

House Engrossed

human services; 2026-2027

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

CHAPTER 134

HOUSE BILL 4162

AN ACT

AMENDING SECTIONS 33-1476.01, 33-1476.04, 33-1476.05, 41-608.04 AND 41-1970, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 14, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-2023; AMENDING SECTIONS 41-3955 AND 43-1086, ARIZONA REVISED STATUTES; AMENDING LAWS 2008, CHAPTER 243, SECTION 6, AS AMENDED BY LAWS 2012, CHAPTER 281, SECTION 2 AND LAWS 2018, CHAPTER 199, SECTION 3; APPROPRIATING MONIES; RELATING TO HUMAN SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 33-1476.01, Arizona Revised Statutes, is amended
3 to read:

4 33-1476.01. Change in use; notices; compensation for moving
5 expenses; payments by the landlord;
6 applicability

7 A. The landlord shall notify the director and all tenants in
8 writing of a change in use at least one hundred eighty days before the
9 change in use. The landlord may not increase rent within ninety days
10 before giving notice of a change in use.

11 B. The landlord shall inform all tenants in writing about the
12 mobile home relocation fund established by section 33-1476.02.

13 C. If a tenant is required to move due to a change in use or
14 redevelopment of the mobile home park, the tenant may do any of the
15 following:

16 1. Collect payment from the ~~mobile home relocation~~ fund for the
17 lesser of the actual moving expenses of relocating the mobile home to a
18 new location that is within ~~a one hundred-mile radius of the vacated~~
19 ~~mobile home park~~ THIS STATE or the maximum of ~~\$12,500~~ \$22,500 for a ~~single~~
20 ~~section~~ SINGLE-SECTION mobile home or ~~\$20,000~~ \$30,000 for a multisection
21 mobile home. Moving expenses include the cost of stabilizing, taking
22 down, moving and setting up the mobile home in the new location.

23 2. Abandon the mobile home in the mobile home park and collect an
24 amount equal to forty percent of the maximum allowable moving expense for
25 that mobile home from the ~~mobile home relocation~~ fund. To qualify for
26 abandonment payment pursuant to this paragraph, the tenant shall deliver
27 to the landlord the current title to the mobile home with the notarized
28 endorsement of the owner of record together with complete releases of all
29 liens that are shown on the title and proof that all taxes owing on the
30 mobile home have been paid to date. The tenant shall provide a copy of
31 these documents to the Arizona department of housing in support of the
32 tenant's application for payment. If the tenant chooses to abandon the
33 mobile home pursuant to this paragraph, the landlord is exempt from making
34 the payments to the fund prescribed in subsection D of this section.

35 3. If a mobile home is relocated to a location outside of the
36 vacated mobile home park and, in the sole judgment of the director, the
37 mobile home was ground set in the mobile home park from which it was
38 removed, the tenant may collect additional monies not to exceed \$2,500 for
39 the incremental costs of removing a ground-set mobile home. These monies
40 are in addition to any monies provided pursuant to paragraph 1 of this
41 subsection.

42 D. Except as provided in subsection C, paragraph 2 and subsection F
43 of this section and section 33-1476.04, subsection D, if there is a change
44 in use the landlord shall pay \$500 for each ~~single section~~ SINGLE-SECTION

1 mobile home and \$800 for each multisection mobile home relocated to the
2 fund for each tenant filing for relocation assistance with the director.

3 E. If a change in use occurs before the time stated in the
4 statements of policy and the landlord does not comply with subsection A of
5 this section, ~~and with~~ section 33-1436 and section 33-1476, subsection H,
6 the landlord shall pay to the fund in addition to the monies prescribed in
7 subsection D of this section:

8 1. \$500 for each mobile home space occupied by a single-section
9 mobile home.

10 2. \$800 for each mobile home space occupied by a multisection
11 mobile home.

12 F. The landlord is not required to make the payments prescribed in
13 subsections D and E of this section for moving mobile homes owned by the
14 landlord or for moving a mobile home under a contract with the tenant if
15 the tenant does not file for relocation assistance with the director.

16 G. If a change in use occurs within two hundred seventy days after
17 relocations under section 33-1476.04, the landlord shall pay to the fund
18 in addition to the monies prescribed in subsection D of this section:

19 1. \$500 for each mobile home space occupied by a single section
20 mobile home.

21 2. \$800 for each mobile home space occupied by a multisection
22 mobile home.

23 H. The tenant shall submit a contract for relocation of a mobile
24 home for approval to the director within sixty days after the relocation
25 to be eligible for payment of relocation expenses. The director must
26 approve or disapprove the contract within fifteen days after receipt of
27 the contract, or the contract is deemed to be approved.

28 I. If the contract is approved, the payment of relocation expenses
29 shall be made to the installer when both of the following are complete:

30 1. The installer obtains valid permits to move the mobile or
31 manufactured home to a new location.

32 2. The installer provides documentation to the department that the
33 installation of the mobile or manufactured home at the new location is
34 complete and has been inspected by the department or its designee and is
35 approved for occupancy.

36 J. If the contract is not approved, the tenant may appeal to an
37 administrative law judge pursuant to title 41, chapter 37, article 5. The
38 tenant shall provide notice pursuant to section 33-1451, subsection A,
39 paragraph 6 if the tenant relocates.

