

House Engrossed Senate Bill

~~massage therapy; continuation; study committee~~
(now: boards; commissions; continuations; fee prohibition)

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1656

AN ACT

AMENDING SECTIONS 9-500.18, 32-3253, 32-3255, 32-4204 AND 41-2404, ARIZONA REVISED STATUTES; REPEALING SECTION 41-2408, ARIZONA REVISED STATUTES; AMENDING SECTION 41-2953, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-3025.01, 41-3025.03, 41-3025.07, 41-3025.08, 41-3025.10 AND 41-3025.13, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-3029.16, 41-3030.17, 41-3030.18, 41-3031.01, 41-3033.02 AND 41-3033.03; AMENDING SECTION 41-5702, ARIZONA REVISED STATUTES; RELATING TO STATE BOARDS AND COMMISSIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 9-500.18, Arizona Revised Statutes, is amended
3 to read:

4 9-500.18. School district construction fees; prohibition;
5 exception

6 Notwithstanding any other law, a city or town shall not assess or
7 collect any fees or costs from a school district or charter school for
8 fees pursuant to section 9-463.05, ~~.- This prohibition does not include~~
9 ~~fees assessed or collected~~ EXCEPT THAT A CITY OR TOWN MAY ASSESS OR
10 COLLECT FEES for streets and water and sewer utility functions ONLY IF THE
11 DEVELOPMENT AS DEFINED IN SECTION 9-463.05 IS NOT FUNDED IN WHOLE OR IN
12 PART WITH MONIES DISTRIBUTED FROM THE NEW SCHOOL FACILITIES FUND PURSUANT
13 TO SECTION 41-5741.

14 Sec. 2. Section 32-3253, Arizona Revised Statutes, is amended to
15 read:

16 32-3253. Powers and duties; committee on executive director
17 selection and retention

18 A. The board shall:

19 1. Adopt rules consistent with and necessary or proper to carry out
20 the purposes of this chapter.

21 2. Administer and enforce this chapter, rules adopted pursuant to
22 this chapter and orders of the board.

23 3. Issue a license by examination, endorsement or temporary
24 recognition to, and renew the license of, each person who is qualified to
25 be licensed pursuant to this chapter. The board must issue or deny a
26 license within one hundred eighty days after the applicant submits a
27 completed application.

28 4. Establish fees by rule, except that the board is exempt from the
29 rulemaking requirements of title 41, chapter 6 for the purposes of
30 reducing or eliminating fees.

31 5. Collect fees and spend monies.

32 6. Keep a record of all persons who are licensed pursuant to this
33 chapter, actions taken on all applications for licensure, actions
34 involving renewal, suspension, revocation or denial of a license or
35 probation of licensees and the receipt and disbursal of monies.

36 7. Adopt an official seal for attestation of licensure and other
37 official papers and documents.

38 8. Conduct investigations and determine on its own motion whether a
39 licensee or an applicant has engaged in unprofessional conduct, is
40 incompetent or is mentally or physically unable to engage in the practice
41 of behavioral health.

42 9. Conduct disciplinary actions pursuant to this chapter and board
43 rules.

44 10. Establish and enforce standards or criteria of programs or
45 other mechanisms to ensure the continuing competence of licensees.

1 11. Establish and enforce compliance with professional standards
2 and rules of conduct for licensees.

3 12. Engage in a full exchange of information with the licensing and
4 disciplinary boards and professional associations for behavioral health
5 professionals in this state and other jurisdictions.

6 13. Subject to section 35-149, accept, expend and account for
7 gifts, grants, devises and other contributions, money or property from any
8 public or private source, including the federal government. Monies
9 received under this paragraph shall be deposited, pursuant to sections
10 35-146 and 35-147, in special funds for the purpose specified, which are
11 exempt from the provisions of section 35-190 relating to lapsing of
12 appropriations.

13 14. Adopt rules regarding the application for and approval of
14 educational curricula of regionally accredited colleges or universities
15 with a program not otherwise accredited by an organization or entity
16 recognized by the board that are consistent with the requirements of this
17 chapter and maintain a list of those programs. Approvals are valid for a
18 period of five years if no changes of curricula are made that are
19 inconsistent with the requirements of this chapter or board rule.

20 15. Maintain a registry of licensees who have met the educational
21 requirements to provide supervision as required pursuant to this chapter
22 to applicants in the same profession.

23 16. Adopt rules to allow approval of persons who wish to provide
24 supervision pursuant to this chapter and who are not licensed by the board
25 and who are licensed in a profession other than the profession in which
26 the applicant is seeking licensure.

27 17. Recognize not more than four hundred hours of psychoeducation
28 for work experience required pursuant to sections 32-3293, 32-3301,
29 32-3311 and 32-3321.

30 18. Adopt rules regarding the use of ~~telepractice~~ TELEHEALTH.

31 19. If an applicant is required to pass an examination for
32 licensure, allow the applicant to take the examination three times during
33 a twelve-month period.

34 B. The board may join professional organizations and associations
35 organized exclusively to promote the improvement of the standards of the
36 practice of behavioral health, protect the health and welfare of the
37 public or assist and facilitate the work of the board.

38 C. The board may enter into stipulated agreements with a licensee
39 for the confidential treatment, rehabilitation and monitoring of chemical
40 dependency or psychiatric, psychological or behavioral health disorders in
41 a program provided pursuant to subsection D of this section. A licensee
42 who materially fails to comply with a program shall be terminated from the
43 confidential program. Any records of the licensee who is terminated from
44 a confidential program are no longer confidential or exempt from the

1 public records law, notwithstanding any law to the contrary. Stipulated
2 agreements are not public records if the following conditions are met:

3 1. The licensee voluntarily agrees to participate in the
4 confidential program.

5 2. The licensee complies with all treatment requirements or
6 recommendations, including participation in approved programs.

