

REFERENCE TITLE: **homeless shelter fund; performance audit**

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2782

Introduced by
Representatives Gress: Bliss, Diaz, Livingston, Willoughby

AN ACT

AMENDING TITLE 13, CHAPTER 34, ARIZONA REVISED STATUTES, BY ADDING SECTION 13-3411.01; AMENDING SECTIONS 41-1713 AND 41-2204, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 37, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-3956 AND 41-3958; APPROPRIATING MONIES; RELATING TO HOMELESSNESS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 13, chapter 34, Arizona Revised Statutes, is
3 amended by adding section 13-3411.01, to read:

4 13-3411.01. Sale or transfer or use of dangerous drugs or
5 narcotic drugs; drug-free homeless service
6 zone; violation; classification; definition

7 A. IT IS UNLAWFUL FOR A PERSON TO DO EITHER OF THE FOLLOWING:

8 1. INTENTIONALLY BE PRESENT IN A DRUG-FREE HOMELESS SERVICE ZONE TO
9 SELL OR TRANSFER DANGEROUS DRUGS OR NARCOTIC DRUGS.

10 2. AS AN OPERATOR OR PROVIDER OF FACILITY-BASED SERVICES THAT
11 PRIMARILY SERVES HOMELESS INDIVIDUALS AND THAT RECEIVES STATE, LOCAL AND
12 FEDERAL MONIES, ALLOW, AS A MATTER OF FORMAL OR INFORMAL POLICY, THE
13 POSSESSION OR USE OF DANGEROUS DRUGS OR NARCOTIC DRUGS IN A DRUG-FREE
14 HOMELESS SERVICE ZONE.

15 B. A PERSON WHO VIOLATES SUBSECTION A, PARAGRAPH 1 OF THIS SECTION
16 IS GUILTY OF THE SAME CLASS OF FELONY THAT THE PERSON WOULD OTHERWISE BE
17 GUILTY OF HAD THE VIOLATION NOT OCCURRED WITHIN A DRUG-FREE HOMELESS
18 SERVICE ZONE, EXCEPT THAT THE PRESUMPTIVE, MINIMUM AND MAXIMUM SENTENCES
19 SHALL BE INCREASED BY ONE YEAR. THE ADDITIONAL SENTENCE IMPOSED UNDER THIS
20 SUBSECTION IS IN ADDITION TO ANY ENHANCED PUNISHMENT THAT MAY BE
21 APPLICABLE UNDER SECTIONS 13-703 OR 13-704 OR SECTION 13-708, SUBSECTION D
22 OR ANY PROVISION IN THIS CHAPTER. A PERSON IS NOT ELIGIBLE FOR SUSPENSION
23 OF SENTENCE, PROBATION, PARDON OR RELEASE FROM CONFINEMENT ON ANY BASIS
24 EXCEPT PURSUANT TO SECTION 31-233, SUBSECTION A OR B UNTIL THE SENTENCE
25 IMPOSED BY THE COURT HAS BEEN SERVED OR COMMUTED.

26 C. A PERSON WHO VIOLATES SUBSECTION A, PARAGRAPH 2 OF THIS SECTION
27 IS GUILTY OF A CLASS 1 MISDEMEANOR.

28 D. IN ADDITION TO ANY OTHER PENALTY PRESCRIBED BY THIS TITLE, THE
29 COURT SHALL ORDER A PERSON WHO IS CONVICTED OF A VIOLATION OF THIS SECTION
30 TO PAY A FINE OF NOT LESS THAN \$2,000 OR THREE TIMES THE VALUE, AS
31 DETERMINED BY THE COURT, OF THE DRUGS INVOLVED IN OR GIVING RISE TO THE
32 CHARGE, WHICHEVER IS GREATER, AND NOT MORE THAN THE MAXIMUM AUTHORIZED BY
33 CHAPTER 8 OF THIS TITLE. A JUDGE MAY NOT SUSPEND ANY PART OR ALL OF THE
34 IMPOSITION OF ANY FINE REQUIRED BY THIS SUBSECTION.

