

REFERENCE TITLE: **noncitizen; alien; terminology.**

State of Arizona
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HB 2474

Introduced by

Representatives Sandoval: Abeytia, Aguilar, Austin, Blattman, Connolly, Contreras L, Contreras P, Crews, Liguori, Luna-Nájera, Márquez, Mathis, Peshlakai, Simacek, Stahl Hamilton, Tsosie, Villegas; Senators Alston, Epstein, Gabaldón, Kuby, Ortiz, Sundareshan

AN ACT

AMENDING SECTIONS 4-202, 5-301, 8-102, 9-500.25, 11-269.08, 11-1051, 12-512, 12-2702, 13-1509, 13-2317, 13-2319, 13-2928, 13-2929, 13-3101, 14-2111, 15-973, 15-1803, 17-101, 23-211, 23-212, 23-212.01, 23-361.01, 23-603, 23-781, 23-901, 26-105, 28-3511, 32-1822, 32-1829, 34-301, 36-889, 36-2903.03, 36-2931, 36-2932, 36-2983, 38-231, 38-727, 41-906, 41-1080, 41-1462, 43-210 AND 46-292, ARIZONA REVISED STATUTES; RELATING TO NONCITIZENS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 4-202, Arizona Revised Statutes, is amended to
3 read:

4 4-202. Qualifications of licensees; application; background
5 information; prior convictions

6 A. Every spirituous liquor licensee, other than a club licensee, a
7 corporation licensee, a limited liability company licensee or an
8 out-of-state licensee, shall be a citizen of the United States and a bona
9 fide resident of this state or a legal resident ~~alien~~ NONCITIZEN who is a
10 bona fide resident of this state. If a partnership, each partner shall be
11 a citizen of the United States and a bona fide resident of this state or a
12 legal resident ~~alien~~ NONCITIZEN who is a bona fide resident of this state,
13 except that for a limited partnership an individual general partner is
14 required to meet the qualifications of an individual licensee, a corporate
15 general partner is required to meet the qualifications of a corporate
16 licensee and a limited partner is not required to be a citizen of the
17 United States, a legal resident ~~alien~~ NONCITIZEN or a bona fide resident
18 of this state. If a corporation or limited liability company, it shall be
19 a domestic corporation or a foreign corporation or a limited liability
20 company that has qualified to do business in this state. A person shall
21 hold a club license, corporation license, limited liability company
22 license, partnership license or out-of-state license through an agent who
23 ~~shall be~~ IS a natural person and ~~meet~~ WHO MEETS the qualifications for
24 licensure, except that an agent for an out-of-state license as specified
25 in section 4-209, subsection B, paragraph 2 need not be a resident of this
26 state. Notice of change of agent shall be filed with the director within
27 thirty days after a change. For the purposes of this subsection, "agent"
28 means a person who is designated by an applicant or licensee to receive
29 communications from the department and to file documents and sign
30 documents for filing with the department on behalf of the applicant or
31 licensee.

32 B. A person shall file an application for a spirituous liquor
33 license on a form prescribed by the director. The director shall require
34 any applicant and may require any controlling person, other than a bank or
35 licensed lending institution, to furnish background information and to
36 submit a full set of fingerprints to the department. The department of
37 liquor licenses and control shall submit the fingerprints to the
38 department of public safety ~~for the purpose of obtaining~~ TO OBTAIN a state
39 and federal criminal records check pursuant to section 41-1750 and Public
40 Law 92-544. The department of public safety may exchange this fingerprint
41 data with the federal bureau of investigation. If a license is issued or
42 transferred when fees are waived pursuant to section 4-209, subsection I,
43 ~~no~~ AN additional background check is NOT required if the person has
44 already completed a background investigation in connection with the
45 continuing business.

1 C. Each applicant or licensee shall designate a person who ~~shall be~~
2 IS responsible for managing the premises. The designated person may be
3 the applicant or licensee. The manager shall be a natural person and
4 shall meet all the requirements for licensure. The same person may be
5 designated as the manager for more than one premises owned by the same
6 licensee. Notice of a change in the manager shall be filed with the
7 director within thirty days after a change.

8 D. ~~No~~ A license ~~shall~~ MAY NOT be issued to any person who, within
9 one year before application, has had a license revoked. The director
10 shall not issue an interim permit or restaurant license to any person who,
11 at the same location, has been required to surrender a restaurant license
12 pursuant to section 4-205.02, subsection D or section 4-213 until twelve
13 months after the date of the surrender. ~~No~~ A license ~~shall~~ MAY NOT be
14 issued to or renewed for any person who, within five years before
15 application, has been convicted of a felony, or convicted of an offense in
16 another state that would be a felony in this state. For a conviction of a
17 corporation to be a basis for a denial under this section, the limitations
18 that are provided in section 4-210, subsection A, paragraph 8 shall
19 apply. ~~No~~ A corporation ~~shall~~ MAY NOT have its annual license issued or
20 renewed unless it has on file with the department a list of its officers
21 and directors and any stockholders who own ten percent or more of the
22 corporation.

23 E. The department of liquor licenses and control shall receive
24 criminal history record information from the department of public safety
25 for applicants for employment with the department of liquor licenses and
26 control or for a license issued by the department of liquor licenses and
27 control.

28 F. The department shall not issue or renew a license for any person
29 who on the request of the director fails to provide the department with
30 complete financial disclosure statements indicating all financial holdings
31 of the person or any other person in or relating to the license applied
32 for, including all cosignatories on financial holdings, land, buildings,
33 leases or other forms of indebtedness that the applicant has incurred or
34 will incur.

35 Sec. 2. Section 5-301, Arizona Revised Statutes, is amended to
36 read:

37 5-301. Definitions

38 In this chapter, unless the context otherwise requires:

- 39 1. "Commercial motorized watercraft" means a motorized watercraft
40 that carries passengers or property for a valuable consideration that is
41 paid to the owner, charterer, operator or agent or to any other person
42 interested in the watercraft.
43 2. "Commission" means the Arizona game and fish commission.
44 3. "Department" means the Arizona game and fish department.

- 1 4. "Documented watercraft" means any watercraft currently
2 registered as a watercraft of the United States pursuant to 46 Code of
3 Federal Regulations part 67.
- 4 5. "Domicile" means a person's true, fixed and permanent home and
5 principal residence, proof of which may be demonstrated as prescribed by
6 rules adopted by the commission.
- 7 6. "Launch" means any motorized watercraft that carries a coach and
8 that is used to follow and monitor rowing shells during practice, training
9 or competitive rowing events.
- 10 7. "Motorboat" means any watercraft that is not more than
11 sixty-five feet in length and that is propelled by machinery whether or
12 not such machinery is the principal source of propulsion.
- 13 8. "Motorized watercraft" means any watercraft that is propelled by
14 machinery whether or not the machinery is the principal source of
15 propulsion.
- 16 9. "Nonresident" means a citizen of the United States or ~~an alien~~
17 ~~person~~ A NONCITIZEN who is not domiciled in this state and who is not a
18 resident as defined in this section.
- 19 10. "Operate" means to operate or be in actual physical control of
20 a watercraft while on public waters.
- 21 11. "Operator" means a person who operates or is in actual physical
22 control of a watercraft.
- 23 12. "Person" includes any individual, firm, corporation,
24 partnership or association, and any agent, assignee, trustee, executor,
25 receiver or representative thereof.
- 26 13. "Public waters" means any body of water that is publicly owned
27 or that the public is allowed to use without permission of the owner AND
28 on which a motorized watercraft can be navigated, including that part of
29 waters that is common to interstate boundaries and that is within the
30 boundaries of this state.
- 31 14. "Resident" means a person who is either:
32 (a) A member of the armed forces of the United States on active
33 duty and stationed in this state for a period of thirty days immediately
34 before the date of application for a watercraft decal.
35 (b) A member of the armed forces of the United States on active
36 duty and stationed in another state or another country and who lists this
37 state as that member's home of record at the time of an application for a
38 watercraft decal.
39 (c) Domiciled in this state for at least six consecutive months
40 immediately before the date of the application for a watercraft decal and
41 who does not claim residency for any purpose in any other state or
42 country.
- 43 15. "Revocation" means invalidating the certificate of number,
44 numbers and annual validation decals issued by the department to a

1 watercraft and prohibiting the operation of the watercraft on the waters
2 of this state during a period of noncompliance with this chapter.

3 16. "Rowing shell" means a manually propelled watercraft that is
4 recognized by a national racing association for use in practice, training
5 or competitive rowing.

6 17. "Sailboard" means any board of less than fifteen feet in length
7 that is designed to be propelled by wind action on a sail for navigation
8 on the water by a person operating the board.

9 18. "Special anchorage area" means an area set aside and under the
10 control of a federal, state or local governmental agency, or by a duly
11 authorized marina operator or concessionaire for the mooring, anchoring or
12 docking of watercraft.

13 19. "State of principal operation" means the state where a
14 watercraft is primarily used, navigated or employed.

15 20. "Underway" means a watercraft that is not at anchor, is not
16 made fast to the shore or is not aground.

17 21. "Undocumented watercraft" means any watercraft that does not
18 have and is not required to have a valid marine document as a watercraft
19 of the United States.

20 22. "Wakeless speed" means a speed that does not cause the
21 watercraft to create a wake, but in no case in excess of five miles per
22 hour.

23 23. "Watercraft" means any boat designed to be propelled by
24 machinery, oars, paddles or wind action on a sail for navigation on the
25 water, or as may be defined by rule of the commission.

26 24. "Waterway" means any body of water, public or private, on which
27 a watercraft can be navigated.

28 Sec. 3. Section 8-102, Arizona Revised Statutes, is amended to
29 read:

30 8-102. Who may be adopted

31 A. Except as provided in title 14, chapter 8 and subsection B of
32 this section, only a child, or a foreign-born person who is twenty-one
33 years of age or less and who is not an ~~illegal alien~~ UNDOCUMENTED
34 NONCITIZEN, who is present within this state at the time the petition for
35 adoption is filed may be adopted.

36 B. A dependent child is not required to be present in this state at
37 the time the petition for adoption is filed if the criteria prescribed in
38 section 8-103, subsection B are met.

39 Sec. 4. Section 9-500.25, Arizona Revised Statutes, is amended to
40 read:

41 9-500.25. Work centers; noncitizens; prohibition

42 A city or town shall not construct or maintain a work center if any
43 part of the center ~~is to facilitate~~ FACILITATES the knowing employment of
44 ~~an alien~~ A NONCITIZEN who is not entitled to lawful residence in the
45 United States.

1 Sec. 5. Section 11-269.08, Arizona Revised Statutes, is amended to
2 read:

3 11-269.08. Work centers; noncitizens; prohibition

4 A county shall not construct or maintain a work center if any part
5 of the center ~~is to facilitate~~ FACILITATES the knowing employment of ~~an~~
6 ~~alien~~ A NONCITIZEN who is not entitled to lawful residence in the United
7 States.

8 Sec. 6. Section 11-1051, Arizona Revised Statutes, is amended to
9 read:

10 11-1051. Cooperation and assistance in enforcement of
11 immigration laws; indemnification

12 A. ~~No~~ AN official or agency of this state or a county, city, town
13 or other political subdivision of this state may NOT limit or restrict the
14 enforcement of federal immigration laws to less than the full extent
15 ~~permitted~~ ALLOWED by federal law.

16 B. For any lawful stop, detention or arrest made by a law
17 enforcement official or a law enforcement agency of this state or a law
18 enforcement official or a law enforcement agency of a county, city, town
19 or other political subdivision of this state in the enforcement of any
20 other law or ordinance of a county, city or town or this state where
21 reasonable suspicion exists that the person is an ~~alien and is unlawfully~~
22 ~~present~~ UNDOCUMENTED NONCITIZEN in the United States, a reasonable attempt
23 shall be made, when practicable, to determine the immigration status of
24 the person, except if the determination may hinder or obstruct an
25 investigation. Any person who is arrested shall have the person's
26 immigration status determined before the person is released. The person's
27 immigration status shall be verified with the federal government pursuant
28 to 8 United States Code section 1373(c). A law enforcement official or
29 agency of this state or a county, city, town or other political
30 subdivision of this state may not consider race, color or national origin
31 in implementing the requirements of this subsection except ~~to the extent~~
32 ~~permitted~~ AS ALLOWED by the United States or Arizona Constitution. A
33 person is presumed to not be an ~~alien who is unlawfully present~~
34 UNDOCUMENTED NONCITIZEN in the United States if the person provides to the
35 law enforcement officer or agency any of the following:

- 36 1. A valid Arizona driver license.
- 37 2. A valid Arizona nonoperating identification license.
- 38 3. A valid tribal enrollment card or other form of tribal
39 identification.
- 40 4. If the entity requires proof of legal presence in the United
41 States before issuance, any valid United States federal, state or local
42 government issued identification.

43 C. If an ~~alien who is unlawfully present~~ UNDOCUMENTED NONCITIZEN in
44 the United States is convicted of a violation of state or local law, on
45 discharge from imprisonment or on the assessment of any IMPOSED monetary

1 obligation ~~that is imposed~~, the United States immigration and customs
2 enforcement or the United States customs and border protection shall be
3 immediately notified.

4 D. Notwithstanding any other law, a law enforcement agency may
5 securely transport ~~an alien who the agency has received verification is~~
6 ~~unlawfully present~~ A VERIFIED UNDOCUMENTED NONCITIZEN in the United States
7 and who is in the agency's custody to a federal facility in this state or
8 to any other point of transfer into federal custody that is outside the
9 jurisdiction of the law enforcement agency. A law enforcement agency
10 shall obtain judicial authorization before securely transporting an ~~alien~~
11 ~~who is unlawfully present~~ UNDOCUMENTED NONCITIZEN in the United States to
12 a point of transfer that is outside of this state.

13 E. In the implementation of this section, ~~an alien's~~ A NONCITIZEN'S
14 immigration status may be determined by:

15 1. A law enforcement officer who is authorized by the federal
16 government to verify or ascertain ~~an alien's~~ A NONCITIZEN'S immigration
17 status.

18 2. The United States immigration and customs enforcement or the
19 United States customs and border protection pursuant to 8 United States
20 Code section 1373(c).

21 F. Except as provided in federal law, officials or agencies of this
22 state and counties, cities, towns and other political subdivisions of this
23 state may not be prohibited or ~~in any way be~~ restricted from sending,
24 receiving or maintaining information relating to the immigration status,
25 lawful or unlawful, of any individual or exchanging that information with
26 any other federal, state or local governmental entity for the following
27 official purposes:

28 1. Determining eligibility for any public benefit, service or
29 license provided by any federal, state, local or other political
30 subdivision of this state.

31 2. Verifying any claim of residence or domicile if determination of
32 residence or domicile is required under the laws of this state or a
33 judicial order issued pursuant to a civil or criminal proceeding in this
34 state.

35 3. If the person is ~~an alien~~ A NONCITIZEN, determining whether the
36 person ~~is in compliance~~ COMPLIES with the federal registration laws
37 prescribed by title II, chapter 7 of the federal immigration and
38 nationality act.

39 4. Pursuant to 8 United States Code section 1373 and 8 United
40 States Code section 1644.

41 G. This section does not implement, authorize or establish ~~and~~
42 ~~shall not be construed to implement, authorize or establish~~ the REAL ID
43 act of 2005 (P.L. 109-13, division B; 119 Stat. 302), including the use of
44 a radio frequency identification chip.

1 H. A person who is a legal resident of this state may bring an
2 action in superior court to challenge any official or agency of this state
3 or a county, city, town or other political subdivision of this state that
4 adopts or implements a policy that limits or restricts the enforcement of
5 federal immigration laws, including 8 United States Code sections 1373 and
6 1644, to less than the full extent ~~permitted~~ ALLOWED by federal law. If
7 there is a judicial finding that an entity has violated this section, the
8 court shall order that the entity pay a civil penalty of not less than
9 ~~five hundred dollars~~ \$500 and not more than ~~five thousand dollars~~ \$5,000
10 for each day that the policy has remained in effect after the filing of an
11 action pursuant to this subsection.

12 I. A court shall collect the civil penalty prescribed in subsection
13 H of this section and remit the civil penalty to the state treasurer for
14 deposit in the gang and immigration intelligence team enforcement mission
15 fund established by section 41-1724.

16 J. The court may award court costs and reasonable attorney fees to
17 any person or any official or agency of this state or a county, city, town
18 or other political subdivision of this state that prevails by an
19 adjudication on the merits in a proceeding brought pursuant to this
20 section.

21 K. Except in relation to matters in which the officer is adjudged
22 to have acted in bad faith, a law enforcement officer is indemnified by
23 the law enforcement officer's agency against reasonable costs and
24 expenses, including attorney fees, incurred by the officer in connection
25 with any action, suit or proceeding brought pursuant to this section in
26 which the officer may be a defendant by reason of the officer being or
27 having been a member of the law enforcement agency.

28 L. This section shall be implemented in a manner consistent with
29 federal laws regulating immigration, protecting the civil rights of all
30 persons and respecting the privileges and immunities of United States
31 citizens.

32 Sec. 7. Section 12-512, Arizona Revised Statutes, is amended to
33 read:

34 12-512. Punitive damages awards; noncitizens

35 A person who is present in this state in violation of federal
36 immigration law related to improper entry by ~~an alien~~ A NONCITIZEN shall
37 not be awarded punitive damages in any action in any court in this state.

38 Sec. 8. Section 12-2702, Arizona Revised Statutes, is amended to
39 read:

40 12-2702. Representation; definition

41 A. A person desiring immigration and nationality services may be
42 represented by any of the following:

43 1. Attorneys in the United States.

1 2. A law student who is enrolled in an accredited law school or a
2 law school graduate who is not yet admitted to the bar, if both of the
3 following apply:

4 (a) The student or graduate is appearing on an individual case
5 basis at the request of the person entitled to representation.

6 (b) The student or graduate is permitted to appear by the official
7 before whom the student or graduate wishes to appear including an
8 immigration judge, an immigration district director, an immigration
9 officer-in-charge, a regional immigration commission, the ~~United States~~
10 ~~commissioner of immigration and naturalization~~ ASSISTANT SECRETARY OF THE
11 UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT, THE DIRECTOR OF THE
12 UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES or the immigration
13 board. If in the official's opinion special circumstances warrant it, the
14 official may require that a law student be accompanied by a supervising
15 faculty member or attorney.

16 3. Any reputable person of good moral character, if all of the
17 following apply:

18 (a) The person is appearing on an individual case basis, at the
19 request of the person entitled to representation.

20 (b) The person is appearing without direct or indirect remuneration
21 and the person files a written declaration to that effect.

22 (c) The person has a preexisting relationship or connection with
23 the person entitled to representation including a relative, neighbor,
24 clergyman, business associate or personal friend, except that this
25 requirement may be waived, as a matter of administrative discretion, in
26 cases in which adequate representation would not otherwise be available.

27 (d) If the person is appearing on behalf of a client, the person's
28 appearance is permitted by the official before whom the person wishes to
29 appear including an immigration judge, an immigration district director,
30 an immigration officer-in-charge, a regional immigration commissioner, the
31 ~~United States commissioner of immigration and naturalization~~ ASSISTANT
32 SECRETARY OF THE UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT, THE
33 DIRECTOR OF THE UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES or the
34 immigration board, except that this permission shall not be granted with
35 respect to any person who regularly engages in immigration and nationality
36 practice or preparation or holds ~~himself~~ ONESELF out to the public as
37 qualified to do so.

38 4. A person who is representing an organization accredited by the
39 board of immigration appeals and who has been accredited by the
40 immigration board.

41 5. An accredited official in the United States of the government to
42 which ~~an alien~~ A NONCITIZEN owes allegiance, if the official appears
43 solely in an official capacity and with the ~~alien's~~ NONCITIZEN'S consent.

44 B. Except as otherwise provided in this section, no other person or
45 persons may represent others in any case, prepare applications or forms or

1 give any legal advice relating to any immigration or naturalization
2 matter.

3 C. Any person who misrepresents the services the person may provide
4 in immigration or nationality matters is in violation of this chapter.

5 D. A person or organization may not retain an original document
6 belonging to a client unless authorized by the client.

7 E. An attorney who practices immigration and nationality law in
8 this state and who is not a member of the state bar of Arizona shall not
9 provide advice on issues of this state's law. An attorney who practices
10 immigration and nationality law in this state and who is not licensed by
11 the state bar of Arizona shall disclose to all persons to whom service is
12 provided that the attorney is not licensed by the state bar of Arizona and
13 shall disclose the state in which the attorney is licensed to practice
14 law. This disclosure must be done in writing at the time the attorney's
15 services are retained.

16 F. For the purposes of this section, "attorney" means any person
17 who is a member in good standing of the bar of the highest court of any
18 state, possession, territory, commonwealth or district of the United
19 States and who is not under any order of any court suspending, enjoining,
20 restraining, disbaring or otherwise restricting the person in the
21 practice of law.