7 3. The licensee refrains from professional practice until the
8 return to practice has been approved by the treatment program and the
9 board.

10 4. The licensee complies with all monitoring requirements of the
11 stipulated agreement, including random bodily fluid testing.

12 5. The licensee's professional employer is notified of the
13 licensee's chemical dependency or medical, psychiatric, psychological or
14 behavioral health disorders and participation in the confidential program
15 and is provided a copy of the stipulated agreement.

16 D. The board shall establish a confidential program for the
17 monitoring of licensees who are chemically dependent or who have
18 psychiatric, psychological or behavioral health disorders that may impact
19 their ability to safely practice and who enroll in a rehabilitation
20 program that meets the criteria prescribed by the board. The licensee is
21 responsible for the costs associated with rehabilitative services and
22 monitoring. The board may take further action if a licensee refuses to
23 enter into a stipulated agreement or fails to comply with the terms of a
24 stipulated agreement. In order to protect the public health and safety,
25 the confidentiality requirements of this subsection do not apply if a
26 licensee does not comply with the stipulated agreement.

27 E. The board shall audio record all meetings and maintain all audio
28 and video recordings or stenographic records of interviews and meetings
29 for a period of three years from when the record was created.

30 F. THE COMMITTEE ON EXECUTIVE DIRECTOR SELECTION AND RETENTION IS
31 ESTABLISHED CONSISTING OF THE MEMBERS OF THE BOARD OF BEHAVIORAL HEALTH
32 EXAMINERS AND THE CHAIRPERSON AND VICE CHAIRPERSON OF THE BOARD OF MASSAGE
33 THERAPY. THE COMMITTEE IS A PUBLIC BODY AND IS SUBJECT TO THE
34 REQUIREMENTS OF TITLE 38, CHAPTER 3, ARTICLE 3.1. THE COMMITTEE IS
35 RESPONSIBLE FOR APPOINTING THE EXECUTIVE DIRECTOR PURSUANT TO SECTION
36 32-3255. ALL MEMBERS OF THE COMMITTEE ARE VOTING MEMBERS. THE COMMITTEE
37 SHALL ELECT A CHAIRPERSON AND A VICE CHAIRPERSON. THE CHAIRPERSON SHALL
38 CALL MEETINGS OF THE COMMITTEE AS NECESSARY AND, IF THE CHAIRPERSON IS NOT
39 AVAILABLE, THE VICE CHAIRPERSON MAY CALL MEETINGS OF THE COMMITTEE AS
40 NECESSARY. THE COMMITTEE MEETINGS MAY BE HELD USING COMMUNICATIONS
41 EQUIPMENT THAT ALLOWS ALL MEMBERS WHO ARE PARTICIPATING IN THE MEETING TO
42 HEAR EACH OTHER. IF ANY DISCUSSIONS OCCUR IN AN EXECUTIVE SESSION OF THE
43 COMMITTEE, NOTWITHSTANDING THE REQUIREMENT THAT DISCUSSIONS MADE AT AN
44 EXECUTIVE SESSION BE KEPT CONFIDENTIAL AS SPECIFIED IN SECTION 38-431.03,
45 THE CHAIRPERSON AND VICE CHAIRPERSON OF THE BOARD OF MASSAGE THERAPY MAY

1 DISCUSS THIS INFORMATION WITH THE MEMBERS OF THE BOARD OF MASSAGE THERAPY
2 IN EXECUTIVE SESSION. THIS DISCLOSURE OF EXECUTIVE SESSION INFORMATION TO
3 THE MEMBERS OF THE BOARD OF MASSAGE THERAPY DOES NOT CONSTITUTE A WAIVER
4 OF CONFIDENTIALITY OR ANY PRIVILEGE, INCLUDING THE ATTORNEY-CLIENT
5 PRIVILEGE.

6 Sec. 3. Section 32-3255, Arizona Revised Statutes, is amended to
7 read:

8 32-3255. Executive director; compensation; duties

9 A. ~~On or after January 31, 2014 and~~ Subject to title 41, chapter 4,
10 article 4, the ~~board~~ COMMITTEE ON EXECUTIVE DIRECTOR SELECTION AND
11 RETENTION ESTABLISHED BY SECTION 32-3253 shall appoint an executive
12 director who ~~shall serve~~ SERVES at the pleasure of the ~~board~~ COMMITTEE.
13 The executive director is eligible to receive compensation set by the
14 board within the range determined under section 38-611.

15 B. The executive director shall:

16 1. Perform the administrative duties of the board.

17 2. Subject to title 41, chapter 4, article 4, employ personnel as
18 the executive director deems necessary, including professional consultants
19 and agents necessary to conduct investigations. An investigator must
20 complete a nationally recognized investigator training program within one
21 year after the date of hire. Until the investigator completes this
22 training program, the investigator must work under the supervision of an
23 investigator who has completed a training program.

24 Sec. 4. Section 32-4204, Arizona Revised Statutes, is amended to
25 read:

26 32-4204. Executive director; personnel; duties; compensation;
27 immunity

28 A. Subject to title 41, chapter 4, article 4, ~~the board shall~~
29 ~~appoint an executive director of the board who serves at the pleasure of~~
30 ~~the board~~ AND SECTION 32-3253, THE EXECUTIVE DIRECTOR OF THE BOARD OF
31 BEHAVIORAL HEALTH EXAMINERS SHALL SERVE AS THE EXECUTIVE DIRECTOR OF THE
32 BOARD OF MASSAGE THERAPY. The executive director may not be a ~~board~~
33 member OF THE BOARD OF MASSAGE THERAPY and may not have any financial
34 interests in the practice of massage therapy or the training of massage
35 therapists. The board OF MASSAGE THERAPY may authorize the executive
36 director to represent the board OF MASSAGE THERAPY and to vote on behalf
37 of the board OF MASSAGE THERAPY at meetings of national organizations of
38 which the board OF MASSAGE THERAPY is a ~~dues paying~~ DUES-PAYING member.