35 E. EACH OPERATOR OR PROVIDER OF FACILITY-BASED SERVICES THAT
36 PRIMARILY SERVE HOMELESS INDIVIDUALS SHALL PLACE AND MAINTAIN PERMANENTLY
37 AFFIXED SIGNS LOCATED IN A VISIBLE MANNER AT THE MAIN ENTRANCE OF THE
38 FACILITY THAT IDENTIFIES THE BUILDING AND ITS ACCOMPANYING GROUNDS AS A
39 DRUG-FREE HOMELESS SERVICE ZONE.

40 F. FOR THE PURPOSES OF THIS SECTION, "DRUG-FREE HOMELESS SERVICE
41 ZONE" MEANS THE AREA WITHIN THREE HUNDRED FEET OF A FACILITY OR ITS
42 ACCOMPANYING GROUNDS IN WHICH SERVICES, SHELTER OR PERMANENT SUPPORTIVE
43 HOUSING ARE PROVIDED TO INDIVIDUALS WHO ARE EXPERIENCING HOMELESSNESS.

1 Sec. 2. Section 41-1713, Arizona Revised Statutes, is amended to
2 read:

3 41-1713. Powers and duties of director; authentication of
4 records

5 A. The director of the department shall:

6 1. Be the administrative head of the department.

7 2. Subject to the merit system rules, appoint, suspend, demote,
8 promote or dismiss all other classified employees of the department on the
9 recommendation of their respective division superintendent. The director
10 shall determine and furnish the law enforcement merit system council
11 established by section 41-1830.11 with a table of organization. The
12 superintendent of each division shall serve at the concurrent pleasure of
13 the director and the governor.

14 3. Except as provided in sections 12-119, 41-1304 and 41-1304.05,
15 employ officers and other personnel as the director deems necessary for
16 the protection and security of the state buildings and grounds in the
17 governmental mall described in section 41-1362, state office buildings in
18 Tucson and persons who are on any of those properties. Department
19 officers may make arrests and issue citations for crimes or traffic
20 offenses and for any violation of a rule adopted under section 41-796.
21 For the purposes of this paragraph, security does not mean security
22 services related to building operation and maintenance functions provided
23 by the department of administration.

24 4. Make rules necessary for the operation of the department.

25 5. Annually submit a report of the work of the department,
26 **INCLUDING A SUMMARY OF THE DATA COLLECTED PURSUANT TO SECTION 41-2204,**
27 **PARAGRAPH 7** to the governor and the legislature, or more often if
28 requested by the governor or the legislature.

29 6. Appoint a deputy director with the approval of the governor.

30 7. Adopt an official seal that contains the words "department of
31 public safety" encircling the seal of this state as part of its design.

32 8. Investigate, on receipt, credible evidence that a licensee or
33 registrant has been arrested for, charged with or convicted of an offense
34 that would preclude the person from holding a license or registration
35 certificate issued pursuant to title 32, chapter 26.

36 9. Cooperate with the Arizona-Mexico commission in the governor's
37 office and with researchers at universities in this state to collect data
38 and conduct projects in the United States and Mexico on issues that are
39 within the scope of the department's duties and that relate to quality of
40 life, trade and economic development in this state in a manner that will
41 help the Arizona-Mexico commission to assess and enhance the economic
42 competitiveness of this state and of the Arizona-Mexico region.

43 10. Adopt and administer the breath, blood or other bodily
44 substances test rules pursuant to title 28, chapter 4.

1 11. Develop procedures to exchange information with the department
2 of transportation for any purpose related to sections 28-1324, 28-1325,
3 28-1326, 28-1462 and 28-3318.

4 12. Collaborate with the state forester in presentations to
5 legislative committees on issues associated with wildfire prevention,
6 suppression and emergency management as provided by section 37-1302,
7 subsection B.

8 B. The director may:

9 1. Issue commissions to officers of the department.

10 2. Request the cooperation of the utilities, communication media
11 and public and private agencies and any sheriff or other peace officer in
12 any county or municipality, within the limits of their respective
13 jurisdictions when necessary, to aid and assist in the performance of any
14 duty imposed by this chapter.

15 3. Cooperate with any public or private agency or person to receive
16 or give necessary assistance and may contract for such assistance subject
17 to legislative appropriation controls.

18 4. ~~Utilize~~ USE the advice of the board and cooperate with sheriffs,
19 local police and peace officers within the state for the prevention and
20 discovery of crimes, the apprehension of criminals and the promotion of
21 public safety.

