REFERENCE TITLE: reviser's technical corrections; 2023

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

HB 2689

Introduced by Representative Grantham

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,

- i -

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)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Purpose

- 1. Section 6-977, Arizona Revised Statutes, was amended by Laws 2022, chapter 45, section 6. However, this version did not reflect the previous valid version of the section. In order to comply with article IV, part 2, section 14, Constitution of Arizona, this act amends section 6-977, Arizona Revised Statutes, as added by Laws 1994, chapter 302, section 2, to incorporate the amendments made by Laws 2022, chapter 45 and repeals the chapter 45 version.
- 2. Section 13-4517, Arizona Revised Statutes, was amended by Laws 2022, chapter 158, section 1 and chapter 352, section 6. The chapter 352 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 158 version of section 13-4517, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 352 and repeals the chapter 352 version.
- 3. Section 15-217.02, Arizona Revised Statutes, was added by Laws 2022, chapter 317, section 2. However, Laws 2022, chapter 317 did not contain all of the amendments made by the house of representatives on June 23, 2022. This act amends section 15-217.02, Arizona Revised Statutes, as added by Laws 2022, chapter 317, section 2, to correct an engrossing error.
- 4. Section 15-910, Arizona Revised Statutes, was amended by Laws 2022, chapter 285, section 3 and chapter 317, section 6. The chapter 285 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 317 version of section 15-910, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 285 and repeals the chapter 285 version.
- 5. Section 15-961, Arizona Revised Statutes, was amended by Laws 2022, chapter 285, section 8 and chapter 317, section 12. The chapter 285 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 317 version of section 15-961, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 285 and repeals the chapter 285 version.
- 6. Section 15-2401, Arizona Revised Statutes, was amended by Laws 2022, chapter 44, section 9 and chapter 388, section 1. The chapter 388 version could not be blended because section 15-2401, Arizona Revised Statutes, was subject to a referendum petition. However, the section failed to be referred to the ballot. In order to combine these versions, this act amends the Laws 2022, chapter 44 version of section 15-2401, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 388 and repeals the chapter 388 version.

- 1 -

- 7. Section 16-550, Arizona Revised Statutes, was amended by Laws 2022, chapter 271, section 2 and chapter 358, section 1. The chapter 358 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 271 version of section 16-550, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 358 and repeals the chapter 358 version.
- 8. Section 28-7006, Arizona Revised Statutes, was amended by Laws 2022, chapter 322, section 6. However, this version did not reflect the previous valid version of the section. In order to comply with article IV, part 2, section 14, Constitution of Arizona, this act amends section 28-7006, Arizona Revised Statutes, as amended by Laws 2000, chapter 193, section 236, to incorporate the amendments made by Laws 2022, chapter 322 and repeals the chapter 322 version.
- 9. Section 32-1923.01, Arizona Revised Statutes, was amended by Laws 2022, chapter 59, section 72 and chapter 362, section 5. The chapter 362 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 59 version of section 32-1923.01, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 362 and repeals the chapter 362 version.
- 10. Section 36-2232, Arizona Revised Statutes, was amended by Laws 2022, chapter 217, section 1 and chapter 381, section 3. The chapter 381 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 217 version of section 36-2232, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 381 and repeals the chapter 381 version.
- 11. Section 36-2604, Arizona Revised Statutes, was amended by Laws 2022, chapter 284, section 1 and chapter 362, section 12. The chapter 362 version could not be blended because of the delayed effective date. In order to combine these versions, this act amends the Laws 2022, chapter 284 version of section 36-2604, Arizona Revised Statutes, to incorporate the amendments made by Laws 2022, chapter 362 and repeals the chapter 362 version.
- Sec. 2. Section 6-977, Arizona Revised Statutes, as added by Laws 1994, chapter 302, section 2, is amended to read:
 - 6-977. Displaying and using license number
- A. A licensee shall prominently display the commercial mortgage banker license in the office of the commercial mortgage banker.
- B. A licensee or an employee of the licensee shall not advertise for or solicit commercial mortgage loans in any manner without using the LICENSE name, OR OTHER ASSUMED NAME OR TRADE NAME THAT IS SUBMITTED TO THE DEPARTMENT PURSUANT TO SECTION 6-117, and THE license number as issued on the commercial mortgage banker's principal place of business license,

- 2 -

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

Sec. 3. Repeal

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

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

13-4517. <u>Incompetent defendants; disposition; evaluator costs</u>

- A. If the court finds that a defendant is incompetent to stand trial and that there is no substantial probability that the defendant will regain competency within twenty-one months after the date of the original finding of incompetency, any party may request that the court:
- 1. Remand the defendant to an evaluating agency for the institution of civil commitment proceedings pursuant to title 36, chapter 5. If the defendant is remanded, the prosecutor shall file a petition for evaluation and provide any known criminal history for the defendant.
- 2. Appoint a guardian ad litem to investigate whether the defendant is or may be in need of a guardian, a conservator or any other protective order pursuant to title 14, chapter 5.
- 3. Release the defendant from custody and dismiss the charges against the defendant without prejudice.
- 4. IF THE DEFENDANT IS CHARGED WITH A SERIOUS OFFENSE AS DEFINED IN SECTION 13-706, ORDER A TRIAL TO DETERMINE IF THE DEFENDANT IS DANGEROUS AND SHOULD BE INVOLUNTARILY COMMITTED PURSUANT TO SECTION 13-4521. IF THE DEFENDANT IS NOT REPRESENTED BY AN ATTORNEY AND IS INDIGENT, THE COURT SHALL APPOINT AN ATTORNEY TO REPRESENT THE DEFENDANT IN ALL PROCEEDINGS UNDER SECTION 13-4521 AND ANY FURTHER PROCEEDINGS UNDER TITLE 36, CHAPTER 40.
- B. If the court enters an order pursuant to subsection A, paragraph 1, or 2 OR 4 of this section, the court may also order an assessment of the defendant's eligibility for private insurance or public benefits that may be applied to the expenses of the defendant's medically necessary maintenance and treatment, including services pursuant to title 36, chapter 29, state-only behavioral health services, title XVIII services and medicare part D prescription drug benefits, supplemental security income and supplemental security disability income.

