

Senate Engrossed House Bill

~~behavioral health examiners board; continuation~~
(now: health boards; state agencies; continuations)

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

CHAPTER 249
HOUSE BILL 2313

AN ACT

AMENDING SECTIONS 9-500.18, 32-3253, 32-3255, 32-4204, 41-1051, 41-1052 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, 41-3025.02, 41-3025.03, 41-3025.04, 41-3025.05, 41-3025.07, 41-3025.08, 41-3025.09, 41-3025.10, 41-3025.11, 41-3025.13 AND 41-3025.14, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-3029.15, 41-3029.16, 41-3030.17, 41-3030.18, 41-3031.01, 41-3031.03, 41-3031.05, 41-3031.07, 41-3031.09, 41-3033.01, 41-3033.02 AND 41-3033.03; AMENDING SECTION 41-5702, ARIZONA REVISED STATUTES; RELATING TO STATE BOARDS AND AGENCIES.

(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 fees~~
9 ~~assessed or collected~~, EXCEPT THAT A CITY OR TOWN MAY ASSESS OR COLLECT
10 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 3. Deposit monies received by the board as prescribed by section
2 32-4205.

3 4. Prepare bills for authorized expenditures of the board and
4 obtain warrants from the director of the department of administration for
5 payment of bills.

6 5. Administer oaths.

7 6. Act as custodian of the seal, books, minutes, records and
8 proceedings of the board.

9 7. At the request of the board, do and perform any other duty not
10 prescribed for the executive director elsewhere in this chapter.

11 D. THE EXECUTIVE DIRECTOR SHALL ATTEND ALL COMMITTEE HEARINGS OF
12 THE HOUSE OF REPRESENTATIVES AND SENATE HEALTH AND HUMAN SERVICES
13 COMMITTEES, OR THEIR SUCCESSOR COMMITTEES, RELATING TO THE AUDITOR
14 GENERAL'S FOLLOW-UP REPORTS REGARDING THE BOARD'S IMPLEMENTATION STATUS OF
15 THE AUDITOR GENERAL'S PERFORMANCE AUDIT AND SUNSET REVIEW RECOMMENDATIONS.

16 E. Subject to title 41, chapter 4, article 4, the board may
17 employ other personnel as it deems necessary to carry out the purposes of
18 this chapter.

19 F. The executive director and ~~any~~ person acting pursuant to
20 the executive director's direction are personally immune from civil
21 liability for all actions taken in good faith pursuant to this chapter.

22 Sec. 5. Section 41-1051, Arizona Revised Statutes, is amended to
23 read:

24 41-1051. Governor's regulatory review council; membership;
25 terms; compensation; powers; council staff

26 A. The governor's regulatory review council is established
27 consisting of ~~six~~ ~~FOUR~~ members who are appointed by the governor ~~pursuant~~
28 ~~to section 38-211 and who are subject to sections 38-291 and 38-295~~, ONE
29 MEMBER WHO IS NOT A LEGISLATOR AND WHO IS APPOINTED BY THE PRESIDENT OF
30 THE SENATE, ONE MEMBER WHO IS NOT A LEGISLATOR AND WHO IS APPOINTED BY THE
31 SPEAKER OF THE HOUSE OF REPRESENTATIVES and the director of the department
32 of administration or the assistant director of the department of
33 administration who is responsible for administering the council. The
34 director or assistant director is an ex officio member and chairperson of
35 the council. The council shall elect a ~~vice-chairperson~~ VICE CHAIRPERSON
36 to serve as chairperson in the chairperson's absence. ~~The governor shall~~
37 ~~appoint at least one member who represents the public interest, at least~~
38 ~~one member who represents the business community, at least one member who~~
39 ~~is a small business owner, one member from a list of three persons who are~~
40 ~~not legislators submitted by the president of the senate and one member~~
41 ~~from a list of three persons who are not legislators submitted by the~~
42 ~~speaker of the house of representatives. At least one member of the~~
43 ~~council shall be an attorney licensed to practice law in this state. The~~
44 ~~governor shall appoint the~~

1 B. Members of the council **SHALL BE APPOINTED** for staggered terms of
2 three years **AND MAY BE REAPPOINTED**. A vacancy occurring during the term
3 of office of any member shall be filled **by appointment by the governor** for
4 the unexpired portion of the term in the same manner as provided in this
5 section.