22 5. Acquire in the name of ~~the~~ THIS state, either in fee or lesser
23 estate or interest, all real or any personal property that the director
24 considers necessary for the department's use, by purchase, donation,
25 dedication, exchange or other lawful means. All acquisitions of personal
26 property pursuant to this paragraph shall be made as prescribed in chapter
27 23 of this title unless otherwise provided by law.

28 6. Dispose of any property, real or personal, or any right, title
29 or interest in the property, when the director determines that the
30 property is no longer needed or necessary for the department's use.
31 Disposition of personal property shall be as prescribed in chapter 23 of
32 this title. The real property shall be sold by public auction or
33 competitive bidding after notice published in a daily newspaper of general
34 circulation, not less than three times, two weeks before the sale and
35 subject to the approval of the director of the department of
36 administration. When real property is sold, it shall not be sold for less
37 than the appraised value as established by a competent real estate
38 appraiser. Any monies derived from the disposal of real or personal
39 property shall be deposited, pursuant to sections 35-146 and 35-147, in
40 the Arizona highway patrol fund as authorized by section 41-1752,
41 subsection B, paragraph 6.

42 7. Sell, lend or lease personal property directly to any state,
43 county or local law enforcement agency. Personal property may be sold or
44 leased at a predetermined price without competitive bidding. Any state,
45 county or local law enforcement agency receiving personal property may not

1 resell or lease the property to any person or organization except for
2 educational purposes.

3 8. Dispose of surplus property by transferring the property to the
4 department of administration for disposition to another state budget unit
5 or political subdivision if the state budget unit or political subdivision
6 is not a law enforcement agency.

7 9. Lease or rent personal property directly to any state law
8 enforcement officer for the purpose of traffic safety, traffic control or
9 other law enforcement related activity.

10 10. Sell for ~~one dollar~~ \$1, without public bidding, the department
11 issued handgun or shotgun to a department officer on duty related
12 retirement pursuant to title 38, chapter 5, article 4. Any monies derived
13 from the sale of the handgun or shotgun to the retiring department officer
14 shall be deposited, pursuant to sections 35-146 and 35-147, in the Arizona
15 highway patrol fund as authorized by section 41-1752, subsection B,
16 paragraph 6.

17 11. Conduct state criminal history records checks for the purpose
18 of updating and verifying the status of current licensees or registrants
19 who have a license or certificate issued pursuant to title 32, chapter 26.
20 The director shall investigate, on receipt, credible evidence that a
21 licensee or registrant has been arrested for, charged with or convicted of
22 an offense that would preclude the person from holding a registration
23 certificate issued pursuant to title 32, chapter 26.

24 12. Grant a maximum of two thousand eighty hours of industrial
25 injury leave to any sworn department employee who is injured in the course
26 of the employee's duty, any civilian department employee who is injured in
27 the course of performing or assisting in law enforcement or hazardous
28 duties or any civilian department employee who was injured as a sworn
29 department employee rehired after August 9, 2001 and would have been
30 eligible pursuant to this paragraph and whose work-related injury prevents
31 the employee from performing the normal duties of that employee's
32 classification. This industrial injury leave is in addition to any
33 vacation or sick leave earned or granted to the employee and does not
34 affect the employee's eligibility for any other benefits, including
35 workers' compensation. The employee is not eligible for payment pursuant
36 to section 38-615 of industrial injury leave that is granted pursuant to
37 this paragraph. Subject to approval by the law enforcement merit system
38 council, the director shall adopt rules and procedures regarding
39 industrial injury leave hours granted pursuant to this paragraph.

40 13. Sell at current replacement cost, without public bidding, the
41 department issued badge of authority to an officer of the department on
42 the officer's promotion or separation from the department. Any monies
43 derived from the sale of the badge to an officer shall be deposited,
44 pursuant to sections 35-146 and 35-147, in the department of public safety
45 administration fund to offset replacement costs.

1 C. The director and any employees of the department that the
2 director designates in writing may use the seal adopted pursuant to
3 subsection A, paragraph 7 of this section to fully authenticate any
4 department records and copies of these records. These authenticated
5 records or authenticated copies of records shall be judicially noticed and
6 shall be received in evidence by the courts of this state without any
7 further proof of their authenticity.

