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PROPOSED

SENATE AMENDMENTS TO H.B. 2279

(Reference to House engrossed bill)

1 Strike everything after the enacting clause and insert:

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

13-3411.01. Sale, transfer or use of dangerous drugs or narcotic drugs; drug-free homeless service zone:

violation; classification; signs; definitions

- A. IT IS UNLAWFUL FOR A PERSON TO DO EITHER OF THE FOLLOWING:
- 1. INTENTIONALLY BE PRESENT IN A DRUG-FREE HOMELESS SERVICE ZONE TO SELL OR TRANSFER DANGEROUS DRUGS OR NARCOTIC DRUGS.
- 2. AS AN EMPLOYEE OF A FACILITY-BASED SERVICE THAT PRIMARILY SERVES HOMELESS INDIVIDUALS AND THAT RECEIVES STATE, LOCAL OR FEDERAL MONIES, KNOWINGLY VIOLATES ANY FORMAL POLICY PURSUANT TO SUBSECTION F OF THIS SECTION, INCLUDING INTENTIONALLY ALLOWING THE POSSESSION OR USE OF DANGEROUS DRUGS OR NARCOTIC DRUGS IN A DRUG-FREE HOMELESS SERVICE ZONE.
- B. A PERSON WHO VIOLATES SUBSECTION A, PARAGRAPH 1 OF THIS SECTION IS GUILTY OF THE SAME CLASS OF FELONY THAT THE PERSON WOULD OTHERWISE BE GUILTY OF HAD THE VIOLATION NOT OCCURRED WITHIN A DRUG-FREE HOMELESS SERVICE ZONE, EXCEPT THAT THE PRESUMPTIVE, MINIMUM AND MAXIMUM SENTENCES SHALL BE INCREASED BY ONE YEAR. THE ADDITIONAL SENTENCE IMPOSED UNDER THIS SUBSECTION IS IN ADDITION TO ANY ENHANCED PUNISHMENT THAT MAY BE APPLICABLE UNDER SECTIONS 13-703 OR 13-704 OR SECTION 13-708, SUBSECTION D OR ANY PROVISION IN THIS CHAPTER. A PERSON IS NOT ELIGIBLE FOR SUSPENSION OF SENTENCE, PROBATION, PARDON OR RELEASE FROM CONFINEMENT ON ANY BASIS EXCEPT PURSUANT TO SECTION 31-233, SUBSECTION A OR B UNTIL THE SENTENCE IMPOSED BY THE COURT HAS BEEN SERVED OR COMMUTED.