6 **C.** The council shall meet at least once a month at a time and
7 place set by the chairperson and at other times and places as the
8 chairperson deems necessary.

9 **D.** Members of the council are eligible to receive compensation
10 in an amount of **two hundred dollars** \$200 for each day on which the council
11 meets and reimbursement of expenses pursuant to title 38, chapter 4,
12 article 2.

13 **E.** The chairperson, subject to chapter 4, article 4 and, as
14 applicable, articles 5 and 6 of this title, shall employ, determine the
15 conditions of employment of and specify the duties of administrative,
16 secretarial and clerical employees as the chairperson deems necessary.

17 **F.** The council may make rules pursuant to this chapter to carry
18 out the purposes of this chapter.

19 **G.** The council shall make a list of agency rules approved or
20 returned pursuant to sections 41-1027 and 41-1052 and section 41-1056,
21 subsection C for the previous twelve-month period available to the public
22 on request and on the council's website.

23 H. COUNCIL STAFF SHALL DO BOTH OF THE FOLLOWING:

24 1. AT THE REQUEST OF A COUNCIL MEMBER, REVIEW THE CONSTITUTION OF
25 THIS STATE AND ANY RELEVANT STATUTES AND ADVISE THE COUNCIL ON THE
26 CONSTITUTIONALITY OF A RULE INDEPENDENT OF AN AGENCY'S STATUTORY
27 JUSTIFICATION FOR THE RULE. NOTWITHSTANDING ANY OTHER LAW, FOR THE
28 PURPOSES OF THIS PARAGRAPH, COUNCIL STAFF IS EXEMPT FROM SECTION 41-192
29 AND THE COUNCIL MAY EMPLOY LEGAL COUNSEL AND MAKE AN EXPENDITURE OR INCUR
30 AN INDEBTEDNESS FOR LEGAL SERVICES TO IMPLEMENT, ADVISE OR DEFEND THIS
31 PARAGRAPH.

32 2. ELECTRONICALLY DISTRIBUTE ALL NONPRIVILEGED COUNCIL MEETING
33 MATERIALS TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF
34 THE HOUSE OF REPRESENTATIVES AT THE SAME TIME THE MATERIALS ARE
35 DISTRIBUTED TO THE MEMBERS OF THE COUNCIL.

36 Sec. 6. Section 41-1052, Arizona Revised Statutes, is amended to
37 read:

38 41-1052. Council review and approval; rule expiration

39 A. Before filing a final rule subject to this section with the
40 secretary of state, an agency shall prepare, transmit to the council and
41 the committee and obtain the council's approval of the rule and its
42 preamble and economic, small business and consumer impact statement that
43 meets the requirements of section 41-1055. The office of economic
44 opportunity shall prepare the economic, small business and consumer impact
45 statement.

1 B. The council shall accept an early review petition of a proposed
2 rule, in whole or in part, if the proposed rule is alleged to violate any
3 of the criteria prescribed in subsection D of this section and if the
4 early petition is filed by a person who would be adversely impacted by the
5 proposed rule. The council may determine whether the proposed rule, in
6 whole or in part, violates any of the criteria prescribed in subsection D
7 of this section.

8 C. Within one hundred twenty days after receipt of the rule,
9 preamble and economic, small business and consumer impact statement, the
10 council shall review and approve or return, in whole or in part, the rule,
11 preamble or economic, small business and consumer impact statement. An
12 agency may resubmit a rule, preamble or economic, small business and
13 consumer impact statement if the council returns the rule, **PREAMBLE OR**
14 **economic, small business and consumer impact statement** ~~or preamble~~, in
15 whole or in part, to the agency.

16 D. The council shall not approve the rule unless:

17 1. The economic, small business and consumer impact statement
18 contains information from the state, data and analysis prescribed by this
19 article.

