

Senate Engrossed House Bill

~~accumulated sick leave; payments~~
(now: DPS; appropriation)

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

HOUSE BILL 2812

AN ACT

AMENDING SECTION 41-192, ARIZONA REVISED STATUTES; AMENDING SECTION 41-192, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; APPROPRIATING MONIES; RELATING TO THE DEPARTMENT OF PUBLIC SAFETY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 41-192, Arizona Revised Statutes, is amended to
3 read:

4 41-192. Powers and duties of attorney general; restrictions
5 on state agencies as to legal counsel; exceptions;
6 compromise and settlement monies

7 A. The attorney general shall have charge of and direct the
8 department of law and shall serve as chief legal officer of the state. The
9 attorney general shall:

10 1. Be the legal advisor of the departments of this state and render
11 such legal services as the departments require.

12 2. Establish administrative and operational policies and procedures
13 within ~~his~~ THE ATTORNEY GENERAL'S department.

14 3. Approve long-range plans for developing departmental programs
15 therein, and coordinate the legal services required by other departments
16 of this state or other state agencies.

17 4. Represent school districts and governing boards of school
18 districts in any lawsuit involving a conflict of interest with other
19 county offices.

20 5. Represent political subdivisions, school districts and
21 municipalities in suits to enforce state or federal statutes pertaining to
22 antitrust, restraint of trade or price-fixing activities or conspiracies,
23 if the attorney general notifies in writing the political subdivisions,
24 school districts and municipalities of the attorney general's intention to
25 bring any such action on their behalf. At any time within thirty days
26 after the notification, a political subdivision, school district or
27 municipality, by formal resolution of its governing body, may withdraw the
28 authority of the attorney general to bring the intended action on its
29 behalf.

30 6. In any action brought by the attorney general pursuant to state
31 or federal statutes pertaining to antitrust, restraint of trade, or
32 price-fixing activities or conspiracies for the recovery of damages by
33 this state or any of its political subdivisions, school districts or
34 municipalities, in addition to the attorney general's other powers and
35 authority, the attorney general on behalf of this state may enter into
36 contracts relating to the investigation and prosecution of such action
37 with any other party plaintiff who has brought a similar action for the
38 recovery of damages and with whom the attorney general finds it
39 advantageous to act jointly or to share common expenses or to cooperate in
40 any manner relative to such action. In any such action, notwithstanding
41 any other laws to the contrary, the attorney general may undertake, among
42 other things, to render legal services as special counsel or to obtain the
43 legal services of special counsel from any department or agency of the
44 United States, of this state or any other state or any department or

1 agency thereof or any county, city, public corporation or public district
2 in this state or in any other state that has brought or intends to bring a
3 similar action for the recovery of damages or its duly authorized legal
4 representatives in such action.

5 7. Organize the civil rights division within the department of law
6 and administer such division pursuant to the powers and duties provided in
7 chapter 9 of this title.

8 8. Compile, publish and distribute to all state agencies,
9 departments, boards, commissions and councils, and to other persons and
10 government entities on request, at least every ten years, the Arizona
11 agency handbook that sets forth and explains the major state laws that
12 govern state agencies, including information on the laws relating to
13 bribery, conflicts of interest, contracting with the government,
14 disclosure of public information, discrimination, nepotism, financial
15 disclosure, gifts and extra compensation, incompatible employment,
16 political activity by employees, public access and misuse of public
17 resources for personal gain. A supplement to the handbook reflecting
18 revisions to the information contained in the handbook shall be compiled
19 and distributed by the attorney general as deemed necessary.

20 B. Except as otherwise provided by law, the attorney general may:

21 1. Organize the department into such bureaus, subdivisions or units
22 as ~~the~~ THE ATTORNEY GENERAL deems most efficient and economical, and
23 consolidate or abolish them.

24 2. Adopt rules for the orderly conduct of the business of the
25 department.

26 3. Subject to chapter 4, article 4 of this title, employ and assign
27 assistant attorneys general and other employees necessary to perform the
28 functions of the department.

29 4. Compromise or settle any action or claim by or against this
30 state or any department, board or agency of this state. If the compromise
31 or settlement involves a particular department, board or agency of this
32 state, the compromise or settlement shall be first approved by the
33 department, board or agency. If no department or agency is named or
34 otherwise materially involved, the approval of the governor shall be first
35 obtained.