40 K. If this state or a political subdivision of this state exercises
41 eminent domain and the mobile home park is sold or a sale is made to this
42 state or a political subdivision of this state that intends to exercise
43 eminent domain, the state or political subdivision is responsible for the
44 relocation costs of the tenants.

1 L. If a tenant is vacating the premises and has informed the
2 landlord or manager before the change-in-use notice has been given, the
3 tenant is not eligible for compensation under this section.

4 M. A person who purchases a mobile home already situated in a park
5 or moves a mobile home into a park in which a change-in-use notice has
6 been given is not eligible for compensation under this section.

7 N. After delivery of the one hundred eighty-day notice prescribed
8 by subsection A of this section, the landlord and the tenants shall inform
9 any prospective buyer or tenant that closure of the park is pending.

10 O. This section does not apply to a change in use if the landlord
11 moves a tenant to another space in the mobile home park at the landlord's
12 expense.

13 Sec. 2. Section 33-1476.04, Arizona Revised Statutes, is amended to
14 read:

15 33-1476.04. Relocations due to rent increase; mobile home
16 relocation fund; applicability

17 A. A tenant is eligible for payment from the ~~mobile home relocation~~
18 fund if all of the following conditions are met:

19 1. The tenant resides in a mobile home that is owned by the tenant
20 and that is located in a mobile home park.

21 2. A rent increase will be effective at the expiration or renewal
22 of the tenant's rental agreement.

23 3. The rent increase either singly or in combination during any
24 consecutive twelve-month period is more than a total of ten percent plus
25 the current increase in the consumer price index over the most recent
26 one-year period before the date of the notice of the rent increase. For
27 the purposes of this paragraph, "consumer price index" means the "west-A"
28 index that is published by the United States department of labor, bureau
29 of labor statistics, and that demonstrates changes in prices in certain
30 cities in the western United States.

31 B. A landlord who increases rent as prescribed by subsection A of
32 this section shall give written notice of the applicability of this
33 section to all affected tenants.

34 C. A tenant is eligible to receive relocation expenses pursuant to
35 subsection A of this section as follows:

36 1. At least thirty days before the effective date of the rent
37 increase that exceeds the limits prescribed by subsection A of this
38 section, the tenant shall submit a contract for relocation of the mobile
39 home to the director for approval and to the landlord.

40 2. Before the effective date of the rent increase, the tenant shall
41 have a fully signed contract with a licensed installer or contractor to
42 move the mobile home to a specific location.

1 3. The director shall approve or disapprove the contract submitted
2 within fifteen days after receipt of the contract, and the contract is
3 deemed to be approved on the sixteenth day if the director takes no
4 action.

5 4. If the contract is approved, the payment of relocation expenses
6 shall be made to the installer or contractor when both of the following
7 are complete:

8 (a) The installer or contractor obtains valid permits to move the
9 mobile HOME or manufactured home to a new location.

10 (b) The installer or contractor provides documentation to the
11 department that the installation of the mobile HOME or manufactured home
12 at the new location is complete and has been inspected by the department
13 or its designee and is approved for occupancy.

14 5. If the contract is not approved, the tenant may appeal to an
15 administrative law judge pursuant to title 41, chapter 37, article 5. The
16 tenant shall provide notice pursuant to section 33-1451, subsection A,
17 paragraph 6 if the tenant relocates.

18 6. On approval, the tenant is eligible for the lesser of the actual
19 moving expenses of relocating the mobile home or ~~\$12,500~~ \$22,500 for a
20 single-section mobile home or ~~\$20,000~~ \$30,000 for a multisection mobile
21 home. Compensable moving expenses include the cost of taking down, moving
22 and setting up the mobile home in the new location if the mobile home is
23 relocated to a residential location within ~~a one hundred-mile radius of~~
24 ~~the vacated mobile home park~~ THIS STATE.

25 D. As an alternative to receiving payment as prescribed in
26 subsection C of this section, a tenant who is eligible to receive payment
27 pursuant to subsection A of this section may abandon the mobile home in
28 the mobile home park and collect an amount equal to forty percent of the
29 maximum allowable moving expense for that mobile home from the ~~mobile home~~
30 ~~relocation~~ fund. To qualify for an abandonment payment pursuant to this
31 subsection, the tenant shall deliver to the landlord the current title to
32 the mobile home with the notarized endorsement of the owner of record
33 together with complete releases of all liens that are shown on the title
34 and proof that all taxes owing on the mobile home have been paid to date.
35 The tenant shall provide a copy of these documents to the Arizona
36 department of housing in support of the tenant's application for payment.
37 If the tenant chooses to abandon the mobile home pursuant to this
38 subsection, the landlord is exempt from making the payments to the fund
39 prescribed in section 33-1476.01, subsection D.

40 E. This section does not apply to rent increases that are
41 prescribed in a written rental agreement.

42 F. This section does not make any rent increase unreasonable.

1 Sec. 3. Section 33-1476.05, Arizona Revised Statutes, is amended to
2 read:

3 33-1476.05. Relocations due to change in age-restricted
4 community use; payment from mobile home
5 relocation fund; applicability

6 A. The landlord shall notify the director and all tenants in
7 writing of a change in use at least sixty days before a change in the
8 age-restricted community to an all-age community use as defined by the
9 housing for older persons act of 1995.

10 B. A tenant is eligible for payment from the ~~mobile home relocation~~
11 fund if both of the following conditions are met:

12 1. The tenant resides in a mobile home or manufactured home that is
13 owned by the tenant and that is located in an age-restricted mobile home
14 park.

