and child nutrition acts (42 United States Code sections 1751
36 through 1793) is not subject to subdivision (b) of this paragraph.
37 (v) A previous recipient of a scholarship issued pursuant to this
38 section, unless the qualified student's parent has been removed from
39 eligibility in the program for failure to comply pursuant to section
40 15-2403, subsection C.
41 (vi) A child of a parent who is a member of the armed forces of the
42 United States and who is on active duty or was killed in the line of duty.
43 A child who meets the requirements of this item is not subject to
44 subdivision (b) of this paragraph.

1 (vii) A child who is a ward of the juvenile court and who is
2 residing with a prospective permanent placement pursuant to section 8-862
3 and the case plan is adoption or permanent guardianship.

4 (viii) A child who was a ward of the juvenile court and who
5 achieved permanency through adoption or permanent guardianship.

6 (ix) A child who is the sibling of a current or previous Arizona
7 empowerment scholarship account recipient or of an eligible qualified
8 student who accepts the terms of and enrolls in an Arizona empowerment
9 scholarship account.

10 (x) A child who resides within the boundaries of an Indian
11 reservation in this state as determined by the department of education or
12 a tribal government.

13 (xi) A child of a parent who is legally blind or deaf or hard of
14 hearing as defined in section 36-1941.

15 (b) And, except as provided in subdivision (a), items (iv) and
16 (vi) of this paragraph, who meets any of the following requirements:

17 (i) Attended a governmental primary or secondary school as a
18 full-time student as defined in section 15-901 for at least forty-five
19 days of the current or prior fiscal year and who transferred from a
20 governmental primary or secondary school under a contract to participate
21 in an Arizona empowerment scholarship account. Kindergarten students who
22 are enrolled in Arizona online instruction must receive ~~two~~ ONE hundred
23 hours of logged instruction to be eligible pursuant to this item. First,
24 second and third grade students who are enrolled in Arizona online
25 instruction must receive ~~four~~ TWO hundred hours of logged instruction to
26 be eligible pursuant to this item. Fourth, fifth and sixth grade students
27 who are enrolled in Arizona online instruction must receive ~~five~~ TWO
28 hundred FIFTY hours of logged instruction to be eligible pursuant to this
29 item. Seventh and eighth grade students who are enrolled in Arizona
30 online instruction must receive ~~five~~ TWO hundred ~~fifty~~ SEVENTY-FIVE hours
31 of logged instruction to be eligible pursuant to this item. High school
32 students who are enrolled in Arizona online instruction must receive ~~five~~
33 TWO hundred FIFTY hours of logged instruction to be eligible pursuant to
34 this item.

35 (ii) Previously participated in an Arizona empowerment scholarship
36 account.

37 (iii) Received a scholarship under section 43-1505 and who
38 continues to attend a qualified school if the student attended a
39 governmental primary or secondary school as a full-time student as defined
40 in section 15-901 for at least ninety days of the prior fiscal year or one
41 full semester before attending a qualified school.

42 (iv) Was eligible for an Arizona scholarship for pupils with
43 disabilities and received monies from a school tuition organization
44 pursuant to section 43-1505 or received an Arizona scholarship for pupils
45 with disabilities but did not receive monies from a school tuition

1 organization pursuant to section 43-1505 and who continues to attend a
2 qualified school if the student attended a governmental primary or
3 secondary school as a full-time student as defined in section 15-901 for
4 at least ninety days of the prior fiscal year or one full semester before
5 attending a qualified school.

6 (v) ATTENDED A NONPUBLIC SCHOOL FOR PUPILS WITH DISABILITIES IN THE
7 PRIOR YEAR IF PLACEMENT AT THE SCHOOL WAS APPROVED BY THE DEPARTMENT OF
8 EDUCATION AND CONTRACTED FOR BY A PUBLIC SCHOOL DISTRICT.

9 ~~(v)~~ (vi) Has not previously attended a governmental primary or
10 secondary school but is currently eligible to enroll in a kindergarten
11 program in a school district or charter school in this state or attended a
12 program for preschool children with disabilities. FOR THE PURPOSES OF
13 THIS ITEM, A CHILD IS ELIGIBLE TO ENROLL IN A KINDERGARTEN PROGRAM IF THE
14 CHILD IS AT LEAST FIVE YEARS OF AGE ON JANUARY 1 OF THE CURRENT SCHOOL
15 YEAR, IS UNDER SEVEN YEARS OF AGE, HAS NOT ALREADY COMPLETED A
16 KINDERGARTEN PROGRAM AND IS NOT ENROLLED IN GRADE ONE OF A PRIVATE OR
17 GOVERNMENTAL SCHOOL IN THE CURRENT YEAR.

