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Jane Dee Hull
Secretary of State

CHATPER 335

HOUSE BILL 2343

AN ACT

AMENDING SECTIONS 3-214.01, 3-234, 3-913, 5-504, 5-505, 5-522, 8-135, 8-550.01, 10-122, 12-113, 15-1725, 23-705, 28-1891, 36-1947, 36-2005, 36-2219.01, 37-521, 37-525, 37-1015, 38-721, 41-191.02, 41-192, 41-802, 41-804, 41-2401, 41-2407, 41-2408, 41-2415, 41-2417, 41-2419, 44-323, 44-2039 AND 46-406, ARIZONA REVISED STATUTES; AMENDING SECTION 28-382, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 243, SECTION 1; RELATING TO STATE FUNDS.

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

Section 1. Section 3-214.01, Arizona Revised Statutes, is amended to read:

3-214.01. Dangerous plants, pests and diseases fund

A. A dangerous plants, pests and diseases fund is established. All monies collected under the provisions of this article shall be deposited with the state treasurer who shall place them in the dangerous plants, pests and diseases fund.

B. All monies in the dangerous plants, pests and diseases fund are TO BE USED BY THE DEPARTMENT ~~appropriated~~ SUBJECT TO LEGISLATIVE APPROPRIATION, ~~to the department~~ to carry out the provisions of this article, including ~~but not limited to~~ salaries, fees and office, administrative, bonding and travel expenses incurred.

C. The unexpended and unencumbered balance of ~~funds~~ MONIES, if any, remaining in the dangerous plants, pests and diseases fund at the end of each fiscal year shall not revert to the STATE general fund.

Sec. 2. Section 3-234, Arizona Revised Statutes, is amended to read:

3-234. Seed law fund; appropriation

A. All monies collected pursuant to this article shall be paid to the state treasurer, through the director of the department of administration, for deposit in the seed law fund.

B. All monies in the seed law fund are ~~appropriated~~ SUBJECT TO LEGISLATIVE APPROPRIATION to the department to be expended under the direction of the director for carrying out the provisions of this article.

Sec. 3. Section 3-913, Arizona Revised Statutes, is amended to read:

3-913. Fiscal provisions; fees; Arizona protected native plant fund

A. The department shall collect nonrefundable fees for issuing permits, tags, seals and receipts under this article, except for scientific purposes, from landowners moving protected plants from one of their properties to another, or from the independent owner of residential property of ten acres or less if no such plants are to be offered for sale.

B. The director shall establish the amount of the fee by rule to reasonably reflect the cost to the department for administering this chapter or to reflect the value of the service, permit, tag, seal or receipt, including at least the following amounts:

1. For cereus giganteus (saguaro), at least three dollars for each plant.

2. For native plants which the director determines to be useful for revegetation and which cannot be salvaged economically at a higher fee, at least twenty-five cents per plant.

3. For all other native plants, at least two dollars for each plant.

4. For all receipts for live harvest restricted native plants cut or removed for wood, at least one dollar per cord.

5. For a permit for the by-products or fiber of harvest restricted native plants, at least one dollar per ton.

C. The Arizona protected native plant fund is established. All fees, civil penalties and other monies collected under this chapter shall be transferred to the state treasurer for credit to the fund. Ninety per cent of the monies deposited with the state treasurer constitute a separate and permanent fund for use ~~of~~ BY the director SUBJECT TO LEGISLATIVE APPROPRIATION to administer and enforce this chapter, and ten per cent shall be credited to the state general fund.

Sec. 4. Section 5-504, Arizona Revised Statutes, is amended to read:

5-504. Commission; director; powers and duties

A. The commission shall meet with the director not less than once each quarter to make recommendations and set policy, approve or reject reports of

the director and transact other business properly brought before the commission.

B. The commission shall establish and operate a state lottery at the earliest feasible and practical time. The commission shall establish and operate the lottery to produce the maximum amount of net revenue consonant with the dignity of the state. To achieve these ends, the commission shall authorize the director to adopt rules in accordance with title 41, chapter 6. Rules issued by the director may include provisions relating to the following:

1. Subject to the approval of the commission, the types of lottery games to be conducted, except that in any game utilizing tickets or other tangible evidence of participation, each ticket in the game shall bear a unique consecutive serial number distinguishing it from each other ticket in the game, and in instant games each lottery number or symbol shall be accompanied by a confirming caption consisting of a repetition of the number or symbol or a description of the number or symbol in words.

2. The price or prices of tickets or shares in the lottery, including, without limitation, authorization of sales of tickets or shares at a discount for promotional purposes.

3. The number and size of the prizes on the winning tickets or shares, including, without limitation, prizes of free tickets in lottery games conducted by the commission and merchandise prizes, except that the commission shall maintain and make available for public inspection at its offices during regular business hours a detailed listing of the estimated number of prizes of each particular denomination that is expected to be awarded in any game currently on sale and, after the end of the claim period prescribed by section 5-518, maintain and make available a listing of the total number of tickets or shares sold in a game and the number of prizes of each particular denomination which were awarded.

4. The method of selecting the winning tickets or shares, except that no method may be used which, in whole or in part, depends on the results of a dog race or horse race.

5. The manner of payment of prizes to the holders of winning tickets or shares including, without limitation, providing for payment by the purchase of annuities in the case of prizes payable in installments, except that the commission staff shall examine claims and may not pay any prize based on altered, stolen or counterfeit tickets or based on tickets which fail to meet validation rules established for a particular lottery game, including rules stated on the ticket or in the published game rules, and confidential validation tests consistently applied by the commission. No particular prize in a lottery game may be paid more than once, and in the event of a binding determination that more than one person is entitled to a particular prize, the sole remedy of the claimants is the award to each of them of an equal share in the single prize.

6. The frequency of the drawings, if any, or other selections of winning tickets or shares, except that:

(a) All drawings shall be open to the public.

(b) The actual selection of winning tickets or shares may not be performed by an employee or member of the commission.

(c) Noncomputerized on-line game drawings shall be witnessed by an independent observer.

(d) Drawings in an instant game, other than grand drawings or other runoff drawings, may not be held more often than weekly.

7. Requirements for eligibility for participation in grand drawings or other runoff drawings, including, without limitation, requirements for submission of evidence of eligibility within a period less than that provided for claims by section 5-518.

8. Without limit as to number or types, the locations at which tickets or shares may be sold.

9. The method to be used in printing and selling tickets or shares, except that no elected official's name may be printed on such tickets or shares. The overall estimated odds of winning some prize or some cash prize, as appropriate, in a given game shall be printed on each ticket or share.

10. The licensing of agents to sell tickets or shares, except that a person under the age of eighteen shall not be licensed as an agent.

11. The manner and amount of compensation to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public, including, without limitation, provision for variable compensation based on sales volume or incentive considerations.

12. Other matters necessary or desirable for the efficient and economical operation and administration of the lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or shares.

C. The commission shall, in addition to other games authorized by this article, establish two special games for each year to be conducted concurrently with other lottery games authorized under subsection B of this section. The monies for prizes, for operating expenses and for payment to the commerce and economic development commission fund, as provided in section 5-522, subsection A, paragraph 3, shall be accounted for separately as nearly as practicable in the lottery commission's general accounting system. The monies shall be derived from the revenues of the special games and MONIES FOR PRIZES do not become an expense to the lottery commission's annual appropriation as provided in section 5-505, subsection D and section 5-522, subsection G. Monies saved from the revenues of the special games, by reason of operating efficiencies, shall become other revenue of the lottery commission and revert to the STATE general fund.