22 Sec. 9. Section 13-1509, Arizona Revised Statutes, is amended to
23 read:

24 13-1509. Wilful failure to complete or carry an alien
25 registration document; exception; authenticated
26 records; classification

27 A. In addition to any violation of federal law, a person is guilty
28 of ~~willful~~ WILFUL failure to complete or carry an alien registration
29 document if the person is in violation of 8 United States Code section
30 1304(e) or 1306(a).

31 B. In the enforcement of this section, ~~an alien's~~ A NONCITIZEN'S
32 immigration status may be determined by:

33 1. A law enforcement officer who is authorized by the federal
34 government to verify or ascertain ~~an alien's~~ A NONCITIZEN'S
35 immigration status.

36 2. The United States immigration and customs enforcement or the
37 United States customs and border protection pursuant to 8 United States
38 Code section 1373(c).

39 C. A law enforcement official or agency of this state or a county,
40 city, town or other political subdivision of this state may not consider
41 race, color or national origin in the enforcement of this section except
42 ~~to the extent permitted~~ AS ALLOWED by the United States or Arizona
43 Constitution.

44 D. A person who is sentenced pursuant to this section is not
45 eligible for suspension of sentence, probation, pardon, commutation of

1 sentence, or release from confinement ~~on any basis~~ except as authorized
2 by section 31-233, subsection A or B until the sentence imposed by the
3 court has been served or the person is eligible for release pursuant to
4 section 41-1604.07.

5 E. In addition to any other penalty prescribed by law, the court
6 shall order the person to pay jail costs.

7 F. This section does not apply to a person who maintains
8 authorization from the federal government to remain in the United States.

9 G. Any record that relates to the immigration status of a person is
10 admissible in any court without further foundation or testimony from a
11 custodian of records if the record is certified as authentic by the
12 government agency that is responsible for maintaining the record.

13 H. A violation of this section is a class 1 misdemeanor, except
14 that the maximum fine is ~~one hundred dollars~~ \$100 and for a first
15 violation of this section the court shall not sentence the person to more
16 than twenty days in jail and for a second or subsequent violation the
17 court shall not sentence the person to more than thirty days in jail.

18 Sec. 10. Section 13-2317, Arizona Revised Statutes, is amended to
19 read:

20 13-2317. Money laundering; classification; definitions

21 A. A person is guilty of money laundering in the first degree if
22 the person does any of the following:

23 1. Knowingly initiates, organizes, plans, finances, directs,
24 manages, supervises or is in the business of money laundering in violation
25 of subsection B of this section.

26 2. Violates subsection B of this section in the course of or for
27 the purpose of facilitating terrorism or murder.

28 B. A person is guilty of money laundering in the second degree if
29 the person does any of the following:

30 1. Acquires or maintains an interest in, transacts, transfers,
31 transports, receives or conceals the existence or nature of racketeering
32 proceeds knowing or having reason to know that they are the proceeds of an
33 offense.

34 2. Makes property available to another by transaction,
35 transportation or otherwise knowing that it is intended to be used to
36 facilitate racketeering.

37 3. Conducts a transaction knowing or having reason to know that the
38 property involved is the proceeds of an offense and with the intent to
39 conceal or disguise the nature, location, source, ownership or control of
40 the property or the intent to facilitate racketeering.

41 4. Intentionally or knowingly makes a false statement,
42 misrepresentation or false certification or makes a false entry or omits a
43 material entry in any application, financial statement, account record,
44 customer receipt, report or other document that is filed or required to be
45 maintained or filed under title 6, chapter 12.

1 5. Intentionally or knowingly evades or attempts to evade any
2 reporting requirement under sections 6-1220 and 6-1242, whether by
3 structuring transactions as described in 31 Code of Federal Regulations
4 chapter X, by causing any financial institution, money transmitter, trade
5 or business to fail to file the report, by failing to file a required
6 report or record or by any other means.

7 6. Intentionally or knowingly provides any false information or
8 fails to disclose information that causes any licensee, authorized
9 delegate, money transmitter, trade or business to either:

10 (a) Fail to file any report or record that is required under
11 sections 6-1220 and 6-1242.

12 (b) File such a report or record that contains a material omission
13 or misstatement of fact.

14 7. Intentionally or knowingly falsifies, conceals, covers up or
15 misrepresents or attempts to falsify, conceal, cover up or misrepresent
16 the identity of any person in connection with any transaction with a
17 financial institution or money transmitter.

18 8. In connection with a transaction with a financial institution or
19 money transmitter, intentionally or knowingly makes, uses, offers or
20 presents or attempts to make, use, offer or present, whether accepted or
21 not, a forged instrument, a falsely altered or completed written
22 instrument or a written instrument that contains any materially false
23 personal identifying information.

24 9. If the person is a money transmitter, a person engaged in a
25 trade or business or any employee of a money transmitter or a person
26 engaged in a trade or business, intentionally or knowingly accepts false
27 personal identifying information from any person or otherwise knowingly
28 incorporates false personal identifying information into any report or
29 record that is required by sections 6-1220 and 6-1242.

30 10. Intentionally conducts, controls, manages, supervises, directs
31 or owns all or part of a money transmitting business for which a license
32 is required by title 6, chapter 12 unless the business is licensed
33 pursuant to title 6, chapter 12 and complies with the money transmitting
34 business registration requirements under 31 United States Code section
35 5330.

36 C. A person is guilty of money laundering in the third degree if
37 the person intentionally or knowingly does any of the following:

38 1. In the course of any transaction transmitting money, confers or
39 agrees to confer anything of value on a money transmitter or any employee
40 of a money transmitter that is intended to influence or reward any person
41 for failing to comply with any requirement under title 6, chapter 12.

42 2. Engages in the business of receiving money for transmission or
43 transmitting money, as an employee or otherwise, and receives anything of
44 value on an agreement or understanding that it is intended to influence or

1 benefit the person for failing to comply with any requirement under
2 title 6, chapter 12.

3 D. In addition to any other criminal or civil remedy, if a person
4 violates subsection A or B of this section as part of a pattern of
5 violations that involve a total of \$100,000 or more in any twelve-month
6 period, the person is subject to forfeiture of substitute assets in an
7 amount that is three times the amount that was involved in the pattern,
8 including conduct that occurred before and after the twelve-month period.

9 E. Money laundering in the third degree is a class 6 felony. Money
10 laundering in the second degree is a class 3 felony. Money laundering in
11 the first degree is a class 2 felony.

12 F. The exception that is established by 31 United States Code
13 section 5331(c)(1) does not apply to persons who are engaged in the money
14 accumulation business.

15 G. For the purposes of this section:

16 1. The following terms have the same meanings prescribed in section
17 6-1241:

18 (a) "Authorized delegate".

19 (b) "Licensee".

20 (c) "Money transmitter".

21 (d) "Trade or business".

22 2. The following terms have the same meanings prescribed in section
23 13-2001:

24 (a) "Falsely alters a written instrument".

25 (b) "Falsely completes a written instrument".

26 (c) "Falsely makes a written instrument".

27 (d) "Forged instrument".

28 (e) "Personal identifying information".

29 (f) "Written instrument".

30 3. The following terms have the same meanings prescribed in section
31 13-2301:

32 (a) "Financial institution".

33 (b) "Financial instrument".

34 (c) "Racketeering", except that for the purposes of civil remedies
35 sought by the attorney general, racketeering includes any act, regardless
36 of whether the act would be chargeable or indictable under the laws of
37 this state or whether the act is charged or indicted, that is committed
38 for financial gain, punishable by imprisonment for more than one year
39 under the laws of the United States and described in section
40 274(a)(1)(A)(i), (ii) or (iii) or (a)(2) of the immigration and
41 nationality act (8 United States Code section 1324(a)(1)(A)(i), (ii) or
42 (iii) or (a)(2)) if persons acting in concert in the conduct acquire a
43 total of more than \$5,000 through the conduct in a one-month period. For
44 the purpose of forfeiture of property other than real property, the
45 conduct must involve more than three ~~aliens~~ NONCITIZENS in a one-month

1 period. For the purpose of forfeiture of real property, the conduct must
2 involve more than fifteen ~~attorns~~ NONCITIZENS in a one-month period.

3 4. The following terms have the same ~~meaning~~ MEANINGS prescribed in
4 section 13-2314:

5 (a) "Acquire".

6 (b) "Proceeds".

7 H. For the purposes of this section:

8 1. "Money accumulation business":

9 (a) Means obtaining money from a money transmitter as part of any
10 activity that is conducted for financial gain if the money that is
11 obtained by all persons acting in concert in the activity, in amounts of
12 \$1,000 or more, totals over \$50,000 in the preceding twelve-month period.

13 (b) Does not include a person who is subject to the reporting
14 requirements under 31 United States Code section 5313.

15 2. "Offense" has the same meaning prescribed in section 13-105 and
16 includes conduct for which a sentence to a term of incarceration is
17 provided by any law of the United States.

18 3. "Transaction" means a purchase, sale, trade, loan, pledge,
19 investment, gift, transfer, transmission, delivery, deposit, withdrawal,
20 payment, transfer between accounts, exchange of currency, extension of
21 credit, purchase or sale of any financial instrument or any other
22 acquisition or disposition of property by whatever means.

23 4. "Transmitting money" means the transmission of money by any
24 means, including transmissions within this country or to or from locations
25 abroad by payment instrument, wire, fax, internet or any other electronic
26 transfer, courier or otherwise.

27 Sec. 11. Section 13-2319, Arizona Revised Statutes, is amended to
28 read:

29 13-2319. Smuggling; classification; definitions

30 A. It is unlawful for a person to intentionally engage in the
31 smuggling of human beings for profit or commercial purpose.

32 B. A violation of this section is a class 4 felony.

33 C. Notwithstanding subsection B of this section, a violation of
34 this section:

35 1. Is a class 2 felony if the human being who is smuggled is under
36 eighteen years of age and is not accompanied by a family member over
37 eighteen years of age or the offense involved the use of a deadly weapon
38 or dangerous instrument.

39 2. Is a class 3 felony if the offense involves the use or
40 threatened use of deadly physical force and the person is not eligible for
41 suspension of sentence, probation, pardon or release from confinement on
42 any other basis except pursuant to section 31-233, subsection A or B until
43 the sentence imposed by the court is served, the person is eligible for
44 release pursuant to section 41-1604.07 or the sentence is commuted.

1 D. Chapter 10 of this title does not apply to a violation of
2 subsection C, paragraph 1 of this section.

3 E. Notwithstanding any other law, in the enforcement of this
4 section a peace officer may lawfully stop any person who is operating a
5 motor vehicle if the officer has reasonable suspicion to believe the
6 person is in violation of any civil traffic law.

7 F. For the purposes of this section:

8 1. "Family member" means the person's parent, grandparent, sibling
9 or any other person who is related to the person by consanguinity or
10 affinity to the second degree.

11 2. "Procurement of transportation" means any participation in or
12 facilitation of transportation and includes:

13 (a) Providing services that facilitate transportation including
14 travel arrangement services or money transmission services.

15 (b) Providing property that facilitates transportation, including a
16 weapon, a vehicle or other means of transportation or false
17 identification, or selling, leasing, renting or otherwise making available
18 a drop house as defined in section 13-2322.

19 3. "Smuggling of human beings" means the transportation,
20 procurement of transportation or use of property or real property by a
21 person or an entity that knows or has reason to know that the person or
22 persons transported or to be transported are not United States citizens,
23 permanent resident ~~aliens~~ NONCITIZENS or persons otherwise lawfully in
24 this state or have attempted to enter, entered or remained in the United
25 States in violation of law.

26 Sec. 12. Section 13-2928, Arizona Revised Statutes, is amended to
27 read:

28 13-2928. Unlawful stopping to hire and pick up passengers for
29 work; unlawful application, solicitation or
30 employment; classification; definitions

31 A. It is unlawful for an occupant of a motor vehicle that is
32 stopped on a street, roadway or highway to attempt to hire or hire and
33 pick up passengers for work at a different location if the motor vehicle
34 blocks or impedes the normal movement of traffic.

35 B. It is unlawful for a person to enter a motor vehicle that is
36 stopped on a street, roadway or highway in order to be hired by an
37 occupant of the motor vehicle and to be transported to work at a different
38 location if the motor vehicle blocks or impedes the normal movement of
39 traffic.

40 C. It is unlawful for a person who is unlawfully present in the
41 United States and who is an unauthorized ~~alien~~ NONCITIZEN to knowingly
42 apply for work, solicit work in a public place or perform work as an
43 employee or independent contractor in this state.

44 D. A law enforcement official or agency of this state or a county,
45 city, town or other political subdivision of this state may not consider

1 race, color or national origin in the enforcement of this section except
2 ~~to the extent permitted~~ AS ALLOWED by the United States or Arizona
3 Constitution.

4 E. In the enforcement of this section, ~~an alien's~~ A NONCITIZEN'S
5 immigration status may be determined by:

6 1. A law enforcement officer who is authorized by the federal
7 government to verify or ascertain ~~an alien's~~ A NONCITIZEN'S immigration
8 status.

9 2. The United States immigration and customs enforcement or the
10 United States customs and border protection pursuant to 8 United States
11 Code section 1373(c).

12 F. A violation of this section is a class 1 misdemeanor.

13 G. For the purposes of this section:

14 1. "Solicit" means verbal or nonverbal communication by a gesture
15 or a nod that would indicate to a reasonable person that a person is
16 willing to be employed.

17 2. "Unauthorized ~~alien~~ NONCITIZEN" means ~~an alien~~ A NONCITIZEN who
18 does not have the legal right or authorization under federal law to work
19 in the United States as described in 8 United States Code section
20 1324a(h)(3).

21 Sec. 13. Section 13-2929, Arizona Revised Statutes, is amended to
22 read:

23 13-2929. Unlawful transporting, moving, concealing, harboring
24 or shielding of unauthorized noncitizens; vehicle
25 impoundment; exception; classification

26 A. It is unlawful for a person who is in violation of a criminal
27 offense to:

28 1. Transport or move or attempt to transport or move ~~an alien~~ A
29 NONCITIZEN in this state, in furtherance of the ~~illegal~~ UNAUTHORIZED
30 presence of the ~~alien~~ NONCITIZEN in the United States, in a means of
31 transportation if the person knows or recklessly disregards the fact that
32 the ~~alien~~ NONCITIZEN has come to, has entered or remains in the United
33 States in violation of law.

34 2. Conceal, harbor or shield or attempt to conceal, harbor or
35 shield ~~an alien~~ A NONCITIZEN from detection in any place in this state,
36 including any building or any means of transportation, if the person knows
37 or recklessly disregards ~~the fact~~ that the ~~alien~~ NONCITIZEN has come to,
38 has entered or remains in the United States in violation of law.

39 3. Encourage or induce ~~an alien~~ A NONCITIZEN to come to or reside
40 in this state if the person knows or recklessly disregards ~~the fact~~ that
41 such coming to, entering or residing in this state is or will be in
42 violation of law.

43 B. A means of transportation that is used in the commission of a
44 violation of this section is subject to mandatory vehicle immobilization
45 or impoundment pursuant to section 28-3511.

1 C. A law enforcement official or agency of this state or a county,
2 city, town or other political subdivision of this state may not consider
3 race, color or national origin in the enforcement of this section except
4 ~~to the extent permitted~~ AS ALLOWED by the United States CONSTITUTION or
5 Arizona Constitution.

6 D. In the enforcement of this section, ~~an alien's~~ A NONCITIZEN'S
7 immigration status may be determined by:

8 1. A law enforcement officer who is authorized by the federal
9 government to verify or ascertain ~~an alien's~~ A NONCITIZEN'S immigration
10 status.

11 2. The United States immigration and customs enforcement or the
12 United States customs and border protection pursuant to 8 United States
13 Code section 1373(c).

14 E. This section does not apply to a child safety worker acting in
15 the worker's official capacity or a person who is acting in the capacity
16 of a first responder, an ambulance attendant or an emergency medical
17 technician and who is transporting or moving ~~an alien~~ A NONCITIZEN in this
18 state pursuant to title 36, chapter 21.1.

19 F. A person who violates this section is guilty of a class 1
20 misdemeanor and is subject to a fine of at least ~~one thousand dollars~~
21 \$1,000, except that a violation of this section that involves ten or more
22 ~~illegal aliens~~ UNDOCUMENTED NONCITIZENS is a class 6 felony and the person
23 is subject to a fine of at least ~~one thousand dollars~~ \$1,000 for each
24 ~~alien~~ UNDOCUMENTED NONCITIZEN who is involved.

25 Sec. 14. Section 13-3101, Arizona Revised Statutes, is amended to
26 read:

27 13-3101. Definitions

28 A. In this chapter, unless the context otherwise requires:

29 1. "Deadly weapon" means anything that is designed for lethal use.
30 The term includes a firearm.

31 2. "Deface" means to remove, alter or destroy the manufacturer's
32 serial number.

33 3. "Explosive" means any dynamite, nitroglycerine, black powder, or
34 other similar explosive material, including plastic explosives. Explosive
35 does not include ammunition or ammunition components such as primers,
36 percussion caps, smokeless powder, black powder and black powder
37 substitutes used for hand loading purposes.

38 4. "Firearm" means any loaded or unloaded handgun, pistol,
39 revolver, rifle, shotgun or other weapon that will expel, is designed to
40 expel or may readily be converted to expel a projectile by the action of
41 an explosive. Firearm does not include a firearm in permanently
42 inoperable condition.

43 5. "Improvised explosive device" means a device that incorporates
44 explosives or destructive, lethal, noxious, pyrotechnic or incendiary
45 chemicals and that is designed to destroy, disfigure, terrify or harass.

1 6. "Occupied structure" means any building, object, vehicle,
2 watercraft, aircraft or place with sides and a floor that is separately
3 securable from any other structure attached to it, that is used for
4 lodging, business, transportation, recreation or storage and in which one
5 or more human beings either are or are likely to be present or so near as
6 to be in equivalent danger at the time the discharge of a firearm occurs.
7 Occupied structure includes any dwelling house, whether occupied,
8 unoccupied or vacant.

9 7. "Prohibited possessor" means any person:

10 (a) Who has been found to constitute a danger to self or to others
11 or to have a persistent or acute disability or grave disability pursuant
12 to court order pursuant to section 36-540, and whose right to possess a
13 firearm has not been restored pursuant to section 13-925.

14 (b) Who has been convicted within or without this state of a felony
15 or who has been adjudicated delinquent for a felony and whose civil right
16 to possess or carry a firearm has not been restored.

17 (c) Who is at the time of possession serving a term of imprisonment
18 in any correctional or detention facility.

19 (d) Who is at the time of possession serving a term of probation
20 pursuant to a conviction for a domestic violence offense as defined in
21 section 13-3601 or a felony offense, parole, community supervision, work
22 furlough, home arrest or release on any other basis or who is serving a
23 term of probation or parole pursuant to the interstate compact under title
24 31, chapter 3, article 4.1.

25 (e) Who is an undocumented ~~alien~~ NONCITIZEN or a nonimmigrant ~~alien~~
26 NONRESIDENT traveling with or without documentation in this state for
27 business or pleasure or who is studying in this state and who maintains a
28 foreign residence abroad. This subdivision does not apply to:

29 (i) Nonimmigrant ~~aliens~~ NONRESIDENTS who possess a valid hunting
30 license or permit that is lawfully issued by a state in the United States.

31 (ii) Nonimmigrant ~~aliens~~ NONRESIDENTS who enter the United States
32 to participate in a competitive target shooting event or to display
33 firearms at a ~~sports~~ SPORTING or hunting trade show that is sponsored by a
34 national, state or local firearms trade organization devoted to the
35 competitive use or other sporting use of firearms.

36 (iii) Certain diplomats.

37 (iv) Officials of foreign governments or distinguished foreign
38 visitors who are designated by the United States department of state.

39 (v) Persons who have received a waiver from the United States
40 attorney general.

41 (f) Who has been found incompetent pursuant to rule 11, Arizona
42 rules of criminal procedure, and who subsequently has not been found
43 competent.

44 (g) Who is found guilty except insane.

1 8. "Prohibited weapon":
2 (a) Includes the following:
3 (i) An item that is a bomb, grenade, rocket having a propellant
4 charge of more than four ounces or mine and that is explosive, incendiary
5 or poison gas.
6 (ii) A device that is designed, made or adapted to muffle the
7 report of a firearm.
8 (iii) A firearm that is capable of shooting more than one shot
9 automatically, without manual reloading, by a single function of the
10 trigger.
11 (iv) A rifle with a barrel length of less than sixteen inches, or
12 shotgun with a barrel length of less than eighteen inches, or any firearm
13 that is made from a rifle or shotgun and that, as modified, has an overall
14 length of less than twenty-six inches.
15 (v) A breakable container that contains a flammable liquid with a
16 flash point of one hundred fifty degrees Fahrenheit or less and that has a
17 wick or similar device capable of being ignited.
18 (vi) A chemical or combination of chemicals, compounds or
19 materials, including dry ice, that is possessed or manufactured for the
20 purpose of generating a gas to cause a mechanical failure, rupture or
21 bursting or an explosion or detonation of the chemical or combination of
22 chemicals, compounds or materials.
23 (vii) An improvised explosive device.
24 (viii) Any combination of parts or materials that is designed and
25 intended for use in making or converting a device into an item set forth
26 in item (i), (v) or (vii) of this subdivision.
27 (b) Does not include:
28 (i) Any fireworks that are imported, distributed or used in
29 compliance with state laws or local ordinances.
30 (ii) Any propellant, propellant actuated devices or propellant
31 actuated industrial tools that are manufactured, imported or distributed
32 for their intended purposes.
33 (iii) A device that is commercially manufactured primarily for the
34 purpose of illumination.
35 9. "Trafficking" means to sell, transfer, distribute, dispense or
36 otherwise dispose of a weapon or explosive to another person, or to buy,
37 receive, possess or obtain control of a weapon or explosive, with the
38 intent to sell, transfer, distribute, dispense or otherwise dispose of the
39 weapon or explosive to another person.
40 B. The items set forth in subsection A, paragraph 8, subdivision
41 (a), items (i), (ii), (iii) and (iv) of this section do not include any
42 firearms or devices that are possessed, manufactured or transferred in
43 compliance with federal law.