20 2. The economic, small business and consumer impact statement is
21 generally accurate.

22 3. The probable benefits of the rule outweigh within this state the
23 probable costs of the rule and the agency has demonstrated that it has
24 selected the alternative that imposes the least burden and costs to
25 persons regulated by the rule, including paperwork and other compliance
26 costs, necessary to achieve the underlying regulatory objective.

27 4. The rule is written in a manner that is clear, concise and
28 understandable to the general public.

29 5. The rule is not illegal, inconsistent with legislative intent or
30 beyond the agency's statutory authority and meets the requirements
31 prescribed in section 41-1030.

32 6. The agency adequately addressed, in writing, the comments on the
33 proposed rule and any supplemental proposals.

34 7. The rule is not a substantial change, considered as a whole,
35 from the proposed rule and any supplemental notices.

36 8. The preamble discloses a reference to any study relevant to the
37 rule that the agency reviewed and either did or did not rely on in the
38 agency's evaluation of or justification for the rule.

39 9. The rule is not more stringent than a corresponding federal law
40 unless there is statutory authority to exceed the requirements of that
41 federal law.

42 10. If a rule requires a permit, the permitting requirement
43 complies with section 41-1037.

44 E. The council shall verify that a rule with new fees does not
45 violate section 41-1008. The council shall not approve a rule that

1 contains a fee increase unless two-thirds of the voting quorum present
2 votes to approve the rule.

3 F. The council shall verify that a rule with an immediate effective
4 date complies with section 41-1032. The council shall not approve a rule
5 with an immediate effective date unless two-thirds of the voting quorum
6 present votes to approve the rule. **THE COUNCIL MAY ONLY VOTE AT A COUNCIL
7 MEETING.**

8 G. If the rule relies on scientific principles or methods,
9 including a study disclosed pursuant to subsection D, paragraph 8 of this
10 section, and a person submits an analysis to the council questioning
11 whether the rule is based on valid scientific or reliable principles or
12 methods, the council shall not approve the rule unless the council
13 determines that the rule is based on valid scientific or reliable
14 principles or methods that are specific and not of a general nature. In
15 making a determination of reliability or validity, the council shall
16 consider the following factors as applicable to the rule:

17 1. The authors of the study, principle or method have subject
18 matter knowledge, skill, experience, training and expertise.

19 2. The study, principle or method is based on sufficient facts or
20 data.

21 3. The study is the product of reliable principles and methods.

22 4. The study and its conclusions, principles or methods have been
23 tested or subjected to peer reviewed publications.

24 5. The known or potential error rate of the study, principle or
25 method has been identified along with its basis.

26 6. The methodology and approach of the study, principle or method
27 are generally accepted in the scientific community.

28 H. The council may require a representative of an agency whose rule
29 is under examination to attend a council meeting and answer questions.
30 The council may also communicate to the agency its comments on any rule,
31 preamble or economic, small business and consumer impact statement and
32 require the agency to respond to its comments in writing.

33 **I. FOR ALL COUNCIL MEETINGS THAT ARE OPEN TO THE PUBLIC FOR
34 COMMENT, THE COUNCIL SHALL ALLOT AN EQUAL AMOUNT OF TIME TO THE
35 INDIVIDUALS WHO SUPPORT OR OPPOSE A RULE.**

36 ~~J.~~ At any time during the thirty days immediately following
37 receipt of the rule, a person may submit written comments to the council
38 that are within the scope of subsection D, E, F or G of this section. The
39 council may allow testimony at a council meeting within the scope of
40 subsection D, E, F or G of this section.

41 ~~J.~~ K. If the agency makes a good faith effort to comply with the
42 requirements prescribed in this article and has explained in writing the
43 methodology used to produce the economic, small business and consumer
44 impact statement, the rule may not be invalidated after it is finalized on
45 the ground that the contents of the economic, small business and consumer

1 impact statement are insufficient or inaccurate or on the ground that the
2 council erroneously approved the rule, except as provided by section
3 41-1056.01.

