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FILED

Jane Dee Hull
Secretary of State

CHAPTER 351

HOUSE BILL 2073

AN ACT

AMENDING SECTION 8-546.07, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 176, SECTION 3; REPEALING SECTION 8-546.07, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 266, SECTION 1; PROVIDING FOR THE DELAYED REPEAL OF SECTION 8-546.07, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; AMENDING SECTION 8-546.11, ARIZONA REVISED STATUTES; AMENDING SECTION 12-2454.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1994, CHAPTER 374, SECTION 12; REPEALING SECTION 12-2454.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 270, SECTION 8; AMENDING SECTION 13-3451, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1983, CHAPTER 46, SECTION 1; REPEALING SECTION 13-3451, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 211, SECTION 1; AMENDING SECTION 14-5312, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 287, SECTION 10; PROVIDING FOR THE DELAYED REPEAL OF SECTION 14-5312, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 250, SECTION 5; AMENDING SECTION 32-922, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1990, CHAPTER 175, SECTION 5; REPEALING SECTION 32-922, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 259, SECTION 3; AMENDING SECTION 32-1426, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 212, SECTION 7; PROVIDING FOR THE DELAYED REPEAL OF SECTION 32-1426, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, FOURTH SPECIAL SESSION, CHAPTER 2, SECTION 1; AMENDING SECTION 32-1644, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1984, CHAPTER 245, SECTION 14; REPEALING SECTION 32-1644, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 255, SECTION 15; AMENDING TITLE 36, CHAPTER 21.1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2202.01; REPEALING SECTION 36-2202.01, ARIZONA REVISED

STATUTES, AS ADDED BY LAWS 1995, CHAPTER 116, SECTION 3; AMENDING SECTION 38-715, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 1995, CHAPTER 32, SECTION 14; REPEALING SECTION 38-715, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 134, SECTION 3; AMENDING SECTION 38-842, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 32, SECTION 15; REPEALING SECTION 38-842, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 205, SECTION 3; AMENDING SECTION 41-1030, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1994, CHAPTER 363, SECTION 18; REPEALING SECTION 41-1030, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 251, SECTION 5; REPEALING SECTION 42-101, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 241, SECTION 24; AMENDING SECTION 42-108, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 93, SECTION 2 AND CHAPTER 251, SECTION 17; REPEALING SECTION 42-108, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 281, SECTION 3; AMENDING SECTION 42-172, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1994, CHAPTER 323, SECTION 20; REPEALING SECTION 42-172, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 249, SECTION 11; AMENDING SECTION 42-172.01, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 1994, CHAPTER 323, SECTION 21; REPEALING SECTION 42-172.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 249, SECTION 12; AMENDING SECTION 42-221, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 249, SECTION 24; REPEALING SECTION 42-221, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 137, SECTION 1; AMENDING SECTION 42-227, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, FIRST SPECIAL SESSION, CHAPTER 9, SECTION 2; REPEALING SECTION 42-227, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 294, SECTION 5; AMENDING SECTION 49-104, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 231, SECTION 1, CHAPTER 232, SECTION 2 AND CHAPTER 261, SECTION 1; REPEALING SECTION 49-104, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 202, SECTION 2; AMENDING SECTION 49-203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 210, SECTION 1; REPEALING SECTION 49-203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 202, SECTION 4; REPEALING LAWS 1996, CHAPTER 177, SECTION 1; AMENDING SECTION 49-282, AS AMENDED BY LAWS 1995, CHAPTER 202, SECTION 8; AMENDING SECTION 49-353, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 124, SECTION 1; REPEALING SECTION 49-353, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 202, SECTION 11; AMENDING SECTION 49-362, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 210, SECTION 2; REPEALING SECTION 49-362, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 202, SECTION 12; AMENDING SECTION 49-542.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 241, SECTION 51; REPEALING SECTION 49-542.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 97, SECTION 2; AMENDING SECTION 49-551, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 271, SECTION 13; REPEALING SECTION 49-551, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1995, CHAPTER 202, SECTION 13; AMENDING LAWS 1994, CHAPTER 201, SECTION 32, AS AMENDED BY LAWS

1995, CHAPTER 224, SECTION 1; REPEALING LAWS 1994, CHAPTER 201, SECTION 32, AS AMENDED BY LAWS 1995, FIRST SPECIAL SESSION, CHAPTER 6, SECTION 14; AMENDING LAWS 1994, CHAPTER 323, SECTION 54, AS AMENDED BY LAWS 1995, CHAPTER 249, SECTION 42; AMENDING LAWS 1995, CHAPTER 249, SECTION 44; REPEALING LAWS 1995, CHAPTER 205, SECTION 16; AMENDING LAWS 1996, CHAPTER 188, SECTION 13; RELATING TO CORRECTIONS TO MULTIPLE, DEFECTIVE AND CONFLICTING LEGISLATIVE DISPOSITIONS OF STATUTORY TEXT.

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

Section 1. Purpose

1. Section 8-546.07, Arizona Revised Statutes, was amended by Laws 1995, chapter 176, section 3 and Laws 1995, chapter 266, section 1. The two versions could not be blended because chapter 176 repealed section 8-546.07, Arizona Revised Statutes, on October 1, 1997 and added a new section 8-546.11, Arizona Revised Statutes, that applies beginning on October 1, 1997. In order to combine these versions, this act:

(a) Amends the Laws 1995, chapter 176 version of section 8-546.07, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 266.

(b) Repeals the Laws 1995, chapter 266 version of section 8-546.07, Arizona Revised Statutes.

(c) Repeals section 8-546.07, Arizona Revised Statutes, as amended by this act, from and after September 30, 1997.

(d) Amends section 8-546.11, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 266, section 1 to section 8-546.07, Arizona Revised Statutes.

2. Section 12-2454.01, Arizona Revised Statutes, was amended by Laws 1995, chapter 270, section 8. However, due to an error five words of existing text in subsection A that should have been shown as stricken language were omitted from the act. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the previous valid version of section 12-2454.01, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 270, section 8 and the chapter 270 version is repealed.

3. Section 13-3451, Arizona Revised Statutes, was amended by Laws 1995, chapter 211, section 1. However, the amendment was erroneously included in the title of the act. In order to comply with article IV, part 2, section 13, Constitution of Arizona, in this act the previous valid version of section 13-3451, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 211, section 1 and the chapter 211 version is repealed.

4. Section 14-5312, Arizona Revised Statutes, was amended by Laws 1995, chapter 250, section 5 and Laws 1995, chapter 287, section 10. These two versions could not be blended because of the delayed effective date of the chapter 250 version. In order to combine these versions, this act amends the Laws 1995, chapter 287 version of section 14-5312, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 250 and the chapter 250 version is repealed.

5. Section 32-922, Arizona Revised Statutes, was amended by Laws 1995, chapter 259, section 3. However, due to an error a word of existing text in subsection B was omitted. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the previous valid version of section 32-922, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 259, section 3 and the chapter 259 version is repealed.

6. Section 32-1426, Arizona Revised Statutes, as amended by Laws 1995, chapter 212, section 6, was amended by Laws 1995, fourth special session, chapter 2, section 1 as an emergency enactment. Another version of section 32-1426, Arizona Revised Statutes, is effective on November 2, 1998 and was not included in the fourth special session enactment. In this act section 32-1426, Arizona Revised Statutes, as amended by Laws 1995, chapter 212, section 7, effective November 2, 1998 is amended to incorporate the amendments made by Laws 1995, fourth special session, chapter 2, section 1 and the fourth special session, chapter 2 version is repealed.

7. Section 32-1644, Arizona Revised Statutes, was amended by Laws 1995, chapter 255, section 15. However, due to an error three words of text in subsection B were shown incorrectly in the act. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the previous valid version of section 32-1644, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 255, section 15 and the chapter 255 version is repealed.

8. Section 36-2202.01, Arizona Revised Statutes, was added by Laws 1995, chapter 116, section 3. However, the addition of this section was not included in the title of the act as required by article IV, part 2, section 13, Constitution of Arizona. In order to correct a potentially defective enactment, title 36, chapter 21.1, article 1, Arizona Revised Statutes, is amended by adding section 36-2202.01 and section 36-2202.01, as added by Laws 1995, chapter 116, section 3, is repealed.

9. Section 38-715, Arizona Revised Statutes, was amended by Laws 1995, chapter 134, section 3. However, due to an error four words of existing text in subsection B were omitted from the act. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the previous valid version of section 38-715, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 134, section 3 and the chapter 134 version is repealed.

10. Section 38-842, Arizona Revised Statutes, was amended by Laws 1995, chapter 32, section 15 and Laws 1995, chapter 205, section 3. The chapter 205 version failed to incorporate all of the changes from the chapter 32 version, which was an emergency enactment, and therefore did not comply with article IV, part 2, section 14, Constitution of Arizona. To accomplish the intent of these enactments, this act amends the Laws 1995, chapter 32 version of section 38-842, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 205 and the chapter 205 version is repealed. Also, this act repeals and reenacts Laws 1995, chapter 206, section 16 that provides for the retroactive application of this section.

11. Section 41-1030, Arizona Revised Statutes, was amended by Laws 1995, chapter 251, section 5. However, this act amended a version of the section that was only effective until January 1, 1995. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the previous valid version of section 41-1030, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 251, section 5 and the chapter 251 version is repealed.

12. Section 42-101, Arizona Revised Statutes, was amended by Laws 1995, chapter 7, section 1, Laws 1995, chapter 241, section 24 and Laws 1995, chapter 249, section 1. The chapter 241 version was not blended because its changes were only correctional and were included in the chapter 249 version. In this act section 42-101, Arizona Revised Statutes, as amended by Laws 1995, chapter 241, section 24, is repealed.

13. Section 42-108, Arizona Revised Statutes, was amended by Laws 1995, chapter 93, section 2, Laws 1995, chapter 251, section 17 and Laws 1995, chapter 281, section 3. The chapter 281 version could not be blended because of its delayed effective date. In order to combine these versions, this act amends the Laws 1995 blended version of section 42-108, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 281 and the chapter 281 version is repealed.

14. Section 42-172, Arizona Revised Statutes, was amended by Laws 1995, chapter 249, section 11. However, due to an error three words of existing text in subsection A that should have been shown as stricken language were omitted from the act. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the pervious valid version of section 42-172, Arizona Revised Statutes, is amended to incorporate the amendments made by Laws 1995, chapter 249, section 11 and the chapter 249 version is repealed.

15. Section 42-172.01, Arizona Revised Statutes, was amended by Laws 1995, chapter 249, section 12. However, due to an error seven words of existing text in subsection F that should have been shown as stricken language were omitted from the act. In order to comply with article IV, part 2, section 14, Constitution of Arizona, in this act the previous valid version of section 42-172.01, Arizona Revised Statutes, is amended to

incorporate the amendments made by Laws 1995, chapter 249, section 12 and the chapter 249 version is repealed.

16. Section 42-221, Arizona Revised Statutes, was amended by Laws 1995, chapter 137, section 1 and Laws 1995, chapter 249, section 24. These two versions could not be blended because of some nonsubstantive differences in language. In order to combine these versions, this act amends the Laws 1995, chapter 249 version of section 42-221, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 137 and the chapter 137 version is repealed.

17. Section 42-227, Arizona Revised Statutes, was amended by Laws 1995, first special session, chapter 9, section 2 and Laws 1995, chapter 294, section 5. These two versions could not be blended because of some nonsubstantive differences in language. In order to combine these versions, this act amends the Laws 1995, first special session, chapter 9 version of section 42-227, Arizona Revised Statutes, to incorporate the amendments made by Laws 1994, chapter 294 and the chapter 294 version is repealed.

18. Section 49-104, Arizona Revised Statutes, was amended by Laws 1995, chapter 202, section 2, chapter 231, section 1, chapter 232, section 2 and chapter 261, section 1. The chapter 202 version could not be blended because of its delayed effective date. In order to combine these versions, this act amends the Laws 1995 blended version of section 49-104, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 202 and the chapter 202 version is repealed.

19. Section 49-203, Arizona Revised Statutes, was amended by Laws 1995, chapter 202, section 4 and Laws 1995, chapter 210, section 1. These two versions could not be blended because of the delayed effective date of the chapter 202 version. In order to combine these versions, this act amends the Laws 1995, chapter 210 version of section 49-203, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 202 and the chapter 202 version is repealed.

20. Section 49-282, Arizona Revised Statutes, was amended by Laws 1996, chapter 177, section 1. However, Laws 1996, chapter 177 amended a version of the section that is only effective until July 1, 1996. In order to amend the correct version of the section that becomes effective on July 1, 1996, this act amends section 49-282, Arizona Revised Statutes, as amended by Laws 1995, chapter 202, section 8, and Laws 1996, chapter 177, section 1 is repealed.

21. Section 49-353, Arizona Revised Statutes, was amended by Laws 1995, chapter 124, section 1 and Laws 1995, chapter 202, section 11. These two versions could not be blended because of the delayed effective date of the chapter 202 version. In order to combine these versions, this act amends the Laws 1995, chapter 124 version of section 49-353, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 202 and the chapter 202 version is repealed.

22. Section 49-362, Arizona Revised Statutes, was amended by Laws 1995, chapter 202, section 12 and Laws 1995, chapter 210, section 2. These two versions could not be blended because of the delayed effective date of the chapter 202 version. In order to combine these versions, this act amends the Laws 1995, chapter 210 version of section 49-362, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 202 and the chapter 202 version is repealed.

23. Section 49-542.03, Arizona Revised Statutes, was amended by Laws 1995, chapter 97, section 2 and Laws 1995, chapter 241, section 51. However, Laws 1995, chapter 97 amended a version of the section that was repealed in the statutory corrections bill. In order to comply with article IV, part 2, section 14, Constitution of Arizona, this act amends the Laws 1995, chapter 241 version of section 49-542.03, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 97 and the chapter 97 version is repealed.

24. Section 49-551, Arizona Revised Statutes, was amended by Laws 1995, chapter 202, section 13 and Laws 1995, chapter 271, section 13. These two versions could not be blended because of the delayed effective date of the chapter 202 version. In order to combine these versions, this act amends the Laws 1995, chapter 271 version of section 49-551, Arizona Revised Statutes, to incorporate the amendments made by Laws 1995, chapter 202 and the chapter 202 version is repealed.

25. Laws 1994, chapter 201, section 32 was amended by Laws 1995, chapter 224, section 1 and Laws 1995, first special session, chapter 6, section 14. In order to combine these versions, this act amends the Laws 1995, chapter 224 version of Laws 1994, chapter 201, section 32 to incorporate the amendments made by Laws 1995, first special session, chapter 6 and the chapter 6 version is repealed.

26. Laws 1995, chapter 249, sections 42 and 44 contained conflicting effective dates for sections 42-201, 42-241, 42-245 and 42-256, Arizona Revised Statutes. In this act Laws 1994, chapter 323, section 54, as amended by Laws 1995, chapter 249, section 42, and Laws 1995, chapter 249, section 44 are amended to resolve this conflict.

27. Laws 1996, chapter 188, section 13 contained an incorrect internal reference. The section is amended to insert the correct section number.

Sec. 2. Section 8-546.07, Arizona Revised Statutes, as amended by Laws 1995, chapter 176, section 3, is amended to read:

8-546.07. <u>Right of privacy; records and reports; confidentiality; exceptions; access; violation; classification; definition</u>

A. A person who is the subject of an investigation under this article, the alleged victim and the alleged victim's siblings have a right of privacy that may not be directly or indirectly waived by another person who is a subject of the investigation.

B. Through September 30, 1997, department records and files on specific cases of child abuse and neglect are confidential. Except as prescribed by this section, all files, records, reports, and other papers compiled in accordance with this article, whether filed in or in possession of the court, the division, or child placement agency or any other agency or association, are confidential and are not available for public inspection.

C. Through September 30, 1997, pursuant to the requirements of this section regarding the release of information, the following persons and entities may obtain confidential records and files:

1. Department employees who require this information to perform their official duties.

2. Employees of the department of law, a court or a law enforcement agency of this state and the foster care review board if this information is necessary to perform official duties.

3. A multidisciplinary case consultation team that the department of economic security uses to review or examine a case of suspected child abuse or neglect or to provide services to a child or the child's family.

4. A physician or person designated by the physician who:

(a) Reviews or examines a suspected case of child abuse or neglect or provides services to a child.

(b) Has as a patient a child who the physician reasonably suspects is the victim of child abuse or neglect and the physician requires this information to provide a diagnosis, prognosis or treatment for the child.

5. A foster parent under contract with this state to permit the foster parent to care for a particular child.

6. A grand jury.

7. The department of education or a particular school district to allow the department of education or a school district to provide services to a particular child.

8. Subject to any additional limitations imposed under chapter 1, article 1 of this title, adoptive parents.

9. A child who is named in department of economic security records as the victim of child abuse or neglect or that child's guardian ad litem, court appointed special advocate or court appointed counsel.

10. A person, agency or organization engaged in a bona fide research or evaluation project, but without information identifying individuals named in a record or file, unless all of the following apply:

(a) Having that information open for review is essential to the research or evaluation.

(b) The director of the department of economic security gives prior written approval.

(c) The child named in the file or record, through the child's representative, gives permission to release the information.

11. Agencies of the federal government, this state or a political subdivision of this state for official purposes. All information received by a government agency pursuant to this paragraph shall be maintained as confidential, except where pertinent to a criminal prosecution.

12. A standing committee of the legislature or a committee appointed by the president of the senate or the speaker of the house of representatives for purposes of conducting investigations related to the legislative oversight of the department of economic security and this information shall not be further disclosed.

13. A person who seeks confidential information concerning an alleged victim of abuse, neglect or abandonment who has died.