- 1 C. A PERSON WHO VIOLATES SUBSECTION A, PARAGRAPH 2 OF THIS SECTION 2 IS GUILTY OF A CLASS 1 MISDEMEANOR.
 - D. IN ADDITION TO ANY OTHER PENALTY PRESCRIBED BY THIS TITLE, THE COURT SHALL ORDER A PERSON WHO IS CONVICTED OF A VIOLATION OF THIS SECTION TO PAY A FINE OF NOT LESS THAN \$2,000 OR THREE TIMES THE VALUE, AS DETERMINED BY THE COURT, OF THE DRUGS INVOLVED IN OR GIVING RISE TO THE CHARGE, WHICHEVER IS GREATER, AND NOT MORE THAN THE MAXIMUM AUTHORIZED BY CHAPTER 8 OF THIS TITLE. A JUDGE MAY NOT SUSPEND ANY PART OR ALL OF THE IMPOSITION OF ANY FINE REQUIRED BY THIS SUBSECTION.
 - E. EACH OPERATOR OR PROVIDER OF FACILITY-BASED SERVICES THAT PRIMARILY SERVE HOMELESS INDIVIDUALS SHALL PLACE AND MAINTAIN A PERMANENTLY AFFIXED SIGN LOCATED IN A VISIBLE MANNER INSIDE THE FACILITY AND OUTSIDE THE MAIN ENTRANCE OF THE FACILITY THAT IDENTIFIES THE BUILDING AND ITS ACCOMPANYING GROUNDS AS A DRUG-FREE ZONE. IF AN OPERATOR OR PROVIDER OF FACILITY-BASED SERVICES PRIMARILY SERVES DOMESTIC VIOLENCE VICTIMS OR FAMILIES, THE OPERATOR OR PROVIDER SHALL PLACE AND MAINTAIN A PERMANENTLY AFFIXED SIGN LOCATED IN A VISIBLE MANNER INSIDE THE FACILITY THAT IDENTIFIES THE BUILDING AS A DRUG-FREE ZONE.
 - F. AN OPERATOR OF FACILITY-BASED SERVICES THAT SERVE HOMELESS INDIVIDUALS MUST ADOPT A FORMAL POLICY THAT PROHIBITS THE USE OR POSSESSION OF DANGEROUS DRUGS OR NARCOTIC DRUGS WITHIN DRUG-FREE HOMELESS SERVICE ZONES.
 - G. FOR THE PURPOSES OF THIS SECTION:
 - 1. "DANGEROUS DRUG" HAS THE SAME MEANING PRESCRIBED IN SECTION 13-3401.
 - 2. "DRUG-FREE HOMELESS SERVICE ZONE" MEANS A FACILITY AND ITS ACCOMPANYING GROUNDS IN WHICH SERVICES, SHELTER OR PERMANENT SUPPORTIVE HOUSING ARE PROVIDED TO INDIVIDUALS WHO ARE EXPERIENCING HOMELESSNESS.
 - 3. "HOMELESS INDIVIDUAL" MEANS AN INDIVIDUAL WHO DOES NOT HAVE A HOME OR PERMANENT PLACE OF RESIDENCE.
- 31 4. "NARCOTIC DRUG" HAS THE SAME MEANING PRESCRIBED IN SECTION 32 13-3401.

1	Sec. 2.	Section	41-2405,	Arizona	Revised	Statutes,	is	amended	to
2	read:								

41-2405. <u>Arizona criminal justice commission; powers and</u> duties; staff

- A. The Arizona criminal justice commission shall:
- 1. Monitor the progress and implementation of new and continuing criminal justice legislation.
- 2. Facilitate research among criminal justice agencies and maintain criminal justice system information.
- 3. Facilitate coordinated statewide efforts to improve criminal justice information and data sharing.
- 4. Prepare for the governor a biennial criminal justice system review report. The report shall contain:
- (a) An analysis of all criminal justice programs created by the legislature in the preceding two years.
- (b) An analysis of the effectiveness of the criminal code, with a discussion of any problems and recommendations for revisions if deemed necessary.
- (c) A study of the level of activity in the several areas of the criminal justice system, with recommendations for redistribution of criminal justice revenues if deemed necessary.
- (d) An overall review of the entire criminal justice system, including crime prevention, criminal apprehension, prosecution, court administration and incarceration at the state and local levels as well as funding needs for the system.
- (e) Recommendations for constitutional, statutory and administrative revisions that are necessary to develop and maintain a cohesive and effective criminal justice system.
- 5. Provide supplemental reports on criminal justice issues of special timeliness.
- 6. In coordination with other governmental agencies, gather information on programs that are designed to effectuate community crime

prevention and education using citizen participation and on programs for alcohol and drug abuse prevention, education and treatment and disseminate that information to the public, political subdivisions, law enforcement agencies and the legislature.