39 B. The executive director and other board staff are eligible to
40 receive compensation as determined pursuant to section 38-611.

41 C. The executive director or the executive director's designee
42 shall:

43 1. Keep a record of the proceedings of the board.

44 2. Collect all monies due and payable to the board.

1 but fewer than one million five hundred thousand persons and one police
2 chief, one county attorney and one county sheriff from counties with a
3 population of fewer than ~~eight hundred~~ FOUR HUNDRED FIFTY thousand
4 persons. The remaining members shall include one law enforcement leader,
5 one former judge, one mayor, one member of a county board of supervisors,
6 one public defender, ~~one~~ TWO victim ~~advocate~~ ADVOCATES and one chief
7 probation officer.

8 C. Members who are appointed pursuant to subsection A, paragraph 4
9 of this section shall serve for terms of two years terminating on the
10 convening of the first regular session of the legislature ~~AND MAY NOT USE~~
11 ~~A DESIGNEE FOR THEIR ATTENDANCE~~. Any appointive member who ceases to be a
12 member of the body the member represents on the commission is deemed to
13 have resigned. Appointments to fill a vacancy shall be made in the same
14 manner as the original appointment.

15 D. The commission shall meet and organize by electing from among
16 its membership officers as are deemed necessary or advisable. The
17 commission shall ~~meet at least once during each calendar quarter and~~
18 ~~additionally as the chairperson deems necessary, and a majority of the~~
19 ~~members constitutes a quorum for the transaction of business~~ HOLD FOUR
20 MEETINGS DURING EACH CALENDAR YEAR, AND EACH MEMBER SHALL ATTEND AT LEAST
21 THREE MEETINGS. ADDITIONAL MEETINGS MAY BE HELD AS DETERMINED BY THE
22 CHAIRPERSON. IF A MEMBER FAILS TO ATTEND AT LEAST THREE MEETINGS EACH
23 CALENDAR YEAR, THE MEMBER'S POSITION IS DEEMED VACANT BY OPERATION OF LAW.
24 APPOINTMENTS TO FILL A VACANCY SHALL BE MADE IN THE SAME MANNER AS THE
25 ORIGINAL APPOINTMENT. A MAJORITY OF THE MEMBERS CONSTITUTES A QUORUM FOR
26 THE TRANSACTION OF BUSINESS.

27 E. Members of the commission are not eligible to receive
28 compensation but are eligible for reimbursement of expenses pursuant to
29 title 38, chapter 4, article 2.

30 Sec. 6. Repeal

31 Section 41-2408, Arizona Revised Statutes, is repealed.

32 Sec. 7. Section 41-2953, Arizona Revised Statutes, is amended to
33 read:

34 41-2953. Joint legislative audit committee; sunset powers and
35 duties; report by auditor general and committees
36 of reference; sunset review reports; performance
37 audits

38 A. The joint legislative audit committee shall designate the
39 ~~chairman~~ CHAIRPERSON of each committee of reference and shall assign
40 agencies to the respective committees of reference according to subject
41 matter for performance review.

42 B. The auditor general shall provide to the JOINT LEGISLATIVE AUDIT
43 committee a list of agencies scheduled for termination in the next sunset
44 termination schedule, plus an estimate of the audit hours necessary to
45 conduct a sunset review of each agency, ~~not less than~~ AT LEAST twenty

1 months ~~prior to~~ BEFORE the termination date for such agencies. ~~Not less~~
2 ~~than~~ AT LEAST nineteen months ~~prior to such~~ BEFORE THE termination date,
3 the JOINT LEGISLATIVE AUDIT committee shall meet to review the information
4 submitted by the auditor general, shall select which agencies are subject
5 to sunset review by the auditor general and which agencies are subject to
6 sunset review by the committees of reference and shall determine the
7 priority of review by the auditor general or the committees of reference,
8 EXCEPT THAT THE ARIZONA CRIMINAL JUSTICE COMMISSION ESTABLISHED BY SECTION
9 41-2404 IS SUBJECT TO SUNSET REVIEW BY THE AUDITOR GENERAL. If the
10 auditor general or the committees of reference are unable to complete the
11 sunset review of a selected agency, the JOINT LEGISLATIVE AUDIT committee
12 shall oversee the preparation of proposed legislation to place ~~such~~ THE
13 agency in the following sunset termination schedule and is responsible for
14 the introduction of ~~such~~ THE legislation. Those agencies not selected for
15 sunset review by the JOINT LEGISLATIVE AUDIT committee shall terminate
16 pursuant to article 2 of this chapter unless otherwise continued by the
17 legislature.

18 C. The JOINT LEGISLATIVE AUDIT committee shall initiate the sunset
19 review ~~not less than~~ AT LEAST seventeen months ~~prior to~~ BEFORE the
20 termination date for each agency ~~which~~ THAT is selected pursuant to
21 subsection B of this section and scheduled for termination pursuant to
22 article 2 of this chapter. The draft sunset review report shall be
23 completed ~~not less than~~ AT LEAST eleven months ~~prior to~~ BEFORE the date
24 established by article 2 of this chapter for termination. Before ~~such~~ THE
25 report is submitted, the state agency affected shall be given an
26 opportunity to review the draft report and submit written comments or
27 rebuttal, which shall be included in the preliminary sunset review report.
28 The agency shall have not more than forty calendar days to review the
29 draft report for comment or rebuttal. The preliminary sunset review
30 report shall be submitted to the governor, to each member of the JOINT
31 LEGISLATIVE AUDIT committee, to the committee of reference and to the
32 affected agency by October 1 of the year ~~prior to~~ BEFORE the scheduled
33 termination date of the agency.