1 Sec. 15. Section 14-2111, Arizona Revised Statutes, is amended to
2 read:

3 14-2111. Effect of noncitizen status on distribution of
4 estate

5 No person is disqualified to take as an heir because that person or
6 a person through whom that person claims is or has been ~~an alien~~ A
7 NONCITIZEN.

8 Sec. 16. Section 15-973, Arizona Revised Statutes, is amended to
9 read:

10 15-973. Apportionment of funds; expenditure limitation

11 A. The state board of education shall apportion state aid from
12 appropriations made for that purpose to the several counties on the basis
13 of state aid entitlement for the school districts in each county. An
14 allowance shall not be made for nonresident ~~alien~~ NONCITIZEN children or
15 for wards of the United States for whom tuition is paid, but attendance of
16 a student in a school of a county adjoining the county of the student's
17 residence outside the state under a certificate of educational convenience
18 as provided by section 15-825 shall be deemed to be enrollment in the
19 school of the county or school district of the student's residence.

20 B. Apportionments shall be made as follows:

21 1. By the close of business on the fifteenth day of business of
22 July, one-twelfth of the total amount to be apportioned during the fiscal
23 year.

24 2. By the close of business on the fifteenth day of business of
25 August, one-twelfth of the total amount to be apportioned during the
26 fiscal year.

27 3. By the close of business on the fifteenth day of business of
28 September, one-twelfth of the total amount to be apportioned during the
29 fiscal year.

30 4. By the close of business on the fifteenth day of business of
31 October, one-twelfth of the total amount to be apportioned during the
32 fiscal year.

33 5. By the close of business on the fifteenth day of business of
34 November, one-twelfth of the total amount to be apportioned during the
35 fiscal year.

36 6. By the close of business on the fifteenth day of business of
37 December, one-twelfth of the total amount to be apportioned during the
38 fiscal year.

39 7. By the close of business on the fifteenth day of business of
40 January, one-twelfth of the total amount to be apportioned during the
41 fiscal year.

42 8. By the close of business on the fifteenth day of business of
43 February, one-twelfth of the total amount to be apportioned during the
44 fiscal year.

1 9. By the close of business on the fifteenth day of business of
2 March, one-twelfth of the total amount to be apportioned during the fiscal
3 year.

4 10. By the close of business on the fifteenth day of business of
5 April, one-twelfth of the total amount to be apportioned during the fiscal
6 year.

7 11. By the close of business on the fifteenth day of business of
8 May, one-twelfth of the total amount to be apportioned during the fiscal
9 year.

10 12. By the close of business on the fifteenth day of business of
11 June, one-twelfth of the total amount to be apportioned during the fiscal
12 year.

13 The superintendent of public instruction shall furnish to the county
14 treasurer and the county school superintendent an abstract of the
15 apportionment and shall certify the apportionment to the department of
16 administration, which shall draw its warrant in favor of the county
17 treasurer of each county for the amount apportioned. On receipt of the
18 warrant, the county treasurer shall notify the county school
19 superintendent of the amount, together with any other monies standing to
20 the credit of that school district, in the county school fund.

21 C. Notwithstanding subsection B of this section, if sufficient
22 appropriated monies are available and on a showing by a school district
23 that additional state monies are necessary for current expenses, an
24 apportionment or part of an apportionment of state aid may be paid to the
25 school district before the date set for that apportionment by subsection B
26 of this section. A school district may not receive more than
27 three-fourths of its total apportionment before May 1 of the fiscal year.
28 Early payments pursuant to this subsection must be approved by the state
29 treasurer, the director of the department of administration and the
30 superintendent of public instruction.

31 D. The superintendent of public instruction shall not make
32 application to the federal government to utilize title VIII of the
33 elementary and secondary education act of 1965 monies in determining the
34 apportionment prescribed in this section.

35 E. If a school district that is eligible to receive monies pursuant
36 to this article is unable to meet a scheduled payment on any lawfully
37 incurred long-term obligation for debt service as provided in section
38 15-1022, the county treasurer shall use any amount distributed pursuant to
39 this section to make the payment. The county treasurer shall keep a
40 record of all the instances in which a payment is made pursuant to this
41 subsection. Any monies subsequently collected by the district to make the
42 scheduled payment shall be used to replace the amount diverted pursuant to
43 this subsection. When determining the total amount to be funded by a levy
44 of secondary taxes on property within the school district for the
45 following fiscal year, the county board of supervisors shall add to the

1 amounts budgeted to be expended during the following fiscal year an amount
2 equal to the total of all payments pursuant to this subsection during the
3 current fiscal year that were not repaid during the current year.

4 F. The total amount of state monies that may be spent in any fiscal
5 year by the state board of education for apportionment of state aid for
6 education shall not exceed the amount appropriated or authorized by
7 section 35-173 for that purpose. This section does not impose a duty on
8 an officer, agent or employee of this state to discharge a responsibility
9 or create any right in a person or group if the discharge or right would
10 require an expenditure of state monies in excess of the expenditure
11 authorized by legislative appropriation for that specific purpose.

12 G. The department of education may require local education agencies
13 to submit the student level data necessary to determine the apportionment
14 of state aid pursuant to this section on or before July 1 and on or before
15 the first day of each month thereafter.

16 Sec. 17. Section 15-1803, Arizona Revised Statutes, is amended to
17 read:

18 15-1803. Noncitizen in-state student status; nonresident
19 tuition exemption

20 A. ~~An alien~~ A NONCITIZEN is entitled to classification as an
21 in-state refugee student if the person has been granted refugee status in
22 accordance with all applicable laws of the United States and has met all
23 other requirements for domicile.

24 B. Notwithstanding any other law, a student, other than a
25 nonimmigrant alien as described in 8 United States Code section
26 1101(a)(15), who meets both of the following requirements is eligible for
27 in-state tuition at any university under the jurisdiction of the Arizona
28 board of regents or at any community college as defined in section
29 15-1401:

30 1. Attended any public or private high school option or homeschool
31 equivalent pursuant to section 15-802 while physically present in this
32 state for at least two years.

33 2. Graduated from any public or private high school option or
34 homeschool equivalent pursuant to section 15-802 while physically present
35 in this state or obtained a high school equivalency diploma in this state.

36 C. Persons without lawful immigration status are eligible for
37 in-state tuition pursuant to subsection B of this section.

38 Sec. 18. Section 17-101, Arizona Revised Statutes, is amended to
39 read:

40 17-101. Definitions

41 A. In this title, unless the context otherwise requires:

42 1. "Angling" means taking fish by one line and not more than two
43 hooks, by one line and one artificial lure, which may have attached more
44 than one hook, or by one line and not more than two artificial flies or
45 lures.

- 1 2. "Bag limit" means the maximum limit, in number or amount, of
2 wildlife that any one person may lawfully take during a specified period
3 of time.
- 4 3. "Closed season" means the time during which wildlife may not be
5 lawfully taken.
- 6 4. "Commission" means the Arizona game and fish commission.
- 7 5. "Department" means the Arizona game and fish department.
- 8 6. "Device" means any net, trap, snare, salt lick, scaffold,
9 deadfall, pit, explosive, poison or stupefying substance, crossbow,
10 firearm, bow and arrow, or other implement used for taking wildlife.
11 Device does not include a raptor or any equipment used in the sport of
12 falconry.
- 13 7. "Domicile" means a person's true, fixed and permanent home and
14 principal residence. Proof of domicile in this state may be shown as
15 prescribed by rule by the commission.
- 16 8. "Falconry" means the sport of hunting or taking quarry with a
17 trained raptor.
- 18 9. "Fishing" means to lure, attract or pursue aquatic wildlife in
19 such a manner that the wildlife may be captured or killed.
- 20 10. "Fur dealer" means any person engaged in the business of buying
21 for resale the raw pelts or furs of wild mammals.
- 22 11. "Guide" means a person who meets any of the following:
- 23 (a) Advertises for guiding services.
- 24 (b) Holds himself out to the public for hire as a guide.
- 25 (c) Is employed by a commercial enterprise as a guide.
- 26 (d) Accepts compensation in any form commensurate with the market
27 value in this state for guiding services in exchange for aiding,
28 assisting, directing, leading or instructing a person in the field to
29 locate and take wildlife.
- 30 (e) Is not a landowner or lessee who, without full fair market
31 compensation, allows access to the landowner's or lessee's property and
32 directs and advises a person in taking wildlife.
- 33 12. "License classification" means a type of license, permit, tag
34 or stamp authorized under this title and prescribed by the commission by
35 rule to take, handle or possess wildlife.
- 36 13. "License year" means the twelve-month period between January 1
37 and December 31, inclusive, or a different twelve-month period as
38 prescribed by the commission by rule.
- 39 14. "Nonresident", for the purposes of applying for a license,
40 permit, tag or stamp, means a citizen of the United States or ~~an alien~~ A
41 **NONCITIZEN** who is not a resident.
- 42 15. "Open season" means the time during which wildlife may be
43 lawfully taken.
- 44 16. "Possession limit" means the maximum limit, in number or amount
45 of wildlife, that any one person may possess at one time.

1 17. "Resident", for the purposes of applying for a license, permit,
2 tag or stamp, means a person who is:

3 (a) A member of the armed forces of the United States on active
4 duty and who is stationed in:

5 (i) This state for a period of thirty days immediately preceding
6 the date of applying for a license, permit, tag or stamp.

7 (ii) Another state or country but who lists this state as the
8 person's home of record at the time of applying for a license, permit, tag
9 or stamp.

10 (b) Domiciled in this state for six months immediately preceding
11 the date of applying for a license, permit, tag or stamp and who does not
12 claim residency privileges for any purpose in any other state or
13 jurisdiction.

14 (c) A youth who resides with and is under the guardianship of a
15 person who is a resident.

16 18. "Road" means any maintained right-of-way for public conveyance.

17 19. "Statewide" means all lands except those areas lying within the
18 boundaries of state and federal refuges, parks and monuments, unless
19 specifically provided differently by commission order.

20 20. "Take" means pursuing, shooting, hunting, fishing, trapping,
21 killing, capturing, snaring or netting wildlife or placing or using any
22 net or other device or trap in a manner that may result in capturing or
23 killing wildlife.

24 21. "Taxidermist" means any person who engages for hire in
25 mounting, refurbishing, maintaining, restoring or preserving any display
26 specimen.

27 22. "Traps" or "trapping" means taking wildlife in any manner
28 except with a gun or other implement in hand.

29 23. "Wild" means, in reference to mammals and birds, those species
30 that are normally found in a state of nature.

31 24. "Wildlife" means all wild mammals, wild birds and the nests or
32 eggs thereof, reptiles, amphibians, mollusks, crustaceans and fish,
33 including their eggs or spawn.

34 25. "Youth" means a person who is under eighteen years of age.

35 26. "Zoo" means a commercial facility open to the public where the
36 principal business is holding wildlife in captivity for exhibition
37 purposes.

38 B. The following definitions of wildlife shall apply:

39 1. "Aquatic wildlife" means fish, amphibians, mollusks, crustaceans
40 and soft-shelled turtles.

41 2. "Big game" means wild turkey, deer, elk, pronghorn (antelope),
42 bighorn sheep, bison (buffalo), peccary (javelina), bear and mountain
43 lion.

44 3. "Fur-bearing animals" means muskrats, raccoons, otters, weasels,
45 bobcats, beavers, badgers and ringtail cats.

1 4. "Game fish" means trout of all species, bass of all species,
2 catfish of all species, sunfish of all species, northern pike, walleye and
3 yellow perch.

4 5. "Game mammals" means deer, elk, bear, pronghorn (antelope),
5 bighorn sheep, bison (buffalo), peccary (javelina), mountain lion, tree
6 squirrel and cottontail rabbit.

7 6. "Migratory game birds" means wild waterfowl, including ducks,
8 geese and swans, sandhill cranes, all coots, all gallinules, common snipe,
9 wild doves and bandtail pigeons.

10 7. "Nongame animals" means all wildlife except game mammals, game
11 birds, fur-bearing animals, predatory animals and aquatic wildlife.

12 8. "Nongame birds" means all birds except upland game birds and
13 migratory game birds.

14 9. "Nongame fish" means all the species of fish except game fish.

15 10. "Predatory animals" means foxes, skunks, coyotes and bobcats.

16 11. "Raptors" means birds that are members of the order of
17 falconiformes or strigiformes and includes falcons, hawks, owls, eagles
18 and other birds that the commission may classify as raptors.

19 12. "Small game" means cottontail rabbits, tree squirrels, upland
20 game birds and migratory game birds.

21 13. "Trout" means all species of the family salmonidae, including
22 grayling.

23 14. "Upland game birds" means quail, partridge, grouse and
24 pheasants.

25 Sec. 19. Heading change

26 The article heading of title 23, chapter 2, article 2, Arizona
27 Revised Statutes, is changed from "EMPLOYMENT OF UNAUTHORIZED ALIENS" to
28 "EMPLOYMENT OF UNAUTHORIZED NONCITIZENS".

29 Sec. 20. Section 23-211, Arizona Revised Statutes, is amended to
30 read:

31 23-211. Definitions

32 In this article, unless the context otherwise requires:

33 1. "Agency" means any agency, department, board or commission of
34 this state or a county, city or town that issues a license for purposes of
35 operating a business in this state.

36 2. "Employ" means hiring an employee after December 31, 2007.

37 3. "Employee":

38 (a) Means any person who provides services or labor for an employer
39 in this state for wages or other remuneration.

40 (b) Does not include an independent contractor.

41 4. "Employer" means any individual or type of organization that
42 transacts business in this state, that has a license issued by an agency
43 in this state and that employs one or more employees in this state.
44 Employer includes this state, any political subdivision of this state and
45 self-employed persons. In the case of an independent contractor, employer

1 means the independent contractor and does not mean the person or
2 organization that uses the contract labor.

3 5. "E-verify program" means the employment verification program as
4 jointly administered by the United States department of homeland security
5 and the social security administration or any of its successor programs.

6 6. "Independent contractor" means any individual or entity that
7 carries on an independent business, that contracts to do a piece of work
8 according to the individual's or entity's own means and methods and that
9 is subject to control only as to results. Whether an individual or entity
10 is an independent contractor is determined on a case-by-case basis through
11 various factors, including whether the individual or entity:

- 12 (a) Supplies the tools or materials.
- 13 (b) Makes services available to the general public.
- 14 (c) Works or may work for a number of clients at the same time.
- 15 (d) Has an opportunity for profit or loss as a result of labor or
16 service provided.
- 17 (e) Invests in the facilities for work.
- 18 (f) Directs the order or sequence in which the work is completed.
- 19 (g) Determines the hours when the work is completed.

20 7. "Intentionally" has the same meaning prescribed in section
21 13-105.

22 8. "Knowingly employ an unauthorized ~~alien~~ NONCITIZEN" means the
23 actions described in 8 United States Code section 1324a. This term shall
24 be interpreted consistently with 8 United States Code section 1324a and
25 any applicable federal rules and regulations.

26 9. "License":
27 (a) Means any agency permit, certificate, approval, registration,
28 charter or similar form of authorization that is required by law and that
29 is issued by any agency ~~for the purposes of operating~~ TO OPERATE a
30 business in this state.

- 31 (b) Includes:
 - 32 (i) Articles of incorporation under title 10.
 - 33 (ii) A certificate of partnership, a partnership registration or
34 articles of organization under title 29.
 - 35 (iii) A grant of authority issued under title 10, chapter 15.
 - 36 (iv) Any transaction privilege tax license.

37 (c) Does not include:
38 (i) Any license issued pursuant to title 45 or 49 or rules adopted
39 pursuant to those titles.
40 (ii) Any professional license.

41 10. "Unauthorized ~~an alien~~ A NONCITIZEN" means ~~an alien~~ A NONCITIZEN who
42 does not have the legal right or authorization under federal law to work
43 in the United States as described in 8 United States Code section
44 1324a(h)(3).

1 Sec. 21. Section 23-212, Arizona Revised Statutes, is amended to
2 read:

3 23-212. Knowingly employing unauthorized noncitizens;
4 prohibition; false and frivolous complaints;
5 violation; classification; license suspension and
6 revocation; affirmative defense

7 A. An employer shall not knowingly employ an unauthorized ~~alien~~
8 **NONCITIZEN**. If, in the case when an employer uses a contract, subcontract
9 or other independent contractor agreement to obtain the labor of ~~an alien~~
10 **A NONCITIZEN** in this state, the employer knowingly contracts with an
11 unauthorized ~~alien~~ **NONCITIZEN** or with a person who employs or contracts
12 with an unauthorized ~~alien~~ **NONCITIZEN** to perform the labor, the employer
13 violates this subsection.

14 B. The attorney general shall prescribe a complaint form for a
15 person to allege a violation of subsection A of this section. The
16 complainant shall not be required to list the complainant's social
17 security number on the complaint form or to have the complaint form
18 notarized. On receipt of a complaint on a prescribed complaint form that
19 an employer allegedly knowingly employs an unauthorized ~~alien~~ **NONCITIZEN**,
20 the attorney general or county attorney shall investigate whether the
21 employer has violated subsection A of this section. If a complaint is
22 received but is not submitted on a prescribed complaint form, the attorney
23 general or county attorney may investigate whether the employer has
24 violated subsection A of this section. This subsection ~~shall not be~~
25 ~~construed to~~ **DOES NOT** prohibit the filing of anonymous complaints that are
26 not submitted on a prescribed complaint form. The attorney general or
27 county attorney shall not investigate complaints that are based solely on
28 race, color or national origin. A complaint that is submitted to a county
29 attorney shall be submitted to the county attorney in the county in which
30 the alleged unauthorized ~~alien~~ **NONCITIZEN** is or was employed by the
31 employer. The county sheriff or any other local law enforcement agency
32 may assist in investigating a complaint. When investigating a complaint,
33 the attorney general or county attorney shall verify the work
34 authorization of the alleged unauthorized ~~alien~~ **NONCITIZEN** with the
35 federal government pursuant to 8 United States Code section 1373(c). A
36 state, county or local official shall not attempt to independently make a
37 final determination on whether ~~an alien~~ **A NONCITIZEN** is authorized to work
38 in the United States. ~~An alien's~~ **A NONCITIZEN'S** immigration status or
39 work authorization status shall be verified with the federal government
40 pursuant to 8 United States Code section 1373(c). A person who knowingly
41 files a false and frivolous complaint under this subsection is guilty of a
42 class 3 misdemeanor.

43 C. If, after an investigation, the attorney general or county
44 attorney determines that the complaint is not false and frivolous:

1 1. The attorney general or county attorney shall notify the United
2 States immigration and customs enforcement of the unauthorized ~~alien~~
3 ~~NONCITIZEN~~.

4 2. The attorney general or county attorney shall notify the local
5 law enforcement agency of the unauthorized ~~alien~~ ~~NONCITIZEN~~.

6 3. The attorney general shall notify the appropriate county
7 attorney to bring an action pursuant to subsection D of this section if
8 the complaint was originally filed with the attorney general.

9 D. An action for a violation of subsection A of this section shall
10 be brought against the employer by the county attorney in the county where
11 the unauthorized ~~alien~~ ~~NONCITIZEN~~ employee is or was employed by the
12 employer. The county attorney shall not bring an action against any
13 employer for any violation of subsection A of this section that occurs
14 before January 1, 2008. A second violation of this section shall be based
15 only on an unauthorized ~~alien~~ ~~NONCITIZEN~~ who is or was employed by the
16 employer after an action has been brought for a violation of subsection A
17 of this section or section 23-212.01, subsection A.

18 E. For any action in superior court under this section, the court
19 shall expedite the action, including assigning the hearing at the earliest
20 practicable date.

21 F. On a finding of a violation of subsection A of this section:

22 1. For a first violation, as described in paragraph 3 of this
23 subsection, the court:

24 (a) Shall order the employer to terminate the employment of all
25 unauthorized ~~aliens~~ ~~NONCITIZENS~~.

26 (b) Shall order the employer to be subject to a ~~three-year~~
27 ~~THREE-YEAR~~ probationary period for the business location where the
28 unauthorized ~~alien~~ ~~NONCITIZEN~~ performed work. During the probationary
29 period the employer shall file quarterly reports in the form provided in
30 section 23-722.01 with the county attorney of each new employee who is
31 hired by the employer at the business location where the unauthorized
32 ~~alien~~ ~~NONCITIZEN~~ performed work.