15 2. The landlord implements a change from an age-restricted
16 community to an all-age community as defined by the housing for older
17 persons act of 1995.

18 C. A landlord who changes a mobile home park designation from an
19 age-restricted community shall give written notice of the applicability of
20 this section to all affected tenants.

21 D. A tenant is eligible to receive relocation expenses pursuant to
22 subsection B of this section as follows:

23 1. Within one hundred eighty days after the effective date of
24 notification of the change in the age-restricted community's use, the
25 tenant shall submit a contract for relocation of the mobile HOME or
26 manufactured home to the director for approval and to the landlord.

27 2. After notice of approval by the director for the payment of
28 relocation expenses, the tenant shall have a fully signed contract with a
29 licensed installer or contractor to move the mobile HOME or manufactured
30 home to a specific location.

31 3. The director shall approve or disapprove the contract submitted
32 within fifteen days after receipt of the contract, and the contract is
33 deemed to be approved on the sixteenth day if the director takes no
34 action.

35 4. If the contract is approved, the payment of relocation expenses
36 shall be made to the installer or contractor when both of the following
37 are complete:

38 (a) The installer or contractor obtains valid permits to move the
39 mobile HOME or manufactured home to a new location.

40 (b) The installer or contractor provides documentation to the
41 department that the installation of the mobile HOME or manufactured home
42 at the new location is complete and has been inspected by the department
43 or its designee and is approved for occupancy.

1 5. If the contract is not approved, the tenant may appeal to an
2 administrative law judge pursuant to title 41, chapter 37, article 5. The
3 tenant shall provide notice pursuant to section 33-1451, subsection A,
4 paragraph 6 if the tenant relocates.

5 6. On approval, the tenant is eligible for the lesser of the actual
6 moving expenses of relocating the mobile home or ~~\$12,500~~ \$22,500 for a
7 single-section mobile home or ~~\$20,000~~ \$30,000 for a multisection mobile
8 home. Compensable moving expenses include the cost of taking down, moving
9 and setting up the mobile home in the new location if the mobile home is
10 relocated to another age-restricted community within ~~a one hundred-mile~~
11 ~~radius of the vacated mobile home park~~ THIS STATE.

12 E. The landlord shall not be responsible for making any payment
13 into the ~~mobile home relocation~~ fund for any mobile or manufactured home
14 moved pursuant to this section.

15 Sec. 4. Section 41-608.04, Arizona Revised Statutes, is amended to
16 read:

17 41-608.04. Military family relief fund; subaccounts; advisory
18 committees; definitions

19 A. The military family relief fund is established through
20 December 31, ~~2026~~ 2031. The fund consists of private donations, grants,
21 bequests and any other monies received for that purpose.

22 B. The pre-9/11 veterans subaccount and post-9/11 veterans
23 subaccount of the military family relief fund are established. The
24 department shall administer the fund and subaccounts. On notice from the
25 director, the state treasurer shall invest and divest monies in the
26 subaccounts as provided by section 35-313, and monies earned from
27 investment shall be credited to the subaccounts. The monies in the
28 subaccounts are continuously appropriated to the department solely for the
29 purposes described in this section. Any monies remaining unexpended and
30 unencumbered on December 31, ~~2026~~ 2031 shall be transferred for deposit in
31 the veterans' donations fund established by section 41-608.

32 C. The post-9/11 military family relief advisory committee is
33 established to determine appropriate uses of the monies in the post-9/11
34 veterans subaccount as provided by this section. The post-9/11 military
35 family relief advisory committee consists of the director or the
36 director's designee and twelve additional members, including widows and
37 widowers of military personnel who died in the line of duty, military
38 retirees, veterans who have a service-connected disability and their
39 family members, Arizona army and air national guard unit commanders and
40 active and retired senior enlisted military personnel. Except for the
41 director, the governor shall appoint the members based on recommendations
42 by the director, the adjutant general and commanders of military bases in
43 this state. Appointed members serve at the pleasure of the governor. The
44 post-9/11 military family relief advisory committee shall elect a
45 chairperson from among the appointed members.

1 D. The post-9/11 military family relief advisory committee shall:
2 1. Establish criteria for the use of monies in the post-9/11
3 veterans subaccount.
4 2. Establish and revise as necessary the application process for
5 financial assistance.
6 3. Review and evaluate applications.
7 4. Make other recommendations as necessary.
8 E. The pre-9/11 military family relief advisory committee is
9 established to determine appropriate uses of the monies in the pre-9/11
10 veterans subaccount as provided by this section. The pre-9/11 military
11 family relief advisory committee consists of the director or the
12 director's designee and twelve additional members, including widows and
13 widowers of military personnel who died in the line of duty, military
14 retirees, veterans who have a service-connected disability and their
15 family members, Arizona army and air national guard unit commanders and
16 active and retired senior enlisted military personnel. Except for the
17 director, the governor shall appoint the members based on recommendations
18 by the director, the adjutant general and commanders of military bases in
19 this state. Appointed members serve at the pleasure of the governor. The
20 pre-9/11 military family relief advisory committee shall elect a
21 chairperson from among the appointed members.
22 F. The pre-9/11 military family relief advisory committee shall:
23 1. Establish criteria for the use of monies in the pre-9/11
24 veterans subaccount.
25 2. Establish and revise as necessary the application process for
26 financial assistance.
27 3. Review and evaluate applications.
28 4. Make other recommendations as necessary.
29 G. The advisory committees may establish subcommittees, consisting
30 of not more than five members of the full committees, to recommend
31 approval of a grant to an applicant of not more than \$3,000.
32 H. Notwithstanding section 38-431.03, the subcommittees may meet in
33 executive session without advance notice. The full advisory committees may
34 meet in executive session, with notice pursuant to section 38-431.02, to
35 review and evaluate applications or review recommendations of the
36 subcommittees. Applications for financial assistance and all committee
37 considerations and evaluations of the applications are confidential.
38 I. The monies in the post-9/11 veterans subaccount shall be used to
39 provide financial assistance pursuant to this subsection. The service
40 member of an applying family must have been deceased, wounded or injured
41 or become seriously ill after September 11, 2001 and been deployed from a
42 military base in this state after September 11, 2001, claimed this state
43 as the service member's home of record, been a member of the Arizona
44 national guard at the time of deployment or established residency in this
45 state and be able to provide proof of continuous physical presence in this