18 ~~(vi)~~ (vii) Has not previously attended a governmental primary or
19 secondary school but is currently eligible to enroll in a program for
20 preschool children with disabilities in this state.

21 8. "Treasurer" means the office of the state treasurer.

22 Sec. 12. Repeal

23 Section 15-2401, Arizona Revised Statutes, as amended by Laws 2022,
24 chapter 388, section 1, is repealed.

25 Sec. 13. Section 16-550, Arizona Revised Statutes, as amended by
26 Laws 2022, chapter 271, section 2, is amended to read:

27 16-550. Receipt of voter's ballot; cure period; tracking
28 system

29 A. Except for early ballots tabulated as prescribed in section
30 16-579.02, on receipt of the envelope containing the early ballot and the
31 ballot affidavit, the county recorder or other officer in charge of
32 elections shall compare the signatures thereon with the signature of the
33 elector on the elector's registration record. If the signature is
34 inconsistent with the elector's signature on the elector's registration
35 record, the county recorder or other officer in charge of elections shall
36 make reasonable efforts to contact the voter, advise the voter of the
37 inconsistent signature and allow the voter to correct or the county to
38 confirm the inconsistent signature. The county recorder or other officer
39 in charge of elections shall allow signatures to be corrected not later
40 than the fifth business day after a primary, general or special election
41 that includes a federal office or the third business day after any other
42 election. If the signature is missing, the county recorder or other
43 officer in charge of elections shall make reasonable efforts to contact
44 the elector, advise the elector of the missing signature and allow the
45 elector to add the elector's signature not later than 7:00 p.m. on

1 election day. If satisfied that the signatures correspond, the recorder
2 or other officer in charge of elections shall hold the envelope containing
3 the early ballot and the completed affidavit unopened in accordance with
4 the rules of the secretary of state.

5 B. The recorder or other officer in charge of elections shall
6 thereafter safely keep the affidavits and early ballots in the recorder's
7 or other officer's office and may deliver them for tallying pursuant to
8 section 16-551. Tallying of ballots may begin immediately after the
9 envelope and completed affidavit are processed pursuant to this section
10 and delivered to the early election board.

11 C. The county recorder shall send a list of all voters who were
12 issued early ballots to the election board of the precinct in which the
13 voter is registered.

14 D. FOR A COUNTY THAT USES EARLY BALLOTS, THE COUNTY RECORDER OR
15 OTHER OFFICER IN CHARGE OF ELECTIONS SHALL PROVIDE AN EARLY BALLOT
16 TRACKING SYSTEM THAT INDICATES WHETHER THE VOTER'S EARLY BALLOT HAS BEEN
17 RECEIVED AND WHETHER THE EARLY BALLOT HAS BEEN VERIFIED AND SENT TO BE
18 TABULATED OR REJECTED. THE COUNTY RECORDER OR OTHER OFFICER IN CHARGE OF
19 ELECTIONS SHALL PROVIDE VOTERS WITH ACCESS TO THE EARLY BALLOT TRACKING
20 SYSTEM ON THE COUNTY'S WEBSITE.

21 ~~D.~~ E. This section does not apply to:

22 1. A special taxing district that is authorized pursuant to section
23 16-191 to conduct its own elections.

24 2. A special district mail ballot election that is conducted
25 pursuant to article 8.1 of this chapter.

26 Sec. 14. Repeal

27 Section 16-550, Arizona Revised Statutes, as amended by Laws 2022,
28 chapter 358, section 1, is repealed.

29 Sec. 15. Section 28-7006, Arizona Revised Statutes, as amended by
30 Laws 2000, chapter 193, section 236, is amended to read:

31 28-7006. Department fleet operations fund; definitions

32 A. ~~THE transportation~~ department ~~equipment~~ FLEET OPERATIONS fund
33 is established that consists of:

34 1. Monies appropriated by the legislature to the department for the
35 purchase, maintenance, service or repair of equipment and consumable
36 material, including monies appropriated to pay salaries, wages and
37 benefits of department employees engaged in maintaining, servicing or
38 repairing equipment or supervising these activities.