36 5. Charge reasonable fees for distributing official publications,
37 including attorney general legal opinions and the Arizona agency handbook.
38 The fees received shall be transmitted to the state treasurer for deposit
39 in the state general fund.

40 C. The powers and duties of a bureau, subdivision or unit shall be
41 limited to those assigned by law to the department.

1 D. Notwithstanding any law to the contrary, except as provided in
2 subsections E and F of this section, no state agency other than the
3 attorney general shall employ legal counsel or make an expenditure or
4 incur an indebtedness for legal services, but the following are exempt
5 from this section:

- 6 1. The director of water resources.
- 7 2. The residential utility consumer office.
- 8 3. The industrial commission OF ARIZONA.
- 9 4. The Arizona board of regents.
- 10 5. The auditor general.
- 11 6. The corporation commissioners and the corporation commission
12 other than the securities division.
- 13 7. The office of the governor.
- 14 8. The constitutional defense council.
- 15 9. The office of the state treasurer.
- 16 10. The Arizona commerce authority.
- 17 11. The water infrastructure finance authority of Arizona.
- 18 12. THE DEPARTMENT OF PUBLIC SAFETY.

19 E. If the attorney general determines that ~~he~~ THE ATTORNEY GENERAL
20 is disqualified from providing judicial or quasi-judicial legal
21 representation or legal services on behalf of any state agency in relation
22 to any matter, the attorney general shall give written notification to the
23 state agency affected. If the agency has received written notification
24 from the attorney general that the attorney general is disqualified from
25 providing judicial or quasi-judicial legal representation or legal
26 services in relation to any particular matter, the state agency is
27 authorized to make expenditures and incur indebtedness to employ attorneys
28 to provide the representation or services.

29 F. If the attorney general and the director of the department of
30 agriculture cannot agree on the final disposition of a pesticide complaint
31 under section 3-368, if the attorney general and the director determine
32 that a conflict of interest exists as to any matter or if the attorney
33 general and the director determine that the attorney general does not have
34 the expertise or attorneys available to handle a matter, the director is
35 authorized to make expenditures and incur indebtedness to employ attorneys
36 to provide representation or services to the department with regard to
37 that matter.

38 G. Any department or agency of this state authorized by law to
39 maintain a legal division or incur expenses for legal services from funds
40 derived from sources other than the general revenue of the state, or from
41 any special or trust fund, shall pay from such source of revenue or
42 special or trust fund into the general fund of the state, to the extent
43 such funds are available and on a reimbursable basis for warrants drawn,
44 the amount actually expended by the department of law within legislative
45 appropriations for such legal division or legal services.

1 H. Appropriations made pursuant to subsection G of this section
2 ~~shall~~ ARE not ~~be~~ subject to lapsing provisions otherwise provided by law.
3 Services for departments or agencies to which this subsection and
4 subsection F of this section are applicable shall be performed by special
5 or regular assistants to the attorney general.

6 I. Notwithstanding section 35-148, monies received by the attorney
7 general from charges to state agencies and political subdivisions for
8 legal services relating to interagency service agreements shall be
9 deposited, pursuant to sections 35-146 and 35-147, in an attorney general
10 agency services fund. Monies in the fund are subject to legislative
11 appropriation and are exempt from the provisions of section 35-190
12 relating to lapsing of appropriations.

13 J. Unless otherwise provided by law, monies received for and
14 belonging to the state and resulting from compromises and settlements
15 entered into pursuant to subsection B of this section, excluding
16 restitution and reimbursement to state agencies for costs or attorney
17 fees, shall be deposited into the state treasury and credited to the state
18 general fund pursuant to section 35-142. Monies received for and
19 belonging to the state and resulting from a compromise or settlement are
20 not considered custodial, private or quasi-private monies unless
21 specifically provided by law. On or before January 15, April 15, July 15
22 and October 15, the attorney general shall file with the governor, with
23 copies to the director of the department of administration, the president
24 of the senate, the speaker of the house of representatives, the secretary
25 of state and the staff director of the joint legislative budget committee,
26 a full and complete account of the deposits into the state treasury made
27 pursuant to this subsection in the previous calendar quarter. For the
28 purposes of this subsection, "restitution" means monies intended to
29 compensate a specific, identifiable person, including this state, for
30 economic loss.