1 state for at least twelve months before submitting an application. If
2 discharged from military service, the service member must have been
3 discharged under honorable conditions. The assistance shall be based on
4 financial need as a result of the service member's military service up to
5 \$20,000 per family. Eligible assistance is as follows:

6 1. Widows, widowers or dependent children of service members who
7 died in the line of duty in a combat zone or a zone where the person was
8 receiving hazardous duty pay may apply for a stipend for living expenses
9 for up to six months. For the purposes of the stipend, qualifying living
10 expenses are residential mortgage, rent and utility payments and other
11 basic living expenses. Payments with respect to any deceased person under
12 this paragraph are limited to a total of \$20,000.

13 2. An immediate family member may apply for payment of costs of
14 temporary residence near the medical facility where the service member or
15 former service member is being treated, including living, travel and
16 housing expenses. Payments may be payable in monthly installments as long
17 as the person is hospitalized or receiving medical care or rehabilitation
18 services as authorized by military or veterans' medical personnel.

19 3. An immediate family member, service member or former service
20 member may apply for:

21 (a) Living expenses.

22 (b) Other appropriate expenses as determined by the post-9/11
23 military family relief advisory committee.

24 J. The monies in the pre-9/11 veterans subaccount shall be used to
25 provide financial assistance pursuant to this subsection. The service
26 member of an applying family must have been deceased, wounded or injured
27 or become seriously ill on or before September 11, 2001 and been deployed
28 from a military base in this state on or before September 11, 2001,
29 claimed this state as the service member's home of record, been a member
30 of the Arizona national guard at the time of deployment or established
31 residency in this state and be able to provide proof of continuous
32 physical presence in this state for at least twelve months before
33 submitting an application. If discharged from military service, the
34 service member must have been discharged under honorable conditions. The
35 assistance shall be based on financial need as a result of the service
36 member's military service up to \$20,000 per family. Eligible assistance
37 is as follows:

38 1. Widows, widowers or dependent children of service members who
39 died in the line of duty in a combat zone or a zone where the person was
40 receiving hazardous duty pay may apply for a stipend for living expenses
41 for up to six months. For the purposes of the stipend, qualifying living
42 expenses are residential mortgage, rent and utility payments and other
43 basic living expenses. Payments with respect to any deceased person under
44 this paragraph are limited to a total of \$20,000.

1 2. An immediate family member may apply for payment of costs of
2 temporary residence near the medical facility where the service member or
3 former service member is being treated, including living, travel and
4 housing expenses. Payments may be payable in monthly installments as long
5 as the person is hospitalized or receiving medical care or rehabilitation
6 services as authorized by military or veterans' medical personnel.

7 3. An immediate family member, service member or former service
8 member may apply for:

9 (a) Living expenses.

10 (b) Other appropriate expenses as determined by the pre-9/11
11 military family relief advisory committee.

12 K. The director may allocate up to ten percent of the donations
13 received for the actual reasonable costs of administering the subaccounts
14 and the financial assistance program under this section, including the
15 hiring of an employee to process applications and provide support to the
16 committee. The department shall provide reasonable office space and other
17 necessary resources for the employee.

18 L. The director shall receive private donations for deposit in the
19 subaccounts and issue receipts to the donors. A donor shall designate the
20 subaccount in which the donor wishes the donation to be deposited as
21 follows:

22 1. One hundred percent of the donation to be deposited in the
23 pre-9/11 veterans subaccount.

24 2. One hundred percent of the donation to be deposited in the
25 post-9/11 veterans subaccount.

26 3. Fifty percent of the donation to be deposited in the pre-9/11
27 veterans subaccount and fifty percent of the donation to be deposited in
28 the post-9/11 veterans subaccount.

29 M. Private donations may qualify for the purposes of income tax
30 credits under section 43-1086. The director may receive donations in any
31 amount, but donations that qualify for tax credits are subject to the
32 limits prescribed by section 43-1086. Donations to the subaccounts that
33 otherwise qualify under the tax credit limits prescribed by section
34 43-1086 but that exceed a combined total of \$1,000,000 in any calendar
35 year, on a first-come, first-served basis, do not qualify for the income
36 tax credits. The director shall provide the taxpayer a donation receipt,
37 which shall include the taxpayer's full name and address, the last four
38 digits of the taxpayer's social security number and the amount of the
39 donation. The director shall designate on the donation receipt whether
40 the donation qualifies under the limits prescribed by this subsection and
41 section 43-1086. The director shall send a record of receipts that
42 qualify under this subsection to the department of revenue.