39 2. Monies received by the department from the sale of equipment and
40 consumable material at public auction or by other disposal methods
41 provided by law.

42 3. Monies credited and transferred to the fund pursuant to
43 subsection C of this section for ~~the use of~~ USING consumable material and
44 ~~for the use~~ USING or servicing ~~of~~ equipment.

1 4. Monies received from insurance recoveries for equipment and
2 consumable material losses.

3 5. Monies received from donations.

4 6. Monies received from the United States as reimbursement to
5 provide aid for the use of equipment and consumable materials in ~~the~~
6 ~~construction, maintenance or repair~~ CONSTRUCTING, MAINTAINING AND
7 REPAIRING of transportation improvements.

8 7. Earnings on any monies in the ~~transportation~~ department
9 ~~equipment~~ FLEET OPERATIONS fund that are invested pursuant to section
10 28-6996.

11 B. The director shall establish and from time to time modify or
12 adjust the equipment rental schedule and the other fee schedule to reflect
13 all current costs of ~~ownership, maintenance, operation and service of~~
14 OWNING, MAINTAINING, OPERATING AND SERVICING equipment, including the
15 costs of labor and supervision and consumable materials used in the
16 equipment.

17 C. Department equipment shall not be used for any purpose and the
18 department shall not incur an expense in ~~the maintenance, service or~~
19 ~~repair of~~ MAINTAINING, SERVICING OR REPAIRING equipment unless within
20 thirty days after the end of any month in which equipment is used or the
21 expenses are incurred both:

22 1. The appropriate project, program, section, division, activity or
23 budget unit is charged for the use pursuant to the equipment rental
24 schedule or other fee schedule.

25 2. The ~~transportation~~ department ~~equipment~~ FLEET OPERATIONS fund is
26 credited and the monies are transferred to that fund.

27 D. Monies in the ~~transportation~~ department ~~equipment~~ FLEET
28 OPERATIONS fund are subject to legislative appropriation and shall be
29 spent only to:

30 1. Purchase equipment and consumable materials.

31 2. Rent equipment.

32 3. Pay salaries, wages and employee related costs and benefits and
33 operating expenses for employees engaged in repairing, maintaining or
34 servicing equipment or ~~the administration of~~ ADMINISTERING these
35 activities.

36 4. Pay salaries, wages, employee related costs and benefits and the
37 operating expenses of the department motor pool.

38 E. Monies in the ~~transportation~~ department ~~equipment~~ FLEET
39 OPERATIONS fund are subject to legislative appropriation and shall be
40 spent in conformity with the laws governing state financial operations,
41 except that balances remaining at the end of the fiscal year do not revert
42 to the state general fund or the state highway fund.

43 F. ~~in~~ FOR THE PURPOSES OF this section, ~~unless the context~~
44 ~~otherwise requires~~:

1 1. "Consumable material" means motor vehicle fuel, lubricants,
2 tires, batteries, replacement or repair parts, automotive accessories and
3 any other necessary article of supply or material consumed in ~~the~~
4 ~~operation, improvement, repair or maintenance of~~ OPERATING, IMPROVING,
5 REPAIRING OR MAINTAINING equipment.

6 2. "Equipment" means any automobile, truck, tractor, trailer, motor
7 driven vehicle, aircraft or other piece of equipment used by the
8 department in ~~the enforcement of the~~ ENFORCING traffic laws and in ~~the~~
9 ~~administration, maintenance, construction or repair of~~ ADMINISTERING,
10 MAINTAINING, CONSTRUCTING OR REPAIRING the state transportation system and
11 any necessary shop tool or device used in ~~the improvement, repair or~~
12 ~~maintenance of this~~ IMPROVING, REPAIRING OR MAINTAINING equipment.

13 3. "Equipment rental schedule" means the list of rental rates for
14 each piece of rental equipment owned or rented by the department and used
15 as the basis of reimbursing the ~~transportation~~ department ~~equipment~~ FLEET
16 OPERATIONS fund for ~~use of~~ USING any equipment owned by the department.

17 4. "Other fee schedule" means the list of all costs and expenses
18 that is used as the basis of reimbursing the ~~transportation~~ department
19 ~~equipment~~ FLEET OPERATIONS fund for an expenditure for labor or consumable
20 material that is not reflected in the equipment rental schedule but which
21 cost or expense is nevertheless incurred by the department in ~~the~~
22 ~~maintenance, service or repair of~~ MAINTAINING, SERVICING OR REPAIRING
23 equipment.