- 3 -

- C. The court may retain jurisdiction over the defendant until the defendant is committed for treatment pursuant to SECTION 13-4521 OR title 36, chapter 5 or a guardian is appointed pursuant to title 14, chapter 5.
- D. If the court remands the defendant for the institution of civil commitment proceedings pursuant to title 36, chapter 5 and the court is notified that the defendant has not had a civil commitment evaluation OR IF THE COURT ENTERS AN ORDER PURSUANT TO SUBSECTION A, PARAGRAPH 4 OF THIS SECTION, the court, if it has retained jurisdiction, may order the sheriff to take the defendant into custody so that the court may explore options pursuant to subsection A, paragraph 2, or 3 OR 4 of this section.
- E. If the court is notified that the defendant has not been ordered into treatment pursuant to title 36, chapter 5 and the court has retained jurisdiction, the court may order the sheriff to take the defendant into custody so that the court may explore options pursuant to subsection A, paragraph 2, or 3 OR 4 of this section.
- F. A guardian ad litem who is appointed pursuant to this section and who determines that protective action is appropriate shall initiate and prosecute proceedings for the appointment of a guardian, a conservator or any other protective order pursuant to title 14, chapter 5. The court, on the request of the guardian ad litem or on its own motion, may order an independent evaluation of the defendant by a licensed physician, a licensed psychologist or a registered nurse to assess whether the defendant is an incapacitated person as defined in section 14-5101 or is a person in need of protection as prescribed in section 14-5401, subsection A, paragraph 2.
- G. A guardian ad litem and any other evaluator who is appointed pursuant to this section is entitled to reasonable compensation for the work performed as a guardian ad litem or evaluator. If the defendant is indigent, the court may order the reasonable compensation to be a county expense.

Sec. 5. Repeal

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

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

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15-217.02. Adult workforce diploma program: fund: program providers; requirements; annual reports; definitions
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A. The adult workforce diploma program is established within the state board of education to assist a person who is at least twenty-one years of age in earning a high school diploma and developing critical employability and career and technical skills to prepare the person for employment. The department of education shall administer the program. The program may be delivered in a campus-based, online or blended modality.

- 4 -

- B. The adult workforce diploma program fund is established consisting of legislative appropriations, gifts, grants and other donations. The department of education shall administer the fund. The department of education shall use monies in the fund to pay approved program providers as prescribed in subsection E of this section. Monies in the fund are continuously appropriated and are exempt from the provisions of section 35-190 relating to lapsing of appropriations.
- C. On or before August 15 of each year, to be approved to participate in the program, an eligible program provider shall submit to the state board of education on a form that is developed by the board information showing that the eligible program provider meets all of the following requirements:
- 1. Is operating a regionally accredited high school diploma-granting entity.
- 2. Has the ability to develop a learning plan for each student that integrates graduation requirements and career goals.
- 3. Provides a course catalog that includes all courses that are necessary to meet graduation requirements.
 - 4. Has the ability to provide all of the following:
 - (a) Remediation opportunities in literacy and numeracy.
 - (b) Career pathways coursework.
- (c) Preparation for industry-recognized credentials and stackable credentials.
 - (d) Career placement services.
 - (e) Academic skills intake assessments and transcript evaluations.
- D. On or before October 15 of each year, the state board of education, in consultation with the department of education, shall place all qualified program providers that submit the form pursuant to subsection C of this section on an approved program providers list. Approved program providers shall begin enrolling students on or before November 15 of each year. Approved program providers maintain approval status unless the approved program provider is removed from the approved program providers list pursuant to subsection J of this section.
- E. The department of education shall pay approved program providers the following amounts for each student who completes the following milestones:
 - 1. \$250 for each completed half unit of high school credit.
 - 2. \$250 for each completed employability skills certification.
- 3. \$250 for each earned industry-recognized credential or stackable credential that requires not more than fifty hours of training.
- 4. \$500 for each earned industry-recognized credential or stackable credential that requires at least fifty hours but not more than one hundred hours of training.
- 5. \$750 for each earned industry-recognized credential or stackable credential that requires more than one hundred hours of training.

- 5 -

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

- 6 -

validity that is determined by third-party research and that may be administered in person or online.