- 7. Make recommendations to the legislature and the governor regarding the purposes and formula for allocation of fund monies as provided in section 41-2401, subsection D and section 41-2402 through the biennial agency budget request.
- 8. Adopt rules for the purpose of allocating fund monies as provided in sections 41-2401, 41-2402 and 41-2407 that are consistent with the purposes set forth in those sections and that promote effective and efficient use of the monies.
 - 9. Make reports to the governor and the legislature as they require.
- 10. Oversee the research, analyses, studies, reports and publication of crime and criminal justice statistics prepared by the Arizona statistical analysis center, which is an operating section of the Arizona criminal justice commission.
- 11. Prepare an annual report on law enforcement activities in this state that are funded by the drug and gang enforcement fund or the criminal justice enhancement fund and that relate to illicit drugs and drug related DRUG-RELATED gang activity. The report shall be submitted by October 31 of each year to the governor, the president of the senate and the speaker of the house of representatives and a copy shall be submitted to the secretary of state. The report shall include:
- (a) The name and a description of each law enforcement program dealing with illegal drug activity or street gang activity, or both.
 - (b) The objective and goals of each program.
 - (c) The source and amount of monies received by each program.
 - (d) The name of the agency or entity that administers each program.
 - (e) The effectiveness of each program.
- 12. Compile and disseminate information on best practices for cold case investigations, including effective victim communication procedures.

For the purposes of this paragraph, "cold case" means a homicide or a felony sexual offense that remains unsolved for one year or more after being reported to a law enforcement agency and that has no viable and unexplored investigatory leads.

- 13. Beginning January 1, 2019, Submit an annual recidivism report to the legislature that compares the recidivism rate for a person who serves a term of mandatory incarceration in a county jail pursuant to section 28-1383 and a person who serves that term of mandatory incarceration in prison.
- 14. DIRECT FIRST RESPONDERS, MEDICAL EXAMINERS AND THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM TO PROVIDE INFORMATION AND DATA ON DRUG OVERDOSES AMONG INDIVIDUALS EXPERIENCING HOMELESSNESS, INCLUDING THE NUMBER OF DRUG OVERDOSES AND DEATHS CAUSED BY DRUG OVERDOSES, TO THE ARIZONA CRIMINAL JUSTICE COMMISSION.
- 15. DIRECT CRIMINAL JUSTICE AGENCIES IN THIS STATE TO COLLECT AND PROVIDE INFORMATION INDICATING CRIMES COMMITTED BY INDIVIDUALS WHO ARE IDENTIFIED AS HOMELESS AND CRIMES COMMITTED AGAINST INDIVIDUALS WHO ARE IDENTIFIED AS HOMELESS.
- 16. SUBMIT AN ANNUAL REPORT ON PARAGRAPHS 14 AND 15 OF THIS SUBSECTION TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND PROVIDE A COPY OF THIS REPORT TO THE SECRETARY OF STATE.
- B. The Arizona criminal justice commission, as necessary to perform its functions, may:
- 1. Request any state or local criminal justice agency to submit any necessary information.
- 2. Form subcommittees, make studies, conduct inquiries and hold hearings.
- 3. Subject to chapter 4, article 4 of this title, employ consultants for special projects and such staff as deemed necessary or advisable to carry out this section.

- 4. Delegate its duties to carry out this section, including:
 - (a) The authority to enter into contracts and agreements on behalf of the commission.
 - (b) Subject to chapter 4, article 4 and, as applicable, articles 5 and 6 of this title, the authority to appoint, hire, terminate and discipline all personnel of the commission, including consultants.
 - 5. Establish joint research and information facilities with governmental and private agencies.
 - 6. Accept and expend public and private grants of monies, gifts and contributions and expend SPEND, distribute or allocate monies appropriated to the commission for the purpose of enhancing efforts to investigate or prosecute and adjudicate any crime and to implement this chapter.
 - Sec. 3. Title 41, chapter 37, article 2, Arizona Revised Statutes, is amended by adding sections 41-3956 and 41-3958, to read:

41-3956. <u>Homeless shelter and services fund; exemption;</u> grants; reports; civil action; definition