D. The commission may, in addition to other games authorized by this article, establish multistate lottery games to be conducted concurrently with other lottery games authorized under subsections B and C of this section. The monies for prizes, for operating expenses and for payment to the local transportation assistance fund, as provided in section 28-2601, and the state general fund shall be accounted for separately as nearly as practicable in the lottery commission's general accounting system. The monies shall be derived from the revenues of multistate lottery games.

Sec. 5. Section 5-505, Arizona Revised Statutes, is amended to read:

5-505. Apportionment of revenue

A. Not more than eighteen and one-half per cent of the total annual revenues accruing from the sale of lottery tickets or shares and from all other sources shall be deposited in the state lottery fund established pursuant to section 5-521 to be expended for the following:

1. The payment of costs incurred in the operation and administration of the lottery, including the expenses of the commission and the costs resulting from any contract or contracts entered into for consulting or operational services, or for promotional and advertising services. Not more than four per cent of the total annual gross revenues of the lottery shall be expended for promotional or advertising services.

2. Independent audits which shall be performed annually in addition to the audits required by section 5-524.

3. Incentive programs for lottery sales agents and lottery employees.

4. Payment of compensation to licensed sales agents necessary to provide for the adequate availability of tickets or services to prospective buyers and for the convenience of the public.

5. The payment of reasonable fees to redemption agents as authorized by section 5-519.

6. The purchase or lease of lottery equipment, tickets and materials.

7. The repayment of the monies appropriated to the commission.

B. Not less than thirty-one and one-half per cent of the total annual revenues accruing from the sale of lottery tickets or shares shall be deposited in the state lottery fund established pursuant to section 5-521 to be used as prescribed in section 5-522, subsection A, paragraph 3, and section 5-522, subsections B, C and D.

C. Not less than fifty per cent of the total annual revenue~~,~~ accruing from the sale of lottery tickets or shares shall be deposited in the state lottery prize fund established pursuant to section 5-523 for payment of prizes to the holders of winning tickets or shares or for other purposes provided for in section 5-518.

D. Except for monies FOR PRIZES expended as provided in section 5-504, subsection C and section 41-1505.10, monies expended under subsection A of this section shall be subject to legislative appropriation ~~beginning with the fiscal year which commences July 1, 1989~~.

Sec. 6. Section 5-522, Arizona Revised Statutes, is amended to read:

5-522. Use of monies in state lottery fund

A. The monies in the state lottery fund shall be expended only for the following purposes and in the order provided:

1. For the expenses of the commission incurred in carrying out its powers and duties and in the operation of the lottery.

2. For the repayment to the state general fund of any amount appropriated to the fund.

3. For payment to the commerce and economic development commission fund established by section 41-1505.10 of not less than thirty-two and one-half per cent of the revenues received from the sale of two special lottery games conducted for the benefit of economic development.

4. Except as provided in subsection E of this section, for payment to the local transportation assistance fund established by section 28-2601 of not less than thirty-one and one-half per cent of the revenues received from the sale of multistate lottery games, up to a maximum of eighteen million dollars each fiscal year.

B. Of the monies remaining in the state lottery fund after the appropriations authorized in subsection A of this section seventy-five per cent up to a maximum of twenty-three million dollars each fiscal year shall be deposited in the local transportation assistance fund established pursuant to section 28-2601 and twenty-five per cent up to a maximum of seven million six hundred fifty thousand dollars each fiscal year shall be deposited in the county assistance fund established pursuant to section 41-175. Monies distributed pursuant to this subsection shall be in addition to monies distributed pursuant to subsection A, paragraph 4 of this section.

C. Notwithstanding subsection B of this section, if the state lottery director determines at the beginning of any fiscal year that monies available to cities, towns and counties under this section may not equal thirty million six hundred fifty thousand dollars, then he shall not authorize deposits to the county assistance fund until the deposits to the local transportation assistance fund equal twenty-three million dollars.

D. Of the monies remaining in the state lottery fund each fiscal year after appropriations and deposits authorized in subsections A, B and C of this section, ten million dollars shall be deposited in the Arizona state parks board heritage fund established pursuant to section 41-502 and ten million dollars shall be deposited in the Arizona game and fish commission heritage fund established pursuant to section 17-297.

E. Notwithstanding subsection A, paragraph 4 of this section, if the state lottery director determines that monies available to the state general fund may not equal forty-five million dollars in a fiscal year, then the director shall not authorize deposits to the local transportation assistance fund pursuant to subsection A, paragraph 4 of this section until the deposits to the state general fund equal forty-five million dollars in a fiscal year.

F. All monies remaining in the state lottery fund after the appropriations and deposits authorized in this section shall be deposited in the state general fund.

G. Except for monies expended FOR PRIZES as provided in section 5-504, subsection C and section 41-1505.10, monies expended under subsection A of this section shall be subject to legislative appropriation beginning with the fiscal year which commences July 1, 1989.

Sec. 7. Section 8-135, Arizona Revised Statutes, is amended to read:

8-135. Confidential intermediary fund

A. A confidential intermediary fund is established in the state treasury consisting of the monies received from the surcharge on adoption filing fees under section 12-284, subsection D, monies received from the surcharge on initial and duplicate copies of birth certificates under section 36-342, subsection B, legislative appropriations, donations, fees, grants and contracts for the purposes of implementing the confidential intermediary program established pursuant to section 8-134. The supreme court shall administer the fund SUBJECT TO LEGISLATIVE APPROPRIATION. The state treasurer shall invest and divest monies in the fund as provided by section 35-313 and monies earned from investment shall be credited to the fund. The fund is exempt from the provisions of section 35-190, relating to lapsing of appropriations.

B. THE APPROPRIATED FUNDS SHALL ONLY BE USED FOR THE DESIGNATED PURPOSES SPECIFIED IN STATUTE.

Sec. 8. Section 8-550.01, Arizona Revised Statutes, is amended to read:

8-550.01. Child abuse prevention fund; purpose

A. There is established the child abuse prevention fund consisting of monies received pursuant to section 12-284, section 25-311.01, subsection E, section 36-3504, subsection C and section 43-613. The director shall administer the fund for the purposes prescribed in this article.

B. SUBJECT TO LEGISLATIVE APPROPRIATION, the director shall expend monies in the fund to provide financial assistance to community child abuse and neglect prevention programs that, in the judgment of the director, offer prevention services to children and their parents or guardians and that comply with departmental accounting and auditing rules for the receipt of public monies.

C. SUBJECT TO LEGISLATIVE APPROPRIATION, the director may expend not more than five per cent of the monies in the fund for administrative expenses related to the fund.

D. THE APPROPRIATED FUNDS SHALL ONLY BE USED FOR THE DESIGNATED PURPOSES SPECIFIED IN STATUTE.

~~D.~~ E. Monies in the fund do not revert to the state general fund.

Sec. 9. Section 10-122, Arizona Revised Statutes, is amended to read:

10-122. Filing, service and copying fees; public access fund; expedited report filing and access

A. ~~Beginning January 1, 1996,~~ The commission shall collect and remit to the state treasurer the following fees when the documents described in this subsection are delivered to it for filing or issuance:

	Document	Fee
1.	Articles of incorporation	$50
2.	Application for use of indistinguishable name	10
3.	Application for reserved name	10
4.	Notice of transfer of reserved name	10
5.	Application for registered name	10
6.	Application for renewal of registered name	10
7.	Agent's statement of resignation	10
8.	Amendment of articles of incorporation	25
9.	Restatement of articles of incorporation with amendment of articles	25
10.	Articles of merger or share exchange	100
11.	Articles of dissolution	25
12.	Articles of domestication	100
13.	Articles of revocation of dissolution	25
14.	Application for reinstatement following administrative dissolution, in addition to other fees and penalties due	100
15.	Application for authority	150
16.	Application for withdrawal	25
17.	Annual report	45
18.	Articles of correction	25
19.	Application for certificate of good standing	10
20.	Any other document required or permitted to be filed by chapter 1 of this title	25

B. ~~Beginning January 1, 1996,~~ The commission shall collect a fee of twenty-five dollars each time process is served on it under chapter 1 of this title. The party to a proceeding causing service of process is entitled to recover this fee as costs if the party prevails in the proceeding.