4 ~~L.~~ The absence of comments pursuant to subsection D, E, F or G
5 of this section or article 4.1 of this chapter does not prevent the
6 council from acting pursuant to this section.

7 ~~7.~~ M. The council shall review and approve or reject a notice of
8 proposed expedited rulemaking pursuant to section 41-1027.

9 ~~M.~~ N. An agency that seeks to expire a rule or rules may file a
10 notice of intent to expire with the council. The notice shall describe
11 the rule or rules to be expired and the reasons for expiration. The
12 council shall place the notice on the agenda for the next scheduled
13 council meeting for consideration. If a quorum of the council approves
14 the notice, the council shall cause a notice of rule expiration to be
15 prepared and provide the notice of rule expiration to the agency for
16 filing with the secretary of state.

17 Sec. 7. Section 41-2404, Arizona Revised Statutes, is amended to
18 read:

19 41-2404. Arizona criminal justice commission: members;
20 compensation; terms; meetings

21 A. The Arizona criminal justice commission is established
22 consisting of the following members:

23 1. The attorney general or the attorney general's designee.
24 2. The director of the department of public safety or the
25 director's designee.

26 3. The director of the state department of corrections or the
27 director's designee.

28 4. ~~Sixteen~~ SEVENTEEN members who are appointed by the governor
29 ~~or their designees~~. Not more than ~~eight~~ NINE of these members may be from
30 the same political party.

31 5. The administrative director of the courts or the director's
32 designee.

33 6. The chairperson of the board of executive clemency or the
34 chairperson's designee.

35 B. The members who are appointed pursuant to subsection A,
36 paragraph 4 of this section shall include at least one police chief, one
37 county attorney and one county sheriff from a county with a population of
38 one million five hundred thousand or more persons, one police chief, one
39 county attorney and one county sheriff from a county with a population
40 equal to or greater than ~~eight hundred~~ FOUR HUNDRED FIFTY thousand persons
41 but fewer than one million five hundred thousand persons and one police
42 chief, one county attorney and one county sheriff from counties with a
43 population of fewer than ~~eight hundred~~ FOUR HUNDRED FIFTY thousand
44 persons. The remaining members shall include one law enforcement leader,
45 one former judge, one mayor, one member of a county board of supervisors,

1 one public defender, ~~one~~ TWO victim ~~advocate~~ ADVOCATES and one chief
2 probation officer.

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

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

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

25 Sec. 8. Repeal

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

27 Sec. 9. Section 41-2953, Arizona Revised Statutes, is amended to
28 read:

29 41-2953. Joint legislative audit committee; sunset powers and
30 duties; report by auditor general and committees
31 of reference; sunset review reports; performance
32 audits

33 A. The joint legislative audit committee shall designate the
34 ~~chairman~~ CHAIRPERSON of each committee of reference and shall assign
35 agencies to the respective committees of reference according to subject
36 matter for performance review.

37 B. The auditor general shall provide to the ~~JOINT LEGISLATIVE AUDIT~~
38 committee a list of agencies scheduled for termination in the next sunset
39 termination schedule, plus an estimate of the audit hours necessary to
40 conduct a sunset review of each agency, ~~not less than~~ AT LEAST twenty
41 months ~~prior to~~ BEFORE the termination date for such agencies. ~~Not less~~
42 ~~than~~ AT LEAST nineteen months ~~prior to such~~ BEFORE THE termination date,
43 the ~~JOINT LEGISLATIVE AUDIT~~ committee shall meet to review the information
44 submitted by the auditor general, shall select which agencies are subject
45 to sunset review by the auditor general and which agencies are subject to

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

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

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

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

38 Sec. 10. Repeal

39 Sections 41-3025.01, 41-3025.02, 41-3025.03, 41-3025.04, 41-3025.05,
40 41-3025.07, 41-3025.08, 41-3025.09, 41-3025.10, 41-3025.11, 41-3025.13 and
41 41-3025.14, Arizona Revised Statutes, are repealed.