8 Sec. 3. Section 41-2204, Arizona Revised Statutes, is amended to
9 read:

10 41-2204. System manager; powers and duties

11 The director of the department of public safety is the system
12 manager. The manager shall:

- 13 1. Execute the policies and supervise the operations of the system.
- 14 2. Coordinate and standardize the design, development and
15 implementation of the system and subsystem.
- 16 3. Provide for system and subsystem planning.
- 17 4. Enforce the rules relating to the security, privacy,
18 confidentiality and dissemination of criminal history record information.
- 19 5. Provide criminal justice agencies with criminal history record
20 information for operational and management purposes pursuant to rules
21 adopted by the department governing the dissemination of such information.
- 22 6. Receive petitions for review of criminal history record
23 information from persons who are the subject of the information, conduct
24 hearings to determine the accuracy of that information and amend the
25 criminal history record if the information is found to be inaccurate.
- 26 7. DIRECT CRIMINAL JUSTICE AGENCIES IN THIS STATE TO COLLECT AND
27 PROVIDE INFORMATION INDICATING CRIMES COMMITTED BY INDIVIDUALS WHO ARE
28 IDENTIFIED AS HOMELESS AND CRIMES COMMITTED AGAINST INDIVIDUALS WHO ARE
29 IDENTIFIED AS HOMELESS.

30 Sec. 4. Title 41, chapter 37, article 2, Arizona Revised Statutes,
31 is amended by adding sections 41-3956 and 41-3958, to read:

32 41-3956. Homeless shelter and services fund; purpose;
33 exemption; homelessness; facilities; campgrounds;
34 political subdivisions; civic actions

35 A. THE HOMELESS SHELTER AND SERVICES FUND IS ESTABLISHED. THE
36 DEPARTMENT SHALL ADMINISTER THE FUND. THE FUND CONSISTS OF LEGISLATIVE
37 APPROPRIATIONS. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE
38 EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
39 APPROPRIATIONS. MONIES IN THE FUND MAY BE SPENT ON ANY OF THE FOLLOWING
40 FOR INDIVIDUALS EXPERIENCING HOMELESSNESS:

- 41 1. SUBSTANCE ABUSE TREATMENT.
- 42 2. MENTAL HEALTH TREATMENT.
- 43 3. HOMELESS OUTREACH TEAMS.
- 44 4. SHORT-TERM SHELTER.
- 45 5. TRANSITIONAL HOUSING.