C. ~~Beginning January 1, 1996,~~ The commission shall charge and collect a reasonable fee for copying documents on request, provided the fee does not exceed the cost of providing the service as determined by the commission. ~~Beginning January 1, 1996,~~ The commission shall also charge a reasonable fee for certifying the copy of a filed document, provided the fee does not exceed the cost of providing the service as determined by the commission.

D. ~~Beginning January 1, 1996,~~ A penalty of one hundred dollars payable in addition to other fees accrues and is payable if a foreign corporation fails to file an amendment, restated articles that include an amendment, or

articles of merger within sixty days of the time of filing in the jurisdiction in which the corporation is domiciled.

E. ~~Beginning January 1, 1996,~~ One-third of the filing fees for the annual report of domestic and foreign corporations paid pursuant to subsection A, paragraph 17 of this section shall be deposited in the Arizona arts trust fund established by section 41-983.01.

F. ~~Beginning January 1, 1996,~~ A public access fund is established in the state treasury consisting of the monies received pursuant to paragraphs 2, 3 and 4 of this subsection. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION. ~~Beginning January 1, 1996,~~ The following provisions apply to the fund:

1. The commission shall administer the fund and spend monies in the fund to purchase, install and maintain an improved data processing system on the premises of the commission. The data processing system shall be designed to allow direct, on-line access by any person at a remote location to all public records that are filed with the commission pursuant to this title.

2. The commission shall provide for and establish an expedited service for the filing of all documents and services provided pursuant to this title as follows:

(a) The expedited filing shall be a priority same day service effected in a fast and efficient manner.

(b) The commission shall charge a fee for expedited services, including those requested by facsimile transmission. This fee is in addition to any other fees provided by law, including those in this section. The fee for expedited services shall be set by the commission to cover the cost of the service.

3. The commission shall charge persons who access the commission's data processing system from remote locations and persons requesting special computer generated printouts, reports and tapes a reasonable fee that does not exceed the cost of the time, equipment and personnel necessary to provide this service or product as determined by the commission.

4. In addition to any fee charged pursuant to this section, the commission may charge and collect the following fees to help defray the cost of the improved data processing system:

(a) Filing articles of incorporation of a domestic corporation, ten dollars.

(b) Filing an application of a foreign corporation for authority to transact business in this state, twenty-five dollars.

5. All monies received pursuant to paragraphs 2, 3 and 4 of this subsection shall be transmitted to the state treasurer for deposit in the public access fund. The commission shall use the monies deposited in the fund~~,~~ for the purposes provided in this section. Fees charged pursuant to this section are exempt from section 39-121.03, subsection A, paragraph 3, relating to a charge for value of a reproduction on the commercial market.

Monies in the fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations, except that any unencumbered monies in excess of two hundred thousand dollars at the end of each fiscal year revert to the state general fund.

6. When sufficient monies have been collected pursuant to paragraphs 2, 3 and 4 of this subsection to pay for the purchase and installation of the data processing system, the commission shall not charge and collect the fees prescribed in paragraph 4 of this subsection.

Sec. 10. Section 12-113, Arizona Revised Statutes, is amended to read:

12-113. <u>Judicial collection enhancement fund; purpose; administration; report; definition</u>

A. A judicial collection enhancement fund is established consisting of monies received from:

1. Twelve dollars from the time payment fee established in section 12-116.

2. A five dollar surcharge paid by a person attending a court ordered diversion program pursuant to section 12-114.

3. A surcharge on all filing, appearance and clerk fees collected by the supreme court, court of appeals, superior court, justice of the peace courts and municipal courts.

4. Electronic filing and access fees collected pursuant to sections 12-119.02, 12-120.31, 22-284 and 22-408.

B. Courts wishing to receive monies from the judicial collection enhancement fund shall submit a plan to the supreme court. SUBJECT TO LEGISLATIVE APPROPRIATION, the fund monies shall be used according to plans approved by the supreme court to improve, maintain and enhance the ability to collect and manage monies assessed or received by the courts including restitution, child support, fines and civil penalties and to improve court automation projects likely to improve case processing or the administration of justice.

C. Except as provided in sections 22-284 and 22-408, the supreme court shall administer the fund and may expend monies in the fund, SUBJECT TO LEGISLATIVE APPROPRIATION, for local, regional or statewide projects. The supreme court may directly provide or contract for services consistent with the purposes of the fund. Monies from the fund shall supplement monies already provided to local courts for purposes consistent with the purposes of the fund.

D. The supreme court shall submit annually to the legislature and to the governor a report detailing the amount of monies collected and expended and the progress made in improving the ability of the courts to collect monies.

E. The state treasurer shall invest monies in the fund. Interest earned on fund monies shall be deposited in the fund.

F. After the court determines the amount due, the court shall transmit to the county treasurer each month the surcharges and fees collected pursuant to sections 12-115 and 12-116, except that municipal courts shall transmit to the city treasurer each month the surcharges and fees so collected.

G. The county or city treasurer shall transmit to the state treasurer on or before the tenth day of each month the surcharges and fees collected pursuant to subsection F of this section for deposit in the judicial collection enhancement fund.

H. For the purposes of this article, "court authorized diversion program" means a program in which an individual charged with a civil or criminal traffic offense or any other criminal offense is not prosecuted for the offense on the successful completion of an authorized diversion program. Successful completion of a defensive driving school program resulting in dismissal of a civil or criminal traffic offense is considered a court authorized diversion program under this section.

Sec. 11. Section 15-1725, Arizona Revised Statutes, is amended to read:

15-1725. Medical student loan fund

A. The state treasurer shall maintain a fund known as the medical student loan fund. All monies appropriated to carry out the provisions of this article shall be deposited in such fund, and all payments of principal and interest received by the board shall be transmitted to the state treasurer for deposit in the fund. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

B. Monies in the medical student loan fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations.

Sec. 12. Section 23-705, Arizona Revised Statutes, is amended to read:

23-705. Special administration fund

A. There shall be a special fund in the state treasury known as the special administration fund.

B. No expenditure or transfer may be made from the special administration fund unless ~~such~~ THE expenditure or transfer is AUTHORIZED BY LEGISLATIVE APPROPRIATION AND approved by the director of the department of administration.

C. Interest and penalties collected under the provisions of this chapter shall be paid into the special administration fund. Such monies shall not be expended or available for expenditure in any manner which would permit their substitution for, or a corresponding reduction in, federal funds which would in the absence of the monies be available to finance expenditures for the administration of this chapter, but nothing in this section shall prevent the monies from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to charging the expenditures against such funds when received.