24 Sec. 16. Repeal

25 Section 28-7006, Arizona Revised Statutes, as amended by Laws 2022,
26 chapter 322, section 6, is repealed.

27 Sec. 17. Section 32-1923.01, Arizona Revised Statutes, as amended
28 by Laws 2022, chapter 59, section 72, is amended to read:

29 32-1923.01. Pharmacy technicians; pharmacy technician
30 trainees; qualifications; remote dispensing
31 site pharmacies

32 A. An applicant for licensure as a pharmacy technician must:

- 33 1. Be at least eighteen years of age.
- 34 2. Have a high school diploma or the equivalent of a high school
35 diploma.
- 36 3. Complete a training program prescribed by board rules.
- 37 4. Pass a board-approved pharmacy technician examination.

38 B. An applicant ~~for licensure~~ TO REGISTER as a pharmacy technician
39 trainee must:

- 40 1. Be at least eighteen years of age.
- 41 ~~2. Have a high school diploma or the equivalent of a high school~~
42 ~~diploma.~~
- 43 2. REGISTER WITH THE BOARD VIA AN ONLINE APPLICATION.

1 C. Before a pharmacy technician prepares, compounds or dispenses
2 prescription medications at a remote dispensing site pharmacy, the
3 pharmacy technician shall:

4 1. Complete, in addition to any other board-approved mandatory
5 continuing professional education requirements, a two-hour continuing
6 education program on remote dispensing site pharmacy practices provided by
7 an approved provider.

8 2. Have at least one thousand hours of experience working as a
9 pharmacy technician in an outpatient pharmacy setting under the direct
10 supervision of a pharmacist.

11 D. A pharmacy technician working at a remote dispensing site
12 pharmacy:

13 1. Shall maintain an active, nationally recognized pharmacy
14 technician certification approved by the board.

15 2. May not perform extemporaneous sterile or nonsterile compounding
16 but may prepare commercially available medications for dispensing,
17 including the reconstitution of orally administered powder antibiotics.

18 Sec. 18. Repeal

19 Section 32-1923.01, Arizona Revised Statutes, as amended by Laws
20 2022, chapter 362, section 5, is repealed.

21 Sec. 19. Section 36-2232, Arizona Revised Statutes, as amended by
22 Laws 2022, chapter 217, section 1, is amended to read:

23 36-2232. Director; powers and duties; regulation of ambulance
24 services; inspections; response time compliance;
25 mileage rate calculation factors

26 A. The director shall adopt rules to regulate the operation of
27 ambulances and ambulance services in this state. Each rule shall identify
28 all sections and subsections of this chapter under which the rule was
29 formulated. The rules shall provide for the department to do the
30 following:

31 1. Consistent with the requirements of subsection H of this
32 section, determine, fix, alter and regulate just, reasonable and
33 sufficient rates and charges for the provision of ambulances, including
34 rates and charges for advanced life support service, basic life support
35 service, patient loaded mileage, standby waiting, subscription service
36 contracts and other contracts for services related to the provision of
37 ambulances. The director shall inform all ambulance services of the
38 procedures and methodology used to determine ambulance rates or charges.

39 **2. ENSURE EVIDENCE-BASED QUALITY PATIENT CARE IS THE PRIORITY FOR**
40 **DECISION-MAKING.**

41 ~~2.~~ **3.** Regulate operating and response times of ambulances to meet
42 the needs of the public and to ensure adequate service. The rules adopted
43 by the director for certificated ambulance service response times shall
44 include uniform standards for urban, suburban, rural and wilderness
45 geographic areas within the certificate of necessity based on, at a