1 Sec. 11. Title 41, chapter 27, article 2, Arizona Revised Statutes,
2 is amended by adding sections 41-3029.15, 41-3029.16, 41-3030.17,
3 41-3030.18, 41-3031.01, 41-3031.03, 41-3031.05, 41-3031.07, 41-3031.09,
4 41-3033.01, 41-3033.02 and 41-3033.03, to read:

41-3029.15. Governor's regulatory review council; termination

July 1, 2029

7 A. THE GOVERNOR'S REGULATORY REVIEW COUNCIL TERMINATES ON JULY 1,
8 2029.

9 B. TITLE 41, CHAPTER 6, ARTICLE 5 AND THIS SECTION ARE REPEALED ON
10 JANUARY 1, 2030.

41-3029.16. Arizona criminal justice commission; termination

July 1, 2029

13 A. THE ARIZONA CRIMINAL JUSTICE COMMISSION TERMINATES ON JULY 1,
14 2029.

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

41-3030.17. School facilities oversight board; termination

July 1, 2030

19 A. THE SCHOOL FACILITIES OVERSIGHT BOARD TERMINATES ON JULY 1.
20 2030.

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

23 1. THE BOARD HAS NO OUTSTANDING STATE SCHOOL FACILITIES REVENUE
24 BONDS ISSUED PURSUANT TO TITLE 41, CHAPTER 56, ARTICLE 6, NO OUTSTANDING
25 STATE SCHOOL IMPROVEMENT REVENUE BONDS ISSUED PURSUANT TO TITLE 41,
26 CHAPTER 56, ARTICLE 7 AND NO OUTSTANDING LEASE-TO-OWN TRANSACTIONS
27 PURSUANT TO SECTIONS 41-5703, 41-5704 AND 41-5705.

28 2. THE LEGISLATURE HAS OTHERWISE PROVIDED FOR PAYING OR RETIRING
29 ANY OUTSTANDING STATE SCHOOL FACILITIES REVENUE BONDS, ANY OUTSTANDING
30 STATE SCHOOL IMPROVEMENT REVENUE BONDS AND ANY OUTSTANDING LEASE-TO-OWN
31 TRANSACTIONS.

32 C. IF NEITHER OF THE CONDITIONS IN SUBSECTION B OF THIS SECTION HAS
33 OCCURRED ON OR BEFORE JANUARY 1, 2031, TITLE 41, CHAPTER 56, ARTICLES 1,
34 2, 3, 4, 5, 6, 7, 8 AND 9 AND THIS SECTION ARE REPEALED THIRTY DAYS AFTER
35 THE RETIREMENT OF ALL REVENUE BONDS ISSUED PURSUANT TO TITLE 41, CHAPTER
36 56, ARTICLES 6 AND 7 AND ALL OUTSTANDING LEASE-TO-OWN TRANSACTIONS ISSUED
37 PURSUANT TO SECTIONS 41-5703, 41-5704 AND 41-5705.

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

2030

40 A. THE BOARD OF EXECUTIVE CLEMENCY TERMINATES ON JULY 1, 2030.
41 B. TITLE 51, CHAPTER 3, AND THIS SECTION ARE REPEALED ON JUNE 30, 2030.

41 B. TITLE 31, CHAPTER 3 AND THIS SECTION ARE REPEALED ON JANUARY 1,
42 2031.

1 41-3031.01. Board of massage therapy; termination July 1, 2031
2 A. THE BOARD OF MASSAGE THERAPY TERMINATES ON JULY 1, 2031.
3 B. TITLE 32, CHAPTER 42 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2032.

4 6 41-3031.03. Board of respiratory care examiners; termination July 1, 2031
5 A. THE BOARD OF RESPIRATORY CARE EXAMINERS TERMINATES JULY 1, 2031.
6 B. TITLE 32, CHAPTER 35 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2032.

7 11 41-3031.05. Arizona board of osteopathic examiners in medicine and surgery; termination July 1, 2031
8 A. THE ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND 13
9 SURGERY TERMINATES ON JULY 1, 2031.
10 B. TITLE 32, CHAPTER 17 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2032.