34 D. The JOINT LEGISLATIVE AUDIT committee may direct the auditor
35 general or the committees of reference to conduct a performance audit, as
36 defined in ~~chapter 7, article 10.1 of this title, SECTION 41-1278~~ or a
37 special performance audit of any agency ~~as defined in section 41-2952~~.

38 E. If an agency is continued, the joint legislative audit committee
39 may direct the auditor general or the committees of reference to conduct a
40 follow-up review of the agency to determine how the agency has performed
41 its statutory functions or corrected deficiencies of prior sunset review,
42 or both.

43 Sec. 8. Repeal

44 Sections 41-3025.01, 41-3025.03, 41-3025.07, 41-3025.08, 41-3025.10
45 and 41-3025.13, Arizona Revised Statutes, are repealed.

1 Sec. 9. Title 41, chapter 27, article 2, Arizona Revised Statutes,
2 is amended by adding sections 41-3029.16, 41-3030.17, 41-3030.18,
3 41-3031.01, 41-3033.02 and 41-3033.03, to read:

4 41-3029.16. Arizona criminal justice commission; termination
5 July 1, 2029

6 A. THE ARIZONA CRIMINAL JUSTICE COMMISSION TERMINATES ON JULY 1,
7 2029.

8 B. SECTIONS 41-2404 AND 41-2405 AND THIS SECTION ARE REPEALED ON
9 JANUARY 1, 2030.

10 41-3030.17. School facilities oversight board; termination
11 July 1, 2030

12 A. THE SCHOOL FACILITIES OVERSIGHT BOARD TERMINATES ON JULY 1,
13 2030.

14 B. TITLE 41, CHAPTER 56, ARTICLES 1, 2, 3, 4, 5, 6, 7, 8 AND 9 AND
15 THIS SECTION ARE REPEALED ON JANUARY 1, 2031 ONLY IF EITHER:

16 1. THE BOARD HAS NO OUTSTANDING STATE SCHOOL FACILITIES REVENUE
17 BONDS ISSUED PURSUANT TO TITLE 41, CHAPTER 56, ARTICLE 6, NO OUTSTANDING
18 STATE SCHOOL IMPROVEMENT REVENUE BONDS ISSUED PURSUANT TO TITLE 41,
19 CHAPTER 56, ARTICLE 7 AND NO OUTSTANDING LEASE-TO-OWN TRANSACTIONS
20 PURSUANT TO SECTIONS 41-5703, 41-5704 AND 41-5705.

21 2. THE LEGISLATURE HAS OTHERWISE PROVIDED FOR PAYING OR RETIRING
22 ANY OUTSTANDING STATE SCHOOL FACILITIES REVENUE BONDS, ANY OUTSTANDING
23 STATE SCHOOL IMPROVEMENT REVENUE BONDS AND ANY OUTSTANDING LEASE-TO-OWN
24 TRANSACTIONS.

25 C. IF NEITHER OF THE CONDITIONS IN SUBSECTION B OF THIS SECTION HAS
26 OCCURRED ON OR BEFORE JANUARY 1, 2031, TITLE 41, CHAPTER 56, ARTICLES 1,
27 2, 3, 4, 5, 6, 7, 8 AND 9 AND THIS SECTION ARE REPEALED THIRTY DAYS AFTER
28 THE RETIREMENT OF ALL REVENUE BONDS ISSUED PURSUANT TO TITLE 41, CHAPTER
29 56, ARTICLES 6 AND 7 AND ALL OUTSTANDING LEASE-TO-OWN TRANSACTIONS ISSUED
30 PURSUANT TO SECTIONS 41-5703, 41-5704 AND 41-5705.

31 41-3030.18. Board of executive clemency; termination July 1,
32 2030

33 A. THE BOARD OF EXECUTIVE CLEMENCY TERMINATES ON JULY 1, 2030.

34 B. TITLE 31, CHAPTER 3 AND THIS SECTION ARE REPEALED ON JANUARY 1,
35 2031.

36 41-3031.01. Board of massage therapy; termination July 1,
37 2031

38 A. THE BOARD OF MASSAGE THERAPY TERMINATES ON JULY 1, 2031.

39 B. TITLE 32, CHAPTER 42 AND THIS SECTION ARE REPEALED ON JANUARY 1,
40 2032.

41 41-3033.02. Arizona exposition and state fair board;
42 termination July 1, 2033

43 A. THE ARIZONA EXPOSITION AND STATE FAIR BOARD TERMINATES ON
44 JULY 1, 2033.

1 B. TITLE 3, CHAPTER 8, ARTICLE 1 AND THIS SECTION ARE REPEALED ON
2 JANUARY 1, 2034.

3 41-3033.03. Property tax oversight commission; termination
4 July 1, 2033

5 A. THE PROPERTY TAX OVERSIGHT COMMISSION TERMINATES ON JULY 1,
6 2033.

7 B. TITLE 42, CHAPTER 17, ARTICLE 1 AND THIS SECTION ARE REPEALED ON
8 JANUARY 1, 2034.

9 Sec. 10. Section 41-5702, Arizona Revised Statutes, is amended to
10 read:

11 41-5702. Powers and duties; staffing; reporting requirements

12 A. The division shall:

13 1. Assess school facilities and equipment deficiencies and approve
14 the distribution of grants as appropriate.