43 N. On or before March 31 of each year, the director shall provide
44 for an audit by an independent certified public accountant of the
45 subaccounts and of the aggregate amount authorized by the director for

1 income tax credits under subsection M of this section. The director shall
2 promptly submit a certified copy of the audit to the auditor general. The
3 auditor general may make further audits and examinations as necessary and
4 may take appropriate action relating to the audit or examination pursuant
5 to chapter 7, article 10.1 of this title. If the auditor general does not
6 take further action within thirty days after the audit is filed, the audit
7 is considered to be sufficient. The director shall pay the costs of the
8 certified public accountant and the auditor general from the
9 administration allocation under subsection K of this section.

10 0. For the purposes of this section:

11 1. "Established residency **IN THIS STATE**" means that a service
12 member has **DONE ANY OF THE FOLLOWING**:

13 (a) Obtained **EITHER** a valid ~~Arizona~~ driver license, ~~Arizona~~ OR
14 nonoperating **IDENTIFICATION** license **ISSUED BY THE DEPARTMENT OF**
15 **TRANSPORTATION PURSUANT TO TITLE 28, CHAPTER 8.**, ~~Arizona~~

16 (b) **REGISTERED** A motor vehicle ~~registration or~~ **IN THIS STATE**
17 **PURSUANT TO TITLE 28, CHAPTER 7.**

18 (c) **RECEIVED** A community service organization verification of
19 homeless status and Arizona residency.

20 2. "Continuous physical presence" means that a service member has a
21 documented place of habitation and is living in this state or has
22 community service organization verification of homeless status and
23 continuous physical presence in this state.

24 Sec. 5. Section 41-1970, Arizona Revised Statutes, is amended to
25 read:

26 **41-1970. Out-of-school time grant program; fund; report;**
27 **definitions**

28 A. The ~~out-of-school~~ **OUT-OF-SCHOOL** time grant program is
29 established in the department to expand out-of-school time ~~child~~ care for
30 **SCHOOL-AGE** children who are at least five **YEARS OF AGE AND ELIGIBLE FOR OR**
31 **ENROLLED IN KINDERGARTEN** and not older than ~~twelve~~ **EIGHTEEN** years of age
32 and who require ~~child~~ **OUT-OF-SCHOOL TIME** care either when the children are
33 out-of-school or during periods of time when school instruction is not
34 being conducted.

35 B. The grant program shall:

36 1. Increase the number of eligible pupils with access to ~~child~~
37 **OUT-OF-SCHOOL TIME** care before school, after school or during periods of
38 time when school instruction is not being conducted.

39 2. Increase access to and the affordability of ~~child~~ **OUT-OF-SCHOOL**
40 **TIME** care for children and their families.

41 3. Enable employers to attract and retain a talented workforce.

42 4. Reduce the cost of ~~child~~ **OUT-OF-SCHOOL TIME** care to
43 participating families ~~by at least two-thirds~~ OR **EXPAND OUT-OF-SCHOOL TIME**
44 **CARE AT NO COST TO PARTICIPATING FAMILIES.**

- 1 C. The department shall do all of the following:
- 2 1. Develop an annual grant application process.
- 3 2. Provide grants to assist with the costs of ~~child~~ OUT-OF-SCHOOL
- 4 TIME care to eligible grantees who participate in the grant program.
- 5 3. Monitor eligible grantees to ensure grant program and fiscal
- 6 compliance.
- 7 4. Develop metrics to measure the success of the grant program.
- 8 5. Allocate at least thirty percent of grant monies for eligible
- 9 grantees in rural communities, which may be used in any location in this
- 10 state if there are insufficient grant applications from rural communities.
- 11 D. The out-of-school time grant program fund is established
- 12 consisting of legislative appropriations. The department may not use more
- 13 than five percent of the monies deposited in the fund to administer the
- 14 fund. Monies in the fund are continuously appropriated and are exempt from
- 15 the provisions of section 35-190 relating to lapsing of appropriations.
- 16 E. On or before August 1, 2026 and each year thereafter, the
- 17 department shall submit an annual report to the governor, the president of
- 18 the senate and the speaker of the house of representatives and shall
- 19 provide a copy of this report to the secretary of state. The report shall
- 20 include all of the following:
- 21 1. The total number of children who are served by the out-of-school
- 22 time grant program, categorized by age of the child and the county where
- 23 the child is served. The information provided pursuant to this paragraph
- 24 may not include any information that identifies or can be used to identify
- 25 a child.
- 26 2. The locations of programs, categorized by county.
- 27 3. The number of ~~new and sustained child care slots~~ CHILDREN NEWLY
- 28 ENROLLED IN OUT-OF-SCHOOL TIME CARE PROGRAMS.
- 29 F. The department may develop policies and procedures that are
- 30 necessary to implement this section.
- 31 G. For the purposes of this section:
- 32 1. "Eligible grantee" means a nonprofit organization, public school
- 33 and public or private child care provider that:
- 34 (a) OPERATES PRIMARILY DURING AFTER SCHOOL, BEFORE SCHOOL OR IN THE
- 35 SUMMER OR AT TIMES WHEN SCHOOL IS NOT NORMALLY IN SESSION.
- 36 (b) Has demonstrated experience providing ~~child~~ OUT-OF-SCHOOL TIME
- 37 care before school, after school or during periods of time when school
- 38 instruction is not being conducted.
- 39 (c) SERVES ONLY ELIGIBLE PUPILS.
- 40 (d) IS ORGANIZED TO PROMOTE EXPANDED CHILDHOOD LEARNING,
- 41 ENRICHMENT, CHILD AND YOUTH DEVELOPMENT OR EDUCATIONAL, RECREATIONAL OR
- 42 CHARACTER-BUILDING ACTIVITIES.