14. A PERSON OR AGENCY REQUIRED TO PERFORM A PREADOPTION CERTIFICATION INVESTIGATION PURSUANT TO SECTION 8-105 IF THE INFORMATION IS NEEDED FOR SUCH AN INVESTIGATION.

D. A person about whom a report has been made may obtain a copy of the child protective services report and investigative findings relating to that report. The department shall not disclose the identity of the reporting person and the identity of any person providing information.

E. Through September 30, 1997, a person or entity that is not specifically authorized in subsection C or D of this section to obtain information from records and files may petition a judge of the superior court to order the department to release that information. The court shall balance the rights of the parties entitled to confidentiality pursuant to this section against the rights of the parties seeking release of the information. The potential benefit or harm from releasing the information sought shall be considered. The court may release otherwise confidential information only where the rights of the parties seeking the information and any benefits from releasing the information sought ~~outweighs~~ OUTWEIGH the rights of the parties entitled to confidentiality and any harm that may result from releasing the information sought. The court may require the department to submit the requested information to the court for an in camera inspection. Where an order for release is deemed proper, the court may restrict the use, disclosure or dissemination of the information sought in order to protect or minimize harm to any person involved. If the court orders the release of information pursuant to this subsection, it may order the department to release the requested information after the department takes any precautionary measures required under this section. The court shall not authorize the release of initial reports of abuse or neglect.

F. Through September 30, 1997, pursuant to rules adopted by the department, a person who is not listed in subsection C or D of this section may request generically identified records and files on cases of child abuse or neglect. The department shall edit these records and files to protect the identity of the person who made the report of abuse or neglect as well as the

1 victim and the victim's parents or foster parents and any other person the
2 department believes would be endangered by the disclosure.
3 G. Through September 30, 1997, a person who requests information
4 pursuant to subsection F of this section shall make a request in writing to
5 the department. The department may charge a fee to cover the cost to search
6 for and prepare the case file, including editing, copying and labor charges.
7 Within three days after receiving the request the department shall forward
8 an estimate of this fee to the person who made the request. The department
9 shall not charge a fee if the request is made for judicial or legislative
10 oversight purposes. The person requesting the file shall submit cash, a
11 credit card or a money order to cover the estimated fee before the
12 department may prepare the file for release. The department may contract
13 with vendors for case file preparation services. The department shall
14 prepare a file within ten working days after the department receives the
15 money order unless the requesting party authorizes a longer time period. The
16 department shall not release a file until all fees are paid in full.
17 H. Before it releases records and files under this section, the
18 department shall take whatever precautions it determines are reasonably
19 necessary to protect the identity or safety of a person who reports child
20 abuse or neglect and any other person if the department believes that
21 disclosure of the information would be likely to endanger the life or safety
22 of the person. These measures may include withholding or editing portions
23 of the information contained in the records and files. The department may
24 charge the recipient of records and files a reasonable fee that covers the
25 department's costs to process and edit that information if the request is not
26 made for legislative oversight or judicial purposes.
27 I. This section does not prevent the department from summarizing the
28 outcome of a child protective services investigation to the person who
29 reported the suspected child abuse or neglect.
30 J. Through September 30, 1997, the department shall transmit monies
31 collected under this section to the state treasurer for deposit in the
32 children and family services training program fund established by section
33 8-503.01.
34 K. Through September 30, 1997, a person who is entitled to receive
35 records and files under this section shall request this information in a
36 manner prescribed by the department by rule. The rules shall not hinder or
37 delay disclosure and shall be consistent with the requirements of this
38 section.
39 L. Through September 30, 1997, if the department receives a request
40 that complies with this section and department rules, it shall provide the
41 requested information after it takes the precautionary measures and collects
42 all fees as prescribed in this section.
43 M. Through September 30, 1997, identifying information released
44 pursuant to subsection B of this section is confidential and shall not be

further released or disclosed to persons or entities that are not entitled to this information under this section and rules adopted under this section.

N. Through September 30, 1997, before it adopts a rule under this section the department shall forward a copy of a proposed rule to the appropriate senate and house committees at least thirty days before the department is scheduled to adopt the rule. Each committee shall forward the committee's suggested changes to the director who shall adopt the rule after considering these comments.

O. A person shall not disclose, receive, make use of, authorize the use of, knowingly permit the use of or participate or acquiesce in the use of any identifying information that relates to a proceeding brought under this article if that information is taken directly or indirectly from records and files that are compiled under this article unless these items have been released under this section and are used only for those purposes permitted by court order or this section.

P. This section does not prohibit persons employed by the court, the division or any agency from conducting the investigation or performing other duties pursuant to this article done within the normal course of their employment.

Q. BEFORE IT RELEASES INFORMATION CONTAINED IN A CHILD WELFARE AGENCY LICENSING RECORD, THE DEPARTMENT SHALL EDIT ANY REPORTS OF ABUSE AND NEGLECT WITHIN THESE RECORDS BY REMOVING PERSONALLY IDENTIFYING INFORMATION RELATING TO THE IDENTITY OF THE PERSON WHO MADE THE CHILD PROTECTIVE SERVICES REPORT OF ABUSE OR NEGLECT, THE VICTIM, THE VICTIM'S PARENTS, THE PERSON WHO IS THE SUBJECT OF AN INVESTIGATION AND A PERSON WHOSE LIFE IS ENDANGERED BY THE DISCLOSURE.

~~Q.~~ R. A person who violates this section is guilty of a class 2 misdemeanor.

~~R.~~ S. For the purposes of this section, "records and files" includes all information the department gathers during the course of ~~an~~ A CHILD PROTECTIVE SERVICES investigation conducted under this article from the time a file is opened and until it is closed ~~and includes information on a specific case of child abuse or neglect that may be located in a separate licensing file~~. RECORDS AND FILES DO NOT INCLUDE INFORMATION THAT IS CONTAINED IN CHILD WELFARE AGENCY LICENSING RECORDS.

Sec. 3. Repeal

Section 8-546.07, Arizona Revised Statutes, as amended by Laws 1995, chapter 266, section 1, is repealed.

Sec. 4. Delayed repeal

Section 8-546.07, Arizona Revised Statutes, as amended by section 2 of this act, is repealed from and after September 30, 1997.

Sec. 5. Section 8-546.11, Arizona Revised Statutes, is amended to read:

8-546.11. Investigative records and reports; confidentiality; exceptions; access; violation; classification; definition

A. A person who is the subject of an investigation under this article, the alleged victim and the alleged victim's siblings have a right of privacy that may not be directly or indirectly waived by another person who is a subject of the investigation.

B. Beginning from and after September 30, 1997, department records and files on specific cases of child abuse and neglect are confidential. All files, records, reports, and other papers compiled in accordance with this article, whether filed in or in possession of the court, the division, or child placement agency or any other agency or association, ~~shall be~~ ARE confidential and shall be withheld from public inspection.

C. Beginning from and after September 30, 1997, pursuant to the requirements of this section regarding the release of information, the following persons and entities may obtain confidential records and files:

1. Department employees who require this information to perform their official duties.

2. Employees of the department of law, a court or a law enforcement agency of this state and the foster care review board if this information is necessary to perform official duties.

3. A multidisciplinary case consultation team that the department of economic security uses to review or examine a case of suspected child abuse or neglect or to provide services to a child or the child's family.

4. A physician or person designated by the physician who:

(a) Reviews or examines a suspected case of child abuse or neglect or provides services to a child.

(b) Has as a patient a child who the physician reasonably suspects is the victim of child abuse or neglect and the physician requires this information to provide a diagnosis, prognosis or treatment for the child.

5. A foster parent under contract with this state to permit the foster parent to care for a particular child.

6. A grand jury.

7. The department of education or a particular school district to allow the department of education or a school district to provide services to a particular child.

8. Subject to any additional limitations imposed under chapter 1, article 1 of this title, adoptive parents.

9. A child who is named in department of economic security records as the victim of child abuse or neglect or that child's guardian ad litem, court appointed special advocate or court appointed counsel.

10. A person, agency or organization engaged in a bona fide research or evaluation project, but without information identifying individuals named in a record or file, unless all of the following apply:

(a) Having that information open for review is essential to the research or evaluation.

(b) The director of the department of economic security gives prior written approval.

(c) The child named in the file or record, through the child's representative, gives permission to release the information.

11. Agencies of the federal government, this state or a political subdivision of this state for official purposes. All information received by a government agency pursuant to this paragraph shall be maintained as confidential, except where pertinent to a criminal prosecution.

12. A standing committee of the legislature or a committee appointed by the president of the senate or the speaker of the house of representatives for purposes of conducting investigations related to the legislative oversight of the department of economic security and this information shall not be further disclosed.

13. A PERSON OR AGENCY REQUIRED TO PERFORM A PREADOPTION CERTIFICATION INVESTIGATION PURSUANT TO SECTION 8-105 IF THE INFORMATION IS NEEDED FOR SUCH AN INVESTIGATION.

D. A person about whom a report has been made may obtain a copy of the child protective services report and investigative findings relating to that report. The department shall not disclose the identity of the reporting person and the identity of any person providing information.

E. Beginning from and after September 30, 1997, a person or entity that is not specifically authorized in this section to obtain information from records and files may petition a judge of the superior court to order the department to release that information. The court shall balance the rights of the parties entitled to confidentiality pursuant to this section against the rights of the parties seeking release of the information. The potential benefit or harm from releasing the information sought shall be considered. The court may release otherwise confidential information only where the rights of the parties seeking the information and any benefits from releasing the information sought ~~outweighs~~ OUTWEIGH the rights of the parties entitled to confidentiality and any harm that may result from releasing the information sought. The court may require the department to submit the requested information to the court for an in camera inspection. If the court determines that an order for release is deemed proper, the court may restrict the use, disclosure or dissemination of the information sought in order to protect or minimize harm to any person involved. If the court orders the release of information pursuant to this subsection, it may order the department to release the requested information after the department takes any precautionary measures required under this section. The court shall not authorize the release of initial reports of abuse or neglect.

F. Beginning from and after September 30, 1997, before it releases records and files under this section, the department shall take whatever

1 precautions it determines are reasonably necessary to protect the identity
2 or safety of a person who reports child abuse or neglect and any other person
3 if the department believes that disclosure of the information would be likely
4 to endanger the life or safety of the person. These measures may include
5 withholding or editing portions of the information contained in the records
6 and files. The department may charge the recipient of records and files a
7 reasonable fee that covers the department's costs to process and edit that
8 information if the request is not made for legislative oversight or judicial
9 purposes.
10 G. This section does not prevent the department from summarizing the
11 outcome of a child protective services investigation to the person who
12 reported the suspected child abuse or neglect.
13 H. Beginning from and after September 30, 1997, the department shall
14 transmit monies collected under subsection F of this section to the state
15 treasurer for deposit in the children and family services training program
16 fund established by section 8-503.01.
17 I. Beginning from and after September 30, 1997, a person who is
18 entitled to receive records and files under this section shall request this
19 information in a manner prescribed by the department by rule. The rules
20 shall not hinder or delay disclosure.
21 J. Beginning from and after September 30, 1997, if the department
22 receives a request that complies with this section, it shall provide the
23 requested information after it takes the precautionary measures prescribed
24 in subsection F of this section.
25 K. Beginning from and after September 30, 1997, except as may be
26 permitted by court order any files, records or information released pursuant
27 to this section shall remain confidential and shall not be further released
28 or disclosed to persons or entities that are not entitled to review them
29 pursuant to this section.
30 L. A person shall not disclose, receive, make use of, authorize the
31 use of, knowingly permit the use of or participate or acquiesce in the use
32 of any identifying information that relates to a proceeding brought under
33 this article if that information is taken directly or indirectly from records
34 and files that are compiled under this article unless these items have been
35 released under this section and are used only for those purposes permitted
36 by court order or this section.
37 M. This section does not prohibit persons employed by the court, the
38 division or any agency from conducting the investigation or performing other
39 duties pursuant to this article done within the normal course of their
40 employment.
41 N. BEFORE IT RELEASES INFORMATION CONTAINED IN A CHILD WELFARE AGENCY
42 LICENSING RECORD, THE DEPARTMENT SHALL EDIT ANY REPORTS OF ABUSE AND NEGLECT
43 WITHIN THESE RECORDS BY REMOVING PERSONALLY IDENTIFYING INFORMATION RELATING
44 TO THE IDENTITY OF THE PERSON WHO MADE THE CHILD PROTECTIVE SERVICES REPORT

OF ABUSE OR NEGLECT, THE VICTIM, THE VICTIM'S PARENTS, THE PERSON WHO IS THE SUBJECT OF AN INVESTIGATION AND A PERSON WHOSE LIFE IS ENDANGERED BY THE DISCLOSURE.

~~N.~~ O. A person who violates this section is guilty of a class 2 misdemeanor.

~~O.~~ P. For the purposes of this section, "records and files" includes all information the department gathers during the course of ~~an~~ A CHILD PROTECTIVE SERVICES investigation conducted under this article from the time a file is opened and until it is closed ~~and includes information on a specific case of child abuse or neglect that may be located in a separate licensing file~~. RECORDS AND FILES DO NOT INCLUDE INFORMATION THAT IS CONTAINED IN CHILD WELFARE AGENCY LICENSING RECORDS.

Sec. 6. Section 12-2454.01, Arizona Revised Statutes, as amended by Laws 1994, chapter 374, section 12, is amended to read:

12-2454.01. Ex parte order for assignments; violation; classification

A. If a person obligated to pay ~~child~~ support or spousal maintenance is in arrears for an amount equal to at least one month's child support or spousal maintenance or wishes to implement a voluntary assignment, the state, the person entitled to receive the child support or spousal maintenance or the person obligated to pay support or maintenance may file a verified petition or request with the clerk of the superior court requesting the clerk to issue an order for assignment for current child support, ~~or~~ spousal maintenance ~~and for unpaid monthly installments~~ OR OTHER SUPPORT AS DEFINED IN SECTION 12-2451, if applicable. If the petition or request is filed by this state it need not be verified.

B. In a title IV-D case if there are no arrearages, the person to whom support or maintenance has been ordered to be paid, or the state, upon request of such person, may file a petition with the clerk of the superior court requesting the clerk to issue an order of assignment for current child support or spousal maintenance. In title IV-D cases in which the title IV-D agency requests an order of assignment:

1. If the obligor's disposable earnings from the primary employer meet the current child support obligation ~~and any arrearage payment~~, the court shall not issue an order for assignment to a secondary employer of the obligor.

2. If the obligor's disposable wages from the primary employer do not meet the current child support obligation ~~and any arrearage payment~~, the court shall issue an order for assignment to a secondary employer of the obligor in order to meet the ~~current and past due child~~ FULL support obligations.

C. The petition or request shall be provided by the clerk of the court and shall contain:

1. The name of the person or agency entitled to receive child support or spousal maintenance.

2. A statement that the person obligated to pay child support or spousal maintenance is in arrears for an amount equal to at least one month's child support or spousal maintenance ~~and for unpaid monthly installments to be paid on any arrearages~~ or wishes to implement a voluntary wage assignment.

3. A STATEMENT THAT THE CASE IS A TITLE IV-D CASE AND THAT THERE ARE NO ARREARAGES.

~~3.~~ 4. The name and address of the payor of earnings, income, entitlements or other monies.

D. Following receipt of the petition or request, the clerk of the superior court, without notice to the person obligated to pay support or maintenance, shall order the person to make an assignment of a portion of the person's earnings, income, entitlements or other monies without regard to source as is sufficient to pay the amount ~~ordered by the court~~ REQUESTED to the person or agency entitled to receive the child support or spousal maintenance. The order shall operate as an assignment and is binding upon any existing or future employer or other payor of the person ordered to pay support or spousal maintenance upon whom a copy of the order is served. The assignment shall be issued for ~~currently accruing~~ CURRENT child support, ~~or~~ spousal maintenance OR OTHER SUPPORT AS DEFINED IN SECTION 12-2451 and arrearages, if applicable. In those cases in which the payment is made through the court or support payment clearinghouse, the support and maintenance records of the clerk of the superior court or clearinghouse are prima facie evidence that the person is at least one month in arrears in support under this section. The assignment order shall be accompanied by a written notice in English and Spanish as prescribed in this section. If an obligor does not have periodic earnings, income or entitlements, the court shall order an assignment against any monies owed to the obligor or held for the benefit of the obligor. The order of assignment shall direct the holder of the monies to withhold and pay to the person or agency entitled to receive the child support the amount necessary to pay the amount ordered by the court.