33 (c) Shall order the employer to file a signed sworn affidavit with
34 the county attorney within three business days after the order is
35 issued. The affidavit shall state that the employer has terminated the
36 employment of all unauthorized ~~aliens~~ ~~NONCITIZENS~~ in this state and that
37 the employer will not intentionally or knowingly employ an unauthorized
38 ~~alien~~ ~~NONCITIZEN~~ in this state. The court shall order the appropriate
39 agencies to suspend all licenses subject to this subdivision that are held
40 by the employer if the employer fails to file a signed sworn affidavit
41 with the county attorney within three business days after the order is
42 issued. All licenses that are suspended under this subdivision shall
43 remain suspended until the employer files a signed sworn affidavit with
44 the county attorney. Notwithstanding any other law, on filing of the
45 affidavit the suspended licenses shall be reinstated immediately by the

1 appropriate agencies. For the purposes of this subdivision, the licenses
2 that are subject to suspension under this subdivision are all licenses
3 that are held by the employer specific to the business location where the
4 unauthorized ~~alien~~ NONCITIZEN performed work. If the employer does not
5 hold a license specific to the business location where the unauthorized
6 ~~alien~~ NONCITIZEN performed work, but a license is necessary to operate the
7 employer's business in general, the licenses that are subject to
8 suspension under this subdivision are all licenses that are held by the
9 employer at the employer's primary place of business. On receipt of the
10 court's order and notwithstanding any other law, the appropriate agencies
11 shall suspend the licenses according to the court's order. The court
12 shall send a copy of the court's order to the attorney general and the
13 attorney general shall maintain the copy pursuant to subsection G of this
14 section.

15 (d) May order the appropriate agencies to suspend all licenses
16 described in subdivision (c) of this paragraph that are held by the
17 employer for not ~~to exceed~~ MORE THAN ten business days. The court shall
18 base its decision to suspend THE LICENSES under this subdivision on any
19 evidence or information submitted to it during the action for a violation
20 of this subsection and shall consider the following factors, if relevant:

21 (i) The number of unauthorized ~~aliens~~ NONCITIZENS employed by the
22 employer.

23 (ii) Any prior misconduct by the employer.

24 (iii) The degree of harm resulting from the violation.

25 (iv) Whether the employer made good faith efforts to comply with
26 any applicable requirements.

27 (v) The duration of the violation.

28 (vi) The role of the directors, officers or principals of the
29 employer in the violation.

30 (vii) Any other factors the court deems appropriate.

31 2. For a second violation, as described in paragraph 3 of this
32 subsection, the court shall order the appropriate agencies to permanently
33 revoke all licenses that are held by the employer specific to the business
34 location where the unauthorized ~~alien~~ NONCITIZEN performed work. If the
35 employer does not hold a license specific to the business location where
36 the unauthorized ~~alien~~ NONCITIZEN performed work, but a license is
37 necessary to operate the employer's business in general, the court shall
38 order the appropriate agencies to permanently revoke all licenses that are
39 held by the employer at the employer's primary place of business. On
40 receipt of the order and notwithstanding any other law, the appropriate
41 agencies shall immediately revoke the licenses.

42 3. The violation ~~shall be~~ IS considered:

43 (a) A first violation by an employer at a business location if the
44 violation did not occur during a probationary period ordered by the court

1 under this subsection or section 23-212.01, subsection F for that
2 employer's business location.

3 (b) A second violation by an employer at a business location if the
4 violation occurred during a probationary period ordered by the court under
5 this subsection or section 23-212.01, subsection F for that employer's
6 business location.

7 G. The attorney general shall maintain copies of court orders that
8 are received pursuant to subsection F of this section and shall maintain a
9 database of the employers and business locations that have a first
10 violation of subsection A of this section and make the court orders
11 available on the attorney general's website.

12 H. On determining whether an employee is an unauthorized ~~alien~~
13 **NONCITIZEN**, the court shall consider only the federal government's
14 determination pursuant to 8 United States Code section 1373(c). The
15 federal government's determination creates a rebuttable presumption of the
16 employee's lawful status. The court may take judicial notice of the
17 federal government's determination and may request the federal government
18 to provide automated or testimonial verification pursuant to 8 United
19 States Code section 1373(c).

20 I. For the purposes of this section, proof of verifying the
21 employment authorization of an employee through the e-verify program
22 creates a rebuttable presumption that an employer did not knowingly employ
23 an unauthorized ~~alien~~ **NONCITIZEN**.

24 J. For the purposes of this section, an employer that establishes
25 that it has complied in good faith with the requirements of 8 United
26 States Code section 1324a(b) establishes an affirmative defense that the
27 employer did not knowingly employ an unauthorized ~~alien~~ **NONCITIZEN**. An
28 employer is considered to have complied with the requirements of 8 United
29 States Code section 1324a(b), notwithstanding an isolated, sporadic or
30 accidental technical or procedural failure to meet the requirements, if
31 there is a good faith attempt to comply with the requirements.

32 K. It is an affirmative defense to a violation of subsection A of
33 this section that the employer was entrapped. To claim entrapment, the
34 employer must admit by the employer's testimony or other evidence the
35 substantial elements of the violation. An employer who asserts an
36 entrapment defense has the burden of proving the following by a
37 preponderance of the evidence:

38 1. The idea of committing the violation started with law
39 enforcement officers or their agents rather than with the employer.

40 2. The law enforcement officers or their agents urged and induced
41 the employer to commit the violation.

42 3. The employer was not predisposed to commit the violation before
43 the law enforcement officers or their agents urged and induced the
44 employer to commit the violation.

1 L. An employer does not establish entrapment if the employer was
2 predisposed to violate subsection A of this section and the law
3 enforcement officers or their agents merely provided the employer with an
4 opportunity to commit the violation. It is not entrapment for law
5 enforcement officers or their agents merely to use a ruse or to conceal
6 their identity. The conduct of law enforcement officers and their agents
7 may be considered in determining if an employer has proven entrapment.

8 Sec. 22. Section 23-212.01, Arizona Revised Statutes, is amended to
9 read:

10 23-212.01. Intentionally employing unauthorized noncitizens;
11 prohibition; false and frivolous complaints;
12 violation; classification; license suspension
13 and revocation; affirmative defense

14 A. An employer shall not intentionally employ an unauthorized ~~alien~~
15 NONCITIZEN. If, in the case when an employer uses a contract, subcontract
16 or other independent contractor agreement to obtain the labor of ~~an alien~~
17 A NONCITIZEN in this state, the employer intentionally contracts with an
18 unauthorized ~~alien~~ NONCITIZEN or with a person who employs or contracts
19 with an unauthorized ~~alien~~ NONCITIZEN to perform the labor, the employer
20 violates this subsection.

21 B. The attorney general shall prescribe a complaint form for a
22 person to allege a violation of subsection A of this section. The
23 complainant shall not be required to list the complainant's social
24 security number on the complaint form or to have the complaint form
25 notarized. On receipt of a complaint on a prescribed complaint form that
26 an employer allegedly intentionally employs an unauthorized ~~alien~~
27 NONCITIZEN, the attorney general or county attorney shall investigate
28 whether the employer has violated subsection A of this section. If a
29 complaint is received but is not submitted on a prescribed complaint form,
30 the attorney general or county attorney may investigate whether the
31 employer has violated subsection A of this section. This subsection ~~shall~~
32 DOES not ~~be construed to~~ prohibit the filing of anonymous complaints that
33 are not submitted on a prescribed complaint form. The attorney general or
34 county attorney shall not investigate complaints that are based solely on
35 race, color or national origin. A complaint that is submitted to a county
36 attorney shall be submitted to the county attorney in the county in which
37 the alleged unauthorized ~~alien~~ NONCITIZEN is or was employed by the
38 employer. The county sheriff or any other local law enforcement agency
39 may assist in investigating a complaint. When investigating a complaint,
40 the attorney general or county attorney shall verify the work
41 authorization of the alleged unauthorized ~~alien~~ NONCITIZEN with the
42 federal government pursuant to 8 United States Code section 1373(c). A
43 state, county or local official shall not attempt to independently make a
44 final determination on whether ~~an alien~~ A NONCITIZEN is authorized to work
45 in the United States. ~~An alien's~~ A NONCITIZEN'S immigration status or

1 work authorization status shall be verified with the federal government
2 pursuant to 8 United States Code section 1373(c). A person who knowingly
3 files a false and frivolous complaint under this subsection is guilty of a
4 class 3 misdemeanor.

5 C. If, after an investigation, the attorney general or county
6 attorney determines that the complaint is not false and frivolous:

7 1. The attorney general or county attorney shall notify the United
8 States immigration and customs enforcement of the unauthorized ~~alien~~
9 NONCITIZEN.

10 2. The attorney general or county attorney shall notify the local
11 law enforcement agency of the unauthorized ~~alien~~ NONCITIZEN.

12 3. The attorney general shall notify the appropriate county
13 attorney to bring an action pursuant to subsection D of this section if
14 the complaint was originally filed with the attorney general.

15 D. An action for a violation of subsection A of this section shall
16 be brought against the employer by the county attorney in the county where
17 the unauthorized ~~alien~~ NONCITIZEN employee is or was employed by the
18 employer. The county attorney shall not bring an action against any
19 employer for any violation of subsection A of this section that occurs
20 before January 1, 2008. A second violation of this section shall be based
21 only on an unauthorized ~~alien~~ NONCITIZEN who is or was employed by the
22 employer after an action has been brought for a violation of subsection A
23 of this section or section 23-212, subsection A.

24 E. For any action in superior court under this section, the court
25 shall expedite the action, including assigning the hearing at the earliest
26 practicable date.

27 F. On a finding of a violation of subsection A of this section:

28 1. For a first violation, as described in paragraph 3 of this
29 subsection, the court shall:

30 (a) Order the employer to terminate the employment of all
31 unauthorized ~~aliens~~ NONCITIZENS.

32 (b) Order the employer to be subject to a ~~five-year~~ FIVE-YEAR
33 probationary period for the business location where the unauthorized ~~alien~~
34 NONCITIZEN performed work. During the probationary period the employer
35 shall file quarterly reports in the form provided in section 23-722.01
36 with the county attorney of each new employee who is hired by the employer
37 at the business location where the unauthorized ~~alien~~ NONCITIZEN performed
38 work.

39 (c) Order the appropriate agencies to suspend all licenses
40 described in subdivision (d) of this paragraph that are held by the
41 employer for a minimum of ten days. The court shall base its decision on
42 the length of the suspension under this subdivision on any evidence or
43 information submitted to it during the action for a violation of this
44 subsection and shall consider the following factors, if relevant:

- 1 (i) The number of unauthorized ~~aliens~~ NONCITIZENS employed by the
2 employer.
- 3 (ii) Any prior misconduct by the employer.
- 4 (iii) The degree of harm resulting from the violation.
- 5 (iv) Whether the employer made good faith efforts to comply with
6 any applicable requirements.
- 7 (v) The duration of the violation.
- 8 (vi) The role of the directors, officers or principals of the
9 employer in the violation.
- 10 (vii) Any other factors the court deems appropriate.
- 11 (d) Order the employer to file a signed sworn affidavit with the
12 county attorney. The affidavit shall state that the employer has
13 terminated the employment of all unauthorized ~~aliens~~ NONCITIZENS in this
14 state and that the employer will not intentionally or knowingly employ an
15 unauthorized ~~alien~~ NONCITIZEN in this state. The court shall order the
16 appropriate agencies to suspend all licenses subject to this subdivision
17 that are held by the employer if the employer fails to file a signed sworn
18 affidavit with the county attorney within three business days after the
19 order is issued. All licenses that are suspended under this subdivision
20 for failing to file a signed sworn affidavit shall remain suspended until
21 the employer files a signed sworn affidavit with the county attorney. For
22 the purposes of this subdivision, the licenses that are subject to
23 suspension under this subdivision are all licenses that are held by the
24 employer specific to the business location where the unauthorized ~~alien~~
25 NONCITIZEN performed work. If the employer does not hold a license
26 specific to the business location where the unauthorized ~~alien~~ NONCITIZEN
27 performed work, but a license is necessary to operate the employer's
28 business in general, the licenses that are subject to suspension under
29 this subdivision are all licenses that are held by the employer at the
30 employer's primary place of business. On receipt of the court's order and
31 notwithstanding any other law, the appropriate agencies shall suspend the
32 licenses according to the court's order. The court shall send a copy of
33 the court's order to the attorney general and the attorney general shall
34 maintain the copy pursuant to subsection G of this section.
- 35 2. For a second violation, as described in paragraph 3 of this
36 subsection, the court shall order the appropriate agencies to permanently
37 revoke all licenses that are held by the employer specific to the business
38 location where the unauthorized ~~alien~~ NONCITIZEN performed work. If the
39 employer does not hold a license specific to the business location where
40 the unauthorized ~~alien~~ NONCITIZEN performed work, but a license is
41 necessary to operate the employer's business in general, the court shall
42 order the appropriate agencies to permanently revoke all licenses that are
43 held by the employer at the employer's primary place of business. On
44 receipt of the order and notwithstanding any other law, the appropriate
45 agencies shall immediately revoke the licenses.

1 3. The violation ~~shall be~~ IS considered:

2 (a) A first violation by an employer at a business location if the
3 violation did not occur during a probationary period ordered by the court
4 under this subsection or section 23-212, subsection F for that employer's
5 business location.

6 (b) A second violation by an employer at a business location if the
7 violation occurred during a probationary period ordered by the court under
8 this subsection or section 23-212, subsection F for that employer's
9 business location.

10 G. The attorney general shall maintain copies of court orders that
11 are received pursuant to subsection F of this section and shall maintain a
12 database of the employers and business locations that have a first
13 violation of subsection A of this section and make the court orders
14 available on the attorney general's website.

15 H. On determining whether an employee is an unauthorized ~~alien~~
16 NONCITIZEN, the court shall consider only the federal government's
17 determination pursuant to 8 United States Code section 1373(c). The
18 federal government's determination creates a rebuttable presumption of the
19 employee's lawful status. The court may take judicial notice of the
20 federal government's determination and may request the federal government
21 to provide automated or testimonial verification pursuant to 8 United
22 States Code section 1373(c).

23 I. For the purposes of this section, proof of verifying the
24 employment authorization of an employee through the e-verify program
25 creates a rebuttable presumption that an employer did not intentionally
26 employ an unauthorized ~~alien~~ NONCITIZEN.

27 J. For the purposes of this section, an employer that establishes
28 that it has complied in good faith with the requirements of 8 United
29 States Code section 1324a(b) establishes an affirmative defense that the
30 employer did not intentionally employ an unauthorized ~~alien~~ NONCITIZEN.
31 An employer is considered to have complied with the requirements of 8
32 United States Code section 1324a(b), notwithstanding an isolated, sporadic
33 or accidental technical or procedural failure to meet the requirements, if
34 there is a good faith attempt to comply with the requirements.

35 K. It is an affirmative defense to a violation of subsection A of
36 this section that the employer was entrapped. To claim entrapment, the
37 employer must admit by the employer's testimony or other evidence the
38 substantial elements of the violation. An employer who asserts an
39 entrapment defense has the burden of proving the following by a
40 preponderance of the evidence:

41 1. The idea of committing the violation started with law
42 enforcement officers or their agents rather than with the employer.

43 2. The law enforcement officers or their agents urged and induced
44 the employer to commit the violation.

1 3. The employer was not predisposed to commit the violation before
2 the law enforcement officers or their agents urged and induced the
3 employer to commit the violation.

4 L. An employer does not establish entrapment if the employer was
5 predisposed to violate subsection A of this section and the law
6 enforcement officers or their agents merely provided the employer with an
7 opportunity to commit the violation. It is not entrapment for law
8 enforcement officers or their agents merely to use a ruse or to conceal
9 their identity. The conduct of law enforcement officers and their agents
10 may be considered in determining if an employer has proven entrapment.

11 Sec. 23. Section 23-361.01, Arizona Revised Statutes, is amended to
12 read:

13 23-361.01. Employer requirements; cash payments; unlawful
14 practices; civil penalty

15 A. An employer that has two or more employees and pays hourly wages
16 or salary by cash to any employee shall comply with all of the following:

17 1. The income tax withholding laws prescribed in title 43,
18 chapter 4.

19 2. The employer reporting laws prescribed in section 23-722.01.

20 3. The employment security laws prescribed in chapter 4 of this
21 title.

22 4. The workers' compensation laws prescribed in chapter 6 of this
23 title.

24 B. For a violation of subsection A of this section, the attorney
25 general may bring an action in superior court against an employer. On a
26 finding of a violation of subsection A of this section, the court shall
27 order the employer to pay a civil penalty that is equal to treble the
28 amount of all withholdings, payments, contributions or premiums that the
29 employer failed to remit as prescribed by subsection A of this section or
30 ~~five thousand dollars~~ \$5,000 for each employee for whom a violation was
31 committed, whichever is greater.

32 C. The court shall transmit the monies collected pursuant to
33 subsection B of this section to the state treasurer, and the state
34 treasurer shall deposit the monies in the state general fund. Monies
35 deposited in the state general fund pursuant to this subsection shall be
36 equally appropriated to the department of education and the department of
37 health services ~~for the purposes of offsetting~~ TO OFFSET increased costs
38 to this state by unauthorized ~~aliens~~ NONCITIZENS.

39 D. The civil penalty under this section is in addition to any other
40 penalties that may be imposed by law.

41 Sec. 24. Section 23-603, Arizona Revised Statutes, is amended to
42 read:

43 23-603. Agricultural labor; definitions; exemption

44 A. "Agricultural labor" means and includes all service performed
45 prior to January 1, 1972, that was agricultural labor as defined in this

1 section prior to that date, and that remunerated service performed after
2 December 31, 1971:

3 1. On a farm, in the employ of any person, in connection with
4 cultivating the soil, or in connection with raising or harvesting any
5 agricultural or horticultural commodity, including the raising, shearing,
6 feeding, caring for, training and management of livestock, bees, poultry,
7 and fur-bearing animals and wildlife.

8 2. In the employ of the owner or tenant or other operator of a
9 farm, in connection with the operation, management, conservation,
10 improvement or maintenance of the farm and its tools and equipment or in
11 salvaging timber or clearing land of brush and other debris left by a
12 hurricane, if the major part of the service is performed on a farm.

13 3. In connection with the production or harvesting of any commodity
14 defined as an agricultural commodity in section 15(g) of the agricultural
15 marketing act, as amended (46 Stat. 1550, sec. 3; 12 United States Code
16 section 1141j), or in connection with the ginning of cotton or in
17 connection with the operation or maintenance of ditches, canals,
18 reservoirs or waterways, not owned or operated for profit, used
19 exclusively for supplying and storing water for farming purposes.

20 4. In the employ of the operator of a farm in handling, planting,
21 drying, packing, packaging, processing, freezing, grading, storing or
22 delivering to storage or to market, or to a carrier for transportation to
23 market, in its unmanufactured state, any agricultural or horticultural
24 commodity, but only if the operator produced more than one-half of the
25 commodity with respect to which the service is performed and only if the
26 service is performed as an incident to ordinary farming operations or, in
27 the case of fruits and vegetables, as an incident to the preparation of
28 the fruits or vegetables for market.

29 5. In the employ of a group of operators of farms, or a cooperative
30 organization of which the operators are members, in the performance of
31 service described in paragraph 4 of this subsection, but only if the
32 operators produced more than one-half of the commodity with respect to
33 which the service is performed.

34 6. On a farm operated for profit if the service is not in the
35 course of the employer's trade or business.

36 B. For the purposes of this section, "farm" includes stock, dairy,
37 poultry, fruit, fur-bearing animal and truck farms and plantations,
38 ranches, nurseries, ranges, greenhouses or other similar structures that
39 are used primarily for raising agricultural or horticultural commodities,
40 including orchards.

41 C. Notwithstanding section 23-617, paragraph 1, service as
42 prescribed by subsection A of this section that is performed after
43 December 31, 1977, by an individual who is ~~an alien~~ A NONCITIZEN admitted
44 to the United States to perform agricultural labor pursuant to sections
45 214(c) and 101(a)(15)(H) of the immigration and nationality act is exempt

1 employment during any period in which it does not meet the definition of
2 employment in section 23-615, subsection A, paragraph 10.

3 D. Subsection A, paragraphs 4 and 5 of this section do not apply to
4 service performed in connection with commercial canning or commercial
5 freezing or in connection with any agricultural or horticultural commodity
6 after its delivery to a terminal market for distribution for consumption.

7 Sec. 25. Section 23-781, Arizona Revised Statutes, is amended to
8 read:

9 23-781. Denial of benefits to certain athletes and
10 noncitizens

11 A. Benefits based on services, substantially all of which consist
12 of participating in sports or athletic events or training or preparing to
13 ~~so~~ participate, shall not be paid to an individual for any week of
14 unemployment ~~which~~ THAT begins during the period between two successive
15 sport seasons, or similar periods, if the individual performed such
16 services in the first of such seasons or similar periods and there is a
17 reasonable assurance that such individual will perform such services in
18 the later of such seasons or similar periods.