1 6. SECURE BEHAVIORAL HEALTH RESIDENTIAL FACILITIES.
2 7. GRANTS FOR ANY OTHER SERVICES FOR INDIVIDUALS EXPERIENCING
3 HOMELESSNESS. GRANTS SHALL BE PERFORMANCE BASED AND SHALL TRACK KEY
4 METRICS, INCLUDING THE NUMBER OF INDIVIDUALS EXPERIENCING HOMELESSNESS WHO
5 DO ANY OF THE FOLLOWING:
6 (a) ENTER STABLE HOUSING.
7 (b) ENTER THE WORKFORCE.
8 (c) AVOID RETURNING TO HOMELESSNESS.
9 (d) AVOID BEING ARRESTED.
10 (e) AVOID BEING HOSPITALIZED.
11 B. ON OR BEFORE DECEMBER 1, 2024 AND EACH YEAR THEREAFTER FOR THREE
12 YEARS, EACH GRANT RECIPIENT PURSUANT TO THIS SECTION SHALL SUBMIT A REPORT
13 TO THE DEPARTMENT THAT INCLUDES A SUMMARY OF ALL OF THE KEY METRICS
14 TRACKED PURSUANT TO SUBSECTION A, PARAGRAPH 7 OF THIS SECTION FOR EACH
15 HOMELESS INDIVIDUAL ON WHICH GRANT MONIES WERE SPENT.
16 C. THE DEPARTMENT SHALL PRESCRIBE A SIMPLIFIED FORM AND PROCEDURE
17 TO APPLY FOR AND APPROVE GRANTS AND ESTABLISH REQUIREMENTS AND CRITERIA BY
18 WHICH GRANTS WILL BE AWARDED.
19 D. MONIES IN THE FUND MAY ALSO BE SPENT ON ANY OF THE FOLLOWING:
20 1. PARKING AREAS THAT HAVE ACCESS TO POTABLE WATER, ELECTRIC
21 OUTLETS AND BATHROOMS THAT ARE SUFFICIENT TO SERVE THAT PARKING AREA.
22 2. CAMPING FACILITIES THAT ARE LIMITED TO INDIVIDUALS EXPERIENCING
23 HOMELESSNESS AND EACH INDIVIDUAL'S PERSONAL PROPERTY. INDIVIDUALS
24 EXPERIENCING HOMELESSNESS MAY CAMP AND STORE PERSONAL PROPERTY ONLY AT
25 FACILITIES IN AREAS DESIGNATED BY THE AGENCY PROVIDING THE CAMPING
26 FACILITY. EACH CAMPING FACILITY SHALL OFFER MENTAL HEALTH AND SUBSTANCE
27 ABUSE EVALUATIONS AS DESIGNATED BY A STATE OR LOCAL AGENCY.
28 3. INDIVIDUAL SHELTERS THAT MEET ALL OF THE FOLLOWING:
29 (a) ARE SUITABLE TO HOUSE NOT MORE THAN THREE INDIVIDUALS.
30 (b) PROVIDE BASIC SLEEPING ACCOMMODATIONS AND ACCESS TO
31 ELECTRICITY.
32 (c) PROVIDE ADEQUATE ACCESS TO SHOWERS AND BATHROOM FACILITIES.
33 (d) ALLOW INDIVIDUALS TO OCCUPY THE SHELTER FOR NOT MORE THAN TWO
34 YEARS.
35 4. TEMPORARY SHELTERS THAT HOUSE AT LEAST FOUR INDIVIDUALS IN A
36 SINGLE SPACE AND THAT MONITOR AND PROVIDE PROGRAMS TO IMPROVE THE
37 EMPLOYMENT AND INCOME OF AND PREVENT A RETURN TO HOMELESSNESS FOR ALL
38 INDIVIDUALS LEAVING THE SHELTERS.
39 E. THE DEPARTMENT SHALL PRIORITIZE SPENDING FOR ALL OF THE PURPOSES
40 PRESCRIBED IN SUBSECTION D OF THIS SECTION.
41 F. THE OWNER OF A PRIVATE CAMPGROUND DESCRIBED IN SUBSECTION D OF
42 THIS SECTION OR AN EMPLOYEE OR OFFICER OF THE PRIVATE CAMPGROUND IS NOT
43 LIABLE IN ANY CIVIL ACTION THAT ARISES OUT OF THE OWNERSHIP, OPERATION OR
44 MANAGEMENT OF THE CAMPGROUND UNLESS THE CLAIM INVOLVES INTENTIONAL OR
45 GROSSLY NEGLIGENT CONDUCT.

1 G. THE DEPARTMENT MAY USE MONIES APPROPRIATED BY THE LEGISLATURE TO
2 CONSTRUCT TEMPORARY HOUSING FOR INDIVIDUALS EXPERIENCING HOMELESSNESS.
3 THE DEPARTMENT SHALL PROVIDE NOT MORE THAN TWENTY-FIVE PERCENT OF THE
4 BASELINE ALLOCATION FOR ANY GRANT AS A BONUS PAYMENT FOR POLITICAL
5 SUBDIVISIONS IN THIS STATE OR NONPROFIT ORGANIZATIONS THAT CAN MEET
6 PREDETERMINED GOALS FOR REDUCING DAYS IN JAIL OR PRISON AND DAYS
7 HOSPITALIZED FOR INDIVIDUALS EXPERIENCING HOMELESSNESS.

8 H. ANY POLITICAL SUBDIVISION OF THIS STATE THAT HAS A HIGHER PER
9 CAPITA RATE OF HOMELESSNESS THAN THE STATE AVERAGE AS DETERMINED BY THE
10 MOST RECENT UNITED STATES DECENNIAL CENSUS AND THAT RECEIVES MONIES
11 PURSUANT TO THIS SECTION MAY NOT RECEIVE ANY FURTHER FUNDING UNDER THIS
12 SECTION UNTIL THE DEPARTMENT DETERMINES THE FOLLOWING:

13 1. THE POLITICAL SUBDIVISION OF THIS STATE HAS A PER CAPITA RATE OF
14 INDIVIDUALS EXPERIENCING HOMELESSNESS AT OR BELOW THE STATE AVERAGE.