1 2. "Eligible pupils" means SCHOOL-AGE children who are at least
2 five YEARS OF AGE AND ELIGIBLE FOR OR ENROLLED IN KINDERGARTEN and not
3 older than ~~twelve~~ EIGHTEEN years of age and who come from a household
4 earning \$150,000 or less per year.

5 Sec. 6. Title 41, chapter 14, article 5, Arizona Revised Statutes,
6 is amended by adding section 41-2023, to read:

7 41-2023. Speech and audition services; rules

8 A. BEGINNING JULY 1, 2027, SUBJECT TO AVAILABLE APPROPRIATIONS, THE
9 DEPARTMENT SHALL CONTRACT WITH LISTENING AND SPOKEN LANGUAGE PROVIDERS IN
10 THIS STATE TO PROVIDE SPEECH AND AUDITION SERVICES TO EARLY INTERVENTION
11 PROGRAMS AND SERVICES TO ELIGIBLE FAMILIES THAT HAVE INFANTS AND TODDLERS
12 WHO ARE DEAF OR HARD OF HEARING. EACH CONTRACTOR SHALL ENSURE THAT THE
13 PROVIDED SERVICES ARE ADMINISTERED BY OR OVERSEEN BY A CERTIFIED AUDITORY
14 VERBAL EDUCATOR OR THERAPIST IN A NATURAL ENVIRONMENT, CLINICAL SETTING,
15 EDUCATIONAL SETTING OR VIRTUAL SETTING.

16 B. THE DEPARTMENT SHALL REFER ELIGIBLE FAMILIES THAT HAVE INFANTS
17 AND TODDLERS WHO ARE DEAF OR HARD OF HEARING TO AT LEAST BOTH OF THE
18 FOLLOWING:

19 1. CONTRACTED LISTENING AND SPOKEN LANGUAGE PROVIDERS.

20 2. THE ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND.

21 C. THE DEPARTMENT MAY ADOPT RULES, POLICIES AND PROCEDURES TO
22 IMPLEMENT THIS SECTION. THE DEPARTMENT MAY USE UP TO TEN PERCENT OF MONIES
23 APPROPRIATED FOR CONTRACTS PRESCRIBED IN SUBSECTION A OF THIS SECTION FOR
24 ADMINISTRATIVE COSTS.

25 Sec. 7. Section 41-3955, Arizona Revised Statutes, is amended to
26 read:

27 41-3955. Housing trust fund; purpose; annual report

28 A. The housing trust fund is established, and the director shall
29 administer the fund. The fund consists of monies from unclaimed property
30 deposited in the fund pursuant to section 44-313, monies transferred
31 pursuant to section 35-751 and investment earnings.

32 B. On notice from the department, the state treasurer shall invest
33 and divest monies in the fund as provided by section 35-313, and monies
34 earned from investment shall be credited to the fund.

35 C. Except as provided in subsection D of this section, fund monies
36 shall be spent on approval of the department for developing projects and
37 programs connected with providing housing opportunities for low and
38 moderate income households and for housing affordability programs. A
39 portion of fund monies shall be used exclusively for housing in rural
40 areas.

41 D. Fund monies may be spent on constructing or renovating
42 facilities and on housing assistance, including support services. Fund
43 monies shall be awarded in the following order of priority for the first
44 four months of each fiscal year:

45 1. STATE MATCHING MONIES FOR VARIOUS FEDERALLY FUNDED PROGRAMS.

1 ~~1.~~ 2. Constructing or renovating emergency shelter facilities or
2 for any operational expenses for emergency shelter services.

3 ~~2.~~ 3. Constructing or renovating transitional housing units.

4 ~~3.~~ 4. Constructing or renovating other types of shelter or housing
5 as determined by the department to best serve the needs of individuals who
6 have been determined to be seriously mentally ill and chronically
7 resistant to treatment.

8 E. For the purposes of subsection C of this section, in approving
9 the expenditure of monies, the director shall give priority to funding
10 projects that provide for operating, constructing or renovating facilities
11 for housing for low-income families and that provide housing and shelter
12 to families that have children.

13 F. After the four-month period prescribed in subsection D of this
14 section, fund monies that have not been awarded or encumbered pursuant to
15 the priority list prescribed in subsection D of this section may be spent
16 based on stakeholder feedback.

17 G. The department shall submit for review by the joint legislative
18 budget committee all programs established by the department and funded by
19 the housing trust fund pursuant to this section.

20 H. The director shall report annually to the legislature on the
21 status of the housing trust fund. The report shall include a summary of
22 facilities for which funding was provided during the preceding fiscal year
23 and shall show the cost and geographic location of each facility and the
24 number of individuals benefiting from the operation, construction or
25 renovation of the facility. The report shall also include the number of
26 individuals who benefit from housing assistance pursuant to subsection D
27 of this section. The report shall be submitted to the president of the
28 senate and the speaker of the house of representatives, and a copy
29 provided to the secretary of state, not later than September 1 of each
30 year.