1 minimum, population density, ~~AND~~ geographic and medical considerations.
2 THE CALCULATION OF RESPONSE TIMES SHALL BEGIN WHEN THE PUBLIC SAFETY
3 ANSWERING POINT CONTACTS AN AMBULANCE SERVICE FOR DISPATCH AND CONCLUDE
4 WHEN THE AMBULANCE SERVICE ARRIVES AT THE DISPATCHED LOCATION. ON-SCENE
5 ARRIVAL TIMES FOR RESPONSE TIME MEASUREMENT SHALL BE DOCUMENTED BY THE
6 AMBULANCE SERVICE USING DISPATCH OR GLOBAL POSITIONING SYSTEM DATA, OR A
7 COMBINATION OF BOTH, AND KEPT ON FILE. RESPONSE TIME DATA THAT IS
8 COMPLIANT WITH THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF
9 1996 SHALL BE FILED ANNUALLY WITH THE DEPARTMENT. WHEN DISPATCH OR GLOBAL
10 POSITIONING SYSTEM CONNECTIVITY IS NOT AVAILABLE, THE AMBULANCE SERVICE
11 SHALL MANUALLY DOCUMENT ON-SCENE ARRIVAL TIMES FOR RESPONSE TIME
12 MEASUREMENT. THE RESPONSE TIME DATA SHALL BE FILED IN A
13 DEPARTMENT-APPROVED FORMAT, AND THE DEPARTMENT SHALL MAKE THE RESPONSE
14 TIME DATA PUBLICLY AVAILABLE.

15 4. REVIEW RESPONSE TIMES ESTABLISHED PURSUANT TO PARAGRAPH 3 OF
16 THIS SUBSECTION WITH THE AMBULANCE SERVICE AND UPDATE THE RESPONSE TIMES
17 BASED ON, AT A MINIMUM, POPULATION DENSITY AND GEOGRAPHIC AND MEDICAL
18 CONSIDERATIONS, AND THE FINANCIAL IMPACT ON RATES AND CHARGES, EVERY SIX
19 YEARS. ONE ADDITIONAL REVIEW EACH SIX-YEAR PERIOD MAY BE REQUESTED BY A
20 CITY, TOWN, FIRE DISTRICT OR FIRE AUTHORITY WHOSE JURISDICTIONAL
21 BOUNDARIES IN WHOLE OR IN PART ARE WITHIN THE SERVICE AREA OF A
22 CERTIFICATE OF NECESSITY OR AN EXISTING CERTIFICATE OF NECESSITY HOLDER
23 WITHIN THE SERVICE AREA OF THE CERTIFICATE OF NECESSITY.

24 ~~3.~~ 5. Determine, fix, alter and regulate bases of operation. The
25 director may issue a certificate of necessity to more than one ambulance
26 service within any base of operation. For the purposes of this paragraph,
27 "base of operation" means a service area granted under a certificate of
28 necessity.

29 ~~4.~~ 6. Issue, amend, transfer, suspend or revoke certificates of
30 necessity under terms consistent with this article.

31 ~~5.~~ 7. Prescribe a uniform system of accounts to be used by
32 ambulance services that conforms to standard accounting forms and
33 principles for the ambulance industry and generally accepted accounting
34 principles.

35 ~~6.~~ 8. Require the filing of an annual financial report and other
36 data. These rules shall require an ambulance service to file the report
37 with the department not later than one hundred eighty days after the
38 completion of its annual accounting period.

39 ~~7.~~ 9. Regulate ambulance services in all matters affecting
40 services to the public to the end that this article may be fully carried
41 out.

42 ~~8.~~ 10. Prescribe bonding requirements, if any, for ambulance
43 services granted authority to provide any type of subscription service.

1 ~~9.~~ 11. Offer technical assistance to ambulance services to
2 ~~maximize a healthy and viable business climate for the provision of~~
3 ~~ambulances~~ ENSURE COMPLIANCE WITH THE RULES.

4 ~~10.~~ 12. Offer technical assistance to ambulance services in order
5 to obtain or to amend a certificate of necessity.

6 ~~11.~~ 13. Inspect, at a maximum of twelve-month intervals, each
7 ambulance registered pursuant to section 36-2212 to ensure that the
8 vehicle is operational and safe and that all required medical equipment is
9 operational. At the request of the provider, the inspection may be
10 performed by a facility approved by the director. If a provider requests
11 that the inspection be performed by a facility approved by the director,
12 the provider shall pay the cost of the inspection.

13 B. The director may require any ambulance service offering
14 subscription service contracts to obtain a bond in an amount determined by
15 the director that is based on the number of subscription service contract
16 holders and to file the bond with the director to protect all subscription
17 service contract holders in this state who are covered under that
18 subscription contract.

19 C. An ambulance service shall:

20 1. Maintain, establish, add, move or delete suboperation stations
21 within its base of operation to ensure that the ambulance service meets
22 the established response times or those approved by the director in a
23 political subdivision contract.

24 2. Determine the operating hours of its suboperation stations to
25 provide for coverage of its base of operation.

26 3. Provide the department with a list of suboperation station
27 locations.