E. The person or agency to whom support or maintenance has been ordered to be paid shall notify the clerk of the superior court or support payment clearinghouse of any address change within a reasonable period of time after such change. If the clerk or clearinghouse is unable to deliver payments under an assignment for a period of three months due to the failure of the person to whom the support or spousal maintenance has been ordered to be paid to notify the clerk or clearinghouse, the clerk or clearinghouse shall not make further payment under the assignment and shall return payments to their source. Under such circumstances the court, clerk or clearinghouse shall order the release of the employer or payor from the assignment upon

1 request of the employer, payor or clearinghouse or on the clerk's own
2 initiative.
3 F. An assignment order made pursuant to this section does not become
4 binding until thirty-one days after service of a copy of this subsection and
5 subsections G, H, J, K, N, O and P of this section and two copies of the
6 petition or request, order and notice upon an employer or other payor. The
7 copy and two copies of the petition or request, assignment order and notice
8 shall be served on a person's employer or other payor as provided under the
9 rules of civil procedure, except that an employer or payor, wherever located,
10 may be served by registered mail. Service by mail as authorized in this
11 section is complete when the mailing is received by the employer or other
12 payor. The employer or other payor shall withhold the amount specified in
13 the assignment from the earnings, income, entitlements or other monies
14 payable to the person obligated to support and shall transmit such amount to
15 the clerk of the superior court or support payment clearinghouse within ten
16 days after the date the employee is paid. The employer shall advise the clerk
17 of the court or clearinghouse of the date the monies were withheld, may
18 combine withheld amounts for several employees in a single payment and shall
19 separately identify the portion of the payment which is attributable to each
20 employee. The employer or other payor may also withhold and retain for
21 application to the employer's or payor's cost of compliance an additional sum
22 not exceeding three dollars for each pay period in which earnings or other
23 funds are withheld.
24 G. An order of assignment under this section shall be binding upon
25 future employers and other future payors, as an assignment by operation of
26 law, fourteen days after a certified copy of the assignment order is served
27 on the employer or other payor as provided under the rules of civil procedure
28 or by registered mail. The employer or other payor shall have an opportunity
29 for a hearing by order to show cause or request for hearing if desired. The
30 filing of a petition for an order to show cause or request by the employer
31 or payor shall delay implementation of the order of assignment pending a
32 hearing.
33 H. The order of assignment shall direct the employer or other payor
34 to deliver or mail by registered mail a copy of the petition or request,
35 assignment order and notice to the person ordered to pay child support or
36 spousal maintenance within ten days of service thereof on the employer or
37 other payor. The employer or other payor shall comply with the service
38 requirements of the order. Service by registered mail is complete when the
39 mailing is received by the person ordered to pay child support or spousal
40 maintenance.
41 I. A person alleged to be in arrears may move to quash or request to
42 stop or modify an assignment order issued under this section at any time.
43 If the person requests to have a hearing prior to the assignment order
44 becoming binding on the first employer or other payor, the motion to quash

or request to stop or modify and notice of the hearing must be filed within ten days after delivery by the person's employer or other payor on such person of the petition or request, assignment order and notice. The person alleged to be in arrears shall state under oath that at the time the petition or request was filed the person was not at least one month in arrears for child support or spousal maintenance or if the amount shown in the petition or request and order is incorrect or has been modified. The court shall set the motion to quash or request to stop or modify for a hearing within ten days after receipt of the motion or request and notice of hearing. The person alleged to be in arrears shall mail to the person or agency entitled to receive support at the return address contained in the petition or request a copy of the motion or request and notice of hearing immediately upon the scheduling of the hearing on the motion or request. If the motion or request and notice of hearing are filed with the court by the person alleged to be in arrears before the date the order of assignment becomes binding on the employer or other payor, the court in its discretion may order the clerk of the court or support payment clearinghouse not to disburse any monies until after the hearing on the motion or request.

J. The employer or other payor shall continue to withhold and forward support or spousal maintenance as ordered by the clerk of the superior court until otherwise ordered by the court. The employer or other payor shall notify the clerk in writing when the person ordered to pay support or spousal maintenance is no longer employed by the employer or the right to receive earnings, income, entitlements or other monies has been terminated. The employer shall also notify the clerk in writing of the former employee's last known address and the name and address of the former employee's new employer if known. If the employer reemploys the person ordered to pay support within ninety days of termination from employment, the employer is again bound by the order of assignment and is required to perform pursuant to this section. If a payor is again obligated to pay entitlements or monies to the person ordered to pay support within ninety days of termination of such right, the payor is again bound by the order of assignment and is required to perform pursuant to this section.

K. An order for assignment may be modified by the court at any time upon petition or request of either party or the employer or other payor and upon a hearing and showing of change in circumstances which are substantial and continuing.

L. Upon petition or request to the court and a hearing, the court may terminate the order of assignment for spousal maintenance if all arrearages have been satisfied, and if the court deems termination of the assignment order to be in the interest of justice.

M. Upon petition or request to the court and a hearing, the court may terminate the order of assignment ~~for child support~~ if all ~~arrearages~~ OBLIGATIONS OF SUPPORT AS DEFINED IN SECTION 12-2451 have been satisfied, and

the person obligated to pay child support is no longer obligated to pay the child support.

N. An employer shall not refuse to hire a person or shall not discharge or otherwise discipline an employee as a result of a wage or salary assignment authorized by this section, and the order of assignment shall include such statement. An employer who refuses to hire a person or discharges or otherwise disciplines an employee as a result of the wage or salary assignment is subject to contempt and fines as established by the court. Any person wrongfully refused employment or employee wrongfully discharged or otherwise disciplined is entitled to recovery of damages suffered, plus reinstatement if appropriate, plus attorney fees and costs incurred. An employer or other payor who fails without good cause to comply with the terms of the assignment may be liable for amounts not paid to the clerk or clearinghouse pursuant to the assignment order, reasonable attorney fees and costs incurred and may be subject to contempt.

O. An assignment ordered under this section does not apply to amounts made exempt under section 33-1131, subsection C or any other applicable exemption laws, and any order of assignment is void to the extent it may purport to reach any such exempt amount, but only to that extent.

P. An assignment issued pursuant to this section has priority over all other attachments, executions, garnishments or assignments.

Q. If a person is obligated to pay child support for more than one family and the amount available for withholding is not sufficient to meet the total combined child support obligation, any monies withheld from the obligor's earnings, income, entitlements or other monies shall be allocated to each family by the employer or payor as follows:

1. The amount of current child support ordered in each case shall be added to obtain the total child support obligation.

2. The court ordered amount in each case shall be divided by the total child support obligation to obtain a percentage of the total amount due.

3. The amount withheld from the obligor's earnings, income, entitlements or other monies shall be multiplied by the percentage under paragraph 2 of this subsection to obtain the amount to be allocated to each family.

R. On issuance of an assignment order the clerk shall issue a notice directed to the obligor, or person ordered to pay support or maintenance, in substantially the following form which shall also be in Spanish:

%m CLPPa Notice

smPa%m 4,4,4,4 To: The obligor (person ordered to pay support)

You are hereby notified that part of your earnings, income, entitlements or other monies is being taken away by the enclosed assignment order which is based on the enclosed request. The assignment order has been issued for currently accruing child support or spousal maintenance, or both, based

on the requesting party's claim that you are obligated to pay the same and are behind in an amount equal to at least one month's payment. In addition, the requesting party may be claiming a right to collect ~~past due support~~ ARREARAGES ON ANY OTHER SUPPORT AS DEFINED IN SECTION 12-2451, ARIZONA REVISED STATUTES.

If you believe the enclosed assignment order is improper or unlawful, that your property is exempt by law or that your employer or other payor is withholding more than is permitted by law, you may request a hearing before the superior court pursuant to section 12-2454.01 or 25-323.01, Arizona Revised Statutes. You may request a hearing at any time. However, if you wish to stop your first employer or other payor served with the order of assignment from deducting any amounts before there is a determination by a court, you must file a request to stop or modify the order of assignment on forms provided by the clerk of the court within ten days of your receipt of the request, order for assignment and this notice.

If you request a hearing, it will begin no later than ten days after receipt of the request to stop or modify by the court. You should know that if the court decides against you at such hearing, you may have to pay the attorney fees and costs of the party who requested the order of assignment.

12-2454.01

Now An assignment order made pursuant to this section does not become binding on the employer or other payor until thirty-one days after service of two copies of the request for assignment, assignment order and this notice on the employer or other payor and applies to current employers. An assignment order made pursuant to this section does not become binding on future employers or other payors until fourteen days after service of two copies of the request for assignment, the assignment order and this notice on the future employer or other payor.

You should know that under federal and state law (section 33-1131, Arizona Revised Statutes) no more than one-half of your disposable earnings for any pay period may be taken to satisfy an order issued for the support of any person. Moreover, the amount of disposable earnings exempt from the enclosed assignment order must be paid to you on the regular payday for the pay period in which wages were earned. The employer or other payor may deduct three dollars for each pay period for costs. Disposable earnings means that remaining portion of a debtor's wages, salary or compensation for such debtor's personal services, including bonuses and commissions, or otherwise, and includes payments pursuant to a pension or

1995 ch. 270 §8

retirement program, after deducting from such earnings those amounts required by law to be withheld.

You should also know that the employer or other payor will continue to withhold the amount set forth in the order each pay period and will forward the amount to the clerk or clearinghouse to pay to the party requesting the assignment until either:

1. You file a request with the court and, after a hearing, the court modifies the order of assignment for spousal maintenance or terminates the order of assignment for spousal maintenance if all arrearages are paid and if the court deems termination of the assignment order to be in the interest of justice.

2. You file a request with the court and, after a hearing, the court modifies the order of assignment for child support or terminates the order of assignment for child support when all ~~arrearages~~ SUPPORT OBLIGATIONS AS PRESCRIBED IN SECTION 12-2451, ARIZONA REVISED STATUTES, are paid and you are no longer obligated to pay child support.

An employer may not refuse to hire, may not discharge or may not otherwise discipline you as a result of this order of assignment. If you are wrongfully refused employment, discharged or otherwise disciplined you may recover damages suffered, plus reinstatement if appropriate, plus reasonable attorney fees and costs incurred against the employer.

Unless a court has ordered otherwise, you have a duty to notify the clerk of the court in writing of the address of your residence and of your employment and, within ten days, of a change in either one. Your failure to do so may subject you to sanctions for contempt of court, including reasonable attorney fees and costs pursuant to section 25-324, Arizona Revised Statutes.

Sec. 7. Repeal

Section 12-2454.01, Arizona Revised Statutes, as amended by Laws 1995, chapter 270, section 8, is repealed.

Sec. 8. Section 13-3451, Arizona Revised Statutes, as amended by Laws 1983, chapter 46, section 1, is amended to read:

13-3451. Definitions

In this chapter, unless the context otherwise requires:

1. "Controlled substance" means a drug, substance or immediate precursor in schedules I through V of title 36, chapter 27, or a dangerous drug or a narcotic drug listed in section 13-3401.

2. "Counterfeit preparation" means a preparation that has an appearance which imitates another preparation but ~~which~~ THAT, in fact, is a different preparation.

3. "Distribute" means the actual, constructive or attempted transfer, delivery or sale of, or dispensing to another of, an imitation controlled substance, imitation prescription-only drug or imitation over-the-counter drug.

4. "Imitation controlled substance" means a drug, substance or immediate precursor which does or does not contain a controlled substance~~, which~~ THAT by texture, consistency or color or dosage unit appearance as evidenced by color, shape, size or markings, apart from any other representations, packaging or advertisements, would lead a reasonable person to believe that the substance is a controlled substance but it is a counterfeit preparation.

5. "Imitation over-the-counter drug" means an imitation of a ~~patent drug or proprietary medicine which does not require a prescription order under title 32, chapter 18, which~~ NONPRESCRIPTION DRUG AS DEFINED IN SECTION 32-1901 THAT by texture, consistency or color or dosage unit appearance as evidenced by color, shape, size or markings, apart from any other representations, packaging or advertisements, would lead a reasonable person to believe that the substance is an over-the-counter drug.

6. "Imitation prescription-only drug" means a drug, substance or immediate precursor which does or does not contain a prescription-only drug as defined by section 32-1901~~, which~~ THAT by texture, consistency or color or dosage unit appearance as evidenced by color, shape, size or markings, apart from any other representations, packaging or advertisements, would lead a reasonable person to believe that the substance is a prescription-only drug but it is a counterfeit preparation.

7. "Manufacture" means the production, preparation, compounding, processing, encapsulating, packaging or repackaging, or labeling or relabeling of an imitation controlled substance, imitation prescription-only drug or imitation over-the-counter drug.

8. "Placebo" means an inactive substance or preparation used in controlled studies to determine the effectiveness of medicinal substances or USED to please or gratify a physician's patient.

Sec. 9. Repeal

Section 13-3451, Arizona Revised Statutes, as amended by Laws 1995, chapter 211, section 1, is repealed.

Sec. 10. Section 14-5312, Arizona Revised Statutes, as amended by Laws 1995, chapter 287, section 10, is amended to read:

14-5312. General powers and duties of guardian

A. A guardian of an incapacitated person has the same powers, rights and duties respecting the guardian's ward that a parent has respecting the parent's unemancipated minor child, except that a guardian is not liable to third persons for acts of the ward solely by reason of the guardianship. In particular, and without qualifying the foregoing, a guardian has the following powers and duties, except as modified by order of the court:

1. To the extent that it is consistent with the terms of any order by a court of competent jurisdiction relating to detention or commitment of the ward, the guardian is entitled to custody of the person of the ward and may establish the ward's place of abode within or without this state.

2. If entitled to custody of the ward the guardian shall make provision for the care, comfort and maintenance of the ward and, whenever appropriate, arrange for the ward's training and education. Without regard to custodial rights of the ward's person, the guardian shall take reasonable care of the ward's clothing, furniture, vehicles and other personal effects and commence protective proceedings if other property of the ward is in need of protection.

3. A guardian may give any consents or approvals that may be necessary to enable the ward to receive medical or other professional care, counsel, treatment or service OR TREATMENT UNDER SECTION 13-4518.

4. If no conservator for the estate of the ward has been appointed, the guardian may:

(a) Institute proceedings to compel any person under a duty to support the ward or to pay sums for the welfare of the ward to perform the guardian's duty.

(b) Receive money and tangible property deliverable to the ward and apply the money and property for support, care and education of the ward, but the guardian may not use funds from his ward's estate for room and board the guardian or the guardian's spouse, parent or child has furnished the ward unless a charge for the service is approved by order of the court made upon notice to at least one of the next of kin of the ward, if notice is possible. He must exercise care to conserve any excess for the ward's needs.

5. A guardian is required to report the condition of the ward and of the estate that has been subject to the guardian's possession or control, as required by the court or court rule.

6. If a conservator has been appointed, all of the ward's estate received by the guardian in excess of those funds expended to meet current expenses for support, care and education of the ward shall be paid to the conservator for management as provided in this chapter and the guardian must account to the conservator for funds expended.

7. If appropriate, a guardian shall encourage the ward to develop maximum self-reliance and independence and shall actively work toward limiting or terminating the guardianship and seeking alternatives to guardianship.

8. A guardian shall find the most appropriate and least restrictive setting for the ward consistent with the ward's needs, capabilities and financial ability AND THE WARD'S THREAT TO PUBLIC SAFETY.

9. A guardian shall make reasonable efforts to secure appropriate medical, PSYCHIATRIC and psychological care and social services for the ward.

10. A guardian shall make reasonable efforts to secure appropriate training, education and social and vocational opportunities for his ward in order to maximize the ward's potential for independence.

11. In making decisions concerning his ward, a guardian shall take into consideration the ward's values and wishes.

12. The guardian is authorized to act pursuant to title 36, chapter 32.

13. The guardian of an incapacitated adult who has a developmental disability as defined in section 36-551 shall seek services that are in the best interest of the ward, taking into consideration:

(a) The ward's age.

(b) The degree or type of developmental disability.

(c) The presence of other handicapping conditions.

(d) The guardian's ability to provide the maximum opportunity to develop the ward's maximum potential, to provide a minimally structured residential program and environment for the ward and to provide a safe, secure, and dependable residential and program environment.

(e) The particular desires of the individual.

(f) THE WARD'S POTENTIAL THREAT TO PUBLIC SAFETY.

14. THE GUARDIAN MAY PETITION THE COURT FOR AN ORDER TO COMMIT HIS WARD TO A SECURE FACILITY, SUBJECT TO AVAILABILITY, THAT IS UNDER THE JURISDICTION OF THE DEPARTMENT OF HEALTH SERVICES OR THE DIVISION OF DEVELOPMENTAL DISABILITIES IN THE DEPARTMENT OF ECONOMIC SECURITY, WHICHEVER IS APPLICABLE, GIVEN THE DIAGNOSIS.

B. Any guardian of a ward for whom a conservator also has been appointed shall control the custody and care of the ward and is entitled to receive reasonable sums for the guardian's services and for room and board furnished to the ward as agreed upon between the guardian and the conservator if the amounts agreed upon are reasonable under the circumstances. The guardian may request the conservator to expend the ward's estate by payment to third persons or institutions for the ward's care and maintenance.

Sec. 11. Delayed repeal

Section 14-5312, Arizona Revised Statutes, as amended by Laws 1995, chapter 250, section 5, is repealed on October 1, 1996.

Sec. 12. Section 32-922, Arizona Revised Statutes, as amended by Laws 1990, chapter 175, section 5, is amended to read:

32-922. Examinations

A. The examination for a license to practice chiropractic required of applicants shall be conducted at a time and place designated by the board at least semiannually. Each applicant to be examined shall first file a completed application found to be true and correct and shall be given at least twenty days' written notice of the time and place of the examination.

B. The examination shall be in English, practical in character and designed to include subjects which are necessary to ascertain the applicant's knowledge of and fitness to practice chiropractic safely and skillfully as

authorized in this state. Examinations shall include ~~subjects upon~~ MATERIAL RELATING TO CHIROPRACTORS AND ARIZONA JURISPRUDENCE AND THE FOLLOWING SUBJECTS AS TAUGHT BY ACCREDITED CHIROPRACTIC COLLEGES:

1. Anatomy~~,~~.
2. Physiology~~,~~.
3. Pathology~~,~~.
4. Bacteriology~~,~~.
5. Symptomatology~~,~~.
6. Diagnosis, including physical, clinical, x-ray and laboratory subjects~~,~~.
7. Chiropractic orthopedics~~,~~.
8. Principles of chiropractic and adjusting~~,~~.
9. Neurology~~,~~.
10. Chemistry, including biochemistry and nutrition~~,~~.
11. Public health and hygiene~~,~~.
12. Chiropractic spinal analysis. ~~, ethics and Arizona jurisprudence for chiropractors as taught by accredited chiropractic colleges.~~

C. The board may waive examination in those subjects that the applicant passed previously with the percentage of correct answers prescribed in subsection D in an examination conducted by the national board of chiropractic examiners.