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

- 7 -

- 14. "Learning plan" means a documented plan that both:
- (a) Is designed to prepare a student to succeed in the program and the student's future endeavors.
- (b) Identifies the courses and credits that are needed for a student to complete the program and that are approved program provider graduation requirements.
- 15. "Milestones" means objective measures of progress for which payment is made to an approved program provider under this section, including earned units of high school credit, earned industry-recognized credentials and earned high school diplomas.
 - 16. "Program" means the adult workforce diploma program.
- 17. "Stackable credential" means a third-party credential that is part of a sequence of credentials that can be accumulated over time to build up an individual's qualifications to advance along a career pathway.
- 18. "Student" means a participant in the program who is at least twenty-one years of age, who is a resident of this state and who has not earned a high school diploma.
- 19. "Transcript evaluation" means a documented summary of credits that were earned in previous public or private accredited high schools compared with program and approved program provider graduation requirements.
- 20. "Unit of high school credit" means a credit that is awarded based on a student's demonstration that the student has successfully met the content expectations for the credit area as defined by subject area standards, expectations or guidelines.
- Sec. 7. Section 15-910, Arizona Revised Statutes, as amended by Laws 2022, chapter 317, section 6, is amended to read:

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15-910. School district budgets: excess utility costs:

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

- 8 -

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

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

- H. If a governing board chooses to budget monies outside of the revenue control limit as provided in subsection G of this section, the governing board may do one of the following:
- 1. Use monies from the maintenance and operation fund equal to any excess desegregation or compliance expenses beyond the revenue control limit before June 30 of the current year.
- 2. Notify the county school superintendent to include the cost of the excess expenses in the county school superintendent's estimate of the additional amount needed for the school district from the secondary property tax as provided in section 15-991.
- 3. Employ the provisions of both paragraphs 1 and 2 of this subsection, provided that the total amount transferred and included in the amount needed from property taxes does not exceed the total amount budgeted as prescribed in subsection J, paragraph 1 of this section.
- I. If a governing board chooses to budget monies outside of district additional assistance as provided in subsection G of this section, the governing board may notify the county school superintendent to include the cost of the excess expenses in the county school superintendent's estimate of the additional amount needed for the school district from the secondary property tax as provided in section 15-991.
 - J. A governing board using subsections G, H and I of this section:
- Shall prepare and employ a separate maintenance and operation desegregation budget and capital outlay desegregation budget on a form prescribed by the superintendent of public instruction in conjunction with the auditor general. The budget format shall be designed to allow a school district to plan and provide in detail for expenditures to be incurred solely as a result of compliance with or continuing to implement activities that were required or permitted by a court order desegregation or administrative agreement with the United States department of education office for civil rights directed toward remediating alleged or proven racial discrimination.
- 2. Shall prepare as a part of the annual financial report a detailed report of expenditures incurred solely as a result of compliance with or continuing to implement activities that were required or permitted by a court order of desegregation or administrative agreement with the United States department of education office for civil rights directed toward remediating alleged or proven racial discrimination, in a format

- 10 -

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

- 3. On or before July 15 each year, shall collect and report data regarding activities related to a court order of desegregation or an administrative agreement with the United States department of education office for civil rights directed toward remediating alleged or proven racial discrimination in a format prescribed by the Arizona department of education. The Arizona department of education shall compile and submit copies of the reports to the governor, the president of the senate, the speaker of the house of representatives and the chairpersons of the education committees of the senate and the house of representatives and shall submit a copy to the secretary of state. A school district that becomes subject to a new court order of desegregation or a party to an administrative agreement with the United States department of education office for civil rights directed toward remediating alleged or proven racial discrimination shall submit these reports on or before July 15 or within ninety days of the date of the court order or administrative agreement, whichever occurs first. The Arizona department of education, in consultation with the auditor general, shall develop reporting requirements to ensure that school districts submit at least the following information and documentation to the Arizona department of education:
- (a) A district-wide budget summary and a budget summary on a school-by-school basis for each school in the school district that lists the sources and uses of monies that are designated for desegregation purposes.
- (b) A detailed list of desegregation activities on a district-wide basis and on a school-by-school basis for each school in the school district.
- (c) The date that the school district was determined to be out of compliance with title VI of the civil rights act of 1964 (42 United States Code section 2000d) and the basis for that determination.
- (d) The initial date that the school district began to levy property taxes to provide funding for desegregation expenses and any dates that these property tax levies were increased.
- (e) If applicable, a current and accurate description of all magnet type programs that are in operation pursuant to the court order during the current school year on a district-wide basis and on a school-by-school basis. This information shall contain the eligibility and attendance criteria of each magnet type program, the capacity of each magnet type program, the ethnic composition goals of each magnet type program, the actual attending ethnic composition of each magnet type program and the specific activities offered in each magnet type program.
- (f) The number of pupils who participate in desegregation activities on a district-wide basis and on a school-by-school basis for each school in the school district.