31 I. Monies in the housing trust fund are exempt from the provisions
32 of section 35-190 relating to lapsing of appropriations.

33 J. An amount not to exceed ten percent of the housing trust fund
34 monies may be appropriated annually by the legislature to the department
35 for administrative costs in providing services relating to the housing
36 trust fund.

37 K. For any construction project financed by the department pursuant
38 to this section, the department shall notify a city, town, county or
39 tribal government that a project is planned for its jurisdiction and,
40 before proceeding, shall seek comment from the governing body of the city,
41 town, county or tribal government or an official authorized by the
42 governing body of the city, town, county or tribal government. The
43 department shall not interfere with or attempt to override the local
44 jurisdiction's planning, zoning or land use regulations.

1 Sec. 8. Section 43-1086, Arizona Revised Statutes, is amended to
2 read:

3 43-1086. Credit for donation to the military family relief
4 fund subaccounts

5 A. For taxable years beginning from and after December 31, 2007
6 through December 31, ~~2026~~ 2031, a credit is allowed against the taxes
7 imposed by this title for cash contributions made by a taxpayer during the
8 taxable year to the pre-9/11 veterans subaccount or post-9/11 veterans
9 subaccount of the military family relief fund established by section
10 41-608.04. The amount of the credit is the lowest of the following
11 amounts, as applicable:

12 1. The total amount of contributions to the pre-9/11 veterans
13 subaccount or post-9/11 veterans subaccount, or both subaccounts, by the
14 taxpayer during the taxable year.

15 2. Two hundred dollars of contributions during the taxable year by
16 a taxpayer filing as a single individual or a head of household.

17 3. Four hundred dollars of contributions during the taxable year by
18 a married couple filing a joint return.

19 4. The taxpayer's tax liability for the taxable year.

20 B. A husband and wife who file separate returns for a taxable year
21 in which they could have filed a joint return may each claim only one-half
22 of the tax credit that would have been allowed on a joint return.

23 Sec. 9. Laws 2008, chapter 243, section 6, as amended by Laws 2012,
24 chapter 281, section 2 and Laws 2018, chapter 199, section 3, is amended
25 to read:

26 Sec. 6. Delayed repeal

27 A. Section 41-608.04, Arizona Revised Statutes, as amended by ~~this~~
28 ~~act~~ LAWS 2018, CHAPTER 199, SECTION 1, is repealed from and after December
29 31, ~~2026~~ 2031.

30 B. Section 43-1086, Arizona Revised Statutes, as amended by ~~this~~
31 ~~act~~ LAWS 2018, CHAPTER 199, SECTION 2, is repealed from and after December
32 31, ~~2026~~ 2031.

33 Sec. 10. Supplemental nutrition assistance program fund;
34 delayed repeal

35 A. The supplemental nutrition assistance program fund is
36 established consisting of monies collected by the department of economic
37 security from federal deposits for supplemental nutrition assistance
38 program administration as authorized by 7 Code of Federal Regulations
39 parts 271 through 285. The department of economic security shall
40 administer the fund. Monies in the fund are continuously appropriated. The
41 department of economic security shall deposit federal monies received for
42 the federal administrative share under the supplemental nutrition
43 assistance program in the fund before expenditure.

44 B. This section is repealed from and after June 30, 2027.

1 Sec. 11. Supplemental nutrition assistance program; error
2 rate; report; delayed repeal

3 A. The department of economic security shall report to the
4 president of the senate, the speaker of the house of representatives and
5 the joint legislative budget committee:

6 1. On a monthly basis, the number of supplemental nutrition
7 assistance program cases, number of program participants and total
8 benefits paid to persons who are categorically eligible for supplemental
9 nutrition assistance pursuant to 7 United States Code section 2014(a).

10 2. Within thirty days after submission of the final month of
11 quality control reviews to the United States department of agriculture
12 food and nutrition service pursuant to 7 Code of Federal Regulations part
13 275, subpart C an estimate of the payment error rate for the completed
14 federal fiscal year 2025-2026 and the number and extent of errors
15 attributable to supplemental nutrition assistance program recipients who
16 are categorically eligible pursuant to 7 United States Code section
17 2014(a).

18 B. This section is repealed from and after June 30, 2027.

19 Sec. 12. Supplemental nutrition assistance program;
20 eligibility evaluations; public posting; delayed
21 repeal; definitions

22 A. To determine or evaluate SNAP eligibility, the department shall:

23 1. Review information that is provided by the Arizona state lottery
24 commission and the department of gaming and review its own data pursuant
25 to 7 Code of Federal Regulations section 272.17 to identify members of
26 eligible households who have substantial lottery or gambling winnings as
27 defined in 7 Code of Federal Regulations section 273.11(r)(2), including
28 online gambling winnings, and shall incorporate the information into
29 eligibility determinations pursuant to 7 Code of Federal Regulations
30 section 273.11(r).

31 2. Review information provided by the department of health services
32 that identifies individuals who have had a change in circumstances that
33 may affect SNAP eligibility.

34 3. Review the department's information as the state wage
35 information collection agency and the agency that administers unemployment
36 insurance benefits to verify eligibility for and the amount of SNAP
37 benefits due to eligible households pursuant to 7 Code of Federal
38 Regulations section 272.8(a)(1).