15 2. Maintain a database of school facilities to allow for the
16 administration of the new school facilities formula and the building
17 renewal grant fund. The facilities listed in the database must include
18 all buildings that are owned by school districts. The division shall
19 ensure that the database is updated on at least an annual basis. Each
20 school district shall report to the division not later than September 1 of
21 each year information as required by the division to administer the
22 building renewal grant fund and by the school facilities oversight board
23 to compute new school facilities formula distributions, including the
24 nature and cost of major repairs, renovations or physical improvements to
25 or replacement of building systems or equipment that were made in the
26 previous year and that were paid for either with local monies or monies
27 provided from the building renewal grant fund. Each school district shall
28 report any school or school buildings that have been closed, that are
29 vacant or partially used pursuant to section 15-119 and that have been
30 leased to another entity or that operate as a charter school. The
31 division shall develop guidelines and definitions for the reporting
32 prescribed in this paragraph and may review or audit the information, or
33 both, to confirm the information submitted by a school district.
34 Notwithstanding any other provision of this chapter, if a school district
35 converts space that is listed in the database maintained pursuant to this
36 paragraph to space that will be used for administrative purposes, the
37 school district is responsible for any costs associated with converting,
38 maintaining and replacing that space. If a building is significantly
39 upgraded or remodeled, the division shall adjust the age of that school
40 facility in the database as follows:

41 (a) Determine the building capacity value as follows:

42 (i) Multiply the student capacity of the building by the per pupil
43 square foot capacity established by section 41-5741.

44 (ii) Multiply the product determined in item (i) of this
45 subdivision by the cost per square foot established by section 41-5741.

1 (b) Divide the cost of the renovation by the building capacity
2 value determined in subdivision (a) of this paragraph.

3 (c) Multiply the quotient determined in subdivision (b) of this
4 paragraph by the currently listed age of the building in the database.

5 (d) Subtract the product determined in subdivision (c) of this
6 paragraph from the currently listed age of the building in the database,
7 rounded to the nearest whole number. If the result is a negative number,
8 use zero.

9 3. Inspect, contract with a third party to inspect or certify
10 school district self-inspections of school buildings at least once every
11 five years to ensure compliance with the building adequacy standards
12 prescribed in section 41-5711, the accuracy of the reporting of vacant and
13 partially used buildings pursuant to this subsection and routine
14 preventive maintenance guidelines as prescribed in this section with
15 respect to constructing new buildings and maintaining existing buildings.
16 The division shall randomly select twenty school districts every thirty
17 months and provide for them to be inspected pursuant to this paragraph.

18 4. Develop prototypical elementary and high school designs. The
19 division shall review the design differences between the schools with the
20 highest academic productivity scores and the schools with the lowest
21 academic productivity scores. The division shall also review the results
22 of a valid and reliable survey of parent quality rating in the highest
23 performing schools and the lowest performing schools in this state. The
24 survey of parent quality rating shall be administered by the department of
25 education. The division shall consider the design elements of the schools
26 with the highest academic productivity scores and parent quality ratings
27 in the development of elementary and high school designs. The division
28 shall develop separate school designs for elementary, middle and high
29 schools with varying pupil capacities.

30 5. Develop application forms, reporting forms and procedures to
31 carry out the requirements of this article, including developing and
32 implementing policies and procedures to:

33 (a) Ensure that the division and the school facilities oversight
34 board, as applicable, notify school districts in a uniform manner of the
35 services and funding available for school districts from the board or the
36 division for facility construction, renovation and repair projects. The
37 policies and procedures shall require the division and the board to
38 provide at least one annual communication to school districts in a manner
39 prescribed by the division and shall require each school district to
40 develop and maintain a list of persons who are responsible for facilities
41 management at that school district.

42 (b) Establish a project eligibility assessment for all projects
43 submitted for building renewal grant funding or emergency deficiencies
44 correction funding, including establishing standardized criteria for
45 project eligibility. Before the division formally approves a project, the

1 staff of the division may review the costs and scope of the proposed
2 project with persons and entities that have submitted bids on the project.

3 (c) Ensure that the division and the school facilities oversight
4 board maintain standardized documentation of all projects submitted to the
5 board and the division for consideration to receive services or a
6 financial award from the board or the division. The board and the
7 division shall maintain standardized documentation of any project awarded
8 monies by the board or the division, including records of payments to
9 school districts in a manner prescribed by the division. The standardized
10 documentation shall include the following as part of the eligibility
11 determination criteria:

12 (i) Whether the problem that the proposed project intends to
13 address caused the building or facility to fall below the minimum school
14 facility adequacy guidelines prescribed in section 41-5711.

15 (ii) Whether the school district performed the routine preventive
16 maintenance required by section 41-5731 on the building or facility.

17 (d) Require a school district to submit contact information for
18 each proposed project, including the name, email address and telephone
19 number of persons who are responsible for facilities management at the
20 school district.

21 (e) Require a school district to provide justification for each
22 proposed project, including all of the following:

23 (i) The school district's use or planned use of the facility.

24 (ii) A detailed description of the problem and the school
25 district's recommended solution.

26 (iii) Any completed professional study regarding the proposed
27 project.

28 (iv) Any citation or report from government entities.

29 (v) The estimated cost of the proposed project, with documentation.

30 (vi) The project category.

31 (vii) A description of any local funding that will be used for the
32 proposed project.

33 (viii) Documentation on associated insurance coverage, if
34 applicable.

35 (f) Require that an initial application not be considered complete
36 until all necessary information is submitted.

37 (g) Allow a school district to submit an incomplete application and
38 request technical assistance from the staff of the board if the school
39 district is unable to provide sufficient information in the initial
40 application.

41 (h) If applicable, require that a complete application be received
42 by the board at least fifteen business days before the next regularly
43 scheduled board meeting in order for the application to be considered at
44 that meeting. An incomplete application may be considered at that meeting

1 if both the staff of the board and the superintendent of the school
2 district deem the project critical.

3 (i) Allow the staff of the board or the division, as applicable, to
4 notify a school district in writing before review by the board or division
5 that the proposed project does not meet eligibility criteria prescribed in
6 this chapter. The written notification shall include documentation to
7 support the determination that the proposed project does not meet the
8 eligibility criteria prescribed in this chapter. The school district may
9 directly appeal the determination of ineligibility to the director of the
10 division. The school district may directly appeal the director's
11 determination of ineligibility to the board.