15 2. THE POLITICAL SUBDIVISION OF THIS STATE IS IN COMPLIANCE WITH
16 SUBSECTION J OF THIS SECTION.

17 I. A PERSON MAY NOT USE OR ALLOW TO BE USED STATE OR LOCAL
18 GOVERNMENT-OWNED LANDS FOR ANY UNAUTHORIZED SLEEPING, CAMPING OR LONG-TERM
19 SHELTER. A PERSON WHO VIOLATES THIS SUBSECTION SHALL RECEIVE A WARNING
20 FOR ANY OFFENSE, AND A CITATION MAY NOT BE ISSUED, EXCEPT THAT SERVICES OR
21 SHELTER MAY BE OFFERED INSTEAD OF A CRIMINAL CITATION IF THE INDIVIDUAL
22 DOES NOT CONTINUE TO USE THE LAND FOR PROHIBITED PURPOSES.

23 J. A POLITICAL SUBDIVISION OF THIS STATE MAY NOT:

24 1. ADOPT OR ENFORCE ANY POLICIES THAT DIRECTLY OR INDIRECTLY
25 PROHIBIT OR DISCOURAGE ENFORCING ANY ORDER OR ORDINANCE THAT PROHIBITS
26 PUBLIC CAMPING, SLEEPING OR OBSTRUCTING A PUBLIC RIGHT-OF-WAY, INCLUDING
27 ROADS AND SIDEWALKS.

28 2. DIRECTLY OR INDIRECTLY PROHIBIT OR DISCOURAGE A PEACE OFFICER OR
29 PROSECUTING ATTORNEY WHO IS EMPLOYED BY OR UNDER THE DIRECTION OR CONTROL
30 OF THE POLITICAL SUBDIVISION OF THIS STATE FROM ENFORCING ANY ORDER OR
31 ORDINANCE THAT PROHIBITS PUBLIC CAMPING, SLEEPING OR OBSTRUCTING A PUBLIC
32 RIGHT-OF-WAY, INCLUDING ROADS AND SIDEWALKS.

33 K. THIS SECTION DOES NOT PROHIBIT A POLITICAL SUBDIVISION OF THIS
34 STATE FROM OFFERING DIVERSION PROGRAMS OR SERVICES INSTEAD OF ISSUING A
35 CITATION OR MAKING AN ARREST IF THE INDIVIDUAL DOES NOT CONTINUE TO USE
36 THE LAND FOR PROHIBITED PURPOSES.

37 L. A COUNTY ATTORNEY MAY BRING A CIVIL ACTION IN ANY COURT OF
38 COMPETENT JURISDICTION AGAINST ANY POLITICAL SUBDIVISION OF THIS STATE TO
39 ENJOIN THE POLITICAL SUBDIVISION OF THIS STATE FROM VIOLATING THIS
40 SECTION. THE COUNTY ATTORNEY MAY RECOVER REASONABLE EXPENSES INCURRED IN
41 ANY CIVIL ACTION BROUGHT UNDER THIS SECTION, INCLUDING COURT COSTS,
42 ATTORNEY FEES, INVESTIGATIVE COSTS, WITNESS FEES AND DEPOSITION COSTS.

1 41-3958. Homeless service providers; mixed hoteling; signs;
2 definition

3 A. IF A HOMELESS SERVICE PROVIDER ENGAGES IN MIXED HOTELING, THE
4 HOMELESS SERVICE PROVIDER, BUILDING SUPERVISOR AND BUILDING OWNER SHALL
5 POST SIGNS OVER EACH ENTRANCE AND EXIT TO THE BUILDING AND IN A PLACE
6 CLEARLY VISIBLE FROM THE RECEPTION DESK THAT STATES:

7 THIS BUSINESS IS BEING USED TO HOUSE HOMELESS
8 INDIVIDUALS ALONGSIDE THE GENERAL PUBLIC. IT IS RECOMMENDED
9 THAT ALL GUESTS KEEP HOTEL DOORS LOCKED, SAFELY STORE THEIR
10 BELONGINGS AND REPORT ANY HEALTH OR SAFETY CONCERNS TO LOCAL
11 LAW ENFORCEMENT.