19 B. ~~Benefits shall not be payable for weeks of unemployment~~
20 Beginning on and after January 1, 1978, ~~on the basis of~~ BENEFITS SHALL NOT
21 BE PAID FOR WEEKS OF UNEMPLOYMENT FOR THE services performed by ~~an alien~~ A
22 NONCITIZEN unless ~~such alien is an individual who~~ THE NONCITIZEN was
23 lawfully admitted for permanent residence ~~at the time such~~ WHEN THE
24 services were performed, was lawfully present ~~for purposes of performing~~
25 ~~such~~ TO PERFORM THE services, or was permanently residing in the United
26 States under color of law ~~at the time such~~ WHEN THE services were
27 performed, ~~(including an alien~~ A NONCITIZEN who was lawfully present in
28 the United States ~~as a result of the application of~~ UNDER the provisions
29 of section 203(a)(7) or section 212(d)(5) of the immigration and
30 nationality act). Any data or information required ~~of~~ FROM individuals
31 applying for benefits to determine whether benefits are not payable to
32 them because of their ~~alien~~ NONCITIZEN status shall be uniformly required
33 from all applicants for benefits. ~~In the case of an individual whose~~ IF
34 AN INDIVIDUAL'S application for benefits would otherwise be approved, ~~no~~ A
35 determination that benefits to such individual are not payable because of
36 ~~his alien~~ THE INDIVIDUAL'S NONCITIZEN status shall NOT be made except ~~upon~~
37 ON a preponderance of the evidence.

38 Sec. 26. Section 23-901, Arizona Revised Statutes, is amended to
39 read:

40 23-901. Definitions

41 In this chapter, unless the context otherwise requires:

42 1. "Award" means the finding or decision of an administrative law
43 judge or the commission as to the amount of compensation or benefit due an
44 injured employee or the dependents of a deceased employee.

1 2. "Client" means an individual, association, company, firm,
2 partnership, corporation or any other legally recognized entity that is
3 subject to this chapter and that enters into a professional employer
4 agreement with a professional employer organization.
5 3. "Co-employee" means every person employed by an injured
6 employee's employer.
7 4. "Commission" means the industrial commission of Arizona.
8 5. "Compensation" means the compensation and benefits provided by
9 this chapter.
10 6. "Employee", "workman", "worker" and "operative" means:
11 (a) Every person in the service of this state or a county, city,
12 town, municipal corporation or school district, including regular members
13 of lawfully constituted police and fire departments of cities and towns,
14 whether by election, appointment or contract of hire.
15 (b) Every person in the service of any employer subject to this
16 chapter, including ~~aliens~~ NONCITIZENS and minors legally or illegally
17 allowed to work for hire, but not including a person whose employment is
18 both:
19 (i) Casual.
20 (ii) Not in the usual course of the trade, business or occupation
21 of the employer.
22 (c) Lessees of mining property and the lessees' employees and
23 contractors engaged in the performance of work that is a part of the
24 business conducted by the lessor and over which the lessor retains
25 supervision or control are within the meaning of this paragraph employees
26 of the lessor, and are deemed to be drawing wages as are usually paid
27 employees for similar work. The lessor may deduct from the proceeds of
28 ores mined by the lessees the premium required by this chapter to be paid
29 for such employees.
30 (d) Regular members of volunteer fire departments organized
31 pursuant to title 48, chapter 5, article 1, regular firefighters of any
32 volunteer fire department, including private fire protection service
33 organizations, organized pursuant to title 10, chapters 24 through 40,
34 volunteer firefighters serving as members of a fire department of any
35 incorporated city or town or an unincorporated area without pay or without
36 full pay and on a part-time basis, and voluntary policemen and volunteer
37 firefighters serving in any incorporated city, town or unincorporated area
38 without pay or without full pay and on a part-time basis, are deemed to be
39 employees, but for the purposes of this chapter, the basis for computing
40 wages for premium payments and compensation benefits for regular members
41 of volunteer fire departments organized pursuant to title 48, chapter 5,
42 article 1, or organized pursuant to title 10, chapters 24 through 40,
43 regular members of any private fire protection service organization,
44 volunteer firefighters and volunteer policemen of these departments or
45 organizations shall be the salary equal to the beginning salary of the

1 same rank or grade in the full-time service with the city, town, volunteer
 2 fire department or private fire protection service organization, provided
 3 if there is no full-time equivalent then the salary equivalent shall be as
 4 determined by resolution of the governing body of the city, town or
 5 volunteer fire department or corporation.

6 (e) Members of the department of public safety reserve, organized
 7 pursuant to section 41-1715, are deemed to be employees. For the purposes
 8 of this chapter, the basis for computing wages for premium payments and
 9 compensation benefits for a member of the department of public safety
 10 reserve who is a peace officer shall be the salary received by officers of
 11 the department of public safety for the officers' first month of regular
 12 duty as an officer. For members of the department of public safety
 13 reserve who are not peace officers, the basis for computing premiums and
 14 compensation benefits is \$400 a month.

15 (f) Any person placed in on-the-job evaluation or in on-the-job
 16 training under the department of economic security's temporary assistance
 17 for needy families program or vocational rehabilitation program shall be
 18 deemed to be an employee of the department for the purpose of coverage
 19 under the state workers' compensation laws only. The basis for computing
 20 premium payments and compensation benefits shall be \$200 per month. Any
 21 person receiving vocational rehabilitation services under the department
 22 of economic security's vocational rehabilitation program whose major
 23 evaluation or training activity is academic, whether as an enrolled
 24 attending student or by correspondence, or who is confined to a hospital
 25 or penal institution, shall not be deemed to be an employee of the
 26 department for any purpose.

27 (g) Regular members of a volunteer sheriff's reserve, which may be
 28 established by resolution of the county board of supervisors, to assist
 29 the sheriff in the performance of the sheriff's official duties. A roster
 30 of the current members shall monthly be certified to the clerk of the
 31 board of supervisors by the sheriff and shall not exceed the maximum
 32 number authorized by the board of supervisors. Certified members of an
 33 authorized volunteer sheriff's reserve shall be deemed to be employees of
 34 the county for the purpose of coverage under the Arizona workers'
 35 compensation laws and occupational disease disability laws and shall be
 36 entitled to receive the benefits of these laws for any compensable
 37 injuries or disabling conditions that arise out of and occur in the course
 38 of the performance of duties authorized and directed by the sheriff.
 39 Compensation benefits and premium payments shall be based on the salary
 40 received by a regular full-time deputy sheriff of the county involved for
 41 the first month of regular patrol duty as an officer for each certified
 42 member of a volunteer sheriff's reserve. This subdivision does not
 43 provide compensation coverage for any member of a sheriff's posse who is
 44 not a certified member of an authorized volunteer sheriff's reserve except

1 as a participant in a search and rescue mission or a search and rescue
2 training mission.

3 (h) A working member of a partnership may be deemed to be an
4 employee entitled to the benefits provided by this chapter on written
5 acceptance, by endorsement, at the discretion of the insurance carrier for
6 the partnership of an application for coverage by the working partner.
7 The basis for computing premium payments and compensation benefits for the
8 working partner shall be an assumed average monthly wage of not less than
9 \$600 or more than the maximum wage provided in section 23-1041 and is
10 subject to the discretionary approval of the insurance carrier. Any
11 compensation for permanent partial or permanent total disability payable
12 to the partner is computed on the lesser of the assumed monthly wage
13 agreed to by the insurance carrier on the acceptance of the application
14 for coverage or the actual average monthly wage received by the partner at
15 the time of injury.

16 (i) The sole proprietor of a business subject to this chapter may
17 be deemed to be an employee entitled to the benefits provided by this
18 chapter on written acceptance, by endorsement, at the discretion of the
19 insurance carrier of an application for coverage by the sole proprietor.
20 The basis for computing premium payments and compensation benefits for the
21 sole proprietor is an assumed average monthly wage of not less than \$600
22 or more than the maximum wage provided by section 23-1041 and is subject
23 to the discretionary approval of the insurance carrier. Any compensation
24 for permanent partial or permanent total disability payable to the sole
25 proprietor shall be computed on the lesser of the assumed monthly wage
26 agreed to by the insurance carrier on the acceptance of the application
27 for coverage or the actual average monthly wage received by the sole
28 proprietor at the time of injury.

29 (j) A member of the Arizona national guard, Arizona state guard or
30 unorganized militia shall be deemed a state employee and entitled to
31 coverage under the Arizona workers' compensation law at all times while
32 the member is receiving the payment of the member's military salary from
33 this state under competent military orders or on order of the governor.
34 Compensation benefits shall be based on the monthly military pay rate to
35 which the member is entitled at the time of injury, but not less than a
36 salary of \$400 per month or more than the maximum provided by the workers'
37 compensation law. Arizona compensation benefits shall not inure to a
38 member compensable under federal law.

39 (k) Certified ambulance drivers and attendants who serve without
40 pay or without full pay on a part-time basis are deemed to be employees
41 and entitled to the benefits provided by this chapter and the basis for
42 computing wages for premium payments and compensation benefits for
43 certified ambulance personnel shall be \$400 per month.

44 (l) Volunteer workers of a licensed health care institution may be
45 deemed to be employees and entitled to the benefits provided by this

1 chapter on written acceptance by the insurance carrier of an application
2 by the health care institution for coverage of such volunteers. The basis
3 for computing wages for premium payments and compensation benefits for
4 volunteers shall be \$400 per month.

5 (m) Personnel who participate in a search or rescue operation or a
6 search or rescue training operation that carries a mission identifier
7 assigned by the division of emergency management as provided in section
8 35-192.01 and who serve without compensation as volunteer state employees.
9 The basis for computation of wages for premium purposes and compensation
10 benefits is the total volunteer man-hours recorded by the division of
11 emergency management in a given quarter multiplied by the amount
12 determined by the appropriate risk management formula.

13 (n) Personnel who participate in emergency management training,
14 exercises or drills that are duly enrolled or registered with the division
15 of emergency management or any political subdivision as provided in
16 section 26-314, subsection C and who serve without compensation as
17 volunteer state employees. The basis for computation of wages for premium
18 purposes and compensation benefits is the total volunteer man-hours
19 recorded by the division of emergency management or political subdivision
20 during a given training session, exercise or drill multiplied by the
21 amount determined by the appropriate risk management formula.

22 (o) Regular members of the Arizona game and fish department
23 reserve, organized pursuant to section 17-214. The basis for computing
24 wages for premium payments and compensation benefits for a member of the
25 reserve is the salary received by game rangers and wildlife managers of
26 the Arizona game and fish department for the game rangers' and wildlife
27 managers' first month of regular duty.

28 (p) Every person employed pursuant to a professional employer
29 agreement.

30 (q) A working member of a limited liability company who owns less
31 than fifty percent of the membership interest in the limited liability
32 company.

33 (r) A working member of a limited liability company who owns fifty
34 percent or more of the membership interest in the limited liability
35 company may be deemed to be an employee entitled to the benefits provided
36 by this chapter on the written acceptance, by endorsement, of an
37 application for coverage by the working member at the discretion of the
38 insurance carrier for the limited liability company. The basis for
39 computing wages for premium payments and compensation benefits for the
40 working member is an assumed average monthly wage of \$600 or more but not
41 more than the maximum wage provided in section 23-1041 and is subject to
42 the discretionary approval of the insurance carrier. Any compensation for
43 permanent partial or permanent total disability payable to the working
44 member is computed on the lesser of the assumed monthly wage agreed to by
45 the insurance carrier on the acceptance of the application for coverage or

1 the actual average monthly wage received by the working member at the time
2 of injury.

3 (s) A working shareholder of a corporation who owns less than fifty
4 percent of the beneficial interest in the corporation.

5 (t) A working shareholder of a corporation who owns fifty percent
6 or more of the beneficial interest in the corporation may be deemed to be
7 an employee entitled to the benefits provided by this chapter on the
8 written acceptance, by endorsement, of an application for coverage by the
9 working shareholder at the discretion of the insurance carrier for the
10 corporation. The basis for computing wages for premium payments and
11 compensation benefits for the working shareholder is an assumed average
12 monthly wage of \$600 or more but not more than the maximum wage provided
13 in section 23-1041 and is subject to the discretionary approval of the
14 insurance carrier. Any compensation for permanent partial or permanent
15 total disability payable to the working shareholder is computed on the
16 lesser of the assumed monthly wage agreed to by the insurance carrier on
17 the acceptance of the application for coverage or the actual average
18 monthly wage received by the working shareholder at the time of injury.

19 7. "General order" means an order applied generally throughout this
20 state to all persons under jurisdiction of the commission.

21 8. "Heart-related or perivascular injury, illness or death" means
22 myocardial infarction, coronary thrombosis or any other similar sudden,
23 violent or acute process involving the heart or perivascular system, or
24 any death resulting therefrom, and any weakness, disease or other
25 condition of the heart or perivascular system, or any death resulting
26 therefrom.

27 9. "Insurance carrier" means every insurance carrier duly
28 authorized by the director of the department of insurance and financial
29 institutions to write workers' compensation or occupational disease
30 compensation insurance in this state.

31 10. "Interested party" means the employer, the employee, or if the
32 employee is deceased, the employee's estate, the surviving spouse or
33 dependents, the commission, the insurance carrier, the third-party
34 administrator or an authorized representative.

35 11. "Mental injury, illness or condition" means any mental,
36 emotional, psychotic or neurotic injury, illness or condition.

37 12. "Order" means and includes any rule, direction, requirement,
38 standard, determination or decision other than an award or a directive by
39 the commission or an administrative law judge relative to any entitlement
40 to compensation benefits, or to the amount of compensation benefits, and
41 any procedural ruling relative to the processing or adjudicating of a
42 compensation matter.

43 13. "Personal injury by accident arising out of and in the course
44 of employment" means any of the following:

1 (a) Personal injury by accident arising out of and in the course of
2 employment.

3 (b) An injury caused by the wilful act of a third person directed
4 against an employee because of the employee's employment, but does not
5 include a disease unless resulting from the injury.

6 (c) An occupational disease that is due to causes and conditions
7 characteristic of and peculiar to a particular trade, occupation, process
8 or employment, and not the ordinary diseases to which the general public
9 is exposed, and subject to section 23-901.01 or 23-901.09 or, for
10 heart-related, perivascular or pulmonary cases, section 23-1105.

11 14. "Professional employer agreement" means a written contract
12 between a client and a professional employer organization:

13 (a) In which the professional employer organization expressly
14 agrees to co-employ all or a majority of the employees providing services
15 for the client. In determining whether the professional employer
16 organization employs all or a majority of the employees of a client, any
17 person employed pursuant to the terms of the professional employer
18 agreement after the initial placement of client employees on the payroll
19 of the professional employer organization shall be included.

20 (b) That is intended to be ongoing rather than temporary in nature.

21 (c) In which employer responsibilities for worksite employees,
22 including hiring, firing and disciplining, are expressly allocated between
23 the professional employer organization and the client in the agreement.

24 15. "Professional employer organization" means any person engaged
25 in the business of providing professional employer services. Professional
26 employer organization does not include a temporary help firm or an
27 employment agency.

28 16. "Professional employer services" means the service of entering
29 into co-employment relationships under this chapter to which all or a
30 majority of the employees providing services to a client or to a division
31 or work unit of a client are covered employees.

32 17. "Serve" or "service" means either:

33 (a) Mailing to the last known address of the receiving party.

34 (b) Transmitting by electronic transmission in a manner reasonably
35 calculated to achieve effective notice unless the receiving party opts out
36 by providing written notice to the other party.

37 18. "Special order" means an order other than a general order.

38 19. "Weakness, disease or other condition of the heart or
39 perivascular system" means arteriosclerotic heart disease, cerebral
40 vascular disease, peripheral vascular disease, cardiovascular disease,
41 angina pectoris, congestive heart trouble, coronary insufficiency,
42 ischemia and all other similar weaknesses, diseases and conditions, and
43 also previous episodes or instances of myocardial infarction, coronary
44 thrombosis or any similar sudden, violent or acute process involving the
45 heart or perivascular system.

1 20. "Workers' compensation" means workmen's compensation as used in
2 article XVIII, section 8, Constitution of Arizona.

3 Sec. 27. Section 26-105, Arizona Revised Statutes, is amended to
4 read:

5 26-105. Border security fund; exemption; reimbursement

6 A. The border security fund is established and consists of
7 legislative appropriations, gifts, grants and other donations. The
8 department of emergency and military affairs shall administer the fund.
9 Monies in the fund are continuously appropriated to the department of
10 emergency and military affairs and may be used for the following purposes:

- 11 1. Preventing human trafficking.
- 12 2. Preventing entry into the United States of:

13 (a) ~~Aliens~~ **NONCITIZENS** who are unlawfully present in the United
14 States.

15 (b) Terrorists and instruments of terrorism.

16 (c) Contraband, including narcotics and other controlled
17 substances.

18 3. Planning, designing, constructing and maintaining
19 transportation, technology and commercial vehicle inspection
20 infrastructure near this state's international border.

21 4. Clearing nonindigenous plants.

22 5. Administering and managing the construction and maintenance of a
23 physical border fence.

24 6. Awarding grants to counties to provide housing in secure
25 facilities.

26 7. Awarding grants to counties for prosecuting individuals who
27 commit crimes listed in this subsection.

28 B. In addition to the appropriations prescribed in subsection A of
29 this section, the department of emergency and military affairs may use up
30 to \$250,000 from the border security fund each fiscal year to administer
31 this section. Notwithstanding any other law, the department of emergency
32 and military affairs is authorized additional full-time equivalent
33 positions paid from the appropriation made by this subsection to
34 administer this section.

35 C. The department of emergency and military affairs must consult
36 with the following entities before spending any monies from the fund for
37 the purpose provided in:

38 1. Subsection A of this section, the department of public safety.

39 2. Subsection A, paragraph 3 of this section, the department of
40 transportation.

41 3. Subsection A, paragraph 4 of this section, the Arizona
42 department of forestry and fire management.

43 4. Subsection A, paragraph 5, 6 or 7 of this section, the
44 department of administration.

1 D. Monies in the fund are exempt from the provisions of section
2 35-190 relating to lapsing of appropriations.

3 E. The governor shall request the federal government to reimburse
4 state monies spent from the fund pursuant to this section. The
5 reimbursements shall be deposited, pursuant to sections 35-146 and 35-147,
6 in the state general fund.

7 Sec. 28. Section 28-3511, Arizona Revised Statutes, is amended to
8 read:

9 28-3511. Removal and immobilization or impoundment of
10 vehicle; Arizona crime information center database

11 A. A peace officer shall cause the removal and either
12 immobilization or impoundment of a vehicle if the peace officer determines
13 that:

14 1. A person is driving the vehicle while any of the following
15 applies:

16 (a) Except as otherwise provided in this subdivision, the person's
17 driving privilege is revoked for any reason. A peace officer shall not
18 cause the removal and either immobilization or impoundment of a vehicle
19 pursuant to this subdivision if the person's privilege to drive is valid
20 in this state.

21 (b) The person has ~~not ever~~ NEVER been issued a valid driver
22 license or permit by this state and the person does not produce evidence
23 of ever having a valid driver license or permit issued by another
24 jurisdiction. This subdivision does not apply to the operation of an
25 implement of husbandry.

26 (c) The person is subject to an ignition interlock device
27 requirement pursuant to chapter 4 of this title and the person is
28 operating a vehicle without a functioning certified ignition interlock
29 device. This subdivision does not apply to the operation of a vehicle due
30 to a substantial emergency as defined in section 28-1464.

31 (d) In furtherance of the ~~illegal~~ presence of an ~~alien~~ UNDOCUMENTED
32 NONCITIZEN in the United States and in violation of a criminal offense,
33 the person is transporting or moving or attempting to transport or move ~~an~~
34 ~~alien~~ A NONCITIZEN in this state in a vehicle if the person knows or
35 recklessly disregards the fact that the ~~alien~~ NONCITIZEN has come to, has
36 entered or remains in the United States in violation of law.

37 (e) The person is concealing, harboring or shielding or attempting
38 to conceal, harbor or shield from detection ~~an alien~~ A NONCITIZEN in this
39 state in a vehicle if the person knows or recklessly disregards the fact
40 that the ~~alien~~ NONCITIZEN has come to, entered or remains in the United
41 States in violation of law.

42 2. A person is driving ~~a~~ THE vehicle in violation of section
43 28-693 and the peace officer reasonably believes that allowing the person
44 to continue driving the vehicle would expose other persons to the risk of
45 serious bodily injury or death.

1 3. A person is driving ~~a~~ THE vehicle in violation of section
2 28-708 and the peace officer reasonably believes that allowing the person
3 to continue driving the vehicle would expose other persons to the risk of
4 serious bodily injury or death.

5 4. A person is obstructing a highway or other public thoroughfare
6 in violation of section 13-2906 and the peace officer reasonably believes
7 that allowing the person to continue driving the vehicle would expose
8 other persons to the risk of serious bodily injury or death.