12 (j) Prohibit the staff of the board or division from requesting
13 that a school district withdraw a project application from review by the
14 board or division if the initial review determines that the proposed
15 project may be ineligible for monies pursuant to this chapter.

16 6. ~~Submit~~ Electronically **SUBMIT** an annual report on or before
17 December 15 to the speaker of the house of representatives, the president
18 of the senate, the superintendent of public instruction, the secretary of
19 state and the governor that includes the following information:

20 (a) A detailed description of the amount of monies distributed by
21 the division under this chapter in the previous fiscal year.

22 (b) A list of each capital project that received monies from the
23 division under this chapter during the previous fiscal year, a brief
24 description of each project that was funded and a summary of the
25 division's reasons for distributing monies for the project.

26 (c) A summary of the findings and conclusions of the building
27 maintenance inspections conducted pursuant to this article during the
28 previous fiscal year.

29 (d) A summary of the findings of common design elements and
30 characteristics of the highest performing schools and the lowest
31 performing schools based on academic productivity, including the results
32 of the parent quality rating survey. For the purposes of this
33 subdivision, "academic productivity" means academic year advancement per
34 calendar year as measured with student-level data using the statewide
35 nationally standardized norm-referenced achievement test.

36 7. On or before December 1 of each year, report electronically to
37 the joint committee on capital review the amounts necessary to fulfill the
38 requirements of section 41-5721 for the following three fiscal years. In
39 developing the amounts necessary for this report, the division shall use
40 the most recent average daily membership data available. On request from
41 the division, the department of education shall make available the most
42 recent average daily membership data for use in calculating the amounts
43 necessary to fulfill the requirements of section 41-5721 for the following
44 three fiscal years. The division shall provide copies of the report to

1 the president of the senate, the speaker of the house of representatives
2 and the governor.

3 8. On or before June 15 of each year, ~~submit~~ electronically SUBMIT
4 detailed information regarding demographic assumptions and a proposed
5 construction schedule for individual projects approved in the current
6 fiscal year and expected project approvals for the upcoming fiscal year to
7 the joint committee on capital review for its review. A copy of the
8 report shall also be submitted electronically to the governor's office of
9 strategic planning and budgeting. The joint legislative budget committee
10 staff, the governor's office of strategic planning and budgeting staff and
11 the division staff shall agree on the format of the report.

12 9. Every two years, provide school districts with information on
13 improving and maintaining the indoor environmental quality in school
14 buildings.

15 10. Adopt rules regarding the validation of adjacent ways projects
16 pursuant to paragraph 11 of this subsection.

17 11. Validate proposed adjacent ways projects that are submitted by
18 school districts as prescribed in section 15-995 pursuant to rules adopted
19 by the division under paragraph 10 of this subsection.

20 12. Submit a monthly report to the school facilities oversight
21 board that details each adjacent ways project validated pursuant to
22 paragraph 11 of this subsection.

23 13. Brief the joint committee on capital review at least once each
24 year regarding the use of monies from all of the following:

25 (a) The emergency deficiencies correction fund established by
26 section 41-5721.

27 (b) The building renewal grant fund established by section 41-5731.

28 (c) The new school facilities fund established by section 41-5741.

29 B. The school facilities oversight board or the division may
30 contract for the following services in compliance with the procurement
31 practices prescribed in chapter 23 of this title:

32 1. Private services.

33 2. Construction project management services.

34 3. Assessments for school buildings to determine if the buildings
35 have outlived their useful life pursuant to section 41-5741, subsection G
36 or have been condemned.

37 4. Services related to land acquisition and development of a school
38 site.

39 C. The school facilities oversight board shall:

40 1. Review and approve student population projections submitted by
41 school districts to determine to what extent school districts are entitled
42 to monies to construct new facilities pursuant to section 41-5741. The
43 board shall make a final determination within five months after receiving
44 an application from a school district for monies from the new school
45 facilities fund.

1 2. Certify that plans for new school facilities meet the building
2 adequacy standards prescribed in section 41-5711.

3 3. Review and approve or reject requests submitted by school
4 districts to take actions pursuant to section 15-341, subsection G.

5 4. On or before December 15 of each year, electronically submit a
6 report to the speaker of the house of representatives, the president of
7 the senate, the superintendent of public instruction, the secretary of
8 state and the governor that includes the following information:

9 (a) A detailed description of the amount of monies the board
10 distributed under this chapter in the previous fiscal year.

11 (b) A list of each capital project that received monies from the
12 board under this chapter during the previous fiscal year, a brief
13 description of each project that was funded and a summary of the board's
14 reasons for distributing monies for the project.

15 (c) A summary of the findings and conclusions of the building
16 maintenance inspections conducted pursuant to this article during the
17 previous fiscal year.

18 5. On or before December 1 of each year, electronically report to
19 the joint committee on capital review the amounts necessary to fulfill the
20 requirements of section 41-5741 for the following three fiscal years. In
21 developing the amounts necessary for this report, the board shall use the
22 most recent average daily membership data available. On request from the
23 board, the department of education shall make available the most recent
24 average daily membership data for use in calculating the amounts necessary
25 to fulfill the requirements of section 41-5741 for the following three
26 fiscal years. The board shall provide copies of the report to the
27 president of the senate, the speaker of the house of representatives and
28 the governor.

29 6. Adopt minimum school facility adequacy guidelines to provide the
30 minimum quality and quantity of school buildings and the facilities and
31 equipment necessary and appropriate to enable pupils to achieve the
32 educational goals of the Arizona state schools for the deaf and the blind.
33 The board shall establish minimum school facility adequacy guidelines
34 applicable to the Arizona state schools for the deaf and the blind.