D. The monies in the special administration fund ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND shall be used by the commission for payment of costs of administration found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment security administration fund created by section 23-707. The APPROPRIATED monies shall be available either for satisfying the obligations incurred by the commission directly or by requesting the state treasurer to transfer the required amount from the special administration fund to the employment security administration fund. No expenditure of this fund or transfer shall be made unless and until AUTHORIZED BY LEGISLATIVE APPROPRIATION AND the commission finds that no other funds are available or can properly be used to finance the expenditures, except that ~~authorized~~ expenditures from the fund THAT HAVE BEEN AUTHORIZED BY LEGISLATIVE APPROPRIATION may be made for the purpose of acquiring lands and buildings or for the erection of buildings on lands ~~so~~ acquired. ~~which are deemed necessary by the commission for the proper administration of this chapter.~~

E. The monies in this fund ~~shall be continuously available~~ ARE SUBJECT TO LEGISLATIVE APPROPRIATION to the commission for expenditure in accordance with the provisions of this section and section 23-706 and shall not lapse at any time or be transferred to any other fund except as provided in this chapter.

Sec. 13. Section 28-382, Arizona Revised Statutes, as amended by Laws 1995, chapter 243, section 1, is amended to read:

28-382. Environmental special plates

A. The department shall issue environmental special plates. The environmental special plates shall have the same basic color and design as the environmental number plates issued on or before December 31, 1992, except that the department may make minor alterations of environmental special plates to make the plates more reflective and readable during the daylight and nighttime hours.

B. Of the twenty-five dollar fee required by section 28-205 for original environmental special plates and for renewal of environmental special plates, eight dollars is a special plate administration fee and seventeen dollars is an environmental plate annual donation.

C. The department shall transmit all special plate administration fees and all environmental plate annual donations collected pursuant to this section to the state treasurer. The state treasurer shall deposit the special plate administration fees in the special fund established by section 28-301.03 and shall deposit the environmental plate annual donations in the environmental special plate fund established by section ~~37-1014~~ 37-1015 for disbursement by the state land department for environmental education programs.

Sec. 14. Section 28-1891, Arizona Revised Statutes, is amended to read:

28-1891. Arizona highway patrol fund; composition of fund; administration; exemptions; purpose

A. There is established an Arizona highway patrol fund.

B. The Arizona highway patrol fund shall consist of:

1. Monies distributed to the fund from the Arizona highway user revenue fund by the legislature subject to section 28-1598, subsection D.

2. Miscellaneous service fees.

3. Rewards.

4. Awards.

5. Insurance recoveries.

6. Receipts from the sale or disposal of any or all property held by the Arizona highway patrol or purchased with Arizona highway patrol funds.

7. Monies received from the public safety personnel retirement system pursuant to section 20-224.01.

C. SUBJECT TO LEGISLATIVE APPROPRIATION, all monies in the Arizona highway patrol fund shall be administered and expended by the patrol superintendent in conformity with the laws governing state financial operations.

D. No monies in the Arizona highway patrol fund shall revert to the STATE general FUND or Arizona highway user revenue fund, and ~~such~~ THESE monies shall be exempt from the provisions of section 35-190, relating to lapsing of appropriations.

E. SUBJECT TO LEGISLATIVE APPROPRIATION, the Arizona highway patrol fund shall be used for the purpose of administering the provisions of law relating to the highway patrol and the Arizona highway patrol reserve and all matters pertaining thereto, except that monies received pursuant to subsection B, paragraph 7 of this section shall be used for the department of public safety.

Sec. 15. Section 36-1947, Arizona Revised Statutes, is amended to read:

36-1947. Telecommunication devices for the deaf and the hearing and speech impaired; administration; fund

A. The council shall establish and administer a statewide program to purchase, repair and distribute telecommunication devices to residents of this state who are deaf or severely hearing or speech impaired and establish a dual party relay system making all phases of public telephone service available to persons who are deaf or severely hearing or speech impaired.

B. The council may adopt administrative procedures, rules, criteria and forms to establish and administer the telecommunication device program under this section.

C. Telecommunication devices furnished by the council under this section remain the property of this state. A person who receives a telecommunication device from the council under this section is liable for the loss of or damage to the device. The council may impose a civil penalty

against the person in an amount equal to the cost of the device or the amount of damage done to the device. If a person objects to the imposition of a civil penalty, the council shall conduct a hearing as prescribed in title 41, chapter 6, article 1. Monies collected by the council under this subsection shall be deposited in the telecommunication fund for the deaf.

D. A telecommunication fund for the deaf is established to be administered by the council for the purposes of this section. Monies in the fund shall be derived from the telecommunication services excise tax levied under section 42-1472, subsection A, paragraph 2. Interest accruing to the fund shall be deposited in the fund. Monies in the fund are exempt from section 35-190 relating to lapsing of appropriations. SUBJECT TO LEGISLATIVE APPROPRIATION, the council shall use monies in the fund to purchase and repair telecommunication devices and administer the program established by this section.

E. ~~Beginning in fiscal year 1986-1987,~~ Expenditures from the ~~telecommunications~~ TELECOMMUNICATION fund for the deaf shall be subject to quarterly review by the joint legislative budget committee.

Sec. 16. Section 36-2005, Arizona Revised Statutes, is amended to read:

36-2005. Alcohol and other drug screening, education or treatment fund; purpose; administration

A. ~~Beginning January 1, 1994,~~ THE ALCOHOL AND OTHER DRUG SCREENING, EDUCATION OR TREATMENT FUND IS ESTABLISHED. The alcohol and other drug screening, education or treatment fund shall consist of monies collected pursuant to section 12-116.02 and distributed pursuant to section 36-2219.01.

B. SUBJECT TO LEGISLATIVE APPROPRIATION, the director of the department shall administer the fund and may expend monies in the fund for administration of the fund and for alcohol and other drug screening, education or treatment for persons who have been ordered by the court to attend pursuant to sections 5-395.01, 8-232.01, 28-692.01 and 28-697 and who do not have sufficient financial ability to pay.

C. Monies in the alcohol ~~abuse~~ AND OTHER DRUG SCREENING, EDUCATION OR treatment fund are exempt from the provisions of section 35-190, relating to lapsing appropriations.

Sec. 17. Section 36-2219.01, Arizona Revised Statutes, is amended to read:

36-2219.01. Medical services enhancement fund

A. A medical services enhancement fund is established in the state treasury consisting of monies collected pursuant to section 12-116.02. The state treasurer shall administer the fund.

B. ~~Beginning September 1, 1995,~~ On the first day of each month, the state treasurer shall distribute or deposit:

1. Fourteen and two-tenths per cent in the alcohol ~~or~~ AND other drug screening, education or treatment fund established pursuant to section ~~12-113.01~~ 36-2005.

2. Forty-eight and nine-tenths per cent in the emergency medical services operating fund established pursuant to section 36-2218 of which at least eight per cent shall be used for personnel expenses, education, training and equipment purchases in cities or towns with a population of less than ninety thousand persons according to the most recent United States decennial census.

3. Twenty-two per cent in the spinal and head injuries trust fund established pursuant to section 41-3203.

4. Nine and four-tenths per cent to the department of health services for use in administering the provisions of section 36-141.

5. Five and five-tenths per cent in the state general fund.

C. ~~Beginning September 1, 1995,~~ Monies distributed pursuant to subsection B, paragraphs 1, 2, 3~~, 4~~ and 5 of this section constitute a continuing appropriation. Monies distributed pursuant to subsection B, paragraph 4 of this section are subject to legislative appropriation.

Sec. 18. Section 37-521, Arizona Revised Statutes, is amended to read:

37-521. Permanent state school fund; composition; use

A. The permanent state school fund shall consist of:

1. The proceeds of all lands granted to the state by the United States for the support of common schools.

2. All property which accrues to the state by escheat or forfeiture.

3. All property donated for the benefit of the common schools, unless the terms of the donation otherwise provide.

4. All unclaimed shares and dividends of any corporation incorporated under the laws of this state.

5. The proceeds of sale of timber, mineral, gravel or other natural products or property from school lands and state lands other than those granted for specific purposes.