11 17 41-3031.07. Board of behavioral health examiners; termination July 1, 2031
12 A. THE BOARD OF BEHAVIORAL HEALTH EXAMINERS TERMINATES JULY 1, 2031.
13 B. TITLE 32, CHAPTER 33 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2032.

14 23 41-3031.09. State board of dental examiners; termination July 1, 2031
15 A. THE STATE BOARD OF DENTAL EXAMINERS TERMINATES ON JULY 1, 2031.
16 B. TITLE 32, CHAPTER 11 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2032.

17 28 41-3033.01. Department of insurance and financial institutions; termination July 1, 2033
18 IF THE VOTERS APPROVE A CONSTITUTIONAL AMENDMENT REPEALING THE
19 AUTHORITY FOR THE DEPARTMENT OF INSURANCE PURSUANT TO ARTICLE XV, SECTION
20 5, CONSTITUTION OF ARIZONA:
21 1. THE DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS
22 TERMINATES ON JULY 1, 2033.
23 2. TITLE 6, TITLE 20, TITLE 32, CHAPTERS 9 AND 36, TITLE 41,
24 CHAPTER 31, TITLE 44, CHAPTER 2.1 AND THIS SECTION ARE REPEALED ON JANUARY
25 1, 2034.

26 38 41-3033.02. Arizona exposition and state fair board; termination July 1, 2033
27 A. THE ARIZONA EXPOSITION AND STATE FAIR BOARD TERMINATES ON
28 JULY 1, 2033.
29 B. TITLE 3, CHAPTER 8, ARTICLE 1 AND THIS SECTION ARE REPEALED ON
30 JANUARY 1, 2034.

41-3033.03. Property tax oversight commission: termination
July 1, 2033

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

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

7 Sec. 12. Section 41-5702, Arizona Revised Statutes, is amended to
8 read:

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

10 A. The division shall:

11 1. Assess school facilities and equipment deficiencies and approve
12 the distribution of grants as appropriate.

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

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

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

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

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

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

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

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

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

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

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

40 (b) Establish a project eligibility assessment for all projects
41 submitted for building renewal grant funding or emergency deficiencies
42 correction funding, including establishing standardized criteria for
43 project eligibility. Before the division formally approves a project, the
44 staff of the division may review the costs and scope of the proposed
45 project with persons and entities that have submitted bids on the project.

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

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

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

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

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

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

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

24 (iii) Any completed professional study regarding the proposed
25 project.

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

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

28 (vi) The project category.

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

31 (viii) Documentation on associated insurance coverage, if
32 applicable.

33 (f) Require that an initial application not be considered complete
34 until all necessary information is submitted.
35 (g) Allow a school district to submit an incomplete application and

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

39 (ii) If applicable, require that a complete application be received
40 by the board at least fifteen business days before the next regularly
41 scheduled board meeting in order for the application to be considered at
42 that meeting. An incomplete application may be considered at that meeting
43 if both the staff of the board and the superintendent of the school
44 district deem the project critical.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (a) The emergency deficiencies correction fund established by
24 section 41-5721.

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

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

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

30 1. Private services.

31 2. Construction project management services.

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

35 4. Services related to land acquisition and development of a school
36 site.

37 C. The school facilities oversight board shall:

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

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

4 11. 10. Shall expedite any request for monies in which the school
5 district governing board submits an application that shows an immediate
6 need for a new school facility.

7 12. 11. Shall determine administrative completeness within one
8 month after receiving an application from a school district for monies
9 from the new school facilities fund.

10 13. 12. Shall provide technical support to school districts as
11 requested by school districts in connection with constructing new school
12 facilities and maintaining existing school facilities and may contract
13 directly with construction project managers pursuant to subsection B of
14 this section. This paragraph does not restrict a school district from
15 contracting with a construction project manager using district or state
16 resources.

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

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

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

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

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

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

1 J. The division may contract for construction services and
2 materials that are necessary to correct existing deficiencies in school
3 district facilities. The division may procure the construction services
4 necessary pursuant to this subsection by any method, including
5 construction-manager-at-risk, design-build, design-bid-build or
6 job-order-contracting as provided by chapter 23 of this title. The
7 construction planning and services performed pursuant to this subsection
8 are exempt from section 41-791.01.