35 7. On or before June 15 of each year, electronically submit to the
36 joint committee on capital review for its review detailed information
37 regarding demographic assumptions, a proposed construction schedule and
38 new school construction cost estimates for individual projects approved in
39 the current fiscal year and expected project approvals for the upcoming
40 fiscal year. A copy of the report shall also be submitted electronically
41 to the governor's office of strategic planning and budgeting. The joint
42 legislative budget committee staff, the governor's office of strategic
43 planning and budgeting staff and the board staff shall agree on the format
44 of the report.

1 8. On or before December 31 of each year, report to the joint
2 legislative budget committee on all class B bond approvals by school
3 districts in that year. Each school district shall report to the board on
4 or before December 1 of each year information required by the board for
5 the report prescribed in this paragraph.

6 9. DETERMINE WHETHER ANY INTEREST DISCLOSED PURSUANT TO SUBSECTION
7 D, PARAGRAPH 13 OF THIS SECTION IS A SUBSTANTIAL INTEREST AS DEFINED IN
8 SECTION 38-502 AND MAINTAIN A RECORD OF ALL SUBSTANTIAL INTERESTS THAT ARE
9 IDENTIFIED PURSUANT TO THIS PARAGRAPH.

10 D. The director of the division shall serve as the director of the
11 school facilities oversight board. The director may hire and fire
12 necessary staff subject to chapter 4, article 4 of this title and as
13 approved by the legislature in the budget. The staff of the school
14 facilities oversight board is exempt from chapter 4, articles 5 and 6 of
15 this title. The director:

16 1. Shall analyze applications for monies submitted to the board and
17 to the division by school districts.

18 2. Shall assist the board and the division in developing forms and
19 procedures for distributing and reviewing applications and distributing
20 monies to school districts.

21 3. May review or audit, or both, the expenditure of monies by a
22 school district for deficiencies corrections and new school facilities.

23 4. Shall assist the board and the division in preparing the board's
24 and division's annual reports.

25 5. Shall research and provide reports on issues of general interest
26 to the board and the division.

27 6. May aid school districts in developing reasonable and
28 cost-effective school designs in order to avoid statewide duplicated
29 efforts and unwarranted expenditures in the area of school design.

30 7. May assist school districts in facilitating the development of
31 multijurisdictional facilities.

32 8. Shall assist the board and the division in any other appropriate
33 matter or method as directed by the division and the members of the board.

34 9. Shall establish procedures to ensure compliance with the notice
35 and hearing requirements prescribed in section 15-905. The notice and
36 hearing procedures adopted by the board shall include the requirement,
37 with respect to the board's consideration of any application filed after
38 July 1, 2001 or after December 31 of the year in which the property
39 becomes territory in the vicinity of a military airport or ancillary
40 military facility as defined in section 28-8461 for monies to fund the
41 construction of new school facilities proposed to be located in territory
42 in the vicinity of a military airport or ancillary military facility, that
43 the military airport receive notification of the application by first
44 class mail at least thirty days before any hearing concerning the
45 application.

~~10. May expedite any request for monies in which the local match was not obtained for a project that received preliminary approval by the state board for school capital facilities.~~

~~11.~~ 10. Shall expedite any request for monies in which the school district governing board submits an application that shows an immediate need for a new school facility.

~~12.~~ 11. Shall determine administrative completeness within one month after receiving an application from a school district for monies from the new school facilities fund.

~~13.~~ 12. Shall provide technical support to school districts as requested by school districts in connection with constructing new school facilities and maintaining existing school facilities and may contract directly with construction project managers pursuant to subsection B of this section. This paragraph does not restrict a school district from contracting with a construction project manager using district or state resources.

13. SHALL REQUIRE EACH EMPLOYEE OF THE SCHOOL FACILITIES OVERSIGHT BOARD TO DISCLOSE IN WRITING TO THE BOARD AT LEAST ONCE PER YEAR ANY INTEREST THAT THE EMPLOYEE HAS IN ANY CONTRACT, SALE, PURCHASE, SERVICE OR OTHER TRANSACTION OF THE BOARD OR DIVISION OR OF A SCHOOL DISTRICT.

E. When appropriate, the board and the division shall review and use the statewide school facilities inventory and needs assessment conducted by the joint committee on capital review and issued in July, 1995.

F. The school facilities oversight board shall contract with one or more private building inspectors to complete an initial assessment of school facilities and equipment and shall inspect each school building in this state at least once every five years to ensure compliance with section 41-5711. A copy of the inspection report, together with any recommendations for building maintenance, shall be provided to the school facilities oversight board and the governing board of the school district.

G. The division or the board, as applicable, may consider appropriate combinations of facilities or uses in assessing and curing deficiencies pursuant to subsection A, paragraph 1 of this section and in certifying plans for new school facilities pursuant to subsection C, paragraph 2 of this section.

H. The board shall not award any monies to fund new facilities that are financed by class A bonds that are issued by the school district.

I. The board or the division shall not distribute monies to a school district for replacing or repairing facilities if the costs associated with the replacement or repair are covered by insurance or a performance or payment bond.

J. The division may contract for construction services and materials that are necessary to correct existing deficiencies in school district facilities. The division may procure the construction services

1 necessary pursuant to this subsection by any method, including
2 construction-manager-at-risk, design-build, design-bid-build or
3 job-order-contracting as provided by chapter 23 of this title. The
4 construction planning and services performed pursuant to this subsection
5 are exempt from section 41-791.01.

6 K. The division may enter into agreements with school districts to
7 allow division staff and contractors access to school property for the
8 purposes of performing the construction services necessary pursuant to
9 subsection J of this section.

10 L. Each school district shall develop routine preventive
11 maintenance guidelines for its facilities. The guidelines shall include
12 plumbing systems, electrical systems, heating, ventilation and air
13 conditioning systems, special equipment and other systems and for roofing
14 systems shall recommend visual inspections performed by district staff for
15 signs of structural stress and weakness. The guidelines shall be
16 submitted to the division for review and approval. If on inspection by
17 the division it is determined that a school district facility was
18 inadequately maintained pursuant to the school district's routine
19 preventive maintenance guidelines, the school district shall return the
20 building to compliance with the school district's routine preventive
21 maintenance guidelines.