6. The residue of the lands granted for payment of the bonds and accrued interest issued by Maricopa, Pima, Yavapai and Coconino counties, after the purpose of the grant has been satisfied, and the five per cent of the proceeds of sales of public lands lying within this state sold by the United States subsequent to admission of this state into the union, as granted by the enabling act.

B. The fund shall be and remain a perpetual fund, the interest of which only, together with the monies derived from the rental of the lands and property, including interest and accrued rent for that year credited pursuant to section 37-295, shall be used, SUBJECT TO LEGISLATIVE APPROPRIATION.

Sec. 19. Section 37-525, Arizona Revised Statutes, is amended to read:

37-525. Other land funds; composition; use

A. The legislative, executive and judicial public buildings land fund, the penitentiary land fund, the Arizona state hospital land fund, the state charitable, penal and reformatory institutions land fund, the schools and asylum for the deaf, dumb and blind land fund, the miners' hospital for disabled miners land fund~~,~~ and the military institutes land fund~~,~~ shall separately consist of:

1. The proceeds of all lands granted to this state by the United States for the respective purposes named.

2. All property donated by individuals for like purposes, unless the terms of the donation otherwise provide.

3. The sale of timber, mineral, gravel or other natural products or property from lands granted or donated for such purposes.

B. The funds shall be and remain perpetual funds for the benefit and support of institutions corresponding to the purposes for which the funds are established, except as otherwise provided in the enabling act and section 37-295, and the interest only of the funds, together with the monies derived from the rental of the lands and property, shall be used. MONIES IN THE STATE CHARITABLE, PENAL AND REFORMATORY INSTITUTIONS LAND FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

Sec. 20. Section 37-1015, Arizona Revised Statutes, is amended to read:

37-1015. Environmental special plate fund; distribution

A. An environmental special plate fund is established in the state treasury and administered by the commissioner consisting of monies received pursuant to section 28-382.

B. SUBJECT TO LEGISLATIVE APPROPRIATION, the department shall distribute five thousand dollars annually to each natural resource conservation district with an established education center for the purpose of developing and implementing an environmental education program.

C. SUBJECT TO LEGISLATIVE APPROPRIATION, the department shall distribute grants as directed pursuant to section 41-2252.

D. The fund established in this section is exempt from the provisions of section 35-190, relating to lapsing of appropriations. On notice from the state land department, the state treasurer shall invest and divest monies in the fund as provided by section 35-313. The state treasurer shall credit all monies earned from these investments to the fund.

E. THE APPROPRIATED FUNDS SHALL ONLY BE USED FOR THE DESIGNATED PURPOSES SPECIFIED IN STATUTE.

Sec. 21. Section 38-721, Arizona Revised Statutes, is amended to read:

38-721. Administration account

A. ASRS shall maintain an administration account consisting of all monies for administrative purposes. The following monies shall be deposited in the administration account:

1. All monies appropriated by the legislature to pay administrative expenses of ASRS.

2. All monies received for proportionate shares of administrative expenses from departments that pay the salaries of their officers and employees wholly or in part from monies received from sources other than appropriations from the state general fund.

3. All monies received for proportionate shares of administrative expenses from political subdivisions paying employer contributions.

4. Monies that the director transfers from the investment account and that are necessary for the payment of expenditures made pursuant to subsections C and D of this section.

B. ~~All~~ EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION, expenditures from the administration account shall be made in accordance with board directives, SUBJECT TO LEGISLATIVE APPROPRIATION.

C. Expenditures for investment management fees and related consulting fees necessary to meet the investment advisory council's investment objectives ARE CONTINUOUSLY APPROPRIATED AND shall be paid from the administration account in the amount deemed necessary by the investment advisory council with approval of the board.

D. With the approval of the board, the director:

1. May expend monies from the administration account for staff, expenses and related consulting fees necessary to implement section 38-714, subsection E, paragraphs 1 and 6 and subsection G, paragraphs 2 and 3 and sections 38-755 and 38-756.

2. Shall pay from the administration account the costs for administering the health insurance program for retired members pursuant to section 38-782, the cost of continuing education programs for the board and the investment advisory council and the cost of legal counsel.

Sec. 22. Section 41-191.02, Arizona Revised Statutes, is amended to read:

41-191.02. Antitrust enforcement revolving fund; receipts and disbursements; exemption; report

A. There is created an antitrust enforcement revolving fund to be administered by the attorney general under the conditions and for the purposes provided in this section. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION. Monies in the fund shall be exempt from the lapsing provisions of section 35-190.

B. On or before the fifteenth day of January, April, July and October, the attorney general shall cause to be filed with the governor, with copies to the director of the department of administration, the president of the senate~~,~~ and the speaker of the house of representatives~~,~~ a full and complete account of the receipts and disbursements from the fund in the previous calendar quarter.

C. Monies in the fund shall be used by the attorney general for costs and expenses of antitrust enforcement undertaken by his office and may be expended for such items as filing fees, court costs, travel, depositions, transcripts, reproduction costs, expert witness fees, investigations, and like costs and expenses. Except for the attorney fees due upon the initial recovery of monies as set out in section 41-191.01, in no event shall any of the monies in the fund be used to compensate or employ attorneys or counselors at law.

Sec. 23. Section 41-192, Arizona Revised Statutes, is amended to read:

41-192. Powers and duties of attorney general; restrictions on state agencies as to legal counsel; exceptions

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

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

2. Establish administrative and operational policies and procedures within his department.

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

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

5. Represent political subdivisions, school districts and municipalities in suits to enforce state or federal statutes pertaining to antitrust, restraint of trade or price-fixing activities or conspiracies, provided that the attorney general shall notify in writing such political subdivisions, school districts and municipalities of his intention to bring any such action on its behalf. At any time within thirty days after such notification, such political subdivisions, school districts and municipalities may, by formal resolution of its governing body, withdraw the authority of the attorney general to bring the intended action on its behalf.

6. In any action brought by the attorney general pursuant to state or federal statutes pertaining to antitrust, restraint of trade, or price-fixing activities or conspiracies for the recovery of damages by this state or any of its political subdivisions, school districts or municipalities, in addition to his other powers and authority, the attorney general on behalf of this state may enter into contracts relating to the investigation and

prosecution of such action with any other party plaintiff who has brought a similar action for the recovery of damages and with whom the attorney general finds it advantageous to act jointly or to share common expenses or to cooperate in any manner relative to such action. In any such action, notwithstanding any other laws to the contrary, the attorney general may undertake, among other things, to render legal services as special counsel or to obtain the legal services of special counsel from any department or agency of the United States, of this state or any other state or any department or agency thereof or any county, city, public corporation or public district in this state or in any other state that has brought or intends to bring a similar action for the recovery of damages or their duly authorized legal representatives in such action.

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

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

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

1. Organize the department into such bureaus, subdivisions or units as he deems most efficient and economical, and consolidate or abolish them.

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

3. Employ and assign assistant attorneys general and other employees necessary to perform the functions of the department. Not later than October 31, 1984, the attorney general shall submit to the joint legislative budget committee a comprehensive performance pay plan for all assistant attorneys general. Notwithstanding the provisions of section 38-611, all monies appropriated for salary adjustments for assistant attorneys general to become effective on or after January 1, 1985 shall be allocated in accordance with the performance pay plan as approved by the joint legislative budget committee. If the joint legislative budget committee does not approve a performance pay plan by December 31, 1984, assistant attorneys general shall receive salary adjustments pursuant to section 38-611.