28 4. Notify the department not later than thirty days after the
29 ambulance service makes a change in the number or location of its
30 suboperation stations.

31 5. BEGINNING JANUARY 1, 2024, INSTALL AND MAINTAIN AN ELECTRONIC
32 GLOBAL POSITIONING SYSTEM MONITORING DEVICE IN EACH VEHICLE THAT IS USED
33 FOR TRANSPORT TO RECORD ON-SCENE ARRIVAL TIMES FOR RESPONSE TIME
34 MEASUREMENT. THE DEPARTMENT SHALL PROVIDE A WAIVER ON A
35 DEPARTMENT-APPROVED FORM TO AN AMBULANCE SERVICE THAT CAN REASONABLY
36 DEMONSTRATE IT IS UNABLE TO MEET THE REQUIREMENTS OF THIS PARAGRAPH.

37 D. At any time, the director or the director's agents may:

38 1. Inquire into the operation of an ambulance service, including a
39 person operating an ambulance that has not been issued a certificate of
40 registration or a person who does not have or is operating outside of a
41 certificate of necessity.

42 2. Conduct on-site inspections of facilities, communications
43 equipment, vehicles, procedures, materials and equipment.

44 3. Review the qualifications of ambulance attendants.

1 E. If all ambulance services that have been granted authority to
2 operate within the same service area or that have overlapping certificates
3 of necessity apply for uniform rates and charges, the director may
4 establish uniform rates and charges for the service area.

5 F. In consultation with the medical director of the emergency
6 medical services and trauma system, the emergency medical services council
7 and the medical direction commission, the director of the department of
8 health services shall establish protocols for ambulance services to refer
9 and advise a patient or transport a patient by the most appropriate means
10 to the most appropriate provider of medical services based on the
11 patient's condition. The protocols shall include triage and treatment
12 protocols that allow all classifications of emergency medical care
13 technicians responding to a person who has accessed 911, or a similar
14 public dispatch number, for a condition that does not pose an immediate
15 threat to life or limb to refer and advise a patient or transport a
16 patient to the most appropriate health care institution as defined in
17 section 36-401 based on the patient's condition, taking into consideration
18 factors including patient choice, the patient's health care provider,
19 specialized health care facilities and local protocols.

20 G. The director, when reviewing an ambulance service's response
21 time compliance with its certificate of necessity, shall consider in
22 addition to other factors the effect of hospital diversion, delayed
23 emergency department admission and the number of ambulances engaged in
24 response or transport in the affected area.

25 H. The department shall incorporate all of the following factors
26 when calculating the proposed mileage rate:

- 27 1. The cost of licensure and registration of each ground ambulance
28 vehicle.
- 29 2. The cost of fuel.
- 30 3. The cost of ground ambulance vehicle maintenance.
- 31 4. The cost of ground ambulance vehicle repair.
- 32 5. The cost of tires.
- 33 6. The cost of ground ambulance vehicle insurance.
- 34 7. The cost of mechanic wages, benefits and payroll taxes.
- 35 8. The cost of loan interest related to the ground ambulance
36 vehicles.
- 37 9. The cost of the weighted allocation of overhead.
- 38 10. The cost of ground ambulance vehicle depreciation.
- 39 11. The cost of reserves for replacement of ground ambulance
40 vehicles and equipment.

41 Sec. 20. Repeal

42 Section 36-2232, Arizona Revised Statutes, as amended by Laws 2022,
43 chapter 381, section 3, is repealed.

1 6. A health care insurer. Except as required pursuant to
2 subsection B of this section, the board shall provide this information
3 only if the health care insurer states in writing that the information is
4 necessary for an open investigation or complaint or for performing a drug
5 utilization review for controlled substances that supports the prevention
6 of opioid overuse or abuse and the safety and quality of care provided to
7 the insured.

8 7. A person who is serving a lawful order of a court of competent
9 jurisdiction.

10 8. A person who is authorized to prescribe or dispense controlled
11 substances and who performs an evaluation on an individual pursuant to
12 section 23-1026.

13 9. A county medical examiner or alternate medical examiner who is
14 directing an investigation into the circumstances surrounding a death as
15 described in section 11-593 or a delegate who is authorized by the county
16 medical examiner or alternate medical examiner.