39 4. Review information provided by the state department of
40 corrections that identifies individuals who have had a change in
41 circumstances that may affect SNAP eligibility.

42 B. The department shall review the following information provided
43 by federal sources to assess a recipient's eligibility for SNAP:

1 1. Earned income information, death master file information,
2 supplemental security income information, beneficiary records, earnings
3 information and pension information that is maintained by the United
4 States social security administration pursuant to 7 Code of Federal
5 Regulations sections 272.8(a)(1)(ii) and 272.14(b).

6 2. Income and employment information that is maintained in the
7 national directory of new hires database pursuant to 7 Code of Federal
8 Regulations section 272.16 and child support enforcement data that is
9 maintained by the United States department of health and human services
10 pursuant to 7 Code of Federal Regulations sections 273.2(f)(1)(xii) and
11 273.9(b)(2)(iii).

12 3. National fleeing felon information that is maintained by the
13 federal bureau of investigation pursuant to 7 Code of Federal Regulations
14 section 273.11(n).

15 C. If the department receives reliable information that identifies
16 an individual who is enrolled in SNAP and that indicates a change in
17 circumstances that may affect that individual's SNAP eligibility, the
18 department shall review the individual's case pursuant to 7 Code of
19 Federal Regulations section 273.12(c).

20 D. The department may not rely solely on self-attestation to
21 confirm residency for SNAP eligibility except in unusual circumstances as
22 set forth in federal law.

23 E. This section is repealed from and after June 30, 2027.

24 F. For the purposes of this section:

25 1. "Department" means the department of economic security.

26 2. "SNAP" means the supplemental nutrition assistance program.

27 Sec. 13. Supplemental nutrition assistance program; report

28 On or before June 30, 2027, the department of economic security
29 shall submit a report to the president of the senate, the speaker of the
30 house of representatives and the joint legislative budget committee that
31 details the department's efforts to improve the quality and timeliness of
32 eligibility determinations for the supplemental nutrition assistance
33 program, including specific goals for, actions taken in and barriers faced
34 during the reporting period.

35 Sec. 14. Electronic benefit transfer cards; spending report;
36 delayed repeal

37 A. In the spending report of the supplemental nutrition assistance
38 program and temporary assistance for needy families benefit required by
39 section 46-297.02, Arizona Revised Statutes, the department of economic
40 security shall include all of the following:

41 1. The number of supplemental nutrition assistance program cases
42 that were investigated for intentional program violations or fraud.

43 2. The number of supplemental nutrition assistance program cases
44 that were referred to the attorney general's office for prosecution.

1 3. The amounts of improper payments and expenditures.

2 4. The amount of monies recovered.

3 5. The amount of monies spent for improper payments and ineligible
4 recipients as a percentage of cases that were investigated and reviewed.

5 B. This section is repealed from and after June 30, 2027.

6 Sec. 15. Department of economic security; drug testing; TANF
7 cash benefits recipients

8 During fiscal year 2026-2027, the department of economic security
9 shall screen and test each adult recipient who is otherwise eligible for
10 temporary assistance for needy families cash benefits and who the
11 department has reasonable cause to believe engages in the illegal use of
12 controlled substances. Any recipient who tests positive for the use of a
13 controlled substance that was not prescribed for the recipient by a
14 licensed health care provider is ineligible to receive benefits for a
15 period of one year.

16 Sec. 16. Out-of-school time grant program; rural communities;
17 use of monies; delayed repeal

18 A. Grant monies allocated pursuant to section 41-1970, subsection
19 C, paragraph 5, Arizona Revised Statutes, may be used to support
20 partnerships between school districts and nonprofit organizations with a
21 history of offering out-of-school time care services to eligible pupils
22 for the purposes of capital expansion, facility improvements,
23 construction, renovation and related capital expenditures on public
24 buildings with the intent to expand out-of-school time care opportunities
25 for rural communities.

26 B. This section is repealed from and after June 30, 2027.

27 Sec. 17. Supplemental early childhood listening and spoken
28 language services; memorandum of understanding;
29 contracts; appropriation; transfer

30 On or before November 1, 2026, the Arizona state schools for the
31 deaf and the blind shall transfer existing contracts for supplemental
32 early childhood listening and spoken language services to the department
33 of economic security. The Arizona state schools for the deaf and the blind
34 and the department of economic security shall develop a memorandum of
35 understanding that outlines the transfer of the contracts to ensure that
36 families receiving listening and spoken language services have no lapse in
37 those services. The Arizona state schools for the deaf and the blind shall
38 transfer the remaining balance of the fiscal year 2026-2027 appropriation
39 for supplemental early childhood listening and spoken language services,
40 after all invoices have been paid to contractors, to the department of
41 economic security.

1 Sec. 18. Succession

2 A. As provided in section 41-2023, Arizona Revised Statutes, as
3 added by this act, the department of economic security succeeds to the
4 authority, powers, duties and responsibilities of the Arizona state
5 schools for the deaf and the blind relating to speech and audition
6 services.

7 B. On or before November 1, 2026, all contracts in process of the
8 Arizona state schools for the deaf and the blind relating to supplemental
9 early childhood listening and spoken language services are transferred to
10 and retain the same status with the department of economic security.

APPROVED BY THE GOVERNOR JUNE 13, 2026.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 13, 2026.