- A. THE HOMELESS SHELTER AND SERVICES FUND IS ESTABLISHED. THE DEPARTMENT SHALL ADMINISTER THE FUND. THE FUND CONSISTS OF LEGISLATIVE APPROPRIATIONS. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.
- B. ALL GRANTS FROM THIS FUND SHALL BE MADE ONLY TO OPERATORS OR PROVIDERS WITHIN A DRUG-FREE HOMELESS SERVICE ZONE AS DEFINED IN SECTION 13-3411.01.
- C. GRANTS SHALL BE PERFORMANCE-BASED AND SHALL TRACK EACH INDIVIDUAL EXPERIENCING HOMELESSNESS WHO RECEIVES SERVICES FROM THE GRANTEE FOR A PERIOD OF THREE YEARS ON THE FOLLOWING KEY METRICS:
 - 1. DURATION OF TIME THE INDIVIDUAL HAS MAINTAINED STABLE HOUSING.
- 2. DURATION OF TIME AND TYPE OF EMPLOYMENT OBTAINED BY THE INDIVIDUALS.
 - 3. DURATION OF TIME THE INDIVIDUAL HAS MAINTAINED SOBRIETY.

- 1 4. ANY INSTANCES AND DURATION OF TIME THE INDIVIDUAL HAS RETURNED TO HOMELESSNESS.
 - D. ON OR BEFORE DECEMBER 1, 2024 AND EACH YEAR THEREAFTER FOR THREE YEARS, EACH GRANT RECIPIENT PURSUANT TO THIS SECTION SHALL SUBMIT A REPORT TO THE DEPARTMENT THAT INCLUDES A SUMMARY OF ALL OF THE KEY METRICS TRACKED PURSUANT TO SUBSECTION C OF THIS SECTION FOR EACH HOMELESS INDIVIDUAL ON WHICH GRANT MONIES WERE SPENT.
 - E. THE DEPARTMENT SHALL PRESCRIBE A SIMPLIFIED FORM AND PROCEDURE TO APPLY FOR AND APPROVE GRANTS AND ESTABLISH REQUIREMENTS AND CRITERIA BY WHICH GRANTS WILL BE AWARDED.
 - F. THE DEPARTMENT SHALL PRIORITIZE PROVIDING GRANTS FOR SERVICES FOR INDIVIDUALS EXPERIENCING HOMELESSNESS WHO ARE ANY OF THE FOLLOWING:
 - 1. CHILDREN.
 - 2. PARENTS OR LEGAL GUARDIANS WITH CHILDREN.
 - 3. SENIOR CITIZENS.
 - VETERANS.
 - G. ANY POLITICAL SUBDIVISION OF THIS STATE THAT RECEIVES MONIES PURSUANT TO THIS SECTION MAY NOT RECEIVE ANY FURTHER FUNDING UNDER THIS SECTION UNTIL THE DEPARTMENT DETERMINES THAT THE POLITICAL SUBDIVISION OF THIS STATE IS IN COMPLIANCE WITH SUBSECTION I OF THIS SECTION.
 - H. A PERSON MAY NOT USE OR ALLOW TO BE USED STATE OR LOCAL GOVERNMENT-OWNED LANDS FOR ANY UNAUTHORIZED SLEEPING, CAMPING OR LONG-TERM SHELTER. A PERSON WHO VIOLATES THIS SUBSECTION SHALL RECEIVE A WARNING FOR ANY OFFENSE, AND A CITATION MAY NOT BE ISSUED, EXCEPT THAT SERVICES OR SHELTER MAY BE OFFERED INSTEAD OF A CRIMINAL CITATION IF THE INDIVIDUAL DOES NOT CONTINUE TO USE THE LAND FOR PROHIBITED PURPOSES.
 - I. A POLITICAL SUBDIVISION OF THIS STATE MAY NOT:
 - 1. ADOPT OR ENFORCE ANY POLICIES THAT DIRECTLY PROHIBIT OR DISCOURAGE ENFORCING ANY ORDER OR ORDINANCE THAT PROHIBITS PUBLIC CAMPING, SLEEPING OR OBSTRUCTING A PUBLIC RIGHT-OF-WAY, INCLUDING ROADS AND SIDEWALKS.