4. Compromise or settle any action or claim by or against this state or any department, board or agency thereof. Where such compromise or settlement involves a particular department, board or agency of this state, the compromise or settlement shall be first approved by such department, board or agency. Where no department or agency is named or otherwise materially involved, the approval of the governor shall be first obtained.

5. Charge reasonable fees for distributing official publications, including attorney general legal opinions and the Arizona agency handbook. The fees received shall be ~~deposited~~ TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT in ~~a separate account and are available for expenditure by the attorney general solely for the production of official publications~~ THE STATE GENERAL FUND.

C. Assistants and employees in any legal division subject to a merit system prior to March 6, 1953 shall remain subject thereto.

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

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

1. The director of water resources.
2. The residential utility consumer office.
3. The industrial commission.
4. The Arizona board of regents.
5. The auditor general.
6. The corporation commissioners and the corporation commission other than the securities division.
7. The ombudsman for private property rights.
8. The office of the governor.

F. If the attorney general determines that he is disqualified from providing judicial or quasi-judicial legal representation or legal services on behalf of any state agency in relation to any matter, the attorney general shall give written notification to the state agency affected. If the agency has received written notification from the attorney general that he is disqualified from providing judicial or quasi-judicial legal representation or legal services in relation to any particular matter, the state agency is authorized to make expenditures and incur indebtedness to employ attorneys to provide the representation or services.

G. If the attorney general and the director of the ARIZONA department of agriculture cannot agree on the final disposition of a pesticide complaint under section 3-368, if the attorney general and the director determine that a conflict of interest exists as to any matter or if the attorney general and the director determine that the attorney general does not have the expertise

or attorneys available to handle a matter, the director is authorized to make expenditures and incur indebtedness to employ attorneys to provide representation or services to the department with regard to that matter.

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

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

~~J. Monies in the special fund authorized under subsection B, paragraph 5 of this section that at any time are in excess of fifteen thousand dollars shall immediately revert to the state general fund. Monies in such fund of fifteen thousand dollars or less are exempt from the lapsing provision of section 35-190, except that monies in such fund at the close of the fiscal year in excess of five thousand dollars shall revert to the state general fund.~~

J. NOTWITHSTANDING THE PROVISIONS OF SECTION 35-148, MONIES RECEIVED BY THE ATTORNEY GENERAL FROM CHARGES TO STATE AGENCIES AND POLITICAL SUBDIVISIONS FOR LEGAL SERVICES RELATING TO INTERAGENCY SERVICE AGREEMENTS SHALL BE TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT IN THE STATE TREASURY IN AN ATTORNEY GENERAL AGENCY SERVICES FUND. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190, RELATING TO LAPSING OF APPROPRIATIONS.

Sec. 24. Section 41-802, Arizona Revised Statutes, is amended to read:

41-802. Arizona telecommunications revolving fund

There is created an Arizona telecommunications revolving fund for the purpose of the payment of costs incurred in the operation of the central system and costs incurred from the long-distance intercity telecommunications system established by sections 41-798 and 41-801. All monies received by the director in payment for these telecommunications services shall be ~~deposited~~ TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT in this fund. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

Sec. 25. Section 41-804, Arizona Revised Statutes, is amended to read:

41-804. Motor vehicle pool revolving fund

There is established a motor vehicle pool revolving fund for the purpose of receiving payment of costs incurred by state departments and agencies through motor vehicle services and for financing the operation of

the motor vehicle pool. All monies received by the director in payment for motor vehicle services shall be ~~deposited~~ TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT in this fund. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

Sec. 26. Section 41-2401, Arizona Revised Statutes, is amended to read:

41-2401. Criminal justice enhancement fund

A. A criminal justice enhancement fund is established in the state treasury consisting of monies collected pursuant to section 12-116.01 and monies available from any other source. The state treasurer shall administer the fund.

B. On or before November 1 of each year, each department, agency or office that receives monies pursuant to this section shall provide to the Arizona criminal justice commission a report for the preceding fiscal year. The report shall be in a form prescribed by the Arizona criminal justice commission and reviewed by the director of the joint legislative budget committee. The report shall set forth the sources of all monies and all expenditures. The report shall not include any identifying information about specific investigations.

C. On or before December 1 of each year, the Arizona criminal justice commission shall compile all reports into a single comprehensive report and submit a copy of the comprehensive report to the governor, the president of the senate, the speaker of the house of representatives and the director of the joint legislative budget committee.

D. On the first day of each month, the state treasurer shall distribute or deposit:

1. Six and six-tenths per cent in the Arizona automated fingerprint identification system fund established pursuant to section 41-2414.

2. One and sixty-five hundredths per cent to the department of juvenile corrections for the treatment and rehabilitation of youth who have committed drug-related offenses.

3. Seventeen per cent in the peace officers' training fund established pursuant to section 41-1825.

4. Three and one-tenth per cent in the prosecuting attorneys' advisory council training fund established pursuant to section 41-1830.03.

5. Nine and fifty-five hundredths per cent to the supreme court for the purpose of reducing juvenile crime.

6. Eight and three-quarters per cent to the department of public safety. Fifteen per cent of the monies shall be allocated for deposit in the Arizona deoxyribonucleic acid identification system fund established pursuant to section 41-2419. Eighty-five per cent of the monies shall be allocated to state and local law enforcement authorities for the following purposes:

(a) To enhance projects that are designed to prevent residential and commercial burglaries, to control street crime, including the activities of criminal street gangs, and to locate missing children.

(b) To provide support to the Arizona automated fingerprint identification system.

(c) Operational costs of the criminal justice information system.

7. Nine and fifty-five hundredths per cent to the department of law for allocation to county attorneys for the purpose of enhancing prosecutorial efforts.

8. Six and fifteen-hundredths per cent to the supreme court for the purpose of enhancing the ability of the courts to process criminal and delinquency cases. Notwithstanding section 12-143, subsection A, the salary of superior court judges pro tempore who are appointed for the purposes provided in this paragraph shall, and the salary of other superior court judges pro tempore who are appointed pursuant to section 12-141 for the purposes provided in this paragraph may, be paid in full by the monies received pursuant to this paragraph.

9. Eleven and ninety-five hundredths per cent to the state department of corrections for allocation to county sheriffs for the purpose of enhancing county jail facilities and operations, including county jails under the jurisdiction of county jail districts.

10. One and six-tenths per cent to the Arizona criminal justice commission.

11. Nine and two-tenths per cent to the state general fund.

12. Two and thirty-five hundredths per cent in the crime laboratory assessment fund established pursuant to section 41-2415.

13. Seven and eighty-five hundredths per cent in the victims' rights implementation revolving fund established pursuant to section 41-191.06.

14. Four and seven-tenths per cent in the victim compensation fund established pursuant to section 41-2407.

E. Monies distributed pursuant to subsection D, paragraphs 3, ~~through~~ 4, 7, 9, 11, 12, 13 and 14 of this section constitute a continuing appropriation. Monies distributed pursuant to subsection D, paragraphs 1, 2, 5, 8 AND 10 ~~and 13~~ of this section are subject to legislative appropriation.