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

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

25 M. The ~~board and the~~ division may temporarily transfer monies, or,
26 if applicable, **THE BOARD MAY** direct the division to transfer monies,
27 between the emergency deficiencies correction fund established by section
28 41-5721 and the new school facilities fund established by section 41-5741
29 if all of the following conditions are met:

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

32 2. The transferred monies are restored to the fund where the monies
33 originated as soon as practicable after the temporary shortfall in the
34 other fund has been addressed.

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

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

1 service to a school district in this state shall provide the data
2 requested by the board or the division pursuant to this subsection.

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

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

14 Sec. 13. Board of massage therapy; reports; delayed repeal

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

19 1. The state's role in expediting background checks.
20 2. The board of massage therapy's data on the effectiveness of the
21 information technology project that was implemented in February 2025.
22 3. Data on whether an establishment license should be required in
23 this state as a tool to eliminate sex trafficking.

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

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

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

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

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

39 Sec. 14. Board of massage therapy; acting director

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

1 behavioral health examiners serves as the director of the board of massage
2 therapy.

3 Sec. 15. Purpose

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

7 Sec. 16. Purpose

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

13 Sec. 17. Purpose

14 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
15 the legislature continues the board of executive clemency to recommend and
16 grant commutations, pardons, reprieves and absolute discharge and to grant
17 or revoke paroles.

18 Sec. 18. Purpose

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

21 1. Maintain the state fairgrounds and Arizona veterans memorial
22 coliseum facilities in good condition and use these facilities for the
23 enjoyment of the people of this state.

24 2. Direct and conduct state fairs, exhibits, contests and
25 entertainments for the purpose of advancing the interests of this state
26 and the counties of this state.

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

29 Sec. 19. Purpose

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

34 Sec. 20. Purpose

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

40 Sec. 21. Purpose

41 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
42 the legislature continues the governor's regulatory review council to
43 review and approve or reject rules, preambles, economic, small business
44 and consumer impact statements and summary rule packages that are
45 submitted by agencies.

1 Sec. 22. Purpose

2 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
3 the legislature continues the board of respiratory care examiners to
4 regulate the practice of respiratory care for the public health, safety
5 and welfare.

6 Sec. 23. Purpose

7 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
8 the legislature continues the Arizona board of osteopathic examiners in
9 medicine and surgery to regulate the practice of osteopathic medicine for
10 the public health, safety and welfare.

11 Sec. 24. Purpose

12 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
13 the legislature continues the board of behavioral health examiners to
14 promote the safe and professional practice of behavioral health services.

15 Sec. 25. Purpose

16 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
17 the legislature continues the state board of dental examiners to promote
18 the safe and professional practice of dentistry in this state.

19 Sec. 26. Purpose

20 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
21 the legislature continues the department of insurance and financial
22 institutions to administer this state's insurance and financial
23 institution laws, protect the citizens of this state who purchase
24 insurance or transact business with state financial institutions, provide
25 a better response to the needs of persons who purchase insurance or
26 transact business with state financial institutions, stimulate the
27 insurance and state financial institutions market by encouraging
28 competition, protect the public from unregulated insurers and financial
29 institutions and represent insurance consumers' and state financial
30 institutions consumers' interests.

31 Sec. 27. Retention of members

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

37 Sec. 28. Retention of members

38 Notwithstanding section 41-1051, Arizona Revised Statutes, as
39 amended by this act, all persons serving as members of the governor's
40 regulatory review council on the effective date of this act may continue
41 to serve until the expiration of their normal terms. All subsequent
42 appointments shall be as prescribed by statute.

1 Sec. 29. 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. 30. Retroactivity

7 Sections 10 and 11 of this act are effective retroactively to from
8 and after July 1, 2025.

9 Sec. 31. Emergency

10 This act is an emergency measure that is necessary to preserve the
11 public peace, health or safety and is operative immediately as provided by
12 law.

APPROVED BY THE GOVERNOR JUNE 27, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 27, 2025.