9 5. The vehicle is displayed for sale or for transfer of ownership
10 with a vehicle identification number that has been destroyed, removed,
11 covered, altered or defaced.

12 B. A peace officer shall cause the removal and impoundment of a
13 vehicle if the peace officer determines that a person is driving the
14 vehicle and if all of the following apply:

15 1. The person's driving privilege is canceled or revoked for any
16 reason or the person has ~~not ever~~ NEVER been issued a driver license or
17 permit by this state and the person does not produce evidence of ever
18 having a driver license or permit issued by another jurisdiction.

19 2. The person is not in compliance with the financial
20 responsibility requirements of chapter 9, article 4 of this title.

21 3. The person is driving a vehicle that is involved in an accident
22 that results in either property damage or injury to or death of another
23 person.

24 C. Except as provided in subsection D of this section, while a
25 peace officer has control of the vehicle the peace officer shall cause the
26 removal and either immobilization or impoundment of the vehicle if the
27 peace officer has probable cause to arrest the driver of the vehicle for a
28 violation of section 4-244, paragraph 34 or section 28-1382 or 28-1383.

29 D. A peace officer shall not cause the removal and either the
30 immobilization or impoundment of a vehicle pursuant to subsection C of
31 this section if all of the following apply:

32 1. The peace officer determines that the vehicle is currently
33 registered and that the driver or the vehicle is in compliance with the
34 financial responsibility requirements of chapter 9, article 4 of this
35 title.

36 2. Another person is with the driver at the time of the arrest.

37 3. The peace officer has reasonable grounds to believe that the
38 other person who is with the driver at the time of the arrest meets all of
39 the following:

40 (a) Has a valid driver license.

41 (b) Is not impaired by intoxicating liquor, any drug, a vapor
42 releasing substance containing a toxic substance or any combination of
43 liquor, drugs or vapor releasing substances.

44 (c) Does not have any spirituous liquor in the person's body if the
45 person is under twenty-one years of age.

1 4. The other person who is with the driver at the time of the
2 arrest notifies the peace officer that the person will drive the vehicle
3 from the place of arrest to the driver's home or other place of safety.

4 5. The other person drives the vehicle as prescribed by paragraph 4
5 of this subsection.

6 E. Except as provided in subsection H of this section and as
7 otherwise provided in this article, a vehicle that is removed and either
8 immobilized or impounded pursuant to subsection A, B or C of this section
9 shall be immobilized or impounded for twenty days. An insurance company
10 does not have a duty to pay any benefits for charges or fees for
11 immobilization or impoundment.

12 F. The owner of a vehicle that is removed and either immobilized or
13 impounded pursuant to subsection A, B or C of this section, the spouse of
14 the owner and each person who has provided the department with indicia of
15 ownership as prescribed in section 28-3514 or other interest in the
16 vehicle that exists immediately before the immobilization or impoundment
17 shall be provided with an opportunity for an immobilization or poststorage
18 hearing pursuant to section 28-3514.

19 G. A law enforcement agency that employs the peace officer who
20 removes and either immobilizes or impounds a vehicle pursuant to this
21 section shall enter information about the removal and either
22 immobilization or impoundment of the vehicle in the Arizona crime
23 information center database within three business days after the removal
24 and either immobilization or impoundment.

25 H. A vehicle that is removed and either immobilized or impounded
26 pursuant to subsection A, paragraph 4 of this section shall be immobilized
27 or impounded for seven days.

28 Sec. 29. Section 32-1822, Arizona Revised Statutes, is amended to
29 read:

30 32-1822. Qualifications of applicant; application;
31 fingerprinting; fees

32 A. On a form and in a manner prescribed by the board, an applicant
33 for licensure shall submit proof that the applicant:

34 1. Is the person named on the application and on all supporting
35 documents submitted.

36 2. Is a citizen of the United States or a resident ~~alien~~
37 **NONCITIZEN**.

38 3. Is a graduate of a school of osteopathic medicine approved by
39 the American osteopathic association.

40 4. Has successfully completed an approved internship, the first
41 year of an approved multiple-year residency or a board-approved
42 equivalency.

43 5. Has passed the approved examinations for licensure within seven
44 years of application or has the board-approved equivalency of practice
45 experience.

1 6. Has not engaged in any conduct that, if it occurred in this
2 state, would be considered unprofessional conduct or, if the applicant has
3 engaged in unprofessional conduct, is rehabilitated from the underlying
4 conduct.

5 7. Is physically, mentally and emotionally able to practice
6 medicine, or, if limited, restricted or impaired in the ability to
7 practice medicine, consents to contingent licensure pursuant to subsection
8 E of this section or to entry into a program prescribed in section
9 32-1861.

10 8. Has submitted a full set of fingerprints to the board for the
11 purpose of obtaining a state and federal criminal records check pursuant
12 to section 41-1750 and Public Law 92-544. The department of public safety
13 may exchange this fingerprint data with the federal bureau of
14 investigation.

15 B. An applicant must submit with the application the nonrefundable
16 application fee prescribed in section 32-1826 and pay the prescribed
17 license issuance fee to the board at the time the license is issued.

18 C. The board or the executive director may require an applicant to
19 submit to a personal interview, a physical examination or a mental
20 evaluation or any combination of these, at the applicant's expense, at a
21 reasonable time and place as prescribed by the board if the board
22 determines that this is necessary to provide the board adequate
23 information regarding the applicant's ability to meet the licensure
24 requirements of this chapter. An interview may include medical knowledge
25 questions and other matters that are relevant to licensure.

26 D. The board may deny a license for any unprofessional conduct that
27 would constitute grounds for disciplinary action pursuant to this chapter
28 or as determined by a competent domestic or foreign jurisdiction.

29 E. The board may issue a license that is contingent on the
30 applicant entering into a stipulated order that may include a period of
31 probation or a restriction on the licensee's practice.

32 F. The executive director may issue licenses to applicants who meet
33 the requirements of this section.

34 G. A person whose license has been revoked, denied or surrendered
35 in this or any other state may apply for licensure not sooner than five
36 years after the revocation, denial or surrender.

37 H. A license issued pursuant to this section is valid for the
38 remainder of the calendar year in which it was issued, at which time it is
39 eligible for renewal.

40 Sec. 30. Section 32-1829, Arizona Revised Statutes, is amended to
41 read:

42 32-1829. Training permits; issuance of permits

43 A. The board may grant a one-year renewable training permit to a
44 person who is participating in a teaching hospital's accredited
45 internship, residency or clinical fellowship training program to allow

1 that person to practice medicine only in the supervised setting of that
2 program. Before the board issues the permit, the person shall:

3 1. Submit an application on a form and in a manner prescribed by
4 the board and proof that the applicant:

5 (a) Is the person named on the application and on all supporting
6 documentation.

7 (b) Is a citizen of the United States or a resident ~~alien~~
8 **NONCITIZEN**.

9 (c) Is a graduate of a school approved by the American osteopathic
10 association.

11 (d) Participated in postgraduate training, if any.

12 (e) Has passed approved examinations appropriate to the applicant's
13 level of education and training.

14 (f) Has not engaged in any conduct that, if it occurred in this
15 state, would be considered unprofessional conduct or, if the applicant has
16 engaged in unprofessional conduct, is rehabilitated from the underlying
17 conduct.

18 (g) Is physically, mentally and emotionally able to practice
19 medicine, or, if limited, restricted or impaired in the ability to
20 practice medicine, consents to a contingent permit or to entry into a
21 program described in section 32-1861.

22 2. Pay the nonrefundable application fee prescribed by the board.

23 B. If a permittee who is participating in a teaching hospital's
24 accredited internship, residency or clinical fellowship training program
25 must repeat or make up time in the program due to resident progression or
26 for other reasons, the board may grant that person an extension of the
27 training permit if requested to do so by the program's director of medical
28 education or a person who holds an equivalent position. The extended
29 permit limits the permittee to practicing only in the supervised setting
30 of that program for a period of time sufficient to repeat or make up the
31 training.

32 C. The board may grant a training permit to a person who is not
33 licensed in this state and who is participating in a short-term training
34 program of four months or less for continuing medical education conducted
35 in an approved school of osteopathic medicine or a hospital that has an
36 accredited hospital internship, residency or clinical fellowship training
37 program in this state. Before the board issues the permit, the person
38 shall:

39 1. Submit an application on a form and in a manner prescribed by
40 the board and proof that the applicant meets the requirements prescribed
41 in subsection A, paragraph 1 of this section.

42 2. Pay the nonrefundable application fee prescribed by the board.

43 D. A permittee is subject to the disciplinary provisions of this
44 chapter.

1 E. The executive director may issue a permit to an applicant who
2 meets the requirements of this chapter.

3 F. If a permit is not issued pursuant to subsection E of this
4 section, the board may issue a permit or may:

5 1. Issue a permit that is contingent on the applicant entering into
6 a stipulated agreement that may include a period of probation or a
7 restriction on the permittee's practice.

8 2. Deny a permit to an applicant who does not meet the requirements
9 of this chapter.

10 Sec. 31. Section 34-301, Arizona Revised Statutes, is amended to
11 read:

12 34-301. Employment of noncitizens on public works prohibited

13 A. A person WHO IS not a citizen or ward of the United States shall
14 not be employed ~~upon~~ ON or in connection with any state, county or
15 municipal works or employment.

16 B. This section ~~shall~~ DOES not ~~be construed to~~ prevent the working
17 of prisoners by ~~the~~ THIS state or a county or municipality ~~thereof~~ OF THIS
18 STATE on street, road, or other public work, nor ~~shall the provisions of~~
19 DOES this section apply to the employment of any teacher, instructor or
20 professor authorized to teach in the United States under the teacher
21 exchange program as provided by federal statutes or the employment of
22 university or college faculty members.

23 Sec. 32. Section 36-889, Arizona Revised Statutes, is amended to
24 read:

25 36-889. Licensees; applicants; residency; controlling
26 persons; requirements

27 A. Each licensee, other than a corporation, a limited liability
28 company, an association or a partnership, ~~shall be~~ IS a citizen of the
29 United States who is a resident of this state, or a legal resident ~~alien~~
30 NONCITIZEN who is a resident of this state. A corporation, association or
31 limited liability company ~~shall be~~ IS a domestic entity or a foreign
32 entity that is qualified to do business in this state. A partnership
33 shall have at least one partner who is a citizen of the United States and
34 who is a resident of this state, or who is a legal resident ~~alien~~
35 NONCITIZEN and who is a resident of this state.

36 B. The department shall not issue or renew a license unless a list
37 of each of the applicant's or licensee's controlling persons is on file
38 with the department and ~~no~~ A controlling person has NOT been denied a
39 certificate to operate a child care group home or a license to operate a
40 child care facility for the care of children in this state or ~~other~~
41 ANOTHER state or has had a license to operate a child care facility or a
42 certificate to operate a child care group home revoked for reasons that
43 relate to the endangerment of the health and safety of children.

44 C. The applicant or licensee shall notify the department within
45 thirty days after the election of any new officer or director or of any

1 change in the controlling persons and shall provide the department the
2 name and business or residential address of each controlling person and an
3 affirmation by the applicant that no controlling person has been denied a
4 certificate to operate a child care group home or a license to operate a
5 child care facility for the care of children in this state or another
6 state or has had a license to operate a child care facility or a
7 certificate to operate a child care group home revoked for reasons that
8 relate to the endangerment of the health and safety of children.

9 D. Each applicant or licensee shall designate an agent who is
10 authorized to receive communications from the department, including legal
11 service of process, and to file and sign documents for the applicant or
12 licensee. The designated agent shall be all of the following:

13 1. A controlling person.

14 2. A citizen of the United States or a legal resident ~~alien~~
15 **NONCITIZEN**.

16 3. A resident of this state.

17 Sec. 33. Section 36-2903.03, Arizona Revised Statutes, is amended
18 to read:

19 36-2903.03. United States citizenship and qualified
20 noncitizen requirements for eligibility; annual
21 report; definition

22 A. A person who is applying for eligibility under this chapter
23 shall provide verification of United States citizenship or documented
24 verification of qualified ~~alien~~ **NONCITIZEN** status. ~~Beginning July 1,~~
25 ~~2006;~~ An applicant who is applying for services pursuant to this chapter
26 shall provide satisfactory documentary evidence of citizenship or
27 qualified ~~alien~~ **NONCITIZEN** status as required by the federal deficit
28 reduction act of 2005 (P.L. 109-171; 120 Stat. 4; 42 United States Code
29 section 1396b) or any other applicable federal law or regulation.

30 B. A qualified ~~alien~~ **NONCITIZEN** may apply for eligibility pursuant
31 to section 36-2901, paragraph 6, subdivision (a) and, if otherwise
32 eligible for title XIX, may receive all services pursuant to section
33 36-2907 if the qualified ~~alien~~ **NONCITIZEN** meets at least one of the
34 following requirements:

35 1. Is designated as one of the exception groups under 8 United
36 States Code section 1613(b).

37 2. Has been a qualified ~~alien~~ **NONCITIZEN** for at least five years.

38 3. Has been continuously present in the United States since August
39 21, 1996.

40 C. Notwithstanding any other law, persons who were residing in the
41 United States under color of law on or before August 21, 1996, and who
42 were receiving services under this article based on eligibility criteria
43 established under the supplemental security income program, may apply for
44 state funded services and, if otherwise eligible for supplemental security
45 income-medical assistance only coverage except for United States

1 citizenship or qualified ~~alien~~ NONCITIZEN requirements, may be enrolled
2 with the system and receive all services pursuant to section 36-2907.

3 D. A person who is a qualified ~~alien~~ NONCITIZEN who does not meet
4 the requirements of subsection B of this section or who is a noncitizen
5 who does not claim and provide verification of qualified ~~alien~~ NONCITIZEN
6 status may apply for title XIX eligibility under section 36-2901,
7 paragraph 6, subdivision (a) and, if otherwise eligible for title XIX, may
8 receive only emergency services pursuant to section 1903(v) of the social
9 security act.

10 E. In determining the eligibility for all qualified ~~aliens~~
11 NONCITIZENS pursuant to this chapter, the income and resources of any
12 person who executed an affidavit of support pursuant to section 213A of
13 the immigration and nationality act on behalf of the qualified ~~alien~~
14 NONCITIZEN and the income and resources of the spouse, if any, of the
15 sponsoring individual shall be counted at the time of application and for
16 the redetermination of eligibility for the duration of the attribution
17 period as specified in federal law.

18 F. A person who is a qualified ~~alien~~ NONCITIZEN or a noncitizen and
19 who is not eligible for title XIX may receive only emergency services.

20 G. On or before September 30 of each year, the administration shall
21 submit a report to the governor, the president of the senate, the speaker
22 of the house of representatives and the staff director of the joint
23 legislative budget committee that includes the following information:

24 1. The number of individuals for whom the administration verified
25 immigration status using the systematic alien verification for
26 entitlements program administered by the United States citizenship and
27 immigration services.

28 2. The number of documents that were discovered to be fraudulent by
29 using the systematic alien verification for entitlements program.

30 3. A list of the types of fraudulent documents discovered.

31 4. The number of citizens of the United States who were referred by
32 the administration for prosecution pursuant to violations of state or
33 federal law and the number of individuals referred by the administration
34 for prosecution who were not citizens.

35 H. The administration shall provide copies of the report to the
36 secretary of state ~~and the director of the Arizona state library, archives~~
37 ~~and public records.~~

38 I. For THE purposes of this section, "qualified ~~alien~~ NONCITIZEN"
39 means an individual who is one of the following:

40 1. Defined as a qualified alien under 8 United States Code section
41 1641.

42 2. Defined as a qualified alien by the attorney general of the
43 United States under the authority of Public Law 104-208, section 501.

44 3. An Indian described in 8 United States Code section
45 1612(b)(2)(E).

1 Sec. 34. Section 36-2931, Arizona Revised Statutes, is amended to
2 read:

3 36-2931. Definitions

4 In this article, unless the context otherwise requires:

5 1. "Administration" means the Arizona health care cost containment
6 system administration.

7 2. "Capitation rate" means a mode of payment ~~which~~ THAT the program
8 contractor receives for the delivery of services to members pursuant to
9 this article and ~~which~~ THAT is based on a fixed rate per person
10 notwithstanding the amount of services provided to a member.

11 3. "Department" means the department of economic security.

12 4. "Director" means the director of the Arizona health care cost
13 containment system administration.

14 5. "Eligible person" means a person who:

15 (a) Is a resident of this state and a United States citizen or a
16 person who meets the requirements for qualified ~~alien~~ NONCITIZEN status as
17 determined pursuant to section 36-2903.03, who entered the United States
18 on or before August 21, 1996 or who entered the United States on or after
19 August 22, 1996 and who is a member of an exception group under Public Law
20 104-193, section 412.

21 (b) Meets the eligibility criteria pursuant to section 36-2934.

22 (c) Needs institutional services as determined pursuant to section
23 36-2936.

24 (d) Is defined as eligible pursuant to section
25 1902(a)(10)(A)(ii)(XV) and (XVI) of title XIX of the social security act
26 and who meets the income requirements of section 36-2950.

27 6. "Home and community based services" means services described in
28 section 36-2939, subsection B, paragraph 2 and subsection C.

29 7. "Institutional services" means services described in section
30 36-2939, subsection A, paragraph 1 and subsection B, paragraph 1.

31 8. "Member" means an eligible person who is enrolled in the system.

32 9. "Noncontracting provider" means a person who provides services
33 as prescribed by section 36-2939 and who does not have a subcontract with
34 a program contractor.

35 10. "Program contractor" means the department or any other entity
36 that contracts with the administration pursuant to section 36-2940 or
37 36-2944 to provide services to members pursuant to this article.

38 11. "Provider" means a person who subcontracts with a program
39 contractor for the delivery of services to members pursuant to this
40 article.

41 12. "Special health care district" means a special health care
42 district organized pursuant to title 48, chapter 31.

43 13. "State plan" means a written agreement between the centers for
44 medicare and medicaid services and the Arizona health care cost
45 containment system administration that describes eligibility, covered

1 services and the requirements for participation in the medicaid program
2 except those requirements that are waived pursuant to the research and
3 demonstration waiver pursuant to section 1115 of the social security act.

4 14. "System" means the Arizona long-term care system.

5 15. "Uniform accounting system" means a standard method of
6 collecting, recording and safeguarding Arizona long-term care system data.

7 Sec. 35. Section 36-2932, Arizona Revised Statutes, is amended to
8 read:

9 36-2932. Arizona long-term care system; powers and duties of
10 the director; expenditure limitation

11 A. The Arizona long-term care system is established. The system
12 includes the management and delivery of hospitalization, medical care,
13 institutional services and home and community based services to members
14 through the administration, the program contractors and providers pursuant
15 to this article together with federal participation under title XIX of the
16 social security act. The director in the performance of all duties shall
17 consider the use of existing programs, rules and procedures in the
18 counties and department where appropriate in meeting federal requirements.

19 B. The administration has full operational responsibility for the
20 system, which shall include the following:

21 1. Contracting with and certification of program contractors in
22 compliance with all applicable federal laws.

23 2. Approving the program contractors' comprehensive service
24 delivery plans pursuant to section 36-2940.

25 3. Providing by rule for the ability of the director to review and
26 approve or disapprove program contractors' requests for proposals for
27 providers and provider subcontracts.

28 4. Providing technical assistance to the program contractors.

29 5. Developing a uniform accounting system to be implemented by
30 program contractors and providers of institutional services and home and
31 community based services.

32 6. Conducting quality control on eligibility determinations and
33 preadmission screenings.

34 7. Establishing and managing a comprehensive system for assuring
35 the quality of care delivered by the system as required by federal law.

36 8. Establishing an enrollment system.

37 9. Establishing a member case management tracking system.

38 10. Establishing and managing a method to prevent fraud by
39 applicants, members, eligible persons, program contractors, providers and
40 noncontracting providers as required by federal law.

41 11. Coordinating benefits as provided in section 36-2946.

42 12. Establishing standards for the coordination of services.

43 13. Establishing financial and performance audit requirements for
44 program contractors, providers and noncontracting providers.

1 14. Prescribing remedies as required pursuant to 42 United States
2 Code section 1396r. These remedies may include the appointment of
3 temporary management by the director, acting in collaboration with the
4 director of the department of health services, ~~in order~~ to continue
5 operation of a nursing care institution providing services pursuant to
6 this article.

7 15. Establishing a system to implement medical child support
8 requirements, as required by federal law. The administration may enter
9 into an intergovernmental agreement with the department of economic
10 security to implement this paragraph.

11 16. ~~Establishing requirements and guidelines for the review of~~
12 ~~trusts for the purposes of establishing~~ TO ESTABLISH eligibility for the
13 system pursuant to section 36-2934.01 and posteligibility treatment of
14 income pursuant to subsection L of this section.

15 17. Accepting the delegation of authority from the department of
16 health services to enforce rules that prescribe minimum certification
17 standards for adult foster care providers pursuant to section 36-410,
18 subsection B. The administration may contract with another entity to
19 perform the certification functions.

20 18. Assessing civil penalties for improper billing as prescribed in
21 section 36-2903.01, subsection K.