- 11 -

- (g) A detailed summary of the academic achievement of pupils on a district-wide basis and on a school-by-school basis for each school in the school district.
- (h) The number of employees, including teachers and administrative personnel, on a district-wide basis and on a school-by-school basis for each school in the school district that is necessary to conduct desegregation activities.
- (i) The number of employees, including teachers and administrative personnel, on a district-wide basis and on a school-by-school basis for each school in the school district and the number of employees at school district administrative offices that are funded in whole or in part with desegregation monies received pursuant to this section.
- (j) The amount of monies that is not derived through a primary or secondary property tax levy and that is budgeted and spent on desegregation activities on a district-wide basis and on a school-by-school basis for each school in the school district.
- (k) Verification that the desegregation funding will supplement and not supplant funding for other academic and extracurricular activities.
- (1) Verification that the desegregation funding is educationally justifiable.
- (m) Any documentation that supports the proposition that the requested desegregation funding is intended to result in equal education opportunities for all pupils in the school district.
- (n) Verification that the desegregation funding will be used to promote systemic and organizational changes within the school district.
- (o) Verification that the desegregation funding will be used in accordance with the academic standards adopted by the state board of education pursuant to sections 15-701 and 15-701.01.
- (p) Verification that the desegregation funding will be used to accomplish specific actions to remediate proven discrimination pursuant to title VI of the civil rights act of 1964 (42 United States Code section 2000d) as specified in the court order or administrative agreement.
- (q) An evaluation by the school district of the effectiveness of the school district's desegregation measures.
- (r) An estimate of when the school district will be in compliance with the court order or administrative agreement and a detailed account of the steps that the school district will take to achieve compliance.
- (s) Any other information that the Arizona department of education deems necessary to carry out the purposes of this paragraph.
- K. If a school district governing board budgets for expenses of complying with a court order of desegregation or an administrative agreement with the United States department of education office for civil rights directed toward remediating alleged or proven racial discrimination, the governing board shall ensure that the desegregation expenses will:

- 12 -

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

- 13 -

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

Sec. 8. Repeal

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

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

15-961. <u>District additional assistance: growth rate</u>

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

- 1. For school districts with a student count of less than one hundred for kindergarten programs and grades one through eight, \$606.88. For school districts with a student count of one hundred or more and less than six hundred for kindergarten programs and grades one through eight, multiply \$433.78 by the weight that corresponds to the student count for kindergarten programs and grades one through eight for the school district as provided in section 15-943, paragraph 1, subdivision (a), column 3. For a school district with a student count of six hundred or more in kindergarten programs and grades one through eight, the limit is \$502.33.
- 2. For school districts with a student count of less than one hundred for grades nine through twelve, \$670.02. For school districts with a student count of one hundred or more and less than six hundred for grades nine through twelve, multiply \$451.99 by the weight that corresponds to the student count for grades nine through twelve for the school district as provided in section 15-943, paragraph 1, subdivision (b), column 3. For a school district with a student count of six hundred or more in grades nine through twelve, the limit is \$549.33.
 - 3. For programs for preschool children with disabilities, \$502.33.

- 14 -

- B. District additional assistance for a school district shall be computed as follows:
- 1. Select the applicable district additional assistance per student count for the school district.
- 2. Multiply the amount or amounts selected in paragraph 1 of this subsection by the appropriate student count of the school district.
- 3. If a school district's student count used for the budget year is greater than one hundred five percent of the student count used for the current year's budget, increase the adjusted district additional assistance determined in paragraph 2 of this subsection by fifty percent of the actual percentage increase in the school district's student count.
- C. An amount for the purchase of required textbooks and related printed subject matter materials shall be used to increase the district additional assistance for a school district as determined in subsection B, paragraph 2 or 3 of this section, whichever is applicable. This amount shall equal the student count in grades nine through twelve multiplied by \$77.65.
- D. NOTWITHSTANDING SUBSECTIONS A, B AND C OF THIS SECTION, DISTRICT ADDITIONAL ASSISTANCE FOR A COMMON SCHOOL DISTRICT THAT IS NOT WITHIN A HIGH SCHOOL DISTRICT OR FOR A TRANSPORTING SCHOOL DISTRICT IS DISTRICT ADDITIONAL ASSISTANCE AS PRESCRIBED IN THIS SECTION BUT EXCLUDING PUPILS WHO ARE ADMITTED TO ANOTHER SCHOOL DISTRICT AS PROVIDED IN SECTION 15-824, SUBSECTION A, PARAGRAPH 2 OR 3, EXCEPT THAT IF THE SCHOOL DISTRICT TRANSPORTS HIGH SCHOOL PUPILS, THE DISTRICT ADDITIONAL ASSISTANCE AMOUNT PRESCRIBED IN THIS SECTION SHALL BE INCREASED BY AN AMOUNT EQUAL TO FIFTY PERCENT OF THE DISTRICT ADDITIONAL ASSISTANCE PER PUPIL AMOUNT PRESCRIBED FOR THE SCHOOL DISTRICT PURSUANT TO THIS SECTION MULTIPLIED BY THE NUMBER OF HIGH SCHOOL PUPILS TRANSPORTED.

Sec. 10. Repeal

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

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

15-2401. Definitions

In this chapter, unless the context otherwise requires:

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

- 15 -

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

- 16 -

- (vii) A child who is a ward of the juvenile court and who is residing with a prospective permanent placement pursuant to section 8-862 and the case plan is adoption or permanent guardianship.
- (viii) A child who was a ward of the juvenile court and who achieved permanency through adoption or permanent guardianship.
- (ix) A child who is the sibling of a current or previous Arizona empowerment scholarship account recipient or of an eligible qualified student who accepts the terms of and enrolls in an Arizona empowerment scholarship account.
- (x) A child who resides within the boundaries of an Indian reservation in this state as determined by the department of education or a tribal government.
- (xi) A child of a parent who is legally blind or deaf or hard of hearing as defined in section 36–1941.
- (b) And, except as provided in subdivision (a), items (iv) and (vi) of this paragraph, who meets any of the following requirements:
- (i) Attended a governmental primary or secondary school as a full-time student as defined in section 15-901 for at least forty-five days of the current or prior fiscal year and who transferred from a governmental primary or secondary school under a contract to participate in an Arizona empowerment scholarship account. Kindergarten students who are enrolled in Arizona online instruction must receive two ONE hundred hours of logged instruction to be eligible pursuant to this item. First, second and third grade students who are enrolled in Arizona online instruction must receive four TWO hundred hours of logged instruction to be eligible pursuant to this item. Fourth, fifth and sixth grade students who are enrolled in Arizona online instruction must receive five TWO hundred FIFTY hours of logged instruction to be eligible pursuant to this item. Seventh and eighth grade students who are enrolled in Arizona online instruction must receive five TWO hundred fifty SEVENTY-FIVE hours of logged instruction to be eligible pursuant to this item. High school students who are enrolled in Arizona online instruction must receive five TWO hundred FIFTY hours of logged instruction to be eligible pursuant to this item.
- (ii) Previously participated in an Arizona empowerment scholarship account.
- (iii) Received a scholarship under section 43-1505 and who continues to attend a qualified school if the student attended a governmental primary or secondary school as a full-time student as defined in section 15-901 for at least ninety days of the prior fiscal year or one full semester before attending a qualified school.
- (iv) Was eligible for an Arizona scholarship for pupils with disabilities and received monies from a school tuition organization pursuant to section 43-1505 or received an Arizona scholarship for pupils with disabilities but did not receive monies from a school tuition

- 17 -

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

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

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

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

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

Sec. 12. Repeal

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

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

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

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

- 18 -

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

- B. The recorder or other officer in charge of elections shall thereafter safely keep the affidavits and early ballots in the recorder's or other officer's office and may deliver them for tallying pursuant to section 16-551. Tallying of ballots may begin immediately after the envelope and completed affidavit are processed pursuant to this section and delivered to the early election board.
- C. The county recorder shall send a list of all voters who were issued early ballots to the election board of the precinct in which the voter is registered.
- D. FOR A COUNTY THAT USES EARLY BALLOTS, THE COUNTY RECORDER OR OTHER OFFICER IN CHARGE OF ELECTIONS SHALL PROVIDE AN EARLY BALLOT TRACKING SYSTEM THAT INDICATES WHETHER THE VOTER'S EARLY BALLOT HAS BEEN RECEIVED AND WHETHER THE EARLY BALLOT HAS BEEN VERIFIED AND SENT TO BE TABULATED OR REJECTED. THE COUNTY RECORDER OR OTHER OFFICER IN CHARGE OF ELECTIONS SHALL PROVIDE VOTERS WITH ACCESS TO THE EARLY BALLOT TRACKING SYSTEM ON THE COUNTY'S WEBSITE.
 - D. E. This section does not apply to:
- 1. A special taxing district that is authorized pursuant to section 16-191 to conduct its own elections.
- 2. A special district mail ballot election that is conducted pursuant to article 8.1 of this chapter.

Sec. 14. Repeal

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

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

28-7006. Department fleet operations fund; definitions

- A. $\frac{A}{A}$ THE \frac{A} THE $\frac{A}{A}$ THE $\frac{A}{A}$ THE $\frac{A}{A}$ THE $\frac{A}{A}$ THE
- 1. Monies appropriated by the legislature to the department for the purchase, maintenance, service or repair of equipment and consumable material, including monies appropriated to pay salaries, wages and benefits of department employees engaged in maintaining, servicing or repairing equipment or supervising these activities.
- 2. Monies received by the department from the sale of equipment and consumable material at public auction or by other disposal methods provided by law.
- 3. Monies credited and transferred to the fund pursuant to subsection C of this section for the use of USING consumable material and for the use USING or servicing of equipment.

- 19 -

- 4. Monies received from insurance recoveries for equipment and consumable material losses.
 - 5. Monies received from donations.
- 6. Monies received from the United States as reimbursement to provide aid for the use of equipment and consumable materials in $\frac{\text{the}}{\text{construction}}$, maintenance or repair CONSTRUCTING, MAINTAINING AND REPAIRING of transportation improvements.
- 7. Earnings on any monies in the transportation department equipment FLEET OPERATIONS fund that are invested pursuant to section 28-6996.
- B. The director shall establish and from time to time modify or adjust the equipment rental schedule and the other fee schedule to reflect all current costs of ownership, maintenance, operation and service of OWNING, MAINTAINING, OPERATING AND SERVICING equipment, including the costs of labor and supervision and consumable materials used in the equipment.
- C. Department equipment shall not be used for any purpose and the department shall not incur an expense in the maintenance, service or repair of MAINTAINING, SERVICING OR REPAIRING equipment unless within thirty days after the end of any month in which equipment is used or the expenses are incurred both:
- 1. The appropriate project, program, section, division, activity or budget unit is charged for the use pursuant to the equipment rental schedule or other fee schedule.
- 2. The transportation department equipment FLEET OPERATIONS fund is credited and the monies are transferred to that fund.
- D. Monies in the transportation department equipment FLEET OPERATIONS fund are subject to legislative appropriation and shall be spent only to:
 - 1. Purchase equipment and consumable materials.
 - 2. Rent equipment.
- 3. Pay salaries, wages and employee related costs and benefits and operating expenses for employees engaged in repairing, maintaining or servicing equipment or $\frac{1}{1}$ these activities.
- 4. Pay salaries, wages, employee related costs and benefits and the operating expenses of the department motor pool.
- E. Monies in the transportation department equipment FLEET OPERATIONS fund are subject to legislative appropriation and shall be spent in conformity with the laws governing state financial operations, except that balances remaining at the end of the fiscal year do not revert to the state general fund or the state highway fund.
- F. In FOR THE PURPOSES OF this section, unless the context otherwise requires:

- 20 -

- 1. "Consumable material" means motor vehicle fuel, lubricants, tires, batteries, replacement or repair parts, automotive accessories and any other necessary article of supply or material consumed in the operation, improvement, repair or maintenance of OPERATING, IMPROVING, REPAIRING OR MAINTAINING equipment.
- 2. "Equipment" means any automobile, truck, tractor, trailer, motor driven vehicle, aircraft or other piece of equipment used by the department in the enforcement of the ENFORCING traffic laws and in the administration, maintenance, construction or repair of ADMINISTERING, MAINTAINING, CONSTRUCTING OR REPAIRING the state transportation system and any necessary shop tool or device used in the improvement, repair or maintenance of this IMPROVING, REPAIRING OR MAINTAINING equipment.
- 3. "Equipment rental schedule" means the list of rental rates for each piece of rental equipment owned or rented by the department and used as the basis of reimbursing the transportation department equipment FLEET OPERATIONS fund for use of USING any equipment owned by the department.
- 4. "Other fee schedule" means the list of all costs and expenses that is used as the basis of reimbursing the transportation department equipment FLEET OPERATIONS fund for an expenditure for labor or consumable material that is not reflected in the equipment rental schedule but which cost or expense is nevertheless incurred by the department in the maintenance, service or repair of MAINTAINING, SERVICING OR REPAIRING equipment.

Sec. 16. Repeal

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

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

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32-1923.01. Pharmacy technicians; pharmacy technician trainees; qualifications; remote dispensing site pharmacies
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- A. An applicant for licensure as a pharmacy technician must:
- 1. Be at least eighteen years of age.
- 2. Have a high school diploma or the equivalent of a high school diploma.
 - 3. Complete a training program prescribed by board rules.
 - 4. Pass a board-approved pharmacy technician examination.
- B. An applicant for licensure TO REGISTER as a pharmacy technician trainee must:
 - 1. Be at least eighteen years of age.
- 2. Have a high school diploma or the equivalent of a high school diploma.
 - 2. REGISTER WITH THE BOARD VIA AN ONLINE APPLICATION.

- 21 -

- C. Before a pharmacy technician prepares, compounds or dispenses prescription medications at a remote dispensing site pharmacy, the pharmacy technician shall:
- 1. Complete, in addition to any other board-approved mandatory continuing professional education requirements, a two-hour continuing education program on remote dispensing site pharmacy practices provided by an approved provider.
- 2. Have at least one thousand hours of experience working as a pharmacy technician in an outpatient pharmacy setting under the direct supervision of a pharmacist.
- D. A pharmacy technician working at a remote dispensing site pharmacy:
- 1. Shall maintain an active, nationally recognized pharmacy technician certification approved by the board.
- 2. May not perform extemporaneous sterile or nonsterile compounding but may prepare commercially available medications for dispensing, including the reconstitution of orally administered powder antibiotics.

Sec. 18. Repeal

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

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

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36-2232. <u>Director: powers and duties: regulation of ambulance services: inspections: response time compliance: mileage rate calculation factors</u>
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- A. The director shall adopt rules to regulate the operation of ambulances and ambulance services in this state. Each rule shall identify all sections and subsections of this chapter under which the rule was formulated. The rules shall provide for the department to do the following:
- 1. Consistent with the requirements of subsection H of this section, determine, fix, alter and regulate just, reasonable and sufficient rates and charges for the provision of ambulances, including rates and charges for advanced life support service, basic life support service, patient loaded mileage, standby waiting, subscription service contracts and other contracts for services related to the provision of ambulances. The director shall inform all ambulance services of the procedures and methodology used to determine ambulance rates or charges.
- 2. ENSURE EVIDENCE-BASED QUALITY PATIENT CARE IS THE PRIORITY FOR DECISION-MAKING.
- 2. 3. Regulate operating and response times of ambulances to meet the needs of the public and to ensure adequate service. The rules adopted by the director for certificated ambulance service response times shall include uniform standards for urban, suburban, rural and wilderness geographic areas within the certificate of necessity based on, at a

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

- 4. REVIEW RESPONSE TIMES ESTABLISHED PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION WITH THE AMBULANCE SERVICE AND UPDATE THE RESPONSE TIMES BASED ON, AT A MINIMUM, POPULATION DENSITY AND GEOGRAPHIC AND MEDICAL CONSIDERATIONS, AND THE FINANCIAL IMPACT ON RATES AND CHARGES, EVERY SIX YEARS. ONE ADDITIONAL REVIEW EACH SIX-YEAR PERIOD MAY BE REQUESTED BY A CITY, TOWN, FIRE DISTRICT OR FIRE AUTHORITY WHOSE JURISDICTIONAL BOUNDARIES IN WHOLE OR IN PART ARE WITHIN THE SERVICE AREA OF A CERTIFICATE OF NECESSITY OR AN EXISTING CERTIFICATE OF NECESSITY HOLDER WITHIN THE SERVICE AREA OF THE CERTIFICATE OF NECESSITY.
- 3. 5. Determine, fix, alter and regulate bases of operation. The director may issue a certificate of necessity to more than one ambulance service within any base of operation. For the purposes of this paragraph, "base of operation" means a service area granted under a certificate of necessity.
- 4. 6. Issue, amend, transfer, suspend or revoke certificates of necessity under terms consistent with this article.
- 5. 7. Prescribe a uniform system of accounts to be used by ambulance services that conforms to standard accounting forms and principles for the ambulance industry and generally accepted accounting principles.
- 6. 8. Require the filing of an annual financial report and other data. These rules shall require an ambulance service to file the report with the department not later than one hundred eighty days after the completion of its annual accounting period.
- 7.9. Regulate ambulance services in all matters affecting services to the public to the end that this article may be fully carried out.
- 8. 10. Prescribe bonding requirements, if any, for ambulance services granted authority to provide any type of subscription service.