- 2. DIRECTLY PROHIBIT OR DISCOURAGE A PEACE OFFICER OR PROSECUTING ATTORNEY WHO IS EMPLOYED BY OR UNDER THE DIRECTION OR CONTROL OF THE POLITICAL SUBDIVISION OF THIS STATE FROM ENFORCING ANY ORDER OR ORDINANCE THAT PROHIBITS PUBLIC CAMPING, SLEEPING OR OBSTRUCTING A PUBLIC RIGHT-OF-WAY, INCLUDING ROADS AND SIDEWALKS.
- J. THIS SECTION DOES NOT PROHIBIT A POLITICAL SUBDIVISION OF THIS STATE FROM OFFERING DIVERSION PROGRAMS OR SERVICES INSTEAD OF ISSUING A CITATION OR MAKING AN ARREST IF THE INDIVIDUAL DOES NOT CONTINUE TO USE THE LAND FOR PROHIBITED PURPOSES.
- K. A COUNTY ATTORNEY MAY BRING A CIVIL ACTION IN ANY COURT OF COMPETENT JURISDICTION AGAINST ANY POLITICAL SUBDIVISION OF THIS STATE TO ENJOIN THE POLITICAL SUBDIVISION OF THIS STATE FROM VIOLATING THIS SECTION. THE COUNTY ATTORNEY MAY RECOVER REASONABLE EXPENSES INCURRED IN ANY CIVIL ACTION BROUGHT UNDER THIS SECTION, INCLUDING COURT COSTS, ATTORNEY FEES, INVESTIGATIVE COSTS. WITNESS FEES AND DEPOSITION COSTS.
- L. THE DEPARTMENT SHALL PROVIDE A QUARTERLY REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE THAT OUTLINES FUND EXPENDITURES, GRANT RECIPIENTS, THE NUMBER OF INDIVIDUALS SERVED, SELECTED VENDORS AND OTHER INFORMATION AS REQUESTED BY THE CHAIRMAN OF THE JOINT LEGISLATIVE BUDGET COMMITTEE.
- M. FOR THE PURPOSES OF THIS SECTION, "INDIVIDUAL EXPERIENCING HOMELESSNESS" MEANS AN INDIVIDUAL WHO DOES NOT HAVE A HOME OR PERMANENT PLACE OF RESIDENCE AND WHO IS A UNITED STATES CITIZEN.
 - 41-3958. Hotel owners; mixed hoteling; signs; definitions
- A. IF A HOTEL OWNER ENGAGES IN MIXED HOTELING, THE HOTEL OWNER SHALL POST SIGNS OVER EACH ENTRANCE AND EXIT TO THE BUILDING AND IN A PLACE CLEARLY VISIBLE FROM THE RECEPTION DESK THAT STATES:

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

- B. ALL SIGNS REQUIRED BY SUBSECTION A OF THIS SECTION MUST BE IN RED TWENTY-FIVE POINT HIGHWAY GOTHIC BOLDED FONT, ON A WHITE BACKGROUND AND ON A SIGN THAT IS AT LEAST EIGHTEEN INCHES IN WIDTH AND TWENTY-FOUR INCHES IN HEIGHT. ALL HOTELS PARTICIPATING IN MIXED HOTELING MUST DISCLOSE THAT THE HOTEL IS ENGAGING IN MIXED HOTELING AND MUST SHARE THE TEXT OF THE SIGN WITH THE CUSTOMER AT THE TIME OF ARRIVAL. AT THE TIME OF ARRIVAL, ANY GUEST WHO OBJECTS TO MIXED HOTELING SHALL BE ISSUED A FULL REFUND.
 - C. STATE OR LOCAL MONIES MAY NOT BE USED FOR MIXED HOTELING.
 - D. FOR THE PURPOSES OF THIS SECTION:
- 1. "HOMELESS INDIVIDUAL" MEANS AN INDIVIDUAL WHO DOES NOT HAVE A HOME OR PERMANENT PLACE OF RESIDENCE AND FOR WHOM THE HOTEL KNOWS THAT ACCOMMODATIONS ARE BEING SUBSIDIZED BY A GOVERNMENT OR A NONPROFIT ORGANIZATION.
- 2. "MIXED HOTELING" MEANS PROVIDING ROOMS OR SHELTER SERVICES, WHETHER EMERGENCY, TEMPORARY OR TRANSITIONAL ROOMS OR SHELTER, TO HOMELESS INDIVIDUALS WHILE CONCURRENTLY PROVIDING HOTEL SERVICES TO THE GENERAL PUBLIC IN THE SAME BUILDING OR ON THE SAME PREMISES. MIXED HOTELING DOES NOT INCLUDE PROVIDING EMERGENCY OR TEMPORARY SHELTER TO INDIVIDUALS WHO ARE VICTIMS OF DOMESTIC VIOLENCE OR PARENTS OR LEGAL GUARDIANS WITH CHILDREN.

Sec. 4. Performance audit: report

- A. The auditor general shall conduct a special audit, as defined in section 41-1278, Arizona Revised Statutes, of the amount of monies spent on programs and services for individuals experiencing homelessness in this state, including all of the following:
 - 1. Expenditures by this state.
- 2. Expenditures by municipalities and counties or any political subdivision thereof, with homeless populations higher than the per capita average of this state.
- 3. Expenditures of federal monies allocated to this state for homeless programs.
- 4. Expenditures by state and local law enforcement agencies to address homelessness, including transportation to emergency shelters,

responding to crisis calls, providing overnight shelter in jail and enforcing camping bans.

- B. All state and local governmental entities of this state shall cooperate with the special audit and grant access, at no cost, to all financial records and any other information necessary to complete the special audit.
 - C. The special audit shall examine all of the following:
- 1. The awarding of any contracts and grants relating to homeless services and support.
 - 2. Any metrics used to examine the success of any expenditures.
- 3. The efficiency of the use of data management systems in relation to such programs.
- 4. The expenditure for each individual experiencing homelessness for each service provided.
- D. On or before December 31, 2025, the auditor general shall submit copies of the special audit report to the governor, the president of the senate, the speaker of the house of representatives and provide a copy of this report to the secretary of state.

Sec. 5. Applicability of requirements: transfer of monies: appropriation

- A. Notwithstanding Laws 2023, chapter 133, sections 49 and 104, any monies expended for programs that provide shelter and services to unsheltered persons who are experiencing homelessness are subject to the requirements established by section 41-3956, Arizona Revised Statutes, as added by this act. These appropriations may only be used for individuals who are United States citizens.
- B. Notwithstanding Laws 2023, chapter 133, section 49, \$5,500,000 from the \$150,000,000 appropriation in the housing trust fund deposit line item is transferred to the following agencies:
- 1. \$5,000,000 shall be transferred to the auditor general for all necessary costs to conduct the special audit of the amount of monies spent

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on programs and services for individuals experiencing homelessness in this state pursuant to this act.

- 2. \$500,000 shall be transferred to the Arizona criminal justice commission to implement the data collection requirements pursuant to section 41-2405, subsection A, paragraphs 14 through 16, Arizona Revised Statutes, as added by this act.
- C. The sum of \$50,000,000 is appropriated from the consumer remediation subaccount of the consumer restitution and remediation revolving fund established by section 44-1531.02, Arizona Revised Statutes, to the Arizona health care cost containment system to establish five additional secure behavioral health residential facilities for individuals experiencing homelessness and for provider support for the new facilities established pursuant to this subsection."

14 Amend title to conform

JOHN KAVANAGH

2279KAVANAGH.docx 03/21/2024 11:30 AM C: AH