12 B. ALL SIGNS REQUIRED BY SUBSECTION A OF THIS SECTION MUST BE IN
13 RED TWENTY-FIVE POINT HIGHWAY GOTHIC BOLDED FONT, ON A WHITE BACKGROUND
14 AND ON A SIGN THAT IS AT LEAST EIGHTEEN INCHES IN WIDTH AND TWENTY-FOUR
15 INCHES IN HEIGHT. THE TEXT OF THE SIGN SHALL ALSO BE PROMINENTLY POSTED
16 ON ANY WEBSITE THAT ACCEPTS OR FACILITATES GENERAL PUBLIC BOOKINGS FOR THE
17 HOTEL AND ALL GUESTS, BEFORE CHECKING INTO THE HOTEL, MUST BE PROVIDED
18 WITH A PRINTED FORM CLEARLY STATING THAT THE HOTEL IS ENGAGING IN MIXED
19 HOTELING. BEFORE CHECKING INTO THE HOTEL, ANY GUEST WHO OBJECTS TO MIXED
20 HOTELING SHALL BE ISSUED A FULL REFUND.

21 C. STATE OR LOCAL MONIES MAY NOT BE USED FOR MIXED HOTELING.

22 D. FOR THE PURPOSES OF THIS SECTION, "MIXED HOTELING" MEANS
23 PROVIDING ROOMS OR SHELTER SERVICES, WHETHER EMERGENCY, TEMPORARY OR
24 TRANSITIONAL ROOMS OR SHELTER, TO HOMELESS INDIVIDUALS WHILE CONCURRENTLY
25 PROVIDING HOTEL SERVICES TO THE GENERAL PUBLIC IN THE SAME BUILDING OR ON
26 THE SAME PREMISES.

27 Sec. 5. Performance audit; report

28 A. The auditor general shall conduct a special audit, as defined in
29 section 41-1278, Arizona Revised Statutes, of the amount of monies spent
30 on programs and services for individuals experiencing homelessness in this
31 state, including all of the following:

32 1. Expenditures by this state.

33 2. Expenditures by municipalities and counties or any political
34 subdivision thereof, with homeless populations higher than the per capita
35 average of this state.

36 3. Expenditures of federal monies allocated to this state for
37 homeless programs.

38 4. Expenditures by state and local law enforcement agencies to
39 address homelessness, including transportation to emergency shelters,
40 responding to crisis calls, providing overnight shelter in jail and
41 enforcing camping bans.

42 B. All state and local governmental entities of this state shall
43 cooperate with the special audit and grant access, at no cost, to all
44 financial records and any other information necessary to complete the
45 special audit.

- 1 C. The special audit shall examine all of the following:
- 2 1. The awarding of any contracts and grants relating to homeless
- 3 services and support.
- 4 2. Any metrics used to examine the success of any expenditures.
- 5 3. The efficiency of the use of data management systems in relation
- 6 to such programs.
- 7 4. The expenditure for each individual experiencing homelessness
- 8 for each service provided.
- 9 D. On or before December 31, 2025, the auditor general shall submit
- 10 copies of the special audit report to the governor, the president of the
- 11 senate, the speaker of the house of representatives and provide a copy of
- 12 this report to the secretary of state.
- 13 Sec. 6. Transfer of monies
- 14 A. Notwithstanding Laws 2023, chapter 133, section 49, \$75,000,000
- 15 remaining unexpended on the effective date of this act from the
- 16 \$150,000,000 appropriation in the housing trust fund deposit line item is
- 17 transferred to the homeless shelter and services fund established by
- 18 section 41-3956, Arizona Revised Statutes, as added by this act.
- 19 B. Of the remaining unexpended monies:
- 20 1. \$50,000,000 shall be transferred to the Arizona health care cost
- 21 containment system to establish five additional secure behavioral health
- 22 residential facilities for individuals experiencing homelessness. Monies
- 23 may also be used for provider support for the new facilities established
- 24 pursuant to this paragraph.
- 25 2. \$5,000,000 shall be transferred to the auditor general for all
- 26 necessary costs to conduct the special audit of the amount of monies spent
- 27 on programs and services for individuals experiencing homelessness in this
- 28 state pursuant to this act.
- 29 3. \$10,000,000 shall be transferred to the substance abuse services
- 30 fund established by section 36-2005, Arizona Revised Statutes, for
- 31 medicated assisted treatment for individuals experiencing homelessness in
- 32 this state.