D. THE BOARD SHALL GRANT a license ~~shall be granted~~ to applicants who correctly answer seventy-five per cent of all questions asked~~,~~ and sixty per cent of the questions on each subject~~,~~ and WHO pay the original license fee of one hundred dollars.

~~E. In the examination upon subjects of chiropractic theory and practice, applicants shall be known and designated by numbers only and their identities shall be kept secret from those grading. A written transcript or tape recording shall be made of the examination. The board may destroy the transcript or the tape recording twelve months after the examination.~~

~~F. An applicant who fails in no more than two of the subjects examined upon may, within one year, be reexamined in the failed subjects as a continuation of the first examination on payment of a reexamination fee of seventy-five dollars per subject.~~

~~G.~~ E. An applicant ~~failing~~ WHO FAILS the examination for the first time may retake the examination ~~on payment of the application fee~~ WITHIN ONE YEAR IF THE APPLICANT SUBMITS AN UPDATED APPLICATION THAT MEETS THE REQUIREMENTS OF SECTION 32-921.

~~H. An applicant failing the examination a second or subsequent time may retake the examination at a regularly scheduled examination but shall refile as a new applicant.~~

~~I.~~ F. An applicant ~~who fails to~~ SHALL REAPPLY FOR LICENSURE IF THE APPLICANT DOES NOT pay the original license fee within one year after having

been notified by the board ~~of entitlement~~ THAT THE APPLICANT IS ELIGIBLE to RECEIVE a license ~~is required to reapply for a license~~.

Sec. 13. Repeal

Section 32-922, Arizona Revised Statutes, as amended by Laws 1995, chapter 259, section 3, is repealed.

Sec. 14. Section 32-1426, Arizona Revised Statutes, as amended by Laws 1995, chapter 212, section 7, is amended to read:

32-1426. Licensure by endorsement

A. An applicant who meets the applicable requirements prescribed in section 32-1422, 32-1423 or 32-1424, has paid the fees required by this chapter and has filed a completed application found by the board to be true and correct is eligible to be licensed to engage in the practice of medicine in this state through endorsement under either one of the following conditions:

1. The applicant is certified by the national board of medical examiners as having successfully passed all three parts of the examination of the national board of medical examiners.

2. The applicant has successfully passed a written examination administered by any state, territory or district of the United States, a province of Canada or the medical council of Canada.

B. An applicant seeking licensure based on any jurisdiction's examination shall establish to the satisfaction of the board that the examination is substantially equivalent to the examination required by the board and that any of the following has been met:

1. The applicant successfully completed the three part written federation of state medical boards licensing examination administered by any jurisdiction before January 1, 1985 and obtained a weighted grade average of at least seventy-five on the complete examination. Successful completion of the examination shall be achieved in one sitting.

2. The applicant successfully completed the two component federation licensing examination administered after December 1, 1984 and obtained a scaled score of at least seventy-five on each component within a five year period.

3. The applicant's score on the United States medical licensing examination was equal to the score required by this state for licensure by examination pursuant to section 32-1425 and the applicant passed the three steps of the examination within a seven year period.

4. The applicant successfully completed one of the following combinations of examinations ~~administered between June 1, 1992 and July 31, 1995~~ WITHIN A SEVEN YEAR PERIOD, OR A LONGER PERIOD ESTABLISHED BY THE BOARD IN RULES ADOPTED PURSUANT TO TITLE 41, CHAPTER 6:

(a) Parts one and two of the national board of medical examiners examination, administered either by the national board of medical examiners or the educational commission for foreign medical graduates, with a

successful score determined by the national board of medical examiners and passed either step three of the United States medical licensing examination or component two of the federation licensing examination with a scaled score of at least seventy-five.

(b) The federation licensing examination component one examination and the United States medical licensing step three examination with scaled scores of at least seventy-five.

(c) Each of the following:

(i) Part one of the national board of medical examiners licensing examination with a passing grade as determined by the national board of medical examiners or step one of the United States medical licensing examination with a scaled score of at least seventy-five.

(ii) Part two of the national board of medical examiners licensing examination with a passing grade as determined by the national board of medical examiners or step two of the United States medical licensing examination with a scaled score of at least seventy-five.

(iii) Part three of the national board of medical examiners licensing examination with a passing grade as determined by the national board of medical examiners or step three of the United States medical licensing examination with a scaled score of at least seventy-five or component two of the federation licensing examination with a scaled score of at least seventy-five.

C. An applicant seeking licensure by endorsement based on successful passage of a written examination that precedes by more than ten years the application for licensure by endorsement in this state shall take and successfully complete a special purpose licensing examination administered by the board to determine the applicant's ability to safely engage in the practice of medicine. An applicant who fails the special purpose licensing examination three times shall prove that he has successfully completed an additional twelve months of postgraduate training in an approved hospital internship, residency or clinical fellowship program before retaking the special purpose licensing examination.

Sec. 15. Delayed repeal

Section 32-1426, Arizona Revised Statutes, as amended by Laws 1995, fourth special session, chapter 2, section 1, is repealed from and after November 1, 1998.

Sec. 16. Section 32-1644, Arizona Revised Statutes, as amended by Laws 1984, chapter 245, section 14, is amended to read:

32-1644. Approval of nursing schools; application; maintenance of standards

A. The board shall approve all new ~~schools of~~ nursing PROGRAMS pursuant to this section. An institution or school desiring to conduct an approved ~~school of~~ professional or practical nursing PROGRAM shall apply to the board for approval and submit satisfactory proof that it is prepared to

meet and maintain the minimum standards prescribed by this chapter and ~~the~~ BOARD rules ~~and regulations of the board~~.

B. ~~A survey of~~ THE BOARD OR ITS AUTHORIZED AGENT SHALL CONDUCT A SURVEY OF the institution or ~~school~~ PROGRAM applying for approval ~~shall be made by an authorized employee or other representative of the board,~~ and ~~written reports of the surveys shall be submitted~~ SHALL SUBMIT A WRITTEN REPORT OF ITS FINDINGS to the board. If ~~in the opinion of~~ the board ~~the~~ DETERMINES THAT THE PROGRAM MEETS THE requirements prescribed in its rules ~~and regulations for an approved school for professional or practical nurses are met~~, it shall approve the applicant as either a ~~school for~~ professional ~~nurses~~ or ~~as a school for~~ practical ~~nurses~~ NURSING PROGRAM.

C. A ~~school of~~ nursing PROGRAM approved by the board may also be accredited by a national nursing accrediting agency recognized by the board. If a ~~school of~~ nursing PROGRAM is accredited by a national nursing accrediting agency recognized by the board, the board does not have authority over it unless any of the following occurs:

1. The board receives a complaint about the ~~school~~ PROGRAM relating to patient safety.

2. The ~~school~~ PROGRAM falls below the standards prescribed by the board in its rules.

3. The ~~school~~ PROGRAM loses its accreditation by a national nursing accrediting agency recognized by the board.

4. The ~~school~~ PROGRAM allows its accreditation by a national nursing accrediting agency recognized by the board to lapse.

D. From time to time the board, through its authorized employees or representatives, may resurvey all approved ~~schools of~~ nursing PROGRAMS in the state~~,~~ and SHALL FILE written reports of ~~such~~ THESE resurveys ~~shall be filed~~ with the board. If the board determines that ~~any~~ AN approved ~~school of~~ nursing PROGRAM is not maintaining the required standards, IT SHALL IMMEDIATELY GIVE written notice~~,~~ TO THE PROGRAM specifying the defects~~, shall be given immediately to the school, and~~. If the defects are not corrected within a reasonable time as determined by the board ~~the school shall be removed~~ IT SHALL REMOVE THE PROGRAM from the list of approved ~~schools of~~ nursing PROGRAMS until ~~such time as the prescribed~~ THE PROGRAM COMPLIES WITH BOARD standards ~~are met~~.

E. All approved ~~schools of~~ nursing PROGRAMS shall maintain accurate and current records showing in full the theoretical and practical courses given to each student.

Sec. 17. Repeal

Section 32-1644, Arizona Revised Statutes, as amended by Laws 1995, chapter 255, section 15, is repealed.

Sec. 18. Title 36, chapter 21.1, article 1, Arizona Revised Statutes, is amended by adding section 36-2202.01, to read:

36-2202.01. Test administration

THE TEST FOR CERTIFICATION OR RECERTIFICATION, PURSUANT TO SECTION 36-2202, MAY BE ADMINISTERED BY THE DEPARTMENT OR ONE OF THE FOLLOWING:

1. REPRESENTATIVES APPOINTED BY THE DIRECTOR IN CONSULTATION WITH THE MEDICAL DIRECTOR OR EMERGENCY MEDICAL SERVICES.

2. A TESTING FACILITY APPROVED BY THE DIRECTOR.

Sec. 19. Repeal

Section 36-2202.01, Arizona Revised Statutes, as added by Laws 1995, chapter 116, section 3, is repealed.

Sec. 20. Section 38-715, Arizona Revised Statutes, as added by Laws 1995, chapter 32, section 14, is amended to read:

38-715. Director; powers and duties

A. The board shall appoint a director. ~~to serve at the pleasure of the board.~~ THE TERM OF THE DIRECTOR IS ONE YEAR AND EXPIRES ON JUNE 30. ON EXPIRATION OF A DIRECTOR'S TERM, THE BOARD MAY REAPPOINT THE DIRECTOR FOR ANOTHER TERM. THE BOARD MAY REMOVE THE DIRECTOR AT ANY TIME FOR CAUSE.

B. The director shall appoint a deputy director and assistant directors with the approval of the board.

C. The director, under the supervision of the board, shall:

1. Administer this article, except the investment powers and duties of investment management.

2. Hire employees and services the director deems necessary and prescribe their duties.

3. Prescribe procedures to be followed by members and their beneficiaries in filing applications for benefits.

4. Be responsible for:

(a) Income and the collection of income and the accuracy of all expenditures.

(b) Maintaining books and maintaining and processing records of ASRS.

(c) The investment of temporary surplus monies only in obligations of the United States government or agencies whose obligations are guaranteed by the United States government, commercial paper or banker's acceptances for a term of not more than fifteen days.

(d) Providing continuing education programs for the board and the investment advisory council to keep them informed of current issues and information needed to carry out their duties.

5. Provide or procure necessary materials and services for the investment advisory council to administer its duties and responsibilities under this article.

6. Perform additional powers and duties as may be prescribed by the board and delegated to the director.

D. The director, under the supervision and approval of the board, may:

1. Delegate duties and responsibilities to such state departments as the director deems feasible and desirable to administer this article.

2. Appoint a custodian for the safekeeping of all investments owned by ASRS and register stocks, bonds and other investments in the name of a nominee.

3. Invest marketable securities owned by ASRS by entering into security loan agreements. For the purpose of this paragraph:

(a) "Marketable securities" means securities that are freely and regularly traded on recognized exchanges or marketplaces.

(b) "Security loan agreement" means a written contract under which ASRS, as lender, agrees to lend specific marketable securities for a period of not more than one year. ASRS, under a security loan agreement, shall retain the right to collect from the borrower all dividends, interest, premiums and rights and any other distributions to which ASRS otherwise would have been entitled. During the term of a security loan agreement ASRS shall waive the right to vote the securities that are the subject of the agreement. A security loan agreement shall provide for termination by either party on terms mutually acceptable to the parties. The borrower shall deliver collateral to ASRS or its designated representative in the form of cash. At all times during the term of any security loan agreement the collateral shall be in an amount equal to at least one hundred per cent of the market value of the loaned securities. A security loan agreement shall provide for payment of additional collateral on a daily basis, or at such other less frequent intervals as the value of the loaned securities increases. Each security loan agreement shall be subject to a custodial agreement between ASRS and the custodian appointed pursuant to paragraph 2 of this subsection. The custodial agreement shall contain the terms and conditions of the fees to be paid to the custodian for servicing the security loan agreement. ASRS shall pay the fees approved by the board to the custodian for servicing the security loan agreements from the income of the investment of marketable securities pursuant to this paragraph.

4. Establish one or more reserve holding accounts, into which the board shall close periodically the account balances of inactive accounts. If any person files a claim and furnishes proof of ownership of any amounts in any inactive account the claim shall be paid from the reserve holding account on the same basis as if no action had been taken under this paragraph. Interest and supplemental credits shall be allocated to each reserve holding account on June 30 of each year, as determined by the board. For the purposes of this paragraph, "inactive account" means ~~either:~~

~~(a)~~ an account to which contributions have not been paid for six months or more.

~~(b) An account with less than five years of credited service.~~

~~(c) An account with a balance of less than one thousand dollars and on which the member has failed to contact ASRS for three years or more.~~

5. Make retirement under this article effective retroactively to on or after the day following the date employment is terminated if both of the following conditions are met:

(a) The member was unable to apply before the retroactive effective date through no fault of the member.

(b) The retroactive effective date is not more than sixty days before the date the director receives the retirement application.

E. The director, under supervision of the governing committee for tax deferred annuity and deferred compensation plans, may hire and supervise employees and obtain services the director deems necessary to administer article 5 of this chapter. The tax deferred annuity and deferred compensation programs established pursuant to article 5 of this chapter shall bear the costs for these employees and services.

F. The director and all persons employed by the director shall be compensated as determined pursuant to section 38-611.

Sec. 21. Repeal

Section 38-715, Arizona Revised Statutes, as amended by Laws 1995, chapter 134, section 3, is repealed.

Sec. 22. Section 38-842, Arizona Revised Statutes, as amended by Laws 1995, chapter 32, section 15, is amended to read:

38-842. Definitions

In this article, unless the context otherwise requires:

1. "Accidental disability" means a physical or mental condition which the local board finds totally and permanently prevents an employee from performing a reasonable range of duties within the employee's job classification and was incurred in the performance of ~~his~~ THE EMPLOYEE'S duty. A finding of accidental disability shall be based on medical evidence by a doctor or clinic appointed by the local board pursuant to section 38-847, subsection D, paragraph 9 which establishes an accidental disability. Material conflicts in medical evidence shall be resolved by the findings of the local board.

2. "Accumulated contributions" means, for each member, the sum of the amount of the member's aggregate contributions made to the fund and the amount, if any, attributable to the employee's contributions prior to the member's effective date under another public retirement system, other than the federal social security act, and transferred to the fund minus the benefits paid to or on behalf of the member.

3. "Actuarial equivalent" means equality in present value of the aggregate amounts expected to be received under two different forms of payment, based on mortality and interest assumptions adopted by the fund manager. The fund manager may from time to time change the mortality and interest assumptions.

4. "Average monthly benefit compensation" means the result obtained by dividing the total compensation paid to an employee during a considered

period by the number of months, including fractional months, in which such compensation was received. The considered period shall be the three consecutive years within the last twenty completed years of credited service which yield the highest average. In the computation under this paragraph a period of nonpaid or partially paid industrial leave shall be considered based on the compensation the employee would have received in the employee's job classification if the employee was not on industrial leave.

5. "Claimant" means any member or beneficiary who files an application for benefits pursuant to this article.

6. "Compensation" means, for the purpose of computing retirement benefits, base salary, overtime pay, shift differential pay and holiday pay paid to an employee on a regular monthly, semimonthly or biweekly payroll basis and longevity pay paid to an employee at least every six months for which contributions are made to the system pursuant to section 38-843, subsection D. Compensation does not include, for the purpose of computing retirement benefits, payment for unused sick leave, payment in lieu of vacation, payment for compensatory time or any other payment for fringe benefits.

7. "Credited service" means the member's total period of service prior to the member's effective date of participation, plus those compensated periods of the member's service thereafter for which the member made contributions to the fund.

8. "Depository" means a bank in which all monies of the system are deposited and held and from which all expenditures for benefits, expenses and investments are disbursed.

9. "Effective date of participation" means July 1, 1968, except with respect to employers and their covered employees whose contributions to the fund commence thereafter, the effective date of their participation in the system is as specified in the applicable joinder agreement.

10. "Effective date of vesting" means the date a member's rights to benefits vest pursuant to section 38-844.01.

11. "Eligible child" means the unmarried child of a deceased member who is under the age of eighteen or a full-time student who is under the age of twenty-two or under a disability which began before the child attained the age of twenty-two and who remains a dependent of the surviving spouse or guardian.

12. "Eligible groups" means only the following who are regularly assigned to hazardous duty:

(a) Municipal police officers.

(b) Municipal fire fighters.

(c) Paid full-time fire fighters employed directly by a fire district organized pursuant to section 48-803 with five or more full-time fire fighters, but not including fire fighters employed by a fire district pursuant to a contract with a corporation.

(d) State highway patrol officers.
(e) State fire fighters.
(f) County sheriffs and deputies.
(g) Fish and game wardens.
(h) Fire fighters and police officers of a nonprofit corporation operating a public airport pursuant to sections 2-311 and 2-312.
(i) Police officers who are appointed by the Arizona board of regents.
(j) Police officers who are appointed by a community college district governing board.
(k) State attorney general investigators who are certified peace officers.
(l) County attorney investigators who are certified peace officers.
(m) Police officers who are employed by an Indian reservation police agency and are certified by the Arizona peace officer standards and training board.
(n) Fire fighters who are employed by an Indian reservation fire fighting agency.
(o) Police officers who are appointed by the department of administration and who are certified by the Arizona peace officer standards and training board.
(p) DEPARTMENT OF LIQUOR LICENSES AND CONTROL INVESTIGATORS WHO ARE CERTIFIED PEACE OFFICERS.

