

House Engrossed

economic opportunity; industrial development authority

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

CHAPTER 172
HOUSE BILL 2209

AN ACT

REPEALING SECTION 41-3023.15, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3027.06; AMENDING SECTIONS 41-5303, 41-5351, 41-5353, 41-5354 AND 41-5356, ARIZONA REVISED STATUTES; RELATING TO THE OFFICE OF ECONOMIC OPPORTUNITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Section 41-3023.15, Arizona Revised Statutes, is repealed.

4 Sec. 2. Title 41, chapter 27, article 2, Arizona Revised Statutes,
5 is amended by adding section 41-3027.06, to read:

6 41-3027.06. Office of economic opportunity; termination
7 July 1, 2027

8 A. THE OFFICE OF ECONOMIC OPPORTUNITY TERMINATES ON JULY 1, 2027.

9 B. TITLE 41, CHAPTER 53 AND THIS SECTION ARE REPEALED ON JANUARY 1,
10 2028, IF THE OFFICE:

11 1. HAS NO OUTSTANDING CONTRACTUAL OBLIGATIONS WITH THE UNITED
12 STATES OR ANY UNITED STATES AGENCY.

13 2. HAS NO DEBTS, OBLIGATIONS OR GUARANTEES THAT WERE ISSUED.

14 3. HAS OTHERWISE PROVIDED FOR PAYING OR RETIRING SUCH DEBTS OR
15 OBLIGATIONS.

16 C. IF ANY DEBT OR OBLIGATION LISTED IN SUBSECTION B OF THIS SECTION
17 EXISTS AND NO SATISFACTORY PROVISION HAS BEEN MADE TO PAY OR RETIRE THE
18 DEBT OR OBLIGATION, THE OFFICE AND STATUTES CONTINUE IN EXISTENCE UNTIL
19 THE DEBT OR OBLIGATION IS FULLY SATISFIED.

20 Sec. 3. Section 41-5303, Arizona Revised Statutes, is amended to
21 read:

22 41-5303. Powers and duties

23 A. The director shall:

24 1. Monitor this state's tax and regulatory competitiveness by
25 benchmarking this state against competitor states and municipalities,
26 including implementing a systematic data collection and analysis process
27 to evaluate tax and regulatory costs to businesses imposed by this state
28 and municipalities of this state in relation to other states and
29 municipalities.

30 2. Serve as this state's workforce planning coordinator, provide
31 staffing support to the workforce Arizona council, provide stewardship of
32 the state workforce data evaluation system, provide economic and
33 demographic research and analysis, including constitutionally required
34 population estimates, provide employment and unemployment estimates and
35 develop labor market information for the development of the state
36 workforce strategy.

37 3. Provide office and meeting space, administrative support and
38 ~~analytic~~ ANALYTICAL support to the Arizona finance authority and
39 coordinate with the Arizona finance authority director to incorporate
40 finance market intelligence in economic development strategy and policy
41 recommendations.

42 4. Develop data-informed policy and regulatory reform
43 recommendations and provide assistance with state tax and regulatory
44 matters, including the development and analysis of proposed rules and

1 regulations and the projected cost on employers relating to those rules
2 and regulations.

3 5. Provide analytical support to the Arizona commerce authority in
4 its business recruitment, growth and retention strategies.

5 6. Provide analytical support to the Arizona commerce authority,
6 the Arizona-Mexico commission **IN THE GOVERNOR'S OFFICE** and the office of
7 tourism in their state marketing strategies.

8 B. The director may:

9 1. Contract and incur obligations **THAT ARE** reasonably necessary or
10 desirable within the general scope of the office's activities and
11 operations to enable the office to adequately perform its duties.

12 2. Use monies, facilities or services to provide matching
13 contributions under federal or other programs that further the objectives
14 and programs of the office.

15 3. Accept gifts, grants, matching monies or direct payments from
16 public or private agencies or private persons and enterprises for the
17 conduct of programs that are consistent with the general purposes and
18 objectives of this chapter.

19 ~~4. Provide staffing support to an industrial development authority~~
20 ~~established pursuant to title 35, chapter 5.~~

21 Sec. 4. Section 41-5351, Arizona Revised Statutes, is amended to
22 read:

23 **41-5351. Definitions**

24 In this article, unless the context otherwise requires:

25 1. "Agreement" means any loan or other agreement, contract, note,
26 mortgage, deed of trust, trust indenture, lease, sublease or instrument
27 entered into by the authority.

28 **2. "ARIZONA INDUSTRIAL DEVELOPMENT AUTHORITY" MEANS THE INDUSTRIAL**
29 **DEVELOPMENT AUTHORITY ESTABLISHED BY THE ARIZONA FINANCE AUTHORITY.**

30 ~~2.~~ 3. "Authority" means the Arizona finance authority.

31 ~~3.~~ 4. "Board" means the board of directors of the authority.

32 ~~4.~~ 5. "Bonds" means any bonds issued by the authority **OR THE**
33 **ARIZONA INDUSTRIAL DEVELOPMENT AUTHORITY.**

34 ~~5.~~ 6. "Costs":

35 (a) Means all costs incurred in the issuance of bonds, including
36 insurance policy, credit enhancement, legal, accounting, consulting,
37 printing, advertising and travel expenses, plus any authority
38 administrative fees.

39 (b) May include interest on bonds ~~issued by the authority~~ for a
40 reasonable time before and during the time the proceeds are used.

41 ~~6.~~ 7. "Director" means the director of the authority.

42 ~~7.~~ 8. "Federal agency" means the United States or any agency or
43 agencies of the United States.