F. THE PORTION OF THE EIGHTY-FIVE PER CENT OF THE MONIES FOR DIRECT OPERATING EXPENSES OF THE DEPARTMENT OF PUBLIC SAFETY IN SUBSECTION D, PARAGRAPH 6 OF THIS SECTION IS SUBJECT TO LEGISLATIVE APPROPRIATION. THE REMAINDER OF THE MONIES IN SUBSECTION D, PARAGRAPH 6 INCLUDING THE PORTION OF THE EIGHTY-FIVE PER CENT FOR LOCAL LAW ENFORCEMENT IS CONTINUOUSLY APPROPRIATED.

~~F.~~ G. ~~Beginning January 1, 1994,~~ The allocation of monies pursuant to subsection D, paragraphs 6, 7, 8 and 9 of this section shall be made in accordance with rules adopted by the Arizona criminal justice commission pursuant to section 41-2405.

Sec. 27. Section 41-2407, Arizona Revised Statutes, is amended to read:

41-2407. Victim compensation fund

A. The victim compensation fund is established in the state treasury. The Arizona criminal justice commission shall administer the fund. The victim compensation fund shall consist of monies collected pursuant to section 12-116.01 and distributed pursuant to section 41-2401, subsection D, paragraph 14 and monies available from any other source.

B. SUBJECT TO LEGISLATIVE APPROPRIATION, the Arizona criminal justice commission shall allocate monies in the victim compensation fund to public and private agencies for the purpose of establishing, maintaining and supporting programs that compensate victims of crime.

C. The allocation of monies pursuant to this section shall be made in accordance with rules adopted by the Arizona criminal justice commission pursuant to section 41-2405, subsection A, paragraph 8.

Sec. 28. Section 41-2408, Arizona Revised Statutes, is amended to read:

41-2408. Victim assistance fund

A. The victim assistance fund is established, consisting of monies collected pursuant to section 31-411, subsection E, section 31-418 and section 31-466, subsection A. The Arizona criminal justice commission shall administer the fund. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

B. The Arizona criminal justice commission shall allocate monies in the victim assistance fund to public and private agencies for the purpose of establishing, maintaining and supporting programs that assist victims of crimes, provided that not more than fifty per cent of the monies distributed statewide shall be allocated to the governmental agencies specified in section 41-2404, subsection A and to governmental agencies of the type specified in section 41-2404, subsection B.

C. The allocation of monies pursuant to this section shall be made in accordance with rules adopted by the Arizona criminal justice commission pursuant to section 41-2405, subsection A, paragraph 8.

Sec. 29. Section 41-2415, Arizona Revised Statutes, is amended to read:

41-2415. Crime laboratory assessment fund; definition

A. The crime laboratory assessment fund is established in the state treasury. The crime laboratory assessment fund shall consist of monies collected pursuant to section 12-116.01 and distributed pursuant to section

41-2401, subsection D, paragraph 12. The department of public safety shall administer the fund.

B. Monies in the fund are ~~continuously appropriated~~ SUBJECT TO APPROPRIATION by the legislature for the following purposes:

1. Providing enhanced crime laboratory services.

2. Purchasing and maintaining scientific equipment for crime laboratory use.

3. Educating and training forensic scientists regularly employed in a crime laboratory.

C. The department of public safety on a quarterly basis shall allocate and distribute the monies in the fund to political subdivisions that operate crime laboratories. The department shall distribute the monies according to the following schedule:

1. Twenty-two per cent to the Phoenix police department.

2. Twelve per cent to the Tucson police department.

3. Seven per cent to the Mesa police department.

4. Four per cent to the Scottsdale police department.

5. Fifty-five per cent to the department of public safety.

D. The schedule for the distribution of monies pursuant to subsection C of this section may be adjusted annually, if appropriate, based on the crime laboratory services provided and the percentage of the state population served by each crime laboratory. The crime laboratory directors of the political subdivisions providing crime laboratory services in this state shall agree on the formula and allocation. The minimum allocation for a political subdivision that provides crime laboratory services is four per cent.

E. For purposes of this section, "crime laboratory" means a laboratory which is operated by a political subdivision, which has at least one regularly employed forensic scientist who holds a minimum of a bachelor's degree in a physical or natural science and which is registered as an analytical laboratory with the drug enforcement administration of the United States department of justice for the possession of all scheduled controlled substances.

Sec. 30. Section 41-2417, Arizona Revised Statutes, is amended to read:

41-2417. <u>Automobile theft prevention authority; powers and duties; fund; audit</u>

A. An automobile theft prevention authority is established consisting of:

1. Two police chiefs appointed by the governor.

2. Two sheriffs appointed by the governor.

3. A county attorney appointed by the governor.

4. Two employees of insurers licensed to write automobile liability insurance in this state appointed by the governor.

5. Two members of the general public appointed by the governor.

6. The assistant director for the motor vehicle division in the department of transportation.

B. The terms of the members are for four years beginning and ending on the third Monday in January.

C. The authority shall:

1. Hire staff as necessary. If an executive director is hired, preference shall be given to qualified executive director applicants with law enforcement and criminal policy experience.

2. Provide work facilities and equipment as necessary.

3. Determine the scope of the problem of automobile theft, including particular areas of the state where the problem is greatest.

4. Analyze the various methods of combating the problem of automobile theft.

5. Develop and implement a plan of operation.

6. Develop and implement a financial plan.

7. Report by September 1 of each year to the governor and the legislature on its activities during the preceding fiscal year.

D. The automobile theft prevention authority fund is established in the state treasury consisting of any public or private monies that the authority may receive. The automobile theft prevention authority shall administer the fund. SUBJECT TO LEGISLATIVE APPROPRIATION, monies in the fund shall be used to pay the expenses of the authority and to carry out the purposes of this section. Monies in the fund are exempt from the provisions of sections 35-143.01 and 35-190, relating to lapsing of appropriations. On notice from the authority, the state treasurer shall invest and divest monies in the fund as provided by section 35-313. The state treasurer shall credit all interest earned on the monies in the fund to the fund.

E. The authority may accept nonmonetary contributions, including the services of individuals, office and secretarial assistance, mailings, printing, office equipment, facilities and supplies, that are necessary to carry out its functions. The nonmonetary contributions shall not be included in the costs of administration limitation prescribed by subsection G of this section.

F. The automobile theft prevention authority shall allocate monies in the fund to public agencies for the purpose of establishing, maintaining and supporting programs that are designed to prevent automobile theft, including:

1. Financial support to law enforcement and prosecution agencies for programs that are designed to increase the effectiveness of automobile theft prosecution.

2. Financial support for programs that are designed to educate and assist the public in the prevention of automobile theft.

G. The costs of administration shall not exceed ten per cent of the monies in the fund in any one year so that the greatest possible portion of the monies available to the authority is expended on combating automobile theft.

H. Monies expended from the automobile theft prevention authority fund shall be used to supplement, not supplant, other monies that are available for auto theft prevention.

I. The authority shall cause an audit to be made of the automobile theft prevention authority fund. The audit shall be conducted by a certified public accountant ~~within~~ EVERY two years ~~after the fund is established~~. The authority shall file a certified copy of the audit with the auditor general immediately. The auditor general may make further audits and examinations as he deems necessary and may take appropriate action relating to the audit pursuant to chapter 7, article 10.1 of this title.

J. Authority members are not eligible to receive compensation but are eligible for reimbursement of expenses pursuant to title 38, chapter 4, article 2.

Sec. 31. Section 41-2419, Arizona Revised Statutes, is amended to read:

41-2419. Arizona deoxyribonucleic acid identification system fund

A. The Arizona deoxyribonucleic acid identification system fund is established in the state treasury. The Arizona deoxyribonucleic acid identification system fund consists of monies collected pursuant to section 12-116.01 and distributed pursuant to section 41-2401, subsection D, paragraph 6, monies collected pursuant to section 31-281 and monies contributed to the fund from any other source. On notice from the department of public safety, the state treasurer shall invest and divest monies in the fund as provided by section 35-313, and monies earned from investment shall be credited to the fund.