31 Sec. 2. Section 41-192, Arizona Revised Statutes, as amended by
32 section 1 of this act, is amended to read:

33 41-192. Powers and duties of attorney general; restrictions
34 on state agencies as to legal counsel; exceptions;
35 compromise and settlement monies

36 A. The attorney general shall have charge of and direct the
37 department of law and shall serve as chief legal officer of the state. The
38 attorney general shall:

39 1. Be the legal advisor of the departments of this state and render
40 such legal services as the departments require.

41 2. Establish administrative and operational policies and procedures
42 within the attorney general's department.

43 3. Approve long-range plans for developing departmental programs
44 therein, and coordinate the legal services required by other departments
45 of this state or other state agencies.

1 4. Represent school districts and governing boards of school
2 districts in any lawsuit involving a conflict of interest with other
3 county offices.

4 5. Represent political subdivisions, school districts and
5 municipalities in suits to enforce state or federal statutes pertaining to
6 antitrust, restraint of trade or price-fixing activities or conspiracies,
7 if the attorney general notifies in writing the political subdivisions,
8 school districts and municipalities of the attorney general's intention to
9 bring any such action on their behalf. At any time within thirty days
10 after the notification, a political subdivision, school district or
11 municipality, by formal resolution of its governing body, may withdraw the
12 authority of the attorney general to bring the intended action on its
13 behalf.

14 6. In any action brought by the attorney general pursuant to state
15 or federal statutes pertaining to antitrust, restraint of trade, or
16 price-fixing activities or conspiracies for the recovery of damages by
17 this state or any of its political subdivisions, school districts or
18 municipalities, in addition to the attorney general's other powers and
19 authority, the attorney general on behalf of this state may enter into
20 contracts relating to the investigation and prosecution of such action
21 with any other party plaintiff who has brought a similar action for the
22 recovery of damages and with whom the attorney general finds it
23 advantageous to act jointly or to share common expenses or to cooperate in
24 any manner relative to such action. In any such action, notwithstanding
25 any other laws to the contrary, the attorney general may undertake, among
26 other things, to render legal services as special counsel or to obtain the
27 legal services of special counsel from any department or agency of the
28 United States, of this state or any other state or any department or
29 agency thereof or any county, city, public corporation or public district
30 in this state or in any other state that has brought or intends to bring a
31 similar action for the recovery of damages or its duly authorized legal
32 representatives in such action.

33 7. Organize the civil rights division within the department of law
34 and administer such division pursuant to the powers and duties provided in
35 chapter 9 of this title.

36 8. Compile, publish and distribute to all state agencies,
37 departments, boards, commissions and councils, and to other persons and
38 government entities on request, at least every ten years, the Arizona
39 agency handbook that sets forth and explains the major state laws that
40 govern state agencies, including information on the laws relating to
41 bribery, conflicts of interest, contracting with the government,
42 disclosure of public information, discrimination, nepotism, financial
43 disclosure, gifts and extra compensation, incompatible employment,
44 political activity by employees, public access and misuse of public
45 resources for personal gain. A supplement to the handbook reflecting

1 revisions to the information contained in the handbook shall be compiled
2 and distributed by the attorney general as deemed necessary.

3 B. Except as otherwise provided by law, the attorney general may:

4 1. Organize the department into such bureaus, subdivisions or units
5 as the attorney general deems most efficient and economical, and
6 consolidate or abolish them.

7 2. Adopt rules for the orderly conduct of the business of the
8 department.

9 3. Subject to chapter 4, article 4 of this title, employ and assign
10 assistant attorneys general and other employees necessary to perform the
11 functions of the department.

12 4. Compromise or settle any action or claim by or against this
13 state or any department, board or agency of this state. If the compromise
14 or settlement involves a particular department, board or agency of this
15 state, the compromise or settlement shall be first approved by the
16 department, board or agency. If no department or agency is named or
17 otherwise materially involved, the approval of the governor shall be first
18 obtained.

19 5. Charge reasonable fees for distributing official publications,
20 including attorney general legal opinions and the Arizona agency handbook.
21 The fees received shall be transmitted to the state treasurer for deposit
22 in the state general fund.

23 C. The powers and duties of a bureau, subdivision or unit shall be
24 limited to those assigned by law to the department.