22 M. The ~~board and the~~ division may temporarily transfer monies, or,
23 if applicable, **THE BOARD MAY** direct the division to transfer monies,
24 between the emergency deficiencies correction fund established by section
25 41-5721 and the new school facilities fund established by section 41-5741
26 if all of the following conditions are met:

27 1. The transfer is necessary to avoid a temporary shortfall in the
28 fund into which the monies are transferred.

29 2. The transferred monies are restored to the fund where the monies
30 originated as soon as practicable after the temporary shortfall in the
31 other fund has been addressed.

32 3. The board and the division report to the joint committee on
33 capital review the amount of and the reason for any monies transferred.

34 N. After notifying each school district, and if a written objection
35 from the school district is not received by the board or the division
36 within thirty days after the notification, the board or the division may
37 access public utility company records of power, water, natural gas,
38 telephone and broadband usage to assemble consistent and accurate data on
39 utility consumption at school facilities to determine the effectiveness of
40 facility design, operation and maintenance measures intended to reduce
41 energy and water consumption and costs. Any public utility that provides
42 service to a school district in this state shall provide the data
43 requested by the board or the division pursuant to this subsection.

1 0. The division or the board shall not require a common school
2 district that provides instruction to pupils in grade nine to obtain
3 approval from the division or the board to reconfigure its school
4 facilities. A common school district that provides instruction to pupils
5 in grade nine is not entitled to additional monies from the division or
6 the board for facilities to educate pupils in grade nine.

7 P. A school district may appeal the denial of a request for monies
8 pursuant to this chapter or any other appealable agency action by the
9 division or the board pursuant to chapter 6, article 10 of this title.
10 For the purposes of this subsection, "appealable agency action" has the
11 same meaning prescribed in section 41-1092.

12 Sec. 11. Board of massage therapy; reports; delayed repeal

13 A. On or before December 31, 2026, the board of massage therapy
14 shall prepare and submit a report to the president of the senate and the
15 speaker of the house of representatives, and submit a copy to the
16 secretary of state, that details all of the following:

17 1. The state's role in expediting background checks.

18 2. The board of massage therapy's data on the effectiveness of the
19 information technology project that was implemented in February 2025.

20 3. Data on whether an establishment license should be required in
21 this state as a tool to eliminate sex trafficking.

22 B. In fulfilling the board of massage therapy's reporting
23 requirements under subsection A of this section, the board of massage
24 therapy shall collect:

25 1. Comparable data points between any previous technology and the
26 new technology solution implemented in February 2025.

27 2. Feedback from stakeholders, licensed massage therapists
28 throughout this state, local law enforcement agencies and victims'
29 services advocates to make any recommended change to the structure of the
30 board of massage therapists or to implement any additional licensure
31 types.

32 C. On or before March 1, 2026, the board of massage therapy shall
33 provide a report and presentation to the health and human services
34 committees of the senate and the house representatives, or their successor
35 committees, on the board's progress on the report required by subsection A
36 of this section.

37 D. This section is repealed from and after June 30, 2027.

38 Sec. 12. Board of massage therapy; acting director

39 Until the committee on executive director selection and retention
40 established by section 32-3253, Arizona Revised Statutes, as amended by
41 this act, appoints an executive director of the board of behavioral health
42 examiners pursuant to section 32-3255, Arizona Revised Statutes, as
43 amended by this act, the current executive director of the board of
44 behavioral health examiners serves as the director of the board of massage
45 therapy.

1 Sec. 13. Purpose

2 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
3 the legislature continues the board of massage therapy to promote the safe
4 practice of massage therapy by qualified professionals in this state.

5 Sec. 14. Purpose

6 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
7 the legislature continues the Arizona criminal justice commission to
8 provide a cooperative exchange of information and analysis of issues
9 relating to criminal justice and law enforcement among different public
10 and private agencies.

11 Sec. 15. Retention of members

12 Notwithstanding section 41-2404, Arizona Revised Statutes, as
13 amended by this act, all persons serving as members of the Arizona
14 criminal justice commission on the effective date of this act may continue
15 to serve until the expiration of their normal terms. All subsequent
16 appointments shall be as prescribed by statute.

17 Sec. 16. Purpose

18 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
19 the legislature continues the board of executive clemency to recommend and
20 grant commutations, pardons, reprieves and absolute discharge and to grant
21 or revoke paroles.

22 Sec. 17. Purpose

23 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
24 the legislature continues the Arizona exposition and state fair board to:

25 1. Maintain the state fairgrounds and Arizona veterans memorial
26 coliseum facilities in good condition and use these facilities for the
27 enjoyment of the people of this state.

28 2. Direct and conduct state fairs, exhibits, contests and
29 entertainments for the purpose of advancing the interests of this state
30 and the counties of this state.

31 3. Generate sufficient monies to defray the operating expenses of
32 the state fairgrounds and the Arizona veterans memorial coliseum.

33 Sec. 18. Purpose

34 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
35 the legislature continues the property tax oversight commission to provide
36 oversight of the budgeting and taxation process of counties,
37 municipalities, school districts and community college districts.

38 Sec. 19. Purpose

39 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
40 the legislature continues the school facilities oversight board to
41 evaluate the capital needs of school districts and to distribute monies to
42 school districts to cure existing deficiencies and to provide for building
43 renewal and the construction of new facilities.

1 Sec. 20. Intent

2 The legislature intends that the school facilities oversight board
3 provide only one estimate of projected enrollment, and the associated
4 costs, to the legislature for the purposes of section 41-5741, Arizona
5 Revised Statutes.

6 Sec. 21. Retroactivity

7 Sections 8 and 9 of this act apply retroactively to from and after
8 July 1, 2025.