22 C. For nursing care institutions and hospices that provide services
23 pursuant to this article, the director shall contract periodically as
24 deemed necessary and as required by federal law for a financial audit of
25 the institutions and hospices that is certified by a certified public
26 accountant in accordance with generally accepted auditing standards or
27 conduct or contract for a financial audit or review of the institutions
28 and hospices. The director shall notify the nursing care institution and
29 hospice at least sixty days before beginning a periodic audit. The
30 administration shall reimburse a nursing care institution or hospice for
31 any additional expenses incurred for professional accounting services
32 obtained in response to a specific request by the administration. On
33 request, the director of the administration shall provide a copy of an
34 audit performed pursuant to this subsection to the director of the
35 department of health services or that person's designee.

36 D. Notwithstanding any other provision of this article, the
37 administration may contract by an intergovernmental agreement with an
38 Indian tribe, a tribal council or a tribal organization for the provision
39 of long-term care services pursuant to section 36-2939, subsection A,
40 paragraphs 1, 2, 3 and 4 and the home and community based services
41 pursuant to section 36-2939, subsection B, paragraph 2 and subsection C,
42 subject to the restrictions in section 36-2939, subsections D and E for
43 eligible members.

1 E. The director shall require as a condition of a contract that all
2 records relating to contract compliance are available for inspection by
3 the administration subject to subsection F of this section and that these
4 records are maintained for five years. The director shall also require
5 that these records are available on request of the secretary of the United
6 States department of health and human services or its successor agency.

7 F. Subject to applicable law relating to privilege and protection,
8 the director shall adopt rules prescribing the types of information that
9 are confidential and circumstances under which that information may be
10 used or released, including requirements for physician-patient
11 confidentiality. Notwithstanding any other law, these rules shall provide
12 for the exchange of necessary information among the program contractors,
13 the administration and the department ~~for the purposes of~~ TO DETERMINE
14 eligibility ~~determination~~ under this article.

15 G. The director shall adopt rules to specify methods for the
16 transition of members into, within and out of the system. The rules shall
17 include provisions for the transfer of members, the transfer of medical
18 records and the initiation and termination of services.

19 H. The director shall adopt rules that provide for withholding or
20 forfeiting payments made to a program contractor if it fails to comply
21 with a provision of its contract or with the director's rules.

22 I. The director shall:

23 1. Establish by rule the time frames and procedures for all
24 grievances and requests for hearings consistent with section 36-2903.01,
25 subsection B, paragraph 4.

26 2. Apply for and accept federal monies available under title XIX of
27 the social security act in support of the system. In addition, the
28 director may apply for and accept grants, contracts and private donations
29 in support of the system.

30 3. Not less than thirty days before the administration implements a
31 policy or a change to an existing policy relating to reimbursement,
32 provide notice to interested parties. Parties interested in receiving
33 notification of policy changes shall submit a written request for
34 notification to the administration.

35 J. The director may apply for federal monies available for the
36 support of programs to investigate and prosecute violations arising from
37 the administration and operation of the system. Available state monies
38 appropriated for the administration of the system may be used as matching
39 monies to secure federal monies pursuant to this subsection.

40 K. The director shall adopt rules that establish requirements of
41 state residency and qualified ~~alien~~ NONCITIZEN status as prescribed in
42 section 36-2903.03. The administration shall enforce these requirements
43 as part of the eligibility determination process. The rules shall also
44 provide for the determination of the applicant's county of residence for
45 the purpose of assignment of the appropriate program contractor.

1 L. The director shall adopt rules in accordance with the state plan
2 regarding posteligibility treatment of income and resources that determine
3 the portion of a member's income that ~~shall be~~ IS available for payment
4 for services under this article. The rules shall provide that a portion
5 of income may be retained for:

6 1. A personal needs allowance for members receiving institutional
7 services of at least fifteen ~~per cent~~ PERCENT of the maximum monthly
8 supplemental security income payment for an individual or a personal needs
9 allowance for members receiving home and community based services based on
10 a reasonable assessment of need.

11 2. The maintenance needs of a spouse or family at home in
12 accordance with federal law. The minimum resource allowance for the
13 spouse or family at home is ~~twelve thousand dollars~~ \$12,000 adjusted
14 annually by the same percentage as the percentage change in the consumer
15 price index for all urban consumers (all items; United States city
16 average) between September 1988 and the September before the calendar year
17 involved.

18 3. Expenses incurred for noncovered medical or remedial care that
19 are not subject to payment by a ~~third party~~ THIRD-PARTY payor.

20 M. In addition to the rules otherwise specified in this article,
21 the director may adopt necessary rules pursuant to title 41, chapter 6 to
22 carry out this article. Rules adopted by the director pursuant to this
23 subsection may consider the differences between rural and urban conditions
24 on the delivery of services.

25 N. The director shall not adopt any rule or enter into or approve
26 any contract or subcontract that does not conform to federal requirements
27 or that may cause the system to lose any federal monies to which it is
28 otherwise entitled.

29 O. The administration, program contractors and providers may
30 establish and maintain review committees dealing with the delivery of
31 care. Review committees and their staff are subject to the same
32 requirements, protections, privileges and immunities prescribed pursuant
33 to section 36-2917.

34 P. If the director determines that the financial viability of a
35 nursing care institution or hospice is in question, the director may
36 require a nursing care institution and a hospice providing services
37 pursuant to this article to submit quarterly financial statements within
38 thirty days after the end of its financial quarter unless the director
39 grants an extension in writing before that date. Quarterly financial
40 statements submitted to the department shall include the following:

41 1. A balance sheet detailing the institution's assets, liabilities
42 and net worth.

43 2. A statement of income and expenses, including current personnel
44 costs and full-time equivalent statistics.

1 Q. The director may require monthly financial statements if the
2 director determines that the financial viability of a nursing care
3 institution or hospice is in question. The director shall prescribe the
4 requirements of these statements.

5 R. The total amount of state monies that may be spent in any fiscal
6 year by the administration for long-term care shall not exceed the amount
7 appropriated or authorized by section 35-173 for that purpose. This
8 article ~~shall~~ DOES not ~~be construed to~~ impose a duty on an officer, agent
9 or employee of this state to discharge a responsibility or to create any
10 right in a person or group if the discharge or right would require an
11 expenditure of state monies in excess of the expenditure authorized by
12 legislative appropriation for that specific purpose.

13 Sec. 36. Section 36-2983, Arizona Revised Statutes, is amended to
14 read:

15 36-2983. Eligibility for the program

16 A. The administration shall establish a streamlined eligibility
17 process for applicants to the program and shall issue a certificate of
18 eligibility at the time eligibility for the program is determined.
19 Eligibility ~~shall be~~ IS based on gross household income for a member as
20 defined in section 36-2981. The administration shall not apply a resource
21 test in the eligibility determination or redetermination process.

22 B. The administration shall use a simplified eligibility form that
23 may be mailed to the administration. Once a completed application is
24 received, including adequate verification of income, the administration
25 shall expedite the eligibility determination and enrollment on a
26 prospective basis.

27 C. The date of eligibility is the first day of the month following
28 a determination of eligibility if the decision is made by the twenty-fifth
29 day of the month. A person who is determined eligible for the program
30 after the twenty-fifth day of the month is eligible for the program the
31 first day of the second month following the determination of eligibility.

32 D. An applicant for the program who appears to be eligible pursuant
33 to section 36-2901, paragraph 6, subdivision (a) shall have a social
34 security number or shall apply for a social security number within thirty
35 days after the applicant ~~submits an application~~ APPLIES for the program.

36 E. ~~In order~~ To be eligible for the program, a person shall be a
37 resident of this state and shall meet title XIX requirements for United
38 States citizenship or qualified ~~alien~~ NONCITIZEN status in the manner
39 prescribed in section 36-2903.03.

40 F. In determining the eligibility for all qualified ~~aliens~~
41 NONCITIZENS pursuant to this article, the income and resources of a person
42 who executed an affidavit of support pursuant to section 213A of the
43 immigration and nationality act on behalf of the qualified ~~alien~~
44 NONCITIZEN and the income and resources of the spouse, if any, of the
45 sponsoring individual shall be counted at the time of application and for

1 the redetermination of eligibility for the duration of the attribution
2 period as specified in federal law.

3 G. Pursuant to federal law, a person is not eligible for the
4 program if that person is:

5 1. Eligible for title XIX or other federally operated or financed
6 health care insurance programs, except the Indian health service.

7 2. Covered by any group health plan or other health insurance
8 coverage as defined in section 2791 of the public health service
9 act. ~~Group health plan or other health insurance coverage does not
10 include coverage to persons who are defined as eligible pursuant to the
11 premium sharing program.~~

12 3. A member of a family that is eligible for health benefits
13 coverage under a state health benefit plan based on a family member's
14 employment with a public agency in this state.

15 4. An inmate of a public institution or a patient in an institution
16 for mental diseases. This paragraph does not apply to services furnished
17 in a state operated mental hospital or to residential or other twenty-four
18 hour therapeutically planned structured services.

19 H. A child who is covered under an employer's group health
20 insurance plan or through family or individual health care coverage shall
21 not be enrolled in the program. If the health insurance coverage is
22 voluntarily discontinued for any reason, except for the loss of health
23 insurance due to loss of employment or other involuntary reason, the child
24 is not eligible for the program for a period of three months ~~from~~ AFTER
25 the date that the health care coverage was discontinued. The
26 administration may waive the ~~three month~~ THREE-MONTH period for any child
27 who is seriously or chronically ill. For the purposes of the waiver,
28 "chronically ill" means a medical condition that requires frequent and
29 ongoing treatment and that if not properly treated will seriously affect
30 the child's overall health. The administration shall establish rules to
31 further define conditions that constitute a serious or chronic illness.

32 I. Pursuant to federal law, a private insurer, as defined by the
33 secretary of the United States department of health and human services,
34 shall not limit enrollment by contract or any other means based on the
35 presumption that a child may be eligible for the program.

36 Sec. 37. Section 38-231, Arizona Revised Statutes, is amended to
37 read:

38 38-231. Officers and employees required to take loyalty oath;
39 form; violation; classification; definition

40 A. In order to ensure the statewide application of this section on
41 a uniform basis, each board, commission, agency and independent office of
42 this state, and of any of its political subdivisions, and of any county,
43 city, town, municipal corporation, school district and public educational
44 institution, shall completely reproduce this section so that the form of
45 written oath or affirmation required in this section contains all of the

1 provisions of this section for use by all officers and employees of all
2 boards, commissions, agencies and independent offices.

3 B. Any officer or employee who fails to take and subscribe to the
4 oath or affirmation provided by this section within the time limits
5 prescribed by this section is not entitled to any compensation until the
6 officer or employee does so take and subscribe to the form of oath or
7 affirmation prescribed by this section.

8 C. Any officer or employee having taken the form of oath or
9 affirmation prescribed by this section, and knowingly at the time of
10 subscribing to the oath or affirmation, or at any time thereafter during
11 the officer's or employee's term of office or employment, does commit or
12 aid in the commission of any act to overthrow by force, violence or
13 terrorism as defined in section 13-2301 the government of this state or of
14 any of its political subdivisions, or advocates the overthrow by force,
15 violence or terrorism as defined in section 13-2301 of the government of
16 this state or of any of its political subdivisions, is guilty of a class 4
17 felony and, on conviction under this section, the officer or employee is
18 deemed discharged from the office or employment and is not entitled to any
19 additional compensation or any other emoluments or benefits which may have
20 been incident or appurtenant to the office or employment.

21 D. Any of the persons referred to in article XVIII, section 10,
22 Constitution of Arizona, as amended, relating to the employment of ~~aliens~~
23 **NONCITIZENS**, are exempted from any compliance with this section.

24 E. In addition to any other form of oath or affirmation
25 specifically provided by law for an officer or employee, before any
26 officer or employee enters ~~अपना~~ **ON** the duties of the office or employment,
27 the officer or employee shall take and subscribe the following oath or
28 affirmation:

29 State of Arizona, County of _____ I, _____
30 (type or print name)
31 do solemnly swear (or affirm) that I will support the Constitution of the
32 United States and the Constitution and laws of the State of Arizona, that
33 I will bear true faith and allegiance to the same and defend them against
34 all enemies, foreign and domestic, and that I will faithfully and
35 impartially discharge the duties of the office of _____
36 (name of office) _____ according to the best of my
37 ability, so help me God (or so I do affirm).

38 _____
39 (signature of officer or employee)

40 F. For the purposes of this section, "officer or employee" means
41 any person elected, appointed or employed, either on a part-time or
42 full-time basis, by this state or any of its political subdivisions or any
43 county, city, town, municipal corporation, school district, public
44 educational institution or any board, commission or agency of any county,

1 city, town, municipal corporation, school district or public educational
2 institution.

3 Sec. 38. Section 38-727, Arizona Revised Statutes, is amended to
4 read:

5 38-727. Eligibility; options

6 A. The following provisions apply to all employees hired on or
7 after the effective date:

8 1. All employees and officers of this state and all officers and
9 employees of political subdivisions establishing a retirement plan
10 administered by the board pursuant to this article are subject to this
11 article, except that membership is not mandatory:

12 (a) On the part of any employee who is eligible and who elects to
13 participate in the optional retirement programs established by the Arizona
14 board of regents pursuant to the authority conferred by section 15-1628 or
15 by a community college district board pursuant to authority conferred by
16 section 15-1451.

17 (b) For a state elected official who is subject to term limits, who
18 is elected or appointed before January 1, 2014, who is eligible for
19 participation in ASRS because the state elected official elected not to
20 participate in the elected officials' retirement plan as provided in
21 section 38-804, subsection A and who elects not to participate in ASRS as
22 provided in paragraph 7 of this subsection.

23 (c) On the part of any employee or officer who is eligible to
24 participate and who participates in the elected officials' retirement plan
25 pursuant to article 3 of this chapter, the elected officials' defined
26 contribution retirement system pursuant to article 3.1 of this chapter,
27 the public safety personnel retirement system pursuant to article 4 of
28 this chapter or the corrections officer retirement plan pursuant to
29 article 6 of this chapter.

30 2. All employees and officers of political subdivisions whose
31 compensation is provided wholly or in part from state monies and who are
32 declared to be state employees and officers by the legislature for
33 retirement purposes are subject, on legislative enactment, to this article
34 and are members of ASRS.

35 3. Any member whose service terminates other than by death or
36 withdrawal from membership is deemed to be a member of ASRS until the
37 member's death benefit is paid.

38 4. Employees and officers shall not become members of ASRS and, if
39 they are members immediately before becoming employed as provided by this
40 section, shall have their membership status suspended while they are
41 employed by state departments paying the salaries of their officers and
42 employees wholly or in part from monies received from sources other than
43 appropriations from the state general fund for the period or periods
44 payment of the employer contributions is not made by or on behalf of the
45 departments.

1 5. Notwithstanding other provisions of this section, a temporary
2 employee of the legislature whose projected term of employment is for not
3 more than six months is ineligible for membership in ASRS. If the
4 employment continues beyond six successive months, the employee may elect
5 to either:

6 (a) Receive credit for service for the first six months of
7 employment and establish membership in ASRS as of the beginning of the
8 current term of employment if, within forty-five days after the first six
9 months of employment, both the employer and the employee contribute to
10 ASRS the amount that would have been required to be contributed to ASRS
11 during the first six months of employment as if the employee had been a
12 member of ASRS during those six months.

13 (b) Establish membership in ASRS as of the day following the
14 completion of six months of employment.

15 6. A person who is employed in postgraduate training in an approved
16 medical residency training program of an employer or a postdoctoral
17 scholar who is employed by a university under the jurisdiction of the
18 Arizona board of regents is ineligible for membership in ASRS.

19 7. A state elected official who is subject to term limits, who is
20 elected or appointed before January 1, 2014 and who is eligible for
21 participation in ASRS because the state elected official elected not to
22 participate in the elected officials' retirement plan as provided in
23 section 38-804, subsection A may elect not to participate in ASRS. The
24 election not to participate is specific for that term of office. The
25 state elected official who is subject to term limits shall make the
26 election in writing and file the election with ASRS within thirty days
27 after the elected official's retirement plan mails the notice to the state
28 elected official of the state elected official's eligibility to
29 participate in ASRS. The election is effective on the first day of the
30 state elected official's eligibility. If a state elected official who is
31 subject to term limits fails to make an election as provided in this
32 paragraph, the state elected official is deemed to have elected to
33 participate in ASRS. The election not to participate in ASRS is
34 irrevocable and constitutes a waiver of all benefits provided by ASRS for
35 the state elected official's entire term, except for any benefits accrued
36 by the state elected official in ASRS for periods of participation before
37 being elected to an office subject to term limits or any benefits
38 expressly provided by law.

39 8. A person may elect not to participate in ASRS if the person
40 becomes employed by an employer after the person has attained at least
41 sixty-five years of age, is not an active member, inactive member, retired
42 member or receiving benefits pursuant to article 2.1 of this chapter and
43 does not have any credited service or prior service in ASRS. The employee
44 shall make the election not to participate in writing and file the
45 election with ASRS within thirty days after employment. The election not

1 to participate is irrevocable for the remainder of the person's employment
2 for which the person made the election and constitutes a waiver of all
3 benefits provided by the ~~Arizona state retirement system~~ ASRS. The period
4 the person works is not eligible for purchase under section 38-743 or
5 38-744.

6 9. The following are ineligible for membership in ASRS:

7 (a) A person who performs services in a hospital, home or other
8 institution as an inmate or patient at the hospital, home or other
9 institution.

10 (b) A person who performs agricultural labor services, as defined
11 in section 210 of the social security act.

12 (c) A person who is a nonresident ~~alien~~ NONCITIZEN temporarily
13 residing in the United States and who holds an F-1, J-1, M-1 or Q-1 visa
14 when services are performed.

15 (d) A person who performs services for a school, college or
16 university in this state at which the person is enrolled as a student, as
17 defined by the employing institution. The employing institution shall
18 maintain an appeal process for a person who disagrees with the employing
19 institution's determination that the person is a student and not eligible
20 for membership in ASRS.

21 (e) A person who performs services under a program designed to
22 relieve the person from unemployment.

23 B. The following elected officials are subject to this article if
24 the member's employer is an employer under article 3 of this chapter:

25 1. A state elected official who is subject to term limits, who is
26 elected or appointed on or before December 31, 2013 and who is an active,
27 an inactive or a retired member of ASRS or a member of ASRS with a
28 disability because the state elected official had previously elected not
29 to participate in the elected officials' retirement plan as provided in
30 section 38-804, subsection A.

31 2. An elected official, as defined in section 38-831, who is an
32 active, an inactive or a retired member of ASRS or a member of ASRS with a
33 disability, if the elected official's employer is a participating employer
34 under this article and the elected official is eligible for ASRS service
35 credit for the elected official's service.

36 Sec. 39. Section 41-906, Arizona Revised Statutes, is amended to
37 read:

38 41-906. Return of noncitizen and nonresident public charges

39 A. The governor shall cooperate with the ~~United States commissioner~~
40 ~~general of immigration~~ ASSISTANT SECRETARY OF THE UNITED STATES
41 IMMIGRATION AND CUSTOMS ENFORCEMENT AND THE DIRECTOR OF THE UNITED STATES
42 CITIZENSHIP AND IMMIGRATION SERVICES and with boards or officials of
43 foreign countries for ~~the purpose of~~ arranging and providing for the
44 return to the foreign countries of ~~alien~~ NONCITIZEN public charges

1 confined in the state hospital or in the industrial school, and of ~~aliens~~
2 **NONCITIZENS** discharged from the state prison.

3 B. To facilitate the return of nonresident public charges confined
4 in the state hospital, or in the state industrial school, the governor may
5 enter into reciprocal agreements or arrangements with officers of other
6 states for the mutual exchange of such public charges, and in pursuance
7 thereof the governor may give written consent and approval of the return
8 to the state of any resident of this state confined in a public
9 institution of another state, corresponding to hospitals or asylums for
10 the insane, or of a state institution for the reformation of delinquent
11 minors.

12 C. A person ~~shall not be~~ **IS NOT** deemed a resident of this state for
13 the purposes of this section unless ~~he~~ **THE PERSON** has resided continuously
14 in ~~the~~ **THIS** state for one year next preceding commitment to any of the
15 institutions named in this section.

16 D. The expenses incurred in returning ~~aliens~~ **NONCITIZENS** and
17 nonresident public charges shall be paid by the state, but the expense of
18 returning residents of this state to this state shall not be paid by this
19 state.