25 D. Notwithstanding any law to the contrary, except as provided in
26 subsections E and F of this section, no state agency other than the
27 attorney general shall employ legal counsel or make an expenditure or
28 incur an indebtedness for legal services, but the following are exempt
29 from this section:

- 30 1. The director of water resources.
- 31 2. The residential utility consumer office.
- 32 3. The industrial commission of Arizona.
- 33 4. The Arizona board of regents.
- 34 5. The auditor general.
- 35 6. The corporation commissioners and the corporation commission
36 other than the securities division.
- 37 7. The office of the governor.
- 38 8. The constitutional defense council.
- 39 9. The office of the state treasurer.
- 40 10. The Arizona commerce authority.
- 41 11. The water infrastructure finance authority of Arizona.

42 ~~12. The department of public safety.~~

43 E. If the attorney general determines that the attorney general is
44 disqualified from providing judicial or quasi-judicial legal
45 representation or legal services on behalf of any state agency in relation

1 to any matter, the attorney general shall give written notification to the
2 state agency affected. If the agency has received written notification
3 from the attorney general that the attorney general is disqualified from
4 providing judicial or quasi-judicial legal representation or legal
5 services in relation to any particular matter, the state agency is
6 authorized to make expenditures and incur indebtedness to employ attorneys
7 to provide the representation or services.

8 F. If the attorney general and the director of the department of
9 agriculture cannot agree on the final disposition of a pesticide complaint
10 under section 3-368, if the attorney general and the director determine
11 that a conflict of interest exists as to any matter or if the attorney
12 general and the director determine that the attorney general does not have
13 the expertise or attorneys available to handle a matter, the director is
14 authorized to make expenditures and incur indebtedness to employ attorneys
15 to provide representation or services to the department with regard to
16 that matter.

17 G. Any department or agency of this state authorized by law to
18 maintain a legal division or incur expenses for legal services from funds
19 derived from sources other than the general revenue of the state, or from
20 any special or trust fund, shall pay from such source of revenue or
21 special or trust fund into the general fund of the state, to the extent
22 such funds are available and on a reimbursable basis for warrants drawn,
23 the amount actually expended by the department of law within legislative
24 appropriations for such legal division or legal services.

25 H. Appropriations made pursuant to subsection G of this section are
26 not subject to lapsing provisions otherwise provided by law. Services for
27 departments or agencies to which this subsection and subsection F of this
28 section are applicable shall be performed by special or regular assistants
29 to the attorney general.

30 I. Notwithstanding section 35-148, monies received by the attorney
31 general from charges to state agencies and political subdivisions for
32 legal services relating to interagency service agreements shall be
33 deposited, pursuant to sections 35-146 and 35-147, in an attorney general
34 agency services fund. Monies in the fund are subject to legislative
35 appropriation and are exempt from the provisions of section 35-190
36 relating to lapsing of appropriations.

37 J. Unless otherwise provided by law, monies received for and
38 belonging to the state and resulting from compromises and settlements
39 entered into pursuant to subsection B of this section, excluding
40 restitution and reimbursement to state agencies for costs or attorney
41 fees, shall be deposited into the state treasury and credited to the state
42 general fund pursuant to section 35-142. Monies received for and
43 belonging to the state and resulting from a compromise or settlement are
44 not considered custodial, private or quasi-private monies unless
45 specifically provided by law. On or before January 15, April 15, July 15

1 and October 15, the attorney general shall file with the governor, with
2 copies to the director of the department of administration, the president
3 of the senate, the speaker of the house of representatives, the secretary
4 of state and the staff director of the joint legislative budget committee,
5 a full and complete account of the deposits into the state treasury made
6 pursuant to this subsection in the previous calendar quarter. For the
7 purposes of this subsection, "restitution" means monies intended to
8 compensate a specific, identifiable person, including this state, for
9 economic loss.

10 Sec. 3. Effective date

11 Section 41-192, Arizona Revised Statutes, as amended by section 2 of
12 this act, is effective from and after December 31, 2026.

13 Sec. 4. Appropriation; department of public safety; exemption

14 A. The sum of \$4,750,000 is appropriated from the Arizona highway
15 patrol fund established by section 41-1752, Arizona Revised Statutes, in
16 fiscal year 2025-2026 to the department of public safety for operating
17 expenses.

18 B. The appropriation made in subsection A of this section is exempt
19 from the provisions of section 35-190, Arizona Revised Statutes, relating
20 to lapsing of appropriation.