13. "Employee" means any person who is employed by a participating employer as a municipal police officer, municipal or state fire fighter, eligible fire district fire fighter, state highway patrol officer, county sheriff or deputy, fish and game warden, police officer at a public airport who has been designated pursuant to section 2-314 to aid and supplement state and local law enforcement agencies, fire fighter at a public airport which operates pursuant to sections 2-311 and 2-312 whose sole duty is to perform fire fighting services, including services required by federal regulations, police officer who is appointed by the Arizona board of regents or a community college district governing board, state attorney general investigator who is a certified peace officer, county attorney investigator who is a certified peace officer, police officer who is appointed by the department of administration and who is certified by the Arizona peace officer standards and training board, DEPARTMENT OF LIQUOR LICENSES AND CONTROL INVESTIGATOR WHO IS A CERTIFIED PEACE OFFICER, police officer who is certified by the Arizona peace officer standards and training board and is employed by an Indian reservation police agency or fire fighter who is employed by an Indian reservation fire fighting agency and excluding any persons compensated on a contractual or fee basis.

14. "Employers" means:

(a) Cities contributing to the fire fighters' relief and pension fund as provided in sections 9-951 through 9-971 or statutes amended thereby and

antecedent thereto, as of June 30, 1968 on behalf of their full-time paid fire fighters.

(b) Cities contributing under the state police pension laws as provided in sections 9-911 through 9-934 or statutes amended thereby and antecedent thereto, as of June 30, 1968 on behalf of their municipal policemen.

(c) The state highway patrol covered under the state highway patrol retirement system.

(d) The state, or any political subdivision thereof, including but not limited to towns, cities, fire districts, counties and nonprofit corporations operating public airports pursuant to sections 2-311 and 2-312, which has elected to participate in the system on behalf of an eligible group of public safety personnel pursuant to a joinder agreement entered into after July 1, 1968.

(e) Indian tribes which have elected to participate in the system on behalf of an eligible group of public safety personnel pursuant to a joinder agreement entered into after July 1, 1968.

15. "Fund" means the public safety personnel retirement fund, which is the fund established to receive and invest contributions accumulated under the system and from which benefits are paid.

16. "Fund manager" means the fund manager of the system, who are the persons appointed to invest and operate the fund.

17. "Local board" means the retirement board of the employer, who are the persons appointed to administer the system as it applies to their members in the system.

18. "Member" means any employee who meets all of the following qualifications:

(a) Who is either a full-time paid municipal police officer, a full-time paid fire fighter, a law enforcement officer who is employed by the state including the director thereof, a state fire fighter who is primarily assigned to fire fighting duties, a fire fighter or police officer of a nonprofit corporation operating a public airport pursuant to sections 2-311 and 2-312, all ranks designated by the Arizona law enforcement merit system council, a state attorney general investigator who is a certified peace officer, a county attorney investigator who is a certified peace officer, a police officer who is appointed by the department of administration and who is certified by the Arizona peace officer standards and training board, A DEPARTMENT OF LIQUOR LICENSES AND CONTROL INVESTIGATOR WHO IS A CERTIFIED PEACE OFFICER, a person who is certified by the Arizona peace officer standards and training board and WHO is employed by an Indian reservation police agency, a fire fighter who is employed by an Indian reservation fire fighting agency or an employee included in a group designated as eligible employees under a joinder agreement entered into by their employer after July 1, 1968 and who is or was regularly assigned to hazardous duty.

(b) Who, on or after the employee's effective date of participation, is receiving compensation for personal services rendered to an employer or would be receiving compensation except for an authorized leave of absence.

(c) Whose employment with an employer commenced prior to attainment of age fifty.

(d) Whose customary employment is for more than twenty hours per week and for more than six months in a calendar year.

(e) Who has not attained age sixty-five prior to the employee's effective date of participation or who was over age sixty-five with twenty-five years or more of service prior to ~~his~~ THE EMPLOYEE'S effective date of participation.

19. "Normal retirement date" means the first day of the calendar month immediately following an employee's completion of twenty years of service or the employee's sixty-second birthday and the employee's completion of fifteen years of service.

20. "Ordinary disability" means a physical condition which the local board determines will prevent an employee totally and permanently from performing a reasonable range of duties within the employee's department or a mental condition which the local board determines will prevent an employee totally and permanently from engaging in any substantial gainful activity. A finding of ordinary disability shall be based on medical evidence by a doctor or clinic appointed by the local board pursuant to section 38-847, subsection D, paragraph 9 satisfactory to the local board which establishes an ordinary disability. Material conflicts in medical evidence shall be resolved by the findings of the local board.

21. "Pension" means a series of monthly amounts which are payable to a person who is entitled to receive benefits under the plan.

22. "Regularly assigned to hazardous duty" means regularly assigned to duties of the type normally expected of municipal police officers, municipal or state fire fighters, eligible fire district fire fighters, state highway patrol officers, county sheriffs and deputies, fish and game wardens, fire fighters and police officers of a nonprofit corporation operating a public airport pursuant to sections 2-311 and 2-312, police officers who are appointed by the Arizona board of regents or a community college district governing board, state attorney general investigators who are certified peace officers, county attorney investigators who are certified peace officers, police officers who are appointed by the department of administration and who are certified by the Arizona peace officer standards and training board, DEPARTMENT OF LIQUOR LICENSES AND CONTROL INVESTIGATORS WHO ARE CERTIFIED PEACE OFFICERS, police officers who are certified by the Arizona peace officer standards and training board and are employed by an Indian reservation police agency or fire fighters who are employed by an Indian reservation fire fighting agency. Those individuals who are assigned solely to support duties such as secretaries, stenographers, clerical personnel,

clerks, cooks, maintenance personnel, mechanics and dispatchers are not assigned to hazardous duty regardless of their position classification title. Since the normal duties of municipal police officers, municipal or state fire fighters, eligible fire district fire fighters, state highway patrol officers, county sheriffs and deputies, fish and game wardens, fire fighters and police officers of a nonprofit corporation operating a public airport pursuant to sections 2-311 and 2-312, police officers who are appointed by the Arizona board of regents or a community college district governing board, state attorney general investigators who are certified peace officers, county attorney investigators who are certified peace officers, police officers who are appointed by the department of administration and who are certified by the Arizona peace officer standards and training board, DEPARTMENT OF LIQUOR LICENSES AND CONTROL INVESTIGATORS WHO ARE CERTIFIED PEACE OFFICERS, police officers who are certified by the Arizona peace officer standards and training board and are employed by an Indian reservation police agency and fire fighters who are employed by an Indian reservation fire fighting agency are constantly changing, questions as to whether a person is or was previously regularly assigned to hazardous duty shall be resolved by the local board on a case-by-case basis. Resolutions by local boards are subject to rehearing and appeal.

23. "Retirement" means termination of employment after a member has fulfilled all requirements for a pension. Retirement shall be considered as commencing on the day immediately following a member's last day of employment or authorized leave of absence, if later.

24. "Service" means the last period of continuous employment of an employee by the employers prior to the employee's retirement or the employee's sixty-fifth birthday, whichever first occurs, except that if such period includes employment during which the employee would not have qualified as a member had the system then been effective, such as employment as a volunteer fire fighter, then only twenty-five per cent of such noncovered employment shall be considered as service. Any absence which is authorized by an employer shall not be considered as interrupting continuity of employment if the employee returns within the period of authorized absence. Transfers between employers also shall not be considered as interrupting continuity of employment. Any period during which a member is receiving sick leave payments or a temporary disability pension shall be considered as service. Any period during which a person was employed as a full-time paid fire fighter by a fire district pursuant to a contract with a corporation within that fire district shall be considered as service if IT IS PART OF THE PERSON'S LAST PERIOD OF CONTINUOUS EMPLOYMENT WITH THAT CORPORATION IN THAT FIRE DISTRICT AND the fire district ~~should so elect~~ HAS ELECTED TO TREAT THE PERIOD AS SERVICE in its applicable joinder agreement. Any reference in this system to the number of years of service of an employee shall be deemed to include fractional portions of a year.

25. "State" means the state of Arizona, including any department, office, board, commission, agency or other instrumentality of the state.

26. "System" means the public safety personnel retirement system, created by the provisions of this article.

27. "Temporary disability" means a physical or mental condition which the local board finds totally and temporarily prevents an employee from performing a reasonable range of duties within the employee's department and which was incurred in the performance of the employee's duty. A finding of disability shall be based on medical evidence by a doctor or clinic appointed by the local board pursuant to section 38-847, subsection D, paragraph 9 which establishes a temporary disability. Material conflicts in medical evidence shall be resolved by the findings of the local board.

Sec. 23. Repeal

Section 38-842, Arizona Revised Statutes, as amended by Laws 1995, chapter 205, section 3, is repealed.

Sec. 24. Section 41-1030, Arizona Revised Statutes, as amended by Laws 1994, chapter 363, section 18, is amended to read:

41-1030. Invalidity of rules not adopted according to chapter

A. A rule is invalid unless adopted and approved in substantial compliance with sections 41-1021 through 41-1029, section 41-1036 and articles 4, 4.1 and 5 of this chapter, unless otherwise provided by law.

B. AN AGENCY SHALL NOT BASE A LICENSING DECISION IN WHOLE OR IN PART ON A LICENSING REQUIREMENT OR CONDITION THAT IS NOT EXPRESSLY AUTHORIZED BY STATUTE OR BY RULE OR STATE TRIBAL GAMING COMPACT.

Sec. 25. Repeal

Section 41-1030, Arizona Revised Statutes, as amended by Laws 1995, chapter 251, section 5, is repealed.

Sec. 26. Repeal

Section 42-101, Arizona Revised Statutes, as amended by Laws 1995, chapter 241, section 24, is repealed.

Sec. 27. Section 42-108, Arizona Revised Statutes, as amended by Laws 1995, chapter 93, section 2 and chapter 251, section 17, is amended to read:

42-108. Disclosure of confidential information; unauthorized disclosure; definitions; violation; classification

A. As used in this section:

1. "Affidavits" includes forms received to report nontaxable estates.

2. "Claimant" means a person asserting an ownership interest in property presumed abandoned under title 44, chapter 3.

3. "Confidential information" includes the following information whether it concerns individual taxpayers or is aggregate information for specifically identified taxpayers:

(a) All returns and reports filed with the department for income tax, withholding tax, transaction privilege tax, luxury tax, use tax, rental

occupancy tax, property tax, estate tax, severance tax and unclaimed property.

(b) All affidavits, reports or other information filed relating to taxable and nontaxable estates and to claims for unclaimed property.

(c) Applications for transaction privilege licenses, luxury tax licenses, use tax licenses and withholding licenses.

(d) All information discovered concerning taxes and receipts by the department, whether or not by compulsory process.

(e) All return information obtained from the United States internal revenue service and United States bureau of alcohol, tobacco and firearms.

(f) All information supplied at the special request of the department by a taxpayer or claimant of unclaimed property which the taxpayer requests to be held in confidence.

(g) Guidelines, standards or procedures that are established by the department for, or other information relating to, selecting returns or taxpayers for examination or settling or compromising any tax liability.

(h) A taxpayer's identity, the nature, source or amount of the taxpayer's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, overassessments or tax payments, whether the taxpayer's return was, is being or will be examined or subject to investigation, collection or processing or any other data received by, recorded by, prepared by, furnished to or collected by the department with respect to a return or with respect to the termination, or possible existence of, liability of any person for any tax, penalty or interest imposed pursuant to this title or title 43 or unclaimed property.

Confidential information does not include information which is otherwise a public record.

4. "Reports" includes notices of insurance payments, requests for releases of bank accounts, inventories of safe deposit boxes and holders' reports of abandoned property.

5. "Returns" includes forms prescribed by the department and all supporting schedules, attachments and lists.

6. "Tax administration" includes assessment, collection, investigation, litigation, statistical gathering functions, enforcement, policymaking functions or management of such functions of the tax revenue laws of this state.

7. "Taxpayer", with respect to a joint return, means either party.

B. A person, including a former employee or agent of the department or the office of administrative hearings or a person previously having an administrative duty for the department or the office of administrative hearings, who has received confidential information while an employee or agent of the department or the office of administrative hearings, while performing an administrative duty for the department or the office of

1 administrative hearings or pursuant to an exception under subsection D,
2 paragraph 2 or 8 of this section shall not disclose such information except
3 as provided in this section.
4 C. Confidential information may not be disclosed relating to
5 applications for luxury tax licenses pursuant to section 42-1203.01 or
6 payments under section 42-1204, subsection A, paragraph 10 or 11.
7 D. Confidential information may be disclosed in the following cases:
8 1. Confidential information relating to:
9 (a) A taxpayer may be disclosed to the taxpayer, its successor in
10 interest or a designee of the taxpayer who is authorized in writing by the
11 taxpayer.
12 (b) A corporate taxpayer may be disclosed to any principal officer of
13 the corporation.
14 (c) A partnership may be disclosed to any partner of the partnership.
15 This exception does not include disclosure of confidential information of a
16 particular partner unless otherwise authorized.
17 (d) An estate may be disclosed to the personal representative of the
18 estate and to any heir, next of kin or beneficiary under the will of the
19 decedent if the department finds that the heir, next of kin or beneficiary
20 has a material interest which will be affected by the confidential
21 information.
22 (e) A trust may be disclosed to the trustee or trustees, jointly or
23 separately, and to the grantor or any beneficiary of the trust if the
24 department finds that the grantor or beneficiary has a material interest
25 which will be affected by the confidential information.
26 (f) Any taxpayer may be disclosed if the taxpayer has waived any
27 rights to confidentiality either in writing or on the record in any
28 administrative or judicial proceeding.
29 (g) A claimant may be disclosed to the claimant, its successor in
30 interest or a designee of the claimant pursuant to written authorization by
31 the claimant.
32 2. Confidential information may be disclosed to:
33 (a) Any employee of the department whose official duties involve tax
34 or unclaimed property administration.
35 (b) The office of the attorney general or the office of any county
36 attorney authorized in writing by the attorney general solely for its use in
37 preparation for, or in an investigation which may result in, any proceeding
38 involving tax or unclaimed property administration before the department or
39 ANY other agency or board of this state, or before any grand jury or any
40 state or federal court.
41 (c) The department of liquor licenses and control for its use in
42 determining whether a spirituous liquor licensee has paid all transaction
43 privilege taxes and affiliated excise taxes incurred as a result of the sale

of spirituous liquor at the licensed establishment and imposed on the licensed establishment by this state and its political subdivisions.

(d) Other state tax or unclaimed property officials of this state whose official duties require the disclosure for proper tax or unclaimed property administration purposes if the information is sought in connection with an investigation or ANY other proceeding conducted by the official. Any disclosure is limited to information of a taxpayer or claimant who is being investigated or who is a party to a proceeding conducted by the official.

(e) The following agencies, officials and organizations, if they grant substantially similar privileges to the department for the type of information being sought, pursuant to statute and a written agreement between the department and the foreign country, agency, state, Indian tribe or organization:

(i) The United States internal revenue service, United States bureau of alcohol, tobacco and firearms, United States drug enforcement agency and federal bureau of investigation.

(ii) A state tax or unclaimed property official of another state.

(iii) An organization of states that operates an information exchange for tax administration purposes.

(iv) An agency, official or organization of a foreign country with responsibilities that are comparable to those listed in item (i), (ii) or (iii).

(v) An agency, official or organization of an Indian tribal government with responsibilities comparable to the responsibilities of the agencies, officials or organizations identified in item (i), (ii) or (iii).

(f) The auditor general, in connection with any audit of the department subject to the restrictions in subsection F of this section.

(g) Any person to the extent necessary for effective tax or 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 tax administration.

(h) The office of administrative hearings relating to tax administered by the department pursuant to section 42-111 but the department shall not disclose any confidential information regarding income tax, withholding tax or estate tax or confidential information on any tax issue relating to information associated with the reporting of income tax, withholding tax or estate tax.

3. Confidential information may be disclosed in any state or federal judicial or administrative proceeding pertaining to tax or unclaimed property administration if the taxpayer or claimant is a party to the proceeding.

4. Identity information may be disclosed for purposes of notifying:

(a) Persons entitled to tax refunds if the department is unable to locate the persons after reasonable effort.

(b) Owners of unclaimed property pursuant to section 44-318.

5. The department shall, upon the request of any person, provide the names and addresses of bingo licensees as defined in section 5-401 or verify whether or not a person has a privilege license and number or withholding license and number.

6. A department employee may, in connection with the official duties relating to any audit, collection activity or civil or criminal investigation, disclose return information to the extent that such disclosure is necessary to obtain information which is not otherwise reasonably available. Such official duties include the correct determination of and liability for tax, the amount to be collected or the enforcement of other state tax revenue laws.

7. If an organization is exempt from the Arizona income tax as provided in section 43-1201, for any taxable year, the name and address of the organization and the application filed by the organization upon which the department made its determination for exemption together with any papers submitted in support of the application and any letter or document issued by the department concerning the application are open to public inspection.

8. Confidential information relating to transaction privilege tax, use tax and rental occupancy tax may be disclosed to any city or town tax official if the information relates to a taxpayer who is or may be taxable by the city or town.

9. The department may disclose statistical information gathered from confidential information if it does not disclose confidential information attributable to any one taxpayer or claimant of unclaimed property.

10. Except as provided in subsection C of this section, confidential information, defined in subsection A, paragraph 3, subdivision (c) of this section, may be disclosed to law enforcement agencies for law enforcement purposes.

11. The department may disclose and publish the names of corporations, the dividends of which qualify for the subtraction provided by section 43-1128.

12. The department may provide transaction privilege tax license information to property tax officials in a county for the purpose of identification and verification of the tax status of commercial property.