1 Sec. 5. Section 41-5353, Arizona Revised Statutes, is amended to
2 read:

3 41-5353. Board; members; terms; meetings; compensation;
4 prohibition

5 A. The authority shall be governed by a board of directors,
6 consisting of five members to be appointed by the governor, giving due
7 consideration to a diverse geographical representation on the board, and
8 to serve at the pleasure of the governor.

9 B. EXCLUDING REAPPOINTMENT, before appointment by the governor, a
10 prospective member of the board of directors shall submit a full set of
11 fingerprints to the governor for the purpose of obtaining a state and
12 federal criminal records check pursuant to section 41-1750 and Public Law
13 92-544. The department of public safety may exchange this fingerprint
14 data with the federal bureau of investigation.

15 C. Each member shall serve for a term of three years. Vacancies
16 occurring other than by expiration of term shall be filled in the same
17 manner for the remainder of the unexpired term. IF A TERM EXPIRES AND A
18 MEMBER HAS NOT BEEN REAPPOINTED OR REPLACED BY A NEWLY APPOINTED MEMBER,
19 THE MEMBER MAY CONTINUE TO SERVE UNTIL REAPPOINTMENT OR UNTIL A
20 REPLACEMENT IS APPOINTED.

21 D. The board shall annually elect from among its members a
22 chairperson, a secretary and a treasurer.

23 E. The board rules shall provide for regular annual meetings of the
24 board. The chairperson may call a special meeting at any time. The board
25 rules shall provide for a method of giving notice of a special meeting.

26 F. The board may meet by audioconference or videoconference. The
27 requirements of title 38, chapter 3, article 3.1 apply to an
28 audioconference or videoconference, except that all votes of members must
29 be by roll call, ~~and the board may not meet in executive session by~~
30 ~~audioconference or videoconference.~~

31 G. Members of the board are not eligible to receive compensation
32 but are eligible to receive reimbursement for necessary expenses pursuant
33 to title 38, chapter 4, article 2 while engaged in the performance of the
34 members' duties.

35 H. Members of the board may not have any direct or indirect
36 personal financial interest in any project financed BY THE ARIZONA FINANCE
37 AUTHORITY OR THE ARIZONA INDUSTRIAL DEVELOPMENT AUTHORITY OR OTHERWISE
38 under this article.

39 Sec. 6. Section 41-5354, Arizona Revised Statutes, is amended to
40 read:

41 41-5354. Powers of board

42 The board may:

- 43 1. Adopt an official seal and alter the seal at its pleasure.

- 1 2. Apply for, accept and administer grants of monies or materials
2 or property of any kind from a federal agency or others on such terms and
3 conditions as may be imposed.
- 4 3. Make and enter into agreements, including intergovernmental
5 agreements pursuant to title 11, chapter 7, article 3, execute all
6 instruments, perform all acts and do all things necessary or convenient to
7 carry out the powers granted.
- 8 4. Employ or contract with experts, engineers, architects,
9 attorneys, accountants, construction and financial experts and such other
10 persons as may be necessary in the board's judgment and fix their
11 compensation.
- 12 5. Pay compensation and employee-related expenses.
- 13 6. Fix the compensation of the director.
- 14 7. Sue and be sued.
- 15 8. Acquire and maintain office space, equipment, supplies, services
16 and insurance necessary to administer this article.
- 17 9. Contract with, act as guarantor for or coinsure with any
18 federal, state or local governmental agency and other organizations or
19 corporations in connection with its activities under this article and
20 receive monies relating to those contracts and services.
- 21 10. Adopt bylaws and administrative rules consistent with this
22 article.
- 23 11. Protect and enforce the interests of the authority in any
24 project financed through the authority's resources.
- 25 12. Enter into and inspect any facility financed through the
26 authority's resources to investigate its physical condition, construction,
27 rehabilitation, operation, management and maintenance and to examine all
28 of the records relating to its capitalization, income and other related
29 matters.
- 30 13. Acquire title to real property or other assets by gift, grant
31 or operation of law, or by purchase.
- 32 14. Establish advisory boards that have all rights and powers
33 granted by the board, including the right to review, evaluate and
34 recommend to the board for approval proposed financings **AND PROGRAMS**.
- 35 Sec. 7. Section 41-5356, Arizona Revised Statutes, is amended to
36 read:
37 41-5356. Duties of board; annual report
38 A. The board shall:
39 1. Establish ~~an~~ **THE ARIZONA** industrial development authority under
40 title 35, chapter 5 and, notwithstanding the requirements of section
41 35-705, serve as the board of the **ARIZONA** industrial development
42 authority.
43 2. Serve as the board of the greater Arizona development authority
44 and have all powers and authority to take action on behalf of the greater
45 Arizona development authority pursuant to chapter 18 of this title.

1 3. Approve the ARIZONA FINANCE authority's budget.

2 B. On or before October 1 of each year, the ARIZONA industrial
3 development authority shall submit a report to the president of the
4 senate, the speaker of the house of representatives and the directors of
5 the joint legislative budget committee and the governor's office of
6 strategic planning and budgeting regarding the ARIZONA INDUSTRIAL
7 DEVELOPMENT authority's revenues, expenditures and program activity for
8 the previous fiscal year.

9 Sec. 8. Purpose

10 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
11 the legislature continues the office of economic opportunity to
12 consolidate and improve analytic capacity with the goal of tracking key
13 economic indicators in this state.

14 Sec. 9. Retroactivity

15 Sections 1 and 2 of this act are effective retroactively to from and
16 after July 1, 2023.

APPROVED BY THE GOVERNOR JUNE 19, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 19, 2023.