



ARIZONA STATE SENATE
Fifty-Sixth Legislature, First Regular Session

AMENDED
FACT SHEET FOR S.B. 1694

public monies; ideology training; prohibition

Purpose

Prohibits a public entity from requiring and spending public monies on a diversity, equity and inclusion program and allows an employee who is required to participate in the program to bring action against the public entity.

Background

Current statute prohibits a public entity from entering into or renewing a contract with a company to acquire or dispose of services, supplies, information technology, goods or construction unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract that it will not, use: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; 2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or 3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China ([A.R.S. § 35-394](#)).

The state General Fund (state GF) consists of all monies received into the state treasury except for money designated by law for other statutory funds. Expenses paid from the state GF must be authorized in an appropriation by the Legislature ([A.R.S. § 35-141](#)). The State Treasurer is responsible for the safekeeping of all securities for which the State Treasurer is the lawful custodian. The State Treasurer invests state monies and operates the Local Government Investment Pool for the benefit of participating units of local government ([A.R.S. § 35-314](#)). The Arizona Department of Administration prescribes the use of all budget units in an accounting system designed to ensure compliance with all legal and constitutional requirements, including those receiving, spending and accounting for public monies ([A.R.S. § 35-131](#)).

There is no anticipated fiscal impact to the state GF associated with this legislation.

Provisions

1. Prohibits a public entity from:
 - a) requiring an employee to engage in a diversity, equity and inclusion program;
 - b) spending public monies on a diversity, equity and inclusion program;
 - c) requiring, as a condition of a contract, participation in a diversity, equity and inclusion program;
 - d) establishing, supporting, sustaining or employing an office or individual whose duties include coordinating, creating, developing, designing, implementing, organizing, planning or promoting diversity, equity and inclusion programs;
 - e) advancing or adopting any policy or procedure designed to influence the composition of its workforce on the basis of race, sex or color, except as required by federal law;

- f) advancing or adopting any policy of procedure designed or implemented on the basis of race, sex or color, except as required by federal law; or
 - g) promoting or adopting any theory of unconscious or implicit bias, cultural appropriation, allyship, transgenderism, microaggressions, microinvalidation, group marginalization, anti-racism, systemic oppression, ethnocentrism, structural racism or inequity, social justice, intersectionality, neopronouns, inclusive language, heteronormativity, disparate impact, gender identity or theory, racial or sexual privilege or any related theory as the official position of the public entity.
2. Allows an employee of a public entity who is required to participate in a diversity, equity and inclusion program to bring action against the public entity.
 3. Stipulates that an employee who demonstrates that a public entity violated the prohibition relating to a diversity, equity and inclusion program is entitled to injunctive relief.
 4. Precludes a public entity from offering training on sexual harassment or operating an office staffed by or employing licensed attorneys and legal support staff whose purpose is to ensure compliance with federal law or an applicable court order.
 5. Defines *diversity, equity and inclusion program* as a program that requires an employee of public entity to participate in or attend a training, orientation, workshop, therapy or similar activity that focuses on:
 - a) describing or exposing structured systems, relations of power, privilege or subordination on the basis of race, sex, color, gender, ethnicity, gender identity or sexual orientation;
 - b) describing methods to identify, dismantle or oppose structures, systems, relations of power, privilege or subordination on the basis of race, sex, color, gender, ethnicity, gender, ethnicity, gender identity or sexual orientation;
 - c) justifying differential treatment or benefit on the basis of sex, color, gender, ethnicity, gender identity or sexual orientation; or
 - d) advancing theories of unconscious or implicit bias, cultural appropriation, allyship, transgenderism, microaggressions, microinvalidation, group marginalization, anti-racism, systemic oppression, ethnocentrism, structural racism or inequity, social justice, intersectionality, neopronouns, inclusive language, heteronormativity, disparate impact, gender identity or theory, racial or sexual privilege or any concept substantially related to any of the outlined theories.
 6. Defines *public entity* as:
 - a) the state;
 - b) a political subdivision, agency board, commission, department or political subdivision in Arizona; and
 - c) includes the universities under the jurisdiction of the Arizona Board of Regents and community college districts as outlined.
 7. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

1. Removes the prohibition on a public entity entering into or renewing a contract with a company that participates in a diversity, equity and inclusion program.

2. Prohibits a public entity from requiring participation in a diversity, equity and inclusion program as a condition of a contract.

Senate Action

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Prepared by Senate Research

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AN/slp