13. THE DEPARTMENT MAY PROVIDE TRANSACTION PRIVILEGE TAX, LUXURY TAX, USE TAX, PROPERTY TAX AND SEVERANCE TAX INFORMATION TO THE OMBUDSMAN-CITIZENS AIDE PURSUANT TO TITLE 41, CHAPTER 8, ARTICLE 5.

E. Except as provided in subsection F of this section, 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 taxpayer or claimant for the information.

F. Confidential information shall not be disclosed if the department determines that disclosure would seriously impair any civil or criminal tax investigation or if the disclosure would be contrary to the United States internal revenue code, section 6103(d), 6103(p)(8) or 7213.

G. This section does not prohibit the disclosure by the department of any information or documents submitted to the department by a bingo licensee. Before disclosing the information the department shall obtain the name and address of the person requesting the information.

H. 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.

I. Except as provided in subsection F of this section, the department shall release confidential information relating only to the identity and location of any person as requested by the department of economic security pursuant to section 42-133 or 46-291.

J. 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.

Sec. 28. Repeal

Section 42-108, Arizona Revised Statutes, as amended by Laws 1995, chapter 281, section 3, is repealed.

Sec. 29. Section 42-172, Arizona Revised Statutes, as amended by Laws 1994, chapter 323, section 20, is amended to read:

42-172. State board of tax appeals; employees; meetings

A. The state board of tax appeals shall appoint a clerk, hearing officers and such other employees as it deems necessary to carry out its duties. The hearing officer qualifications ~~for each division~~ shall be the same as the selection criteria for the members as prescribed by section 42-171~~, subsections C and E, respectively~~. Notwithstanding section 41-192, subsection E, upon request of the board, the attorney general shall designate, for such time and purposes as the board requires, an attorney, acceptable to the board, whose compensation shall be fixed and paid by the board.

B. The board shall meet annually at the state capitol on the first Monday after July 15 and shall hold hearings and meetings at such other times at the call of the ~~chairman~~ CHAIRPERSON or a majority of the board and otherwise as may be prescribed by the rules of the board as required to carry out its duties. The principal office of the board shall be at the capitol, but the board may sit or hold hearings at any other place within the state. A majority of the board shall constitute a quorum for making orders and decisions or transacting other official business, and the board may act even though ~~up to three positions~~ ONE POSITION on the board ~~are~~ IS vacant. One or more members may hold hearings and take testimony to be reported for

action by the board when authorized by rule or order of the board. The board shall keep a record of its proceedings.

~~C. Each division of the board shall have the same powers and duties with respect to its own management and procedures as are provided for the board in subsections A and B of this section, except that:~~

C. IN CONDUCTING THE BUSINESS OF THE BOARD:

1. ~~Division two~~ THE BOARD may not act if more than one position is vacant.

2. One or more members or a hearing officer of ~~a division or panel~~ THE BOARD may hold hearings and take testimony to be reported for action by the ~~division or panel~~ BOARD when authorized by rule of the board ~~or order of the division~~.

~~3. Division one may use a two, three or five member panel appointed by the chairman of the division to make orders and decisions for the division, but if a two member panel fails to agree with respect to an order or decision, the division chairman shall appoint a third member to achieve a final order or decision.~~

Sec. 30. Repeal

Section 42-172, Arizona Revised Statutes, as amended by Laws 1995, chapter 249, section 11, is repealed.

Sec. 31. Section 42-172.01, Arizona Revised Statutes, as added by Laws 1994, chapter 323, section 21, is amended to read:

42-172.01. State board of equalization

A. The state board of equalization is established as an independent agency that is not subject to the supervision or control of ~~either~~ the department of revenue ~~or the state board of tax appeals, except as provided by this section~~.

B. The state board of equalization consists of ~~the members of division one of the state board of tax appeals plus ten additional members,~~ five ~~of whom~~ MEMBERS WHO are appointed by the board of supervisors from each county with a population of more than five hundred thousand persons according to the most recent United States decennial census, THREE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR FROM EACH COUNTY WITH A POPULATION OF MORE THAN FIVE HUNDRED THOUSAND PERSONS ACCORDING TO THE MOST RECENT UNITED STATES DECENNIAL CENSUS AND AN ADDITIONAL MEMBER DESIGNATED AS CHAIRPERSON BY THE GOVERNOR WHO SHALL SERVE IN A FULL-TIME CAPACITY. OTHER THAN THE CHAIRPERSON, ~~All~~ members of the state board of equalization ~~must meet the same qualifications prescribed for members of division one of the state board of tax appeals by section 42-171, subsection C.~~ SHALL BE SELECTED ON THE BASIS OF THEIR WORK EXPERIENCE AND OTHER QUALIFICATIONS IN AT LEAST ONE OF THE FOLLOWING CATEGORIES:

1. EXPERIENCE IN AT LEAST FOUR OF THE PRECEDING EIGHT YEARS IN PROPERTY VALUATION, PROPERTY TAX APPEALS OR APPRAISING REAL PROPERTY.

2. A CERTIFIED GENERAL APPRAISER UNDER SECTION 32-3612.

3. A PROPERTY VALUATION HEARING OFFICER OF MEMBER OF THE STATE BOARD OF EQUALIZATION, OR ANY PREDECESSOR TO THE BOARD, FOR AT LEAST FOUR OF THE PRECEDING EIGHT YEARS.

4. A MEMBER OF THE STATE BAR OF ARIZONA WITH AT LEAST FOUR YEARS OF EXPERIENCE IN PROPERTY VALUATION OR CONDEMNATION PRACTICE.

C. Members who are appointed by the county board of supervisors serve at the pleasure of the county board for terms that expire at the same time as the elective term of the county supervisors. MEMBERS WHO ARE APPOINTED BY THE GOVERNOR PURSUANT TO SUBSECTION B OF THIS SECTION SHALL SERVE A TERM OF FIVE YEARS. Members may be reappointed to the state board of equalization.

D. ~~Members of division one of the state board of tax appeals are not eligible for additional compensation for service on the state board of equalization.~~ EXCEPT AS PROVIDED IN SUBSECTION F OF THIS SECTION, members of the state board of equalization ~~who are appointed by the county board of supervisors~~ are eligible to receive one hundred fifty dollars per day for time spent in performing official duties, plus reimbursement~~, paid by the respective counties from which they are appointed,~~ for travel and other expenses as provided by law for other state officers. MEMBERS APPOINTED BY THE COUNTIES SHALL BE PAID BY THE COUNTY FROM WHICH THEY WERE APPOINTED. MEMBERS APPOINTED BY THE GOVERNOR SHALL BE PAID BY THE STATE.

E. A member of the state board of equalization shall not hold any other public office under the laws of this state or a political subdivision of this state ~~except a member may serve as a member of the state board of tax appeals~~. A member shall not be a candidate for an elective office under the laws of this or any other state nor take any direct or indirect part in an election campaign in the interest of a political party or other organization, candidate or measure to be voted on by the people. A member of the board shall not hold any position of trust nor provide or engage in any occupation or business that would conflict with the duties of a member of the board. THE GOVERNOR MAY REMOVE ANY MEMBER OF THE STATE BOARD OF EQUALIZATION NOT APPOINTED BY A MEMBER OF THE COUNTY BOARD OF SUPERVISORS FOR ANY OF THE FOLLOWING:

1. CAUSE.

2. FAILURE TO CARRY OUT THE DUTIES AND RESPONSIBILITIES OF SUCH POSITION.

3. FAILURE TO FOLLOW THE RULES OF THE BOARD.

4. FAILURE TO FOLLOW THE DIRECTIONS OF THE CHAIRPERSON, AS PROVIDED BY LAW.

F. The ~~chairman of division one of the state board of tax appeals is~~ GOVERNOR SHALL APPOINT the ~~chairman~~ CHAIRPERSON of the state board of equalization ~~and~~ WHO is responsible for the administration and operation of the board. ~~The state board of tax appeals shall provide staff support and meeting accommodations to serve the state board of equalization.~~ THE

POSITION OF CHAIRPERSON IS A FULL-TIME POSITION. THE CHAIRPERSON IS ELIGIBLE TO RECEIVE COMPENSATION PURSUANT TO SECTION 38-611.

G. The state board of equalization shall meet at the call of the ~~chairman~~ CHAIRPERSON as often as necessary to accomplish the duties prescribed by law and may hold MEETINGS OR hearings at any location in the counties that appoint members to the board. MEMBERS OF THE STATE BOARD OF EQUALIZATION SHALL ACT UNDER THE DIRECTION OF THE CHAIRPERSON IN CARRYING OUT THEIR DUTIES AND RESPONSIBILITIES AS PROVIDED BY LAW AND THE RULES OF THE BOARD.

H. The members of the state board of equalization shall adopt administrative rules and rules of procedure for hearings before the board. The state board of equalization may adopt by reference judicial rules and rules of the state board of tax appeals to the extent that they apply to the proceedings of the state board of equalization. ALL HEARINGS CONDUCTED BEFORE THE STATE BOARD OF EQUALIZATION EITHER BY THE BOARD, A PANEL OF THE BOARD, A MEMBER OR A HEARING OFFICER SHALL BE CONDUCTED IN CONFORMANCE WITH SUCH RULES.

I. The state board of equalization may employ one or more hearing officers who must meet the same qualifications prescribed for members ~~of division one~~ of the ~~state~~ board ~~of tax appeals~~ by ~~section 42-171,~~ subsection ~~C~~ B OF THIS SECTION. Any training activity for hearing officers shall be held in public with notice as prescribed by title 38, chapter 3, article 3.1. A hearing officer is eligible to receive one hundred fifty dollars per day for time spent in performing official duties.

J. THE STATE BOARD MAY APPOINT A CLERK AND ANY OTHER EMPLOYEES IT DEEMS NECESSARY TO CARRY OUT ITS DUTIES.

K. THE MEMBERS APPOINTED BY THE GOVERNOR SHALL HEAR APPEALS OF PROPERTY VALUATIONS DETERMINED BY THE DEPARTMENT AND EQUALIZATION ORDERS ISSUED PURSUANT TO STATUTE. THIS SUBSECTION DOES NOT APPLY TO ANY PROPERTIES VALUED BY THE DEPARTMENT THAT WOULD OTHERWISE BE VALUED BY THE COUNTY ASSESSOR.

Sec. 32. Repeal

Section 42-172.01, Arizona Revised Statutes, as amended by Laws 1995, chapter 249, section 12, is repealed.

Sec. 33. Section 42-221, Arizona Revised Statutes, as amended by Laws 1995, chapter 249, section 24, is amended to read:

42-221. Ascertainment of property subject to taxation

A. Each county assessor is designated as a deputy director of the department for the purpose of determining the valuation of property within his county for state property tax purposes.

B. Not later than December 15 each year the county assessor shall ascertain by diligent inquiry and examination WHICH INCLUDES THE USE OF AERIAL PHOTOGRAPHY, APPLICABLE DEPARTMENT OF REVENUE RECORDS, BUILDING PERMITS AND OTHER DOCUMENT SOURCES OR TECHNOLOGY, all real property in his

county subject to taxation, and not otherwise provided by law to be valued by the department. He shall determine the names of all persons owning, claiming or having possession or control thereof and determine through the use of the manuals furnished and procedures prescribed by the department the full cash value of all such property, as of January 1 of the next year, and he shall list such property together with the valuation found for use on the roll. In the case of property that is classified as class four, five or six pursuant to section 42-162, the assessor may use the same valuation for up to three consecutive tax years if the assessor files a specific plan for such valuations with the department and the plan is implemented uniformly throughout the county.

C. Not later than November 15 each year each county assessor shall report to the department any parcel of property which has not been appraised during the preceding three years. The assessor shall include a statement of the reasons for the failure to appraise each such parcel of property. The department may direct the county assessor to adjust the valuation of such parcels to reflect their full cash value.

D. Every person who is the owner of record or who is the purchaser under a deed of trust or an agreement of sale of property which by law is valued by the assessor for placement on the roll shall, on ~~or~~ ANY DATE before March 1 each year, be notified at the last known mailing address in writing by the assessor as to the full cash value of the property and the limited property value, if applicable, to be used for assessment purposes of such property found by the assessor for placement on the rolls. The director may extend the final date for mailing notices beyond March 1 for a period of not more than thirty days for delays caused by an act of God, flood or fire. Each year the county assessor shall certify on the same date to the board of supervisors and the department the date on which all notices under this subsection were mailed. If the director extends the mailing date, the extension applies to all property valued by the assessor. The assessor shall include in the notice the full cash value found by the assessor for such property for the prior tax year, the classification given the parcel of property pursuant to section 42-162, the mailing date of the notice and the last date upon which the owner may file his appeal from the valuation or classification assigned to his property. Except for property that is listed as class five property pursuant to section 42-162, subsection A, paragraph 5, the notice shall separately list the full cash value of the land and the full cash value of the improvement or improvements associated with the land. Any person owning, claiming or having possession or control of property which by law is to be valued by the assessor for placement on the roll may, after March 1, inquire of and be advised by the assessor as to the valuation of such property found by the assessor for placement on the rolls, but the assessor shall not change the roll except as provided by subsection F of this section or as otherwise provided by law.

E. Any owner of property which in his opinion has been valued too high or otherwise improperly valued or listed on the roll by the assessor may file a petition with the assessor on a form prescribed by the department. The petition shall set forth in writing the owner's opinion of the full cash value of the property and substantial information which justifies that opinion of value for the assessor to consider for purposes of basing a change in classification or reduction or correction of the valuation. Petitions may include more than one parcel of property if they are part of the same economic unit according to department of revenue guidelines or if they are owned by the same owner, they have the same use, are appealed on the same basis and are located in the same geographic area, as determined pursuant to department of revenue guidelines and are on a form prescribed by the department. The petition shall be filed within sixty days after the date the assessor mailed the notice. United States postal service postmark dates are evidence of the date petitions were filed for purposes of this subsection. For purposes of this section, the owner provides substantial information to justify the opinion of value by stating the method or methods of valuation on which the opinion is based and:

1. Under the income approach, including the information required in subsection ~~I~~ H of this section.

2. Under the market approach, including the full cash value of at least one comparable property in the same geographic area or the sale of the subject property.

3. Under the cost approach, including the cost to build or rebuild the property plus the land value.

F. If a taxpayer who files a petition with the assessor pursuant to subsection ~~F~~ E of this section uses the income approach to determine valuation, the taxpayer, an officer of a corporate taxpayer, a general partner or a designated agent shall file a sworn affidavit under penalty of perjury that the information contained in the petition is true and correct to the best of the petitioner's knowledge.

G. If a petition filed with the assessor is rejected because it fails to include substantial information required by this section, the petitioner may file an amended petition with the assessor within fifteen days after notice of the rejection is mailed, if it is mailed on or before June 15, or, if it is mailed after June 15, the petitioner may appeal within fifteen days to the county board of equalization in the manner provided in section 42-241.01, if a county board is established in the county, or to the state board of equalization.

H. A petition filed with the assessor and based upon the income approach to value shall include income and expense data relating to the property for the most recent three consecutive fiscal years of the taxpayer ending on or before September 30 of the previous year. In the event that the income and expense data required to be filed by this subsection are not

available to the owner, the owner shall file with the petition such income and expense data as are available. The department may, by rule, establish additional information to be filed in the event that the required income and expense data are not available.

I. At the petitioner's written request, the assessor shall meet with the petitioner. In all cases the assessor shall consider the petition and shall rule on every petition filed under this section by August 15 of each year. If the petitioner is unable to appear and meet with the assessor at the time and place set by the assessor, the petitioner may submit written evidence to support the petition if it is submitted before the date of the meeting. If the assessor grants the requested relief, the petitioner may not appeal the ruling. If the petitioner and the assessor reach an agreement WITHIN FIVE DAYS BUSINESS DAYS after the conclusion of the meeting, both parties shall sign the agreement, and both parties waive the right to further appeal.

J. If the request of the petitioner is denied, in whole or in part, the assessor shall, on the date of the ruling, mail to the petitioner at the address shown on the petition notice of the grounds of the refusal to make the change requested together with a copy of the petition. A petitioner whose request is denied may appeal, within twenty-five days after the assessor's decision is mailed, to the county board of equalization, if one is established in the county, or, if one is not established in the county, to the state board of equalization.

K. A person who owns, controls or possesses property valued by the county assessor may each year designate an agent to act on his behalf on any matter relating to the review of the valuation of the property before the assessor and the county board of equalization or the state board of equalization. The designation by such person of an agent under this subsection shall be made annually in writing by such person to the county assessor on a form prescribed by the department and shall expire at the end of the calendar year. The form and the petition shall be filed together with the county assessor and the county board of equalization or the state board of equalization. Thereafter notices issued by the assessor or either board of equalization relating to the review of the valuation of that property shall be sent to the agent.

L. No person owning, controlling or possessing property valued by the assessor may appear before the county board or the state board of equalization without first having filed a petition with the assessor as provided by this section, except as otherwise provided in this article. A person shall not raise any issue if the issue was not included in the petition filed pursuant to subsection ~~F~~ E of this section.

M. The written notice of valuation required to be mailed pursuant to subsection D of this section:

1. Shall prominently display a statement informing property owners that if a parcel of property is being used as a rental unit and the property is listed on the written notice as a class five property, as defined in section 42-162, the owner must notify the county assessor of the rental use of the property or he may be subject to a civil penalty as prescribed in section 42-163.

2. Shall include a form with instructions on the procedure and deadlines for appealing the assessed valuation shown on the notice. The appeal form for property that is listed as class five pursuant to section 42-162 shall contain simplified instructions and be separate from the appeal form for other classes of property.