20 Sec. 40. Section 41-1080, Arizona Revised Statutes, is amended to
21 read:

22 **41-1080. Licensing eligibility; authorized presence;**
23 **documentation; applicability; definitions**

24 A. Subject to subsections C and D of this section, an agency or
25 political subdivision of this state shall not issue a license to an
26 individual if the individual does not provide documentation of citizenship
27 or ~~alien~~ **NONCITIZEN** status by presenting any of the following documents to
28 the agency or political subdivision indicating that the individual's
29 presence in the United States is authorized under federal law:

- 30 1. An Arizona driver license issued after 1996 or an Arizona
31 nonoperating identification license.
- 32 2. A driver license issued by a state that verifies lawful presence
33 in the United States.
- 34 3. A birth certificate or delayed birth certificate issued in any
35 state, territory or possession of the United States.
- 36 4. A United States certificate of birth abroad.
- 37 5. A United States passport.
- 38 6. A foreign passport with a United States visa.
- 39 7. An I-94 form with a photograph.
- 40 8. A United States citizenship and immigration services employment
41 authorization document or refugee travel document.
- 42 9. A United States certificate of naturalization.
- 43 10. A United States certificate of citizenship.
- 44 11. A tribal certificate of Indian blood.

1 12. A tribal or bureau of Indian affairs affidavit of birth.

2 13. Any other license that is issued by the federal government, any
3 other state government, an agency of this state or a political subdivision
4 of this state **AND** that requires proof of citizenship or lawful ~~alien~~
5 **NONCITIZEN** status before issuing the license.

6 B. This section does not apply to an individual if either:

7 1. Both of the following apply:

8 (a) The individual is a citizen of a foreign country or, if at the
9 time of application, the individual resides in a foreign country.

10 (b) The benefits that are related to the license do not require the
11 individual to be present in the United States ~~in order~~ to receive those
12 benefits.

13 2. All of the following apply:

14 (a) The individual is a resident of another state.

15 (b) The individual holds an equivalent license in that other state
16 and the equivalent license is of the same type being sought in this state.

17 (c) The individual seeks the Arizona license to comply with this
18 state's licensing laws and not to establish residency in this state.

19 C. If, pursuant to subsection A of this section, an individual has
20 affirmatively established citizenship of the United States or a form of
21 nonexpiring work authorization issued by the federal government, the
22 individual, on renewal or reinstatement of a license, is not required to
23 provide subsequent documentation of that status.

24 D. If, on renewal or reinstatement of a license, an individual
25 holds a limited form of work authorization issued by the federal
26 government that has expired, the individual shall provide documentation of
27 that status.

28 E. If a document listed in subsection A, paragraphs 1 through 12 of
29 this section does not contain a photograph of the individual, the
30 individual shall also present a government issued document that contains a
31 photograph of the individual.

32 F. For the purposes of this section:

33 1. "Agency" means any agency, department, board or commission of
34 this state or any political subdivision of this state that issues a
35 license ~~for the purposes of operating~~ **TO OPERATE** a business in this state
36 or to an individual who provides a service to any person.

37 2. "License" means any agency permit, certificate, approval,
38 registration, charter or similar form of authorization that is required by
39 law and that is issued by any agency ~~for the purposes of operating~~ **TO**
40 **OPERATE** a business in this state or to an individual who provides a
41 service to any person where the license is necessary in performing that
42 service.

1 Sec. 41. Section 41-1462, Arizona Revised Statutes, is amended to
2 read:

3 41-1462. Exemption; nonresident noncitizens, religious
4 institutions

5 This article does not apply to an employer with respect to the
6 employment of ~~aliens~~ NONCITIZENS outside any state or to a religious
7 corporation, association, educational institution or society with respect
8 to the employment of individuals of a particular religion to perform work
9 connected with the ~~carrying on by such~~ CONTINUATION OF THE corporation,
10 association, educational institution or society of its activities.

11 Sec. 42. Section 43-210, Arizona Revised Statutes, is amended to
12 read:

13 43-210. Premium tax credit; health insurance; certification
14 of qualified persons; violation; classification;
15 definitions

16 A. The department shall issue a certificate of eligibility to a
17 person who files an application with the department in the form and manner
18 prescribed by the department on a ~~first come, first served~~ FIRST-COME,
19 FIRST-SERVED basis, subject to subsection E OF THIS SECTION. An
20 application submitted to the department under this section shall contain
21 or be verified by a written declaration that it is made under penalty of
22 perjury. A person is entitled to receive a certificate if the department
23 determines monies are available for this program pursuant to subsection E
24 OF THIS SECTION, the person has never ~~before~~ received a certificate and
25 the person is either:

- 26 1. A small business.
- 27 2. An individual who satisfies all of the following:
 - 28 (a) Earns less than two hundred fifty ~~per cent~~ PERCENT of the
29 federal poverty level.
 - 30 (b) Is a legal resident of this state and a citizen of the United
31 States or a legal resident ~~alien~~ NONCITIZEN.
 - 32 (c) Has not been covered under a health insurance policy for at
33 least six consecutive months before the application.
 - 34 (d) Is not enrolled in the Arizona health care cost containment
35 system, medicare or any other state or federal government health insurance
36 program.

37 B. A health care insurer that enrolls an individual or small
38 business certified pursuant to this section shall deduct the amount of the
39 certificate from the premium.

40 C. For an individual, the amount of the certificate is the lesser
41 of:

- 42 1. ~~One thousand dollars~~ \$1,000 for coverage on a single person,
43 ~~five hundred dollars~~ \$500 for coverage on a child or ~~three thousand~~
44 ~~dollars~~ \$3,000 for family coverage.
- 45 2. Fifty ~~per cent~~ PERCENT of the health insurance premium.

1 D. For a small business, the amount of the certificate is the
2 lesser of:

3 1. ~~One thousand dollars~~ \$1,000 for coverage on each single employee
4 or ~~three thousand dollars~~ \$3,000 for each employee who elects family
5 coverage.

6 2. Fifty ~~per cent~~ PERCENT of the health insurance premium.

7 E. A health care insurer that enrolls an individual or small
8 business certified pursuant to this section shall notify the department of
9 the enrollment and the amount of premium tax credit it intends to claim
10 for the current calendar year no later than the fifteenth day of the month
11 following commencement of coverage. The department shall not issue any
12 certificates under this section that exceed in the aggregate a combined
13 total of ~~five million dollars~~ \$5,000,000 in any calendar year.

14 F. The initial certificate is valid for a period of ninety days
15 after the date the department issues the certificate. If the individual
16 or small business obtains health care insurance within this ~~period of~~ time
17 PERIOD, the certificate is valid for one year ~~from~~ AFTER commencement of
18 coverage.

19 G. Sixty days before the expiration of the certificate the
20 department shall review the status of the individual or small
21 business. If the individual or small business continues to meet the
22 qualifications pursuant to subsection A, paragraph 1 or paragraph 2,
23 subdivisions (a), (b) and (d) OF THIS SECTION, the department shall
24 reissue the certificate of eligibility.

25 H. Individuals and small businesses are eligible for a maximum of
26 two reissued certificates of eligibility.

27 I. This section does not guarantee health insurance coverage to an
28 individual or small business pursuant to this section.

29 J. The department shall issue the certificate of eligibility in the
30 name of a specific individual and the certificate is nontransferable. A
31 person who sells, conveys, transfers or assigns the certificate to another
32 person or attempts to sell, convey, transfer or assign the certificate to
33 another person is guilty of a class 2 misdemeanor.

34 K. For the purposes of this section:

35 1. "Family" means any of the following:

36 (a) An adult and the adult's spouse.

37 (b) An adult, the adult's spouse and all unmarried dependent
38 children under nineteen years of age or under twenty-five years of age if
39 a full-time student.

40 (c) An adult and the adult's unmarried dependent children under
41 nineteen years of age or under twenty-five years of age if a full-time
42 student.

43 2. "Federal poverty level" means the federal poverty level
44 guidelines published annually by the United States department of health
45 and human services.

1 3. "Health care insurer" means a disability insurer, group
2 disability insurer, blanket disability insurer, health care services
3 organization, hospital service corporation, medical service corporation or
4 hospital and medical service corporation that provides health insurance in
5 this state.

6 4. "Health insurance" means a licensed health care plan or
7 arrangement that pays for or furnishes medical or health care services and
8 that is issued by a health care insurer.

9 5. "Small business" means a business that has been in existence for
10 at least one calendar year in this state, that had not provided health
11 insurance to its employees for at least six consecutive months before the
12 application and that had at least two and ~~no~~ NOT more than twenty-five
13 employees during the most recent calendar year.

14 Sec. 43. Section 46-292, Arizona Revised Statutes, is amended to
15 read:

16 46-292. Eligibility for assistance

17 A. A family without a dependent child in the household may not
18 receive cash assistance.

19 B. Cash assistance may be given under this title to any dependent
20 child and member of a needy family:

21 1. Who has established residence in Arizona at the time of
22 application and who is either:

23 (a) A citizen by birth or naturalization.

24 (b) A qualified ~~alien~~ NONCITIZEN who entered the United States on
25 or before August 21, 1996.

26 (c) A qualified ~~alien~~ NONCITIZEN who entered the United States as a
27 member of one of the exception groups under Public Law 104-193, section
28 412, in which case the person shall be determined eligible in accordance
29 with Public Law 104-193.

30 (d) Defined as a qualified alien by the attorney general of the
31 United States under the authority of Public Law 104-208, section 501.

32 For the purposes of subdivisions (b) and (c) of this paragraph, "qualified
33 ~~alien~~ NONCITIZEN" means a person who is defined as a qualified alien under
34 Public Law 104-193, section 431.

35 2. If the parent or parents of the dependent child or the nonparent
36 relative head of household receiving assistance, if employable, does not
37 refuse to accept available employment. The department shall assess the
38 applicant's employability at the time of initial application for
39 assistance to establish a self-sufficiency diversion option, if
40 appropriate, before benefit issuance. The determination of employability
41 and the conditions under which employment shall be required shall be
42 determined by the state department, except that claimed unemployability
43 because of physical or mental incapacity shall be determined by the state
44 department in accordance with this title.

1 3. If the parent or parents of the dependent child or the nonparent
2 head of household in a needy family has not, within one year before
3 application, or while a recipient, transferred or assigned real or
4 personal property with the intent to evade federal or state eligibility
5 requirements. Transfer of property with retention of a life estate for
6 the purpose of qualifying for assistance is prohibited. Where fair
7 consideration for the property was received, no inquiry into motive is
8 necessary. A person found ineligible under this section shall be
9 ineligible for such time as the state department determines.

10 4. Who meets the requirements of this section and department rule
11 to qualify as part of the assistance unit.

12 C. Qualified ~~aliens~~ **NONCITIZENS** entering the United States after
13 August 21, 1996 are ineligible for benefits for a period of five years
14 beginning on their date of entry, except for Cuban and Haitian entrants as
15 defined in section 501(e)(2) of the refugee education assistance act of
16 1980 and exceptions provided under Public Law 104-193 (personal
17 responsibility and work opportunity reconciliation act of 1996) and Public
18 Law 105-32 (balanced budget act of 1997).

19 D. A parent or any other relative who applies for or who receives
20 cash assistance under this title on behalf of a child shall cooperate with
21 the department by taking the following actions:

22 1. Providing information regarding the identity of the child's
23 father and mother and other pertinent information including their names,
24 social security numbers and current addresses or a sworn statement that
25 attests to the lack of this information and that is accompanied by facts
26 supporting the asserted lack of information.

27 2. Appearing at interviews, hearings and legal proceedings.

28 3. Submitting and having the child submit to genetic testing.

29 4. Signing authorizations for third parties to release information
30 concerning the applicant or the child, or both.

31 5. In cases in which parentage has not been established, providing
32 a sworn statement alleging paternity and setting forth facts establishing
33 a reasonable possibility of the requisite sexual contact between the
34 parties.

35 6. Supplying additional information the department requires.

36 E. The department shall sanction a recipient who, without good
37 cause as prescribed in subsection F of this section, fails to cooperate
38 with child support enforcement efforts according to the sanction
39 provisions of section 46-300.

40 F. One or more of the following circumstances constitute good cause
41 for failure to cooperate with child support enforcement efforts:

42 1. Cooperation may result in physical or emotional harm to the
43 parent, child for whom support is sought or caretaker relative with whom
44 the child is living.

1 2. Legal proceedings for adoption of the child for whom support is
2 sought are pending before a court.

3 3. The participant has been working, for less than ninety days,
4 with a public or licensed private social agency on the issue of whether to
5 allow the child for whom support is sought to be adopted.

6 4. The child for whom support is sought was conceived as a result
7 of sexual assault pursuant to section 13-1406 or incest.

8 G. A person claiming good cause has twenty days ~~from~~ AFTER the date
9 the good cause claim is provided to the agency to supply evidence
10 supporting the claim. When determining whether the parent or relative is
11 cooperating with the agency as provided in subsection D of this section,
12 the agency shall require:

13 1. If the good cause exception in subsection F, paragraph 1 of this
14 section is claimed, law enforcement, court, medical, criminal,
15 psychological, social service or governmental records or sworn statements
16 from persons with personal knowledge of the circumstances that indicate
17 that the alleged parent or obligor might inflict physical harm on the
18 parent, child or caretaker relative.

19 2. If the good cause exception in subsection F, paragraph 2 of this
20 section is claimed, court documents that indicate that legal proceedings
21 for adoption are pending before a court of competent jurisdiction.

22 3. If the good cause exception in subsection F, paragraph 3 of this
23 section is claimed, records from a public or licensed private social
24 services agency showing that placing the child for whom support is sought
25 is under consideration.

26 4. If the good cause exception in subsection F, paragraph 4 of this
27 section is claimed, law enforcement, court, medical, criminal,
28 psychological, social service or governmental records or sworn statements
29 from persons with personal knowledge of the circumstances surrounding the
30 conception of the child that indicate the child was conceived as a result
31 of sexual assault pursuant to section 13-1406 or incest.

32 H. Notwithstanding subsection B of this section and except as
33 provided in subsection I of this section, a dependent child or children
34 who are born during one of the following time periods are not eligible for
35 assistance under this title:

36 1. The period in which the parent or other relative is receiving
37 assistance benefits.

38 2. The temporary period in which the parent or other relative is
39 ineligible pursuant to a penalty imposed by the department for failure to
40 comply with benefit eligibility requirements, after which the parent or
41 other relative is eligible for a continuation of benefits.

42 3. Any period after November 1, 1995 that is less than sixty months
43 between a voluntary withdrawal from program benefits or a period of
44 ineligibility for program benefits ~~which~~ THAT immediately followed a

1 period during which program benefits were received and a subsequent
2 reapplication and eligibility approval for benefits.

3 I. The following exceptions apply to subsection H of this section:

4 1. The department shall allow an increase in cash assistance under
5 the program for a dependent child or children born as a result of an act
6 of sexual assault pursuant to section 13-1406 or incest. The department
7 shall ensure that the proper law enforcement authorities are notified of
8 allegations of sexual assault or incest made pursuant to this paragraph.
9 For the purposes of this paragraph, "~~an~~ act of sexual assault" includes
10 sexual assault of a spouse if the offense was committed before August 12,
11 2005.

12 2. For those parents or other relatives who are currently
13 authorized for cash assistance the department shall allow an increase in
14 cash assistance under the program as a result of the birth of a child or
15 children to the parent or other relative only if the birth occurred within
16 ten months ~~of~~ AFTER the initial eligible month. The department may use
17 only the additional child or children who are born from the pregnancies
18 covered in this subsection in computing the additional benefit.

19 3. The department shall allow an increase in cash assistance for
20 any dependent child born to a parent who has not received cash assistance
21 under this title for at least twelve consecutive months if the child is
22 born within the period beginning ten months after the twelve consecutive
23 month period and ending ten months after the parent resumes receiving cash
24 assistance.

25 4. A dependent child or children who were born during a period in
26 which the custodial parent received cash assistance through the Arizona
27 works program shall be eligible to receive assistance under this title.

28 5. A dependent child or children who were born within ten months
29 after the custodial parent received cash assistance through the Arizona
30 works program shall be eligible to receive assistance under this title.

31 6. The department of economic security shall allow cash assistance
32 for an otherwise eligible dependent child during the period in which the
33 dependent child is in the legal custody of the department of child safety,
34 a tribal court or a tribal child welfare agency located in this state and
35 is placed in unlicensed kinship foster care with a nonparent relative or
36 unrelated adult.

37 7. The department shall allow cash assistance for an otherwise
38 eligible child who meets one of the following:

39 (a) The court has placed the child with a nonparent relative.

40 (b) The child's parents are deceased and the child is living with a
41 nonparent relative.

42 (c) A nonparent relative has custody of the child because the child
43 is abandoned as defined in section 8-201.

1 J. The department shall calculate the sixty-month time period
2 referenced in subsection H, paragraph 3 of this section in the following
3 manner:

4 1. For persons who are receiving cash assistance on November 1,
5 1995, the sixty-month time period begins on November 1, 1995. A
6 subsequent sixty-month time period begins immediately after the previous
7 period ends if the person is receiving cash assistance through two
8 sixty-month periods. If the individual is not receiving cash assistance
9 at the end of the previous sixty-month period, any subsequent sixty-month
10 time period begins on the date when cash assistance became effective
11 again, regardless of when the person received an actual payment.

12 2. For persons who begin receiving cash assistance after November
13 1, 1995, the sixty-month time period begins on the date cash assistance
14 becomes effective, regardless of when the person received an actual
15 payment. A subsequent sixty-month period begins as provided in paragraph
16 1 of this subsection.

17 K. In calculating a parent's or any other relative's benefit
18 increase that arises from any general increase that has been approved for
19 all program recipients, the department shall not consider a child or
20 children born under the time periods listed in subsection H of this
21 section.

22 L. For the parents or other relatives who have additional children
23 for whom they receive no cash assistance payment under subsection H of
24 this section, the department shall make any necessary program amendments
25 or request any necessary federal waivers to allow the parents or other
26 relatives to earn income in an amount equal to the disallowed cash
27 assistance payment without affecting their eligibility for assistance.

28 M. The director shall adopt rules:

29 1. To implement this section, including rules to define the
30 investigatory steps that must be taken to confirm that an act of sexual
31 assault pursuant to section 13-1406 or incest led to the birth of a
32 dependent child or children.

33 2. That require the department to inform both verbally and in
34 writing the parents and other relatives who are receiving assistance under
35 this article of the specific family planning services that are available
36 to them while they are enrolled as eligible persons in the Arizona health
37 care cost containment system.

38 N. This section does not prevent an otherwise eligible child who is
39 not included in the family's calculation of benefits under this article
40 from being eligible for coverage under title 36, chapter 29 or for any
41 services that are directly linked to eligibility for the temporary
42 assistance for needy families program.

43 O. Assistance shall not be denied or terminated under this article
44 because the principal wage earner works one hundred or more hours per
45 month.

1 P. Except as provided in paragraph 2 of this subsection, all
2 members of a needy family, including stepparents, must meet the same
3 financial eligibility criteria established in this title, by department
4 rule and as follows:

5 1. The department shall include all income from every source
6 available to a needy family requesting cash assistance, except income that
7 is required to be disregarded by this subsection and as determined by the
8 department in rules. For the amount of income that is received from
9 employment, each month every employed person is entitled to receive an
10 earned income disregard of ~~ninety dollars~~ \$90 plus an additional thirty
11 percent of the remaining earned income. A needy family that includes an
12 employed person is entitled to an earned income disregard equal to the
13 actual amount billed to the household for the care of an adult or child
14 dependent household member, up to ~~two hundred dollars~~ \$200 a month for a
15 child under two years of age and up to ~~one hundred seventy-five dollars~~
16 \$175 a month for each other dependent. This dependent care disregard is
17 allowed only if the expense is necessary to allow the household member to
18 become or remain employed or to attend postsecondary training or education
19 that is preparatory to employment.

20 2. The total gross countable income of a needy family that includes
21 a nonparent relative head of household who is not applying for or
22 receiving cash assistance and who is requesting cash assistance only for a
23 dependent child shall not exceed one hundred thirty percent of the federal
24 poverty guidelines.

25 Q. If the total gross countable income in subsection P, paragraph 2
26 of this section does not exceed one hundred thirty percent of the federal
27 poverty guidelines, in determining benefit amount, the department shall
28 exclude the income of all members of the needy family except for the
29 income of the eligible dependent child for whom cash assistance is
30 requested.

31 R. For the purposes of eligibility and benefit amount, only the
32 income of the dependent child is considered for a child only case.

33 S. Any parent or other relative who applies for or receives cash
34 assistance under this article on behalf of a dependent child who is
35 between six and sixteen years of age shall ensure that the child is
36 enrolled in and attending school. An initial applicant is ineligible for
37 benefits until the applicant's dependent children are verified to be
38 enrolled in and attending an educational program. The department of
39 education shall assist the department of economic security in obtaining
40 verification of school enrollment and attendance. The director of the
41 department of economic security may adopt rules for granting good cause
42 exceptions from this subsection. The department of economic security
43 shall sanction a recipient who fails, without good cause, to ensure school
44 enrollment and attendance according to section 46-300.

1 T. Any parent or other relative who applies for or receives cash
2 assistance under this section on behalf of a dependent child shall ensure
3 that the child is immunized in accordance with the schedule of
4 immunizations pursuant to section 36-672. The director of the department
5 of economic security may adopt rules for granting good cause exceptions
6 from this subsection. The department of economic security shall sanction
7 a recipient, in accordance with section 46-300, who fails, without good
8 cause, to obtain the required immunizations for a dependent child unless
9 the recipient submits to the department of economic security the
10 documentation described in section 15-873.