B. The department of public safety shall administer the fund.

C. SUBJECT TO LEGISLATIVE APPROPRIATION, monies in the fund shall be used for implementing, operating and maintaining deoxyribonucleic acid testing and for the costs of administering the system.

Sec. 32. Section 44-323, Arizona Revised Statutes, is amended to read:

44-323. Deposit of money; availability of public records; confidential information and disclosure; violation; classification; definition

A. Except as otherwise provided by this section or section 44-323.01, the department shall forthwith TRANSMIT TO THE STATE TREASURER FOR deposit in the general fund of this state all funds received under this chapter, including the proceeds from the sale of abandoned property under section 44-322, except that thirty-five per cent of the monies shall be transferred to the housing trust fund established by section 41-1512. The department

1 shall deposit monies from unclaimed shares and dividends of any corporation
2 incorporated under the laws of this state in the permanent state school fund
3 pursuant to article XI, section 8, Constitution of Arizona. The department
4 shall retain in a separate trust fund an amount of not less than one hundred
5 thousand dollars from which prompt payment of claims duly allowed shall be
6 made by the department.
7 B. Before making the deposit, the department shall record the name and
8 last known address of each person appearing from the holders' reports to be
9 entitled to the property and the name and last known address of each insured
10 person or annuitant and beneficiary and with respect to each policy or
11 contract listed in the report of an insurance company its number, the name
12 of the company and the amount due. The record shall be available for public
13 inspection at all reasonable business hours.
14 C. Before making any deposit to the credit of the state general fund,
15 the department may deduct, SUBJECT TO LEGISLATIVE APPROPRIATION,
16 ADMINISTRATIVE EXPENSES in the following order of priority:
17 1. Any costs in connection with the sale of abandoned property.
18 2. Costs of mailing and publication in connection with any abandoned
19 property.
20 3. Reasonable department service charges.
21 4. Costs incurred in examining records of holders of property and in
22 collecting the property from those holders.
23 5. Lawful holder charges.
24 D. Confidential information relating to a particular item of property
25 may be disclosed to the claimant, a successor in interest to the claimant or
26 a designee of the claimant who is authorized in writing by the claimant. A
27 claimant is a person or entity that claims to have a property interest in the
28 item of property presumed abandoned.
29 E. Confidential information may be disclosed to:
30 1. Any employee of the department whose official duties involve
31 unclaimed property.
32 2. The office of the attorney general for its use in providing counsel
33 relating to unclaimed property administration or in preparation for any
34 proceeding involving unclaimed property before the department or any other
35 agency or board of this state or before any grand jury or any state or
36 federal court.
37 3. State unclaimed property officials of other states, if the other
38 state grants substantially similar privileges to the department for the type
39 of information being sought, pursuant to statute and a written agreement
40 between the department and the other state.
41 4. The auditor general, in connection with any audit of the
42 department.

5. Any person to the extent necessary for effective unclaimed property administration in connection with the processing, storage, transmission and reproduction of the information and the programming, maintenance, repair, testing and procurement of equipment for purposes of unclaimed property administration.

F. Confidential information may be disclosed in any state or federal judicial or administrative proceeding pertaining to unclaimed property administration if:

1. The claimant is a party to the proceeding.

2. The treatment of an item reflected in the information is directly related to the resolution of an issue in such proceeding.

3. The information directly relates to a transactional relationship between a person who is a party to the proceeding and the claimant which directly affects the resolution of an issue in the proceeding.

G. Identity information may be disclosed for purposes of notifying persons appearing to be entitled to unclaimed property in the manner described in section 44-318.

H. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to any one claimant.

I. A court may order the department to disclose confidential information pertaining to a party to an action. An order shall be made only upon a showing of good cause and that the party seeking the information has made demand upon the claimant for the information.

J. If the department is required or permitted to disclose confidential information, it may charge the person or agency requesting the information for the reasonable cost of its services.

K. A disclosure of confidential information in violation of this section is a class 1 misdemeanor. A knowing disclosure of confidential information is a class 6 felony.

L. Monies received pursuant to section 35-187 shall be deposited in the homeless trust fund as provided in section 41-2021 in an amount of not more than one million dollars. Monies in excess of one million dollars shall be deposited pursuant to subsection A of this section. Before making any deposit in the homeless trust fund, the department shall deduct any amounts related to owner claims and interest payments.

M. In this section "confidential information" includes reports filed by holders of property presumed abandoned under this chapter, a claimant's application and documents submitted to support a claim and information discovered by the department concerning claims and claimants.

Sec. 33. Section 44-2039, Arizona Revised Statutes, is amended to read:

44-2039. Securities regulatory and enforcement fund; purpose

A. A securities regulatory and enforcement fund is established and shall be administered by the commission under the conditions and for the purposes provided by this section. Monies in the fund are exempt from the provisions of section 35-190, relating to lapsing.

B. Fees collected pursuant to section 44-1861, subsection A, paragraphs 1 and 2 and subsections D and N shall be ~~deposited~~ TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT in the securities regulatory and enforcement fund.

C. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION. The commission shall use the monies in the fund for education and regulatory, investigative and enforcement operations in the securities division.

D. On or before January 15, April 15, July 15 and October 15, the commission shall cause to be filed with the governor, with copies to the director of the department of administration, the president of the senate and the speaker of the house of representatives, a full and complete account of the receipts and disbursements from the fund in the previous calendar quarter.

Sec. 34. Section 46-406, Arizona Revised Statutes, is amended to read:

46-406. Funding for administration of public assistance services of child support enforcement program; expenditure limitation

A. SUBJECT TO LEGISLATIVE APPROPRIATION, the department of economic security shall administer the child support enforcement program from the state's share of the child support collections received on public assistance cases.

B. At the end of any fiscal year, the department of economic security shall use that portion of this state's share of child support collections which were not expended to administer the child support enforcement program to offset its appropriation for aid to families with dependent children.

C. Monies appropriated to the department of economic security for child support purposes shall be used to administer services of the child support enforcement program pursuant to the requirements of title IV-D of the social security act (42 United States Code section 651).

D. The department shall annually prepare an expenditure plan for monies which will be collected pursuant to subsection A OF THIS SECTION in the next fiscal year. The plan shall be submitted to the joint legislative budget committee no later than September 1 for review. The plan shall include an estimate of anticipated collections on a quarterly basis and details of proposed expenditures.

1 E. The department shall submit quarterly status reports to the joint
2 legislative budget committee on its progress in implementing the expenditure
3 plan and on the expenditure of monies received pursuant to subsection C OF
4 THIS SECTION.
5 F. The expenditure plan may be revised upon review by the joint
6 legislative budget committee.
7 G. The total amount of state monies that may be spent in any fiscal
8 year by the department of economic security for aid to families with
9 dependent children from child support enforcement monies shall not exceed the
10 amount appropriated or authorized by section 35-173 for that purpose. This
11 section shall not be construed to impose a duty on an officer, agent or
12 employee of this state to discharge a responsibility or to create any right
13 in a person or group if the discharge or right would require an expenditure
14 of state monies in excess of the expenditure authorized by legislative
15 appropriation for that specific purpose.
16 Sec. 35. Delayed effective date
17 Sections 1 through 23 and 26 through 34 of this act are effective on
18 July 1, 1997.

APPROVED BY THE GOVERNOR MAY 1, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 1,1996