17 10. The department of health services regarding persons who are
18 receiving or prescribing controlled substances in order to implement a
19 public health response to address opioid overuse or abuse, including a
20 review pursuant to section 36-198. Except as required pursuant to
21 subsection B of this section, the board shall provide this information
22 only if the department states in writing that the information is necessary
23 to implement a public health response to help combat opioid overuse or
24 abuse.

25 D. Data provided by the board pursuant to this section may not be
26 used for any of the following:

- 27 1. Credentialing health care professionals.
- 28 2. Determining payment.
- 29 3. Preemployment screening.
- 30 4. Any purpose other than as specified in this section.

31 E. For a fee determined by the board, the board may provide data to
32 public or private entities for statistical, research or educational
33 purposes after removing information that could be used to identify
34 individual patients or persons who received prescriptions from dispensers.

35 F. Any employee of the administration, a contractor or a health
36 care insurer who is assigned delegate access to the program shall operate
37 under the authority and responsibility of the administration's,
38 contractor's or health care insurer's chief medical officer or other
39 employee who is a licensed health care professional and who is authorized
40 to prescribe or dispense controlled substances. A delegate of the
41 administration, a contractor or a health care insurer shall hold a valid
42 license or certification issued pursuant to title 32, chapter 7, 11, 13,
43 14, 15, 16, 17, 18, 19.1, 25, 29 or 33 as a condition of being assigned
44 and provided delegate access to the program by the board. Each employee
45 of the administration, a contractor or a health care insurer who is a

1 licensed health care professional and who is authorized to prescribe or
2 dispense controlled substances may authorize not more than ten delegates.

3 G. If, after reviewing the information provided pursuant to
4 subsection C, paragraph 4 of this section, an investigator finds no
5 evidence of a statutory crime but suspects a medical practitioner of
6 prescribing controlled substances inappropriately in manner or amount, the
7 investigator may refer the medical practitioner to the relevant
8 professional licensing board for investigation of possible deviation from
9 the standard of care but may not arrest or otherwise undertake criminal
10 proceedings against the medical practitioner.

11 H. A person who is authorized to prescribe or dispense controlled
12 substances or the chief medical officer or other licensed health care
13 professional of the administration, a contractor or a health care insurer
14 who is authorized to prescribe or dispense controlled substances shall
15 deactivate a delegate within five business days after an employment status
16 change, the request of the delegate or the inappropriate use of the
17 controlled substances prescription monitoring program's central database
18 tracking system.

19 I. For the purposes of this section:

20 1. "Administration" and "contractor" have the same meanings
21 prescribed in section 36-2901.

22 2. "Delegate" means any of the following:

23 (a) A licensed health care professional who is employed in the
24 office of or in a hospital with the prescriber or dispenser.

25 (b) An unlicensed medical records technician, medical assistant or
26 office manager who is employed in the office of or in a hospital with the
27 prescriber or dispenser and who has received training regarding both the
28 health insurance portability and accountability act privacy standards
29 (45 Code of Federal Regulations part 164, subpart E) and security
30 standards (45 Code of Federal Regulations part 164, subpart C).

31 (c) A forensic pathologist, medical death investigator or other
32 qualified person who is assigned duties in connection with a death
33 investigation pursuant to section 11-594.

34 (d) A ~~licensed~~ REGISTERED pharmacy technician trainee, LICENSED
35 pharmacy technician or LICENSED pharmacy intern who works in a facility
36 with the dispenser.

37 (e) Any employee of the administration, a contractor or a health
38 care insurer who is authorized by the administration's, contractor's or
39 health care insurer's chief medical officer or other licensed health care
40 professional who is authorized to prescribe or dispense controlled
41 substances.

42 3. "Health care insurer" has the same meaning prescribed in section
43 20-3151.

1 Sec. 22. Repeal
2 Section 36-2604, Arizona Revised Statutes, as amended by Laws 2022,
3 chapter 362, section 12, is repealed.

4 Sec. 23. Retroactivity
5 A. Sections 11 and 12 of this act apply retroactively to from and
6 after June 30, 2022.

7 B. Sections 2, 3, 6, 15 and 16 of this act apply retroactively to
8 from and after September 23, 2022.

9 C. Sections 7, 8, 9, 10, 17, 18, 21 and 22 of this act apply
10 retroactively to from and after June 30, 2023.

11 Sec. 24. Effective date
12 Sections 4, 5, 13, 14, 19 and 20 of this act are effective from and
13 after December 31, 2023.

APPROVED BY THE GOVERNOR MAY 11, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2023.