- 23 -

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

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

- 11. 13. Inspect, at a maximum of twelve-month intervals, each ambulance registered pursuant to section 36-2212 to ensure that the vehicle is operational and safe and that all required medical equipment is operational. At the request of the provider, the inspection may be performed by a facility approved by the director. If a provider requests that the inspection be performed by a facility approved by the director, the provider shall pay the cost of the inspection.
- B. The director may require any ambulance service offering subscription service contracts to obtain a bond in an amount determined by the director that is based on the number of subscription service contract holders and to file the bond with the director to protect all subscription service contract holders in this state who are covered under that subscription contract.
 - C. An ambulance service shall:
- 1. Maintain, establish, add, move or delete suboperation stations within its base of operation to ensure that the ambulance service meets the established response times or those approved by the director in a political subdivision contract.
- 2. Determine the operating hours of its suboperation stations to provide for coverage of its base of operation.
- 3. Provide the department with a list of suboperation station locations.
- 4. Notify the department not later than thirty days after the ambulance service makes a change in the number or location of its suboperation stations.
- 5. BEGINNING JANUARY 1, 2024, INSTALL AND MAINTAIN AN ELECTRONIC GLOBAL POSITIONING SYSTEM MONITORING DEVICE IN EACH VEHICLE THAT IS USED FOR TRANSPORT TO RECORD ON-SCENE ARRIVAL TIMES FOR RESPONSE TIME MEASUREMENT. THE DEPARTMENT SHALL PROVIDE A WAIVER ON A DEPARTMENT-APPROVED FORM TO AN AMBULANCE SERVICE THAT CAN REASONABLY DEMONSTRATE IT IS UNABLE TO MEET THE REQUIREMENTS OF THIS PARAGRAPH.
 - D. At any time, the director or the director's agents may:
- 1. Inquire into the operation of an ambulance service, including a person operating an ambulance that has not been issued a certificate of registration or a person who does not have or is operating outside of a certificate of necessity.
- 2. Conduct on-site inspections of facilities, communications equipment, vehicles, procedures, materials and equipment.
 - 3. Review the qualifications of ambulance attendants.

- 24 -

- E. If all ambulance services that have been granted authority to operate within the same service area or that have overlapping certificates of necessity apply for uniform rates and charges, the director may establish uniform rates and charges for the service area.
- F. In consultation with the medical director of the emergency medical services and trauma system, the emergency medical services council and the medical direction commission, the director of the department of health services shall establish protocols for ambulance services to refer and advise a patient or transport a patient by the most appropriate means to the most appropriate provider of medical services based on the patient's condition. The protocols shall include triage and treatment protocols that allow all classifications of emergency medical care technicians responding to a person who has accessed 911, or a similar public dispatch number, for a condition that does not pose an immediate threat to life or limb to refer and advise a patient or transport a patient to the most appropriate health care institution as defined in section 36-401 based on the patient's condition, taking into consideration factors including patient choice, the patient's health care provider, specialized health care facilities and local protocols.
- G. The director, when reviewing an ambulance service's response time compliance with its certificate of necessity, shall consider in addition to other factors the effect of hospital diversion, delayed emergency department admission and the number of ambulances engaged in response or transport in the affected area.
- H. The department shall incorporate all of the following factors when calculating the proposed mileage rate:
- 1. The cost of licensure and registration of each ground ambulance vehicle.
 - 2. The cost of fuel.
 - 3. The cost of ground ambulance vehicle maintenance.
 - 4. The cost of ground ambulance vehicle repair.
 - 5. The cost of tires.
 - 6. The cost of ground ambulance vehicle insurance.
 - 7. The cost of mechanic wages, benefits and payroll taxes.
- 8. The cost of loan interest related to the ground ambulance vehicles.
 - 9. The cost of the weighted allocation of overhead.
 - 10. The cost of ground ambulance vehicle depreciation.
- 39 11. The cost of reserves for replacement of ground ambulance 40 vehicles and equipment.
 - Sec. 20. Repeal
- Section 36-2232, Arizona Revised Statutes, as amended by Laws 2022, chapter 381, section 3, is repealed.