N. If the assessor initially determines the valuation of property under subsection B of this section by using a computerized data processing or valuation program, and if the valuation found by that method constitutes a change in the valuation methodology and the resulting change in valuation in any tax year is more than fifteen per cent above or below the valuation found for the same parcel of property in the preceding tax year, the assessor shall place the parcel on an exception list and shall review the valuation to determine if the change in valuation reflects the current status and conditions affecting each property on the exception list before mailing the notice of valuation. This subsection does not apply in the case of parcel splits or consolidations, construction or destruction or improvements, changes in use or classification of the property, or other occurrences that would account for the change in valuation.

Sec. 34. Repeal

Section 42-221, Arizona Revised Statutes, as amended by Laws 1995, chapter 137, section 1, is repealed.

Sec. 35. Section 42-227, Arizona Revised Statutes, as amended by Laws 1995, first special session, chapter 9, section 2, is amended to read:

42-227. Determination of assessed valuation

A. As a basis for determining the assessed valuation for the different classes of property specified in section 42-162, the following percentages shall apply:

1. Class one: For tax year 1990 through tax year 1994, thirty per cent of its full cash value. For tax year 1995, twenty-nine per cent of its full cash value. For tax year 1996, twenty-eight per cent of its full cash value. For tax year 1997, twenty-seven per cent of its full cash value. For tax year 1998, twenty-six per cent of its full cash value. For tax year 1999 and each tax year thereafter, twenty-five per cent of its full cash value.

2. Class two: For tax year 1990 through tax year 1994, thirty per cent of its full cash value. For tax year 1995, twenty-nine per cent of its full cash value. For tax year 1996, twenty-eight per cent of its full cash value. For tax year 1997, twenty-seven per cent of its full cash value. For

tax year 1998, twenty-six per cent of its full cash value. For tax year 1999 and each tax year thereafter, twenty-five per cent of its full cash value.

3. Class three:

(a) Class three (R): Twenty-five per cent of its full cash value.

(b) Class three (P):

(i) For tax year 1993 and 1994, twenty-five per cent of its full cash value.

(ii) For tax year 1995, one per cent of its full cash value not exceeding three thousand dollars and twenty-five per cent of its full cash value exceeding three thousand dollars.

(iii) For tax year 1996 and each tax year thereafter, one per cent of its full cash value not exceeding fifty thousand dollars and twenty-five per cent of its full cash value exceeding fifty thousand dollars.

4. Class four:

(a) Class four (R): Sixteen per cent of its full cash value.

(b) Class four (P):

(i) For tax year 1993 and 1994, sixteen per cent of its full cash value.

(ii) For tax year 1995, one per cent of its full cash value not exceeding three thousand dollars and sixteen per cent of its full cash value exceeding three thousand dollars.

(iii) For tax year 1996 and each tax year thereafter, one per cent of its full cash value not exceeding fifty thousand dollars and sixteen per cent of its full cash value exceeding fifty thousand dollars.

5. Class five: Ten per cent of its full cash value.

6. Class six: For tax year 1993, eleven per cent of its full cash value. For tax year 1994 and each tax year thereafter, ten per cent of its full cash value.

7. Class seven: The director shall annually determine percentages equal to the ratios which:

(a) The total net assessed valuation for secondary tax purposes of all taxable property in classes one, two, three and eight (c) and personal property in ~~classes~~ CLASS four ~~and eleven~~ bears to the total full cash value of such property and such ratio shall be used for secondary tax purposes as required by federal law.

(b) The total net assessed valuation of all taxable property for primary tax purposes in classes one, two, three and eight (c) and personal property in ~~classes~~ CLASS four ~~and eleven~~ bears to the total limited valuation used for primary tax purposes of such property and such ratio shall be used for primary tax purposes as required by federal law.

8. Class eight: Five per cent of its full cash value.

9. Class nine: The percentage of full cash value prescribed for class three property by this section, except that the assessed valuation of modifications intended to restore and rehabilitate the historic property as

approved by the historic preservation officer under section 42-164 is one per cent of the full cash value for up to ten years.

10. Class ten: The percentage of full cash value prescribed for class six property by this section, except that the assessed valuation of modifications intended to restore and rehabilitate the historic property as approved by the historic preservation officer under section 42-164 is one per cent of the full cash value for up to ten years.

11. Class eleven: One per cent of its full cash value.

~~12. Class twelve: One per cent of its full cash value.~~

B. The valuation determined for producing oil, gas and geothermal resource interests valued under the provisions of sections 42-143 and 42-227.01 through 42-227.04 shall be the assessed valuation for such property.

C. Upon preparation of the rolls, the assessor shall apply the appropriate percentage to the full cash value and limited property value of all property so that the assessed valuation will be shown.

D. If a parcel of property has more than one percentage applied to its full cash value due to multiple uses pursuant to this section, the percentages shall be applied to the limited property value of the parcel in the same proportion and in the same manner as they were applied to the full cash value of the parcel.

Sec. 36. Repeal

Section 42-227, Arizona Revised Statutes, as amended by Laws 1995, chapter 294, section 5, is repealed.

Sec. 37. Section 49-104, Arizona Revised Statutes, as amended by Laws 1995, chapter 231, section 1, chapter 232, section 2 and chapter 261, section 1, is amended to read:

49-104. Powers and duties of the department and director

A. The department shall:

1. Formulate policies, plans and programs to implement this title to protect the environment.

2. Stimulate and encourage all local, state, regional and federal governmental agencies and all private persons and enterprises that have similar and related objectives and purposes, cooperate with those agencies, persons and enterprises and correlate department plans, programs and operations with those of the agencies, persons and enterprises.

3. Conduct research on its own initiative or at the request of the governor, the legislature or state or local agencies pertaining to any department objectives.

4. Provide information and advice on request of any local, state or federal agencies and private persons and business enterprises on matters within the scope of the department.

5. Consult with and make recommendations to the governor and the legislature on all matters concerning department objectives.

6. Make annual reports to the governor and the legislature on its activities, its finances and the scope of its operations.

7. Promote and coordinate the management of air resources to assure their protection, enhancement and balanced utilization consistent with the environmental policy of this state.

8. Promote and coordinate the protection and enhancement of the quality of water resources consistent with the environmental policy of this state.

9. Encourage industrial, commercial, residential and community development which maximizes environmental benefits and minimizes the effects of less desirable environmental conditions.

10. Assure the preservation and enhancement of natural beauty and man-made scenic qualities.

11. Provide for the prevention and abatement of all water and air pollution including that related to particulates, gases, dust, vapors, noise, radiation, odor, nutrients and heated liquids in accordance with article 3 of this chapter and chapters 2 and 3 of this title.

12. Promote and recommend methods for the recovery, recycling and reuse or, if recycling is not possible, the disposal of solid wastes consistent with sound health, scenic and environmental quality policies.

13. Prevent pollution through the regulation of the storage, handling and transportation of solids, liquids and gases which may cause or contribute to pollution.

14. Promote the restoration and reclamation of degraded or despoiled areas and natural resources.

15. Assist the department of health services in recruiting and training state, local and district health department personnel.

16. Participate in the state civil defense program and develop the necessary organization and facilities to meet wartime or other disasters.

B. The department, through the director, shall:

1. Contract for the services of outside advisers, consultants and aides reasonably necessary or desirable to enable the department to adequately perform its duties.

2. Contract and incur obligations reasonably necessary or desirable within the general scope of department activities and operations to enable the department to adequately perform its duties.

3. Utilize any medium of communication, publication and exhibition when disseminating information, advertising and publicity in any field of its purposes, objectives or duties.

4. Adopt procedural rules that are necessary to implement the authority granted under this title, but that are not inconsistent with other provisions of this title.

5. Contract with other agencies including laboratories in furthering any department program.

6. Use monies, facilities or services to provide matching contributions under federal or other programs which further the objectives and programs of the department.

7. Accept gifts, grants, matching monies or direct payments from public or private agencies or private persons and enterprises FOR DEPARTMENT SERVICES, PUBLICATIONS AND to conduct programs which are consistent with the general purposes and objectives of this chapter. MONIES RECEIVED PURSUANT TO THIS PARAGRAPH SHALL BE DEPOSITED IN THE DEPARTMENT FUND CORRESPONDING TO THE SERVICE, PUBLICATION OR PROGRAM PROVIDED.

8. Provide for the examination of any premises if the director has reasonable cause to believe that a violation of any environmental law or rule exists or is being committed on the premises. The director shall give the owner or operator the opportunity for its representative to accompany the director on an examination of those premises. Within forty-five days after the date of the examination, the department shall provide to the owner or operator a copy of any report produced as a result of any examination of the premises.

9. Supervise sanitary engineering facilities and projects in this state, authority for which is vested in the department, and own or lease land on which sanitary engineering facilities are located, and operate the facilities, if the director determines that owning, leasing or operating is necessary for the public health, safety or welfare.

10. Adopt and enforce rules relating to plans and specifications for constructing, improving and operating sanitary engineering and other facilities for disposing of solid, liquid or gaseous deleterious matter, requiring that the plans and specifications be first approved by the director or his designated agent before any work is begun, requiring inspection of the projects during construction and enforcing compliance with the approved plans and specifications.

11. Define and prescribe reasonably necessary rules regarding the water supply, sewage disposal and garbage collection and disposal for subdivisions. The rules shall:

(a) Provide for minimum sanitary facilities to be installed in the subdivision and may require that water systems plan for future needs and be of adequate size and capacity to deliver specified minimum quantities of drinking water and to treat all sewage.

(b) Provide that the plans and specifications showing or describing the water supply, sewage disposal and garbage collection facilities be submitted with a fee to the department for review and that no lots in any subdivision be offered for sale before compliance with the standards and rules has been demonstrated by approval of the plans and specifications by the department.

12. Prescribe reasonably necessary measures to prevent pollution of water used in public or semipublic swimming pools and bathing places and to

prevent deleterious conditions at such places. The rules shall prescribe minimum standards for the design of and for sanitary conditions at any public or semipublic swimming pool or bathing place and provide for abatement as public nuisances of premises and facilities which do not comply with the minimum standards. The rules shall be developed in cooperation with the director of the department of health services and shall be consistent with the rules adopted by the director of the department of health services pursuant to section 36-136, subsection H, paragraph 11.

13. Prescribe reasonable rules regarding sewage collection, treatment, disposal and reclamation systems to prevent the transmission of sewage borne or insect borne diseases. The rules shall:

(a) Prescribe minimum standards for the design of sewage collection systems~~,~~ AND treatment, disposal and reclamation systems and for operating the systems.

(b) Provide for inspecting the premises, systems and installations and for abating as a public nuisance any collection system, process, treatment plant, disposal system or reclamation system which does not comply with the minimum standards.

(c) Require that the plans and specifications for all sewage collection systems, sewage collection system extensions, treatment plants, processes, devices, equipment, disposal systems, on-site wastewater treatment facilities and reclamation systems be submitted with a fee for review to the department and may require that such plans and specifications anticipate and provide for future sewage treatment needs.

(d) Prohibit construction, reconstruction, installation or initiation of any sewage collection system, sewage collection system extension, treatment plant, process, device, equipment, disposal system, on-site wastewater treatment facility or reclamation system before the approval of the plans and specifications and of the construction by the department after payment of the appropriate fees.

14. Prescribe reasonably necessary rules regarding excreta storage, handling, treatment, transportation and disposal. The rules shall:

(a) Prescribe minimum standards for human excreta storage, handling, treatment, transportation and disposal and shall provide for inspection of premises, processes and vehicles and for abating as public nuisances any premises, processes or vehicles which do not comply with the minimum standards.

(b) Provide that vehicles transporting human excreta from privies, septic tanks, cesspools and other treatment processes shall be licensed by the department subject to compliance with the rules.

15. Perform the responsibilities of implementing and maintaining a data automation management system to support the reporting requirements of title III of the superfund amendments and reauthorization act of 1986 (P.L. 99-499) and title 26, chapter 2, article 3.

16. Approve remediation levels pursuant to article 4 of this chapter.

C. The department may charge fees to cover the costs of all inspections it performs to insure compliance with rules adopted under subsection B, paragraph 11 or 13 of this section, except that state agencies are exempt from paying the fees. Monies collected pursuant to subsection B, paragraphs 11 and 13 of this section shall be deposited in the ~~state general fund~~ WATER QUALITY FEE FUND ESTABLISHED BY SECTION 49-210. After appropriate fees are paid under such paragraphs, the department may approve construction of any facility.

D. The director may:

1. If he has reasonable cause to believe that a violation of any environmental law or rule exists or is being committed, inspect any person or property in transit through this state and any vehicle in which the person or property is being transported and detain or disinfect the person, property or vehicle as reasonably necessary to protect the environment if a violation exists.

2. Authorize in writing any qualified officer or employee in the department to perform any act that the director is authorized or required to do by law.

Sec. 38. Repeal

Section 49-104, Arizona Revised Statutes, as amended by Laws 1995, chapter 202, section 2, is repealed.

Sec. 39. Section 49-203, Arizona Revised Statutes, as amended by Laws 1995, chapter 210, section 1, is amended to read:

49-203. Powers and duties of the director and department

A. The director shall:

1. Adopt, by rule, water quality standards in the form and subject to the considerations prescribed by article 2 of this chapter.

2. Adopt, by rule, a permit program for the point source discharge of any pollutant or combination of pollutants into navigable waters. The program and the rules shall be sufficient to enable this state to administer the permit program described in the clean water act.

3. Adopt, by rule, a program to control nonpoint source discharges of any pollutant or combination of pollutants into navigable waters.

4. Adopt, by rule, an aquifer protection permit program to control discharges of any pollutant or combination of pollutants which are reaching or may with a reasonable probability reach an aquifer. The permit program shall be as prescribed by article 3 of this chapter.

5. Adopt, by rule, the permit program for underground injection control described in the safe drinking water act.

6. Adopt, by rule or as permit conditions, such discharge limitations, best management practice standards, new source performance standards, toxic and pretreatment standards and such other standards and conditions as are

reasonable and necessary to carry out the permit programs and regulatory duties described in paragraphs 2 through 5 of this subsection.

7. Assess and collect fees to cover, as necessary, reasonable costs to revoke, issue, deny, modify or suspend permits issued pursuant to this chapter and to process permit applications. The director may also assess and collect costs reasonably necessary if the director must conduct sampling or monitoring relating to a facility because the owner or operator of the facility has refused or failed to do so on order by the director. The director shall set fees which are reasonably related to the department's costs of providing the service for which the fee is charged. State agencies are exempt from all fees imposed pursuant to this chapter. Monies collected from aquifer protection permit fees shall be transmitted to the state treasurer for deposit in the water quality ~~assurance revolving~~ FEE fund established in section ~~49-282~~ 49-210. Monies from other permit fees shall be transmitted to the state treasurer for deposit in the ~~state general~~ WATER QUALITY FEE fund unless otherwise provided by law. Except for monies paid by an applicant for review by consultants for the department pursuant to section 49-241.02, subsection D or 49-362, monies collected from all other fees shall be transmitted to the state treasurer for deposit in the water quality ~~assurance revolving~~ FEE fund established pursuant to section ~~49-282~~ 49-210.

8. Adopt, modify, repeal and enforce other rules which are reasonably necessary to carry out his functions under this chapter.

9. Require monitoring at an appropriate point of compliance for any organic or inorganic pollutant listed under section 49-243, subsection I if the director has reason to suspect the presence of the pollutant in a discharge.

10. Adopt rules establishing what constitutes a significant alteration in the characteristics or volume of pollutants discharged for purposes of determining what constitutes a major modification to an existing facility under the definition of new facility pursuant to section 49-201. Prior to the adoption of these rules, the director shall determine whether a change at a particular facility results in a significant alteration in the characteristics or volume of pollutants discharged on a case by case basis, taking into account site conditions and operational factors.

B. The director may:

1. On presentation of credentials, enter into, on or through any public or private property from which a discharge has occurred, is occurring or may occur, as is reasonably necessary to ensure compliance with this chapter. The director or a department employee may take samples, inspect and copy records required to be maintained pursuant to this chapter, inspect equipment, activities, facilities and monitoring equipment or methods of monitoring, take photographs and take other action reasonably necessary to determine the application of, or compliance with, this chapter. The owner

or managing agent of the property shall be afforded the opportunity to accompany the director or department employee during inspections and investigations, but prior notice of entry to the owner or managing agent is not required if reasonable grounds exist to believe that such notice would frustrate the enforcement of this chapter. If the director or department employee obtains any samples before leaving the premises, he shall give the owner or managing agent a receipt describing the samples obtained and a portion of each sample equal in volume or weight to the portion retained. If an analysis is made of samples, or monitoring and testing are performed, a copy of the results shall be furnished promptly to the owner or managing agent.

2. Require any person who has discharged, is discharging or may discharge into the waters of the state to establish and maintain records, including photographs, relating to the discharge and to install, use and maintain sampling and monitoring equipment to determine the absence or presence and nature of the discharge.

3. Administer state or federal grants, including grants to political subdivisions of this state, for the construction and installation of publicly and privately owned pollutant treatment works and pollutant control devices and establish grant application priorities.

4. Develop, implement and administer a water quality planning process, including a ranking system for applicant eligibility, wherein appropriated state monies and available federal monies are awarded to political subdivisions of this state to support or assist regional water quality planning programs and activities.

5. Enter into contracts and agreements with the federal government to implement federal environmental statutes and programs.

6. Enter into intergovernmental agreements pursuant to title 11, chapter 7, article 3 if the agreement is necessary to more effectively administer the powers and duties described in this chapter.

7. Participate in, conduct and contract for studies, investigations, research and demonstrations relating to the causes, minimization, prevention, correction, abatement, mitigation, elimination, control and remedy of discharges and collect and disseminate information relating to discharges.