- 25 -

Sec. 21. Section 36-2604, Arizona Revised Statutes, as amended by Laws 2022, chapter 284, section 1, is amended to read:

36-2604. <u>Use and release of confidential information;</u> <u>definitions</u>

- A. Except as otherwise provided in this section, prescription information submitted to the board pursuant to this article is confidential and is not subject to public inspection. The board shall establish procedures to ensure the privacy and confidentiality of patients and that patient information that is collected, recorded and transmitted pursuant to this article is not disclosed except as prescribed in this section.
- B. The board or its designee shall review the prescription information collected pursuant to this article. If the board or its designee has reason to believe an act of unprofessional or illegal conduct has occurred, the board or its designee shall notify the appropriate professional licensing board. The board may delegate the duties prescribed in this subsection to the executive director pursuant to section 32-1904.
- C. The board may release data collected by the program to the following:
- 1. A person who is authorized to prescribe or dispense controlled substances, or a delegate who is authorized by the prescriber or dispenser, to assist that person to provide medical or pharmaceutical care to a patient or to evaluate a patient or to assist with or verify compliance with the requirements of this chapter, the rules adopted pursuant to this chapter and the rules adopted by the department of health services to reduce opioid overdose and death.
- 2. An individual who requests the individual's own prescription monitoring information pursuant to section 12-2293.
- 3. A medical practitioner regulatory board established pursuant to title 32, chapter 7, 11, 13, 14, 15, 16, 17, 18, 25 or 29.
- 4. A local, state or federal law enforcement or criminal justice agency. The board shall provide this information only if the requesting agency has a valid search warrant and is using the information for an open investigation or complaint.
- 5. The Arizona health care cost containment system administration and contractors regarding persons who are receiving services pursuant to chapters 29 and 34 of this title or title XVIII of the social security act. Except as required pursuant to subsection B of this section, the board shall provide this information only if the administration or a contractor states in writing that the information is necessary for an open investigation or complaint or for performing a drug utilization review for controlled substances that supports the prevention of opioid overuse or abuse and the safety and quality of care provided to the member.

- 26 -

- 6. A health care insurer. Except as required pursuant to subsection B of this section, the board shall provide this information only if the health care insurer states in writing that the information is necessary for an open investigation or complaint or for performing a drug utilization review for controlled substances that supports the prevention of opioid overuse or abuse and the safety and quality of care provided to the insured.
- 7. A person who is serving a lawful order of a court of competent jurisdiction.
- 8. A person who is authorized to prescribe or dispense controlled substances and who performs an evaluation on an individual pursuant to section 23-1026.
- 9. A county medical examiner or alternate medical examiner who is directing an investigation into the circumstances surrounding a death as described in section 11-593 or a delegate who is authorized by the county medical examiner or alternate medical examiner.
- 10. The department of health services regarding persons who are receiving or prescribing controlled substances in order to implement a public health response to address opioid overuse or abuse, including a review pursuant to section 36-198. Except as required pursuant to subsection B of this section, the board shall provide this information only if the department states in writing that the information is necessary to implement a public health response to help combat opioid overuse or abuse.
- D. Data provided by the board pursuant to this section may not be used for any of the following:
 - 1. Credentialing health care professionals.
 - 2. Determining payment.
 - 3. Preemployment screening.
 - 4. Any purpose other than as specified in this section.
- E. For a fee determined by the board, the board may provide data to public or private entities for statistical, research or educational purposes after removing information that could be used to identify individual patients or persons who received prescriptions from dispensers.
- F. Any employee of the administration, a contractor or a health care insurer who is assigned delegate access to the program shall operate under the authority and responsibility of the administration's, contractor's or health care insurer's chief medical officer or other employee who is a licensed health care professional and who is authorized to prescribe or dispense controlled substances. A delegate of the administration, a contractor or a health care insurer shall hold a valid license or certification issued pursuant to title 32, chapter 7, 11, 13, 14, 15, 16, 17, 18, 19.1, 25, 29 or 33 as a condition of being assigned and provided delegate access to the program by the board. Each employee of the administration, a contractor or a health care insurer who is a

- 27 -

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

- G. If, after reviewing the information provided pursuant to subsection C, paragraph 4 of this section, an investigator finds no evidence of a statutory crime but suspects a medical practitioner of prescribing controlled substances inappropriately in manner or amount, the investigator may refer the medical practitioner to the relevant professional licensing board for investigation of possible deviation from the standard of care but may not arrest or otherwise undertake criminal proceedings against the medical practitioner.
- H. A person who is authorized to prescribe or dispense controlled substances or the chief medical officer or other licensed health care professional of the administration, a contractor or a health care insurer who is authorized to prescribe or dispense controlled substances shall deactivate a delegate within five business days after an employment status change, the request of the delegate or the inappropriate use of the controlled substances prescription monitoring program's central database tracking system.
 - I. For the purposes of this section:
- 1. "Administration" and "contractor" have the same meanings prescribed in section 36-2901.
 - 2. "Delegate" means any of the following:
- (a) A licensed health care professional who is employed in the office of or in a hospital with the prescriber or dispenser.
- (b) An unlicensed medical records technician, medical assistant or office manager who is employed in the office of or in a hospital with the prescriber or dispenser and who has received training regarding both the health insurance portability and accountability act privacy standards (45 Code of Federal Regulations part 164, subpart E) and security standards (45 Code of Federal Regulations part 164, subpart C).
- (c) A forensic pathologist, medical death investigator or other qualified person who is assigned duties in connection with a death investigation pursuant to section 11-594.
- (d) A $\frac{1}{1}$ REGISTERED pharmacy technician trainee, LICENSED pharmacy technician or LICENSED pharmacy intern who works in a facility with the dispenser.
- (e) Any employee of the administration, a contractor or a health care insurer who is authorized by the administration's, contractor's or health care insurer's chief medical officer or other licensed health care professional who is authorized to prescribe or dispense controlled substances.
- 3. "Health care insurer" has the same meaning prescribed in section 20-3151.

- 28 -

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. <u>Retroactivity</u>
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. <u>Effective date</u>
12	Sections 4, 5, 13, 14, 19 and 20 of this act are effective from and
13	after December 31, 2023.

- 29 -