8. File bonds or other security as required by a court in any enforcement actions under article 4 of this chapter.

C. Subject to the provisions of section 38-503 and other applicable statutes and rules, the department may contract with a private consultant for the purposes of assisting the department in reviewing aquifer protection permit applications and on-site wastewater treatment facilities to determine whether a facility meets the criteria and requirements of this chapter and the rules adopted by the director. Except as provided in section 49-241.02, subsection D and section 49-362, the department shall not use a private consultant if the fee charged for that service would be greater than the fee

the department would charge to provide that service. The department shall pay the consultant for the services rendered by the consultant from fees paid by the applicant or facility to the department pursuant to section 49-203, subsection A, paragraph 7.

D. The director shall integrate all of the programs authorized in this section and such other programs affording water quality protection which are administered by the department for purposes of administration and enforcement and shall avoid duplication and dual permitting to the maximum extent practicable.

Sec. 40. Repeal

Section 49-203, Arizona Revised Statutes, as amended by Laws 1995, chapter 202, section 4, is repealed.

Sec. 41. Repeal

Laws 1996, chapter 177, section 1, is repealed.

Sec. 42. Section 49-282, as amended by Laws 1995, chapter 202, section 8, is amended to read:

49-282. Water quality assurance revolving fund; uses; remedial action criteria

A. A water quality assurance revolving fund is established in the state treasury to be administered by the director. The fund consists of monies from the following sources:

1. Monies appropriated by the legislature including monies appropriated pursuant to section 42-1341, subsection C, paragraph 4, subdivision (d).

2. Fertilizer license fees allocated under section 3-272, subsection B, paragraph 2.

3. Pesticide registration fees allocated under section 3-351, subsection D, paragraph 2.

4. The tax on water use pursuant to section 42-1552.

5. Water quality assurance fees collected under section 45-616.

6. Industrial discharge registration fees collected under section 49-209.

7. Manifest resubmittal fees collected under section 49-922.01.

8. Hazardous waste facility registration fees collected under section 49-929.

9. Hazardous waste resource recovery facility registration fees collected under section 49-930.

10. Monies obtained as civil or criminal penalties imposed under this chapter.

11. Monies recovered from responsible parties as remedial action costs.

12. Monies received as costs for a review of remedial actions at the request of a person other than the state as prescribed by section 49-285, subsection B.

13. PROSPECTIVE PURCHASER AGREEMENT FEES COLLECTED UNDER SECTION 49-285.01.

B. Monies in the fund are exempt from lapsing under section 35-190. Interest earned on monies in the fund shall be credited to the fund. Any amount remaining in the fund on June 30 of each year exceeding twenty-five million dollars shall be deposited in the state general fund.

C. Monies from the water quality assurance revolving fund shall be used for the following purposes:

1. To provide state matching monies or to meet such other obligations as are prescribed by section 104 of CERCLA.

2. For all reasonable and necessary costs incurred in remedial actions if a responsible party cannot be determined or identified by the director.

3. For all reasonable and necessary costs incurred in remedial actions if a responsible party has failed or refused to undertake a remedial action after being ordered to do so by the director.

4. For the reasonable and necessary costs of monitoring, assessing, identifying, locating and evaluating the degradation, destruction, loss of or threat to the waters of the state resulting from a release of a hazardous substance to the environment.

5. For the reasonable and necessary costs of conducting site investigations, feasibility studies, health effect studies and risk assessments related to the release of a hazardous substance to the environment that has posed or may pose a threat to the waters of the state.

6. For the reasonable and necessary costs of administering the fund.

7. For the costs of the water quality monitoring program described in section 49-225.

8. For emergency response use as prescribed in section 49-282.02.

9. Compliance monitoring, investigation and enforcement activities pertaining to generating, transporting, treating, storing and disposing of hazardous waste. The amount to be used for this type of activity is limited to the amount received in the prior fiscal year for the hazardous waste facility registration fee.

D. Remedial actions shall:

1. Assure the protection of public health and welfare and the environment.

2. To the extent practicable, provide for the control, management or cleanup of the hazardous substances so as to allow the maximum beneficial use of the waters of the state.

3. Be cost-effective over the period of potential exposure to such substances.

E. The director shall adopt rules governing the uses of monies from the fund, the determination of priorities among cleanup sites and the selection of remedial actions to be undertaken either under the fund or by a responsible party, including the level and extent of cleanup. The director

may adopt CERCLA rules, guidelines or procedures by reference. In adopting the rules required by this subsection and in selecting remedial actions the director shall consider the following factors:

1. Population, environmental and welfare concerns at risk.

2. Routes of exposure.

3. Amount, concentration, hazardous properties, environmental fate, such as the ability to bio-accumulate, persistence and probability of reaching the waters of the state, and the form of the substance present.

4. Physical factors affecting human exposure such as hydrogeology, climate and the extent of previous and expected migration.

5. The extent to which a responsible party can be identified and the ability of that party to reimburse the fund for remedial action costs.

6. The extent to which the amount of water available for beneficial uses will be preserved by a particular type of remedial action.

7. The technical practicality and cost-effectiveness of remedial actions applicable to a site.

8. The availability of other appropriate federal or state remedial action and enforcement mechanisms, including funding sources established under CERCLA, to respond to the release.

F. Remedial actions required by this article shall be consistent with the requirements of title 45, chapter 2.

G. Any political subdivision of this state which uses, used or may use waters of the state for drinking water purposes or any state agency, regardless of whether the political subdivision or state agency is a responsible party, may apply to the director for a loan of monies from the fund to be used for remedial action. An application to the fund for remedial action costs shall not be treated as an admission that a political subdivision or an agency of the state is a responsible party, but a political subdivision or a state agency that is a responsible party is liable for remedial action costs in the same manner, including reimbursement of the fund, as any other responsible party. The political subdivision shall commit a local matching amount at least equal to the amount sought from the fund.

Sec. 43. Section 49-353, Arizona Revised Statutes, as amended by Laws 1995, chapter 124, section 1, is amended to read:

49-353. <u>Duties of director; rules; prohibited lead use</u>

A. The director shall:

1. Exercise general supervision over all matters related to water quality control of potable water systems throughout this state.

2. Prescribe rules regarding the production, treatment, distribution and testing of potable water by public and semipublic water systems, except that such rules shall not apply to irrigation, industrial or similar systems where the water is used for nonpotable purposes. The rules shall:

(a) Prescribe minimum standards for the sanitary facilities and conditions that shall be maintained by any domestic or industrial water supply sold or distributed to the public. The director of environmental quality may consult with the director of the department of health services in developing these standards.

(b) Require that the plans and specifications for all public water supply systems, water treatment plants, distribution systems, distribution system extensions, water treatment methods and devices and all appurtenances and devices for sale to be used in water supplies and water supply systems be submitted with a fee for review to the department. The department, in establishing fees authorized by this section, shall comply with title 41, chapter 6. The department shall not set a fee at more than the department's cost of providing the service for which the fee is charged. State agencies are exempt from all fees imposed pursuant to this section. The director may require that plans and specifications for water systems include programs to meet future needs for drinking water and to supply specified minimum quantities of drinking water. Monies collected from the fees shall be deposited in the ~~general fund~~ WATER QUALITY FEE FUND ESTABLISHED BY SECTION 49-210.

(c) Provide that no water supply system, water treatment plant, distribution system, distribution system extension, water treatment method or device, appurtenance and device used in water supplies or water supply systems be constructed, reconstructed, installed or initiated before compliance with the standards and rules has been demonstrated by approval of the plans and specifications by the department. The rules shall prescribe minimum standards for the bacteriological, physical and chemical quality of water distributed through potable water systems. The director of environmental quality may consult with the director of the department of health services in developing these standards.

(d) Provide for a simplified administrative procedure for approving structural revisions, additions, extensions or modifications to existing small water systems for potable water with five hundred or fewer service connections.

(e) Exempt from the plan review requirements of this paragraph, including any requirements for approval to construct or approval of construction, any structural revisions, additions, extensions or modifications to public and semipublic water systems which are in compliance with the department's rules applicable to those systems or which are making satisfactory progress towards compliance under a schedule approved by the department if either of the following conditions is satisfied:

(i) The revision, addition, extension or modification has a project cost of twelve thousand five hundred dollars or less.

(ii) The revision, addition, extension or modification is made to a water line which is not for a subdivision requiring plat approval by a city,

town or county, and has a project cost of more than twelve thousand five hundred dollars but less than fifty thousand dollars, the design of which is sealed by a professional engineer registered in this state and the construction of which is reviewed for conformance with the design by a professional engineer.

(f) Require a notice of compliance with the conditions for exemption upon the completion of any revisions, additions, extensions or modifications completed in accordance with subdivision (e) of this paragraph.

(g) Provide for the submission of samples at stated intervals.

(h) Provide for inspection and certification of such water supplies.

(i) Provide for the abatement as public nuisances of any premises, equipment, process or device, or water supply system that does not comply with the minimum standards and rules.

(j) Provide for records regarding water quality to be kept by owners and operators of such water systems and that reports regarding water quality be filed with the department.

(k) Provide for appropriate actions to be taken if a water supply does not meet the standards established by the department.

(l) Require a public water system to implement a specified program to control contamination from backflow, backsiphonage or cross connection. All such programs shall be consistent with title 41, chapter 16.

(m) Require that public water systems identify and provide notice to persons that may be affected by lead contamination of their drinking water where such contamination results from either or both of the following:

(i) The lead content in the construction materials of the public water distribution system.

(ii) Corrosivity of the water supply sufficient to cause leaching of lead.

B. Pipes and pipe fittings having a lead content in excess of eight per cent and solders and flux having a lead content in excess of two-tenths of one per cent shall not be used in the installation or repair of public water systems or of any plumbing in residential or nonresidential facilities providing water for human consumption which are connected to public water systems. This subsection shall not apply to leaded joints necessary for the repair of cast iron pipes.

Sec. 44. Repeal

Section 49-353, Arizona Revised Statutes, as amended by Laws 1995, chapter 202, section 11, is repealed.

Sec. 45. Section 49-362, Arizona Revised Statutes, as amended by Laws 1995, chapter 210, section 2, is amended to read:

49-362. On-site wastewater treatment facilities; rules; inspections; enforcement; definition

A. The department shall adopt and enforce rules relating to the design, construction, operation and maintenance of all existing and proposed

on-site wastewater treatment facilities in this state. The rules shall include:

1. Establishing standards for the design, construction, operation and maintenance of on-site wastewater treatment facilities.

2. Mandatory approval of the plans for the facility before construction begins.

3. Mandatory inspection of the facility during the construction period.

4. Mandatory final inspection by the department of the construction of the facility before the facility is put into operation.

5. Mandatory annual routine operation and maintenance inspections.

6. Additional inspections at any time if the department receives information indicating that the facility is being operated in violation of the established standards.

7. Fees to be charged by the department for all inspections it performs in amounts sufficient to cover the actual cost of performing the inspections. State agencies are exempt from paying the fees. MONIES FROM FEES SHALL BE DEPOSITED IN THE WATER QUALITY FEE FUND ESTABLISHED BY SECTION 49-210.

B. Inspections required by subsection A, paragraph 3 of this section shall be performed by a registered engineer who shall keep detailed records of the design and construction process and make these records available to the department. Final inspections required by subsection A, paragraph 4 shall include inspection of the records kept by the engineer as well as inspection of the facility. The facility shall not be operated until the final inspection has been completed and the facility meets the established standards.

C. If an annual inspection required by subsection A, paragraph 5 reveals that the facility is not being operated in compliance with established standards, the department may allow the owner of the facility ninety days to bring the facility into compliance and reinspect the facility at the end of that period.

D. If the department determines that any on-site wastewater treatment facility has not been approved or does not conform to the original approved construction plans or is being operated in violation of the established standards, the department may issue an order to the owner to modify the facility to conform to the approved plans or to cease and desist from operating the facility in violation of those standards or to cease and desist from all operation of the facility.

E. If the department determines that the owner of an on-site wastewater treatment facility has violated the terms of a cease and desist order issued pursuant to subsection D of this section or has knowingly operated a facility in violation of the established standards, the department may impose on the owner a civil penalty of twenty dollars for each day the

violation continues. Civil penalties collected under this subsection shall be deposited in the state general fund.

F. If an owner refuses to pay a civil penalty imposed pursuant to subsection E of this section, the department may authorize the attorney general to bring an action in the superior court in the county in which the violation occurred to collect the amount of the penalty and the costs of the action brought to collect the civil penalty.

G. The department shall hold hearings pursuant to title 41, chapter 6 if the owner of a facility requests a hearing in any enforcement proceeding under this section. Decisions of the department after hearings are subject to judicial review pursuant to title 12, chapter 7, article 6.

H. If the department contracts with a consultant under section 49-203, an owner of an on-site wastewater treatment facility may request that the department expedite the review or inspection process by requesting that the department use the services of the consultant and by agreeing to pay to the department the costs of the consultant's services.

I. For the purposes of this section "on-site wastewater treatment facility" or "facility" means a system installed at a site to treat and dispose of domestic wastewater generated at that site, except that rules established pursuant to subsection A of this section do not apply to conventional septic tanks or to industrial, agricultural or similar systems or facilities for the collection, distribution, treatment, reuse or disposal of wastewater or if the water or wastewater is used or reused for nonpotable purposes.

Sec. 46. Repeal

Section 49-362, Arizona Revised Statutes, as amended by Laws 1995, chapter 202, section 12, is repealed.

Sec. 47. Section 49-542.03, Arizona Revised Statutes, as amended by Laws 1995, chapter 241, section 51, is amended to read:

49-542.03. Motor vehicle dealer; emissions testing; remedies; definition

A. In area A, if a motor vehicle dealer sells a motor vehicle that has less than one year remaining before it must undergo a transient loaded emissions test or has not taken a transient test pursuant to section 49-542 and which is not covered under a current federal emissions warranty and if the purchaser of the vehicle has the vehicle transient loaded tested within three days, excluding holidays, of the purchase and if the vehicle fails the test, the dealer shall do one of the following:

1. Rescind the purchase agreement and reimburse the purchaser for the cost of the test.

2. Make repairs at the dealer's expense which bring the vehicle into compliance with the transient loaded test.

3. Enter into a mutually acceptable alternative agreement with the purchaser.

B. A motor vehicle dealer who sells a vehicle subject to the provisions of subsection A of this section shall provide the purchaser with a written notice of the purchaser's rights pursuant to this section prior to completing the sale transaction. A MOTOR VEHICLE DEALER SUBJECT TO THE PROVISIONS OF SECTION 49-546, SUBSECTION G, SHALL ALSO PROVIDE A WRITTEN SUMMARY OF THE REQUIREMENTS OF SECTION 49-542 TO THE PURCHASER. The notice shall be available in English and in Spanish.

C. In this section, unless the context otherwise requires, "motor vehicle dealer" means a dealer who is a fleet operator and who has been issued a permit under section 49-546.

D. A MOTOR VEHICLE DEALER WHO MEETS THE REQUIREMENTS OF SECTION 49-546, SUBSECTION G, SHALL CONDUCT THEIR BUSINESS PURSUANT TO THIS SECTION FOR THOSE VEHICLES WHICH ARE REQUIRED BY LAW TO BE REGISTERED IN AREA A.

Sec. 48. Repeal

Section 49-542.03, Arizona Revised Statutes, as amended by Laws 1995, chapter 97, section 2, is repealed.

Sec. 49. Section 49-551, Arizona Revised Statutes, as amended by Laws 1995, chapter 271, section 13, is amended to read:

49-551. Air quality fee; air quality fund; purpose

A. Every person who is required to register a motor vehicle in this state pursuant to section 28-302 shall pay, in addition to the registration fee, an annual air quality fee at the time of vehicle registration of one dollar fifty cents.

B. The registering officer shall collect the fees and immediately transmit the air quality fees to the state treasurer. The state treasurer shall deposit the fees in the air quality fund established pursuant to subsection C of this section.

C. An air quality fund is established in the state treasury consisting of monies received pursuant to this section and section 15-214, gifts, grants and donations, and monies appropriated by the legislature. THE DEPARTMENT OF ENVIRONMENTAL QUALITY SHALL ADMINISTER THE FUND. Monies collected pursuant to section 15-214, monies appropriated for purposes prescribed by paragraph 7 of this subsection and gifts, grants and donations designated for purposes prescribed by paragraph 7 of this subsection shall be accounted for in one separate account within the fund. The department of environmental quality shall administer the fund. Except as provided in paragraph 7 of this subsection, monies in the air quality fund shall be used for:

1. Air quality research, experiments and programs conducted by or for the department for the purpose of bringing vehicle emissions control areas into attainment status, improving air quality in areas of this state outside of the vehicle emissions control areas and reducing levels of particulate and ozone pollution both inside and outside of vehicle emissions control areas of this state.

2. Reimbursement to the highway user revenue fund in an amount determined by the department of transportation pursuant to section 28-1552.01.

3. Making grants to state departments or agencies or to political subdivisions of this state to promote the use of natural gas in the vehicles operated by the state departments, agencies or political subdivisions. The amount of the grants in a fiscal year is two hundred fifty thousand dollars less the amount reimbursed to the highway user revenue fund in the prior fiscal year pursuant to section 28-1552.01.

4. Determining the cause of visual air pollution in counties with a population of four hundred thousand persons or more according to the most recent United States decennial census.

5. Conducting the hazardous air pollutants research program and preparing the report as prescribed by section 49-426.08.

6. Developing and adopting rules in compliance with sections 49-426.03, 49-426.04, 49-426.05 and 49-426.06.

7. Conducting a public education program to reduce emissions of ozone forming substances in cooperation with Maricopa county and other affected parties, including private industries. To the extent possible, this program shall be coordinated with other public and private efforts to increase public awareness of air quality issues. This program shall be implemented on or before May 1, 1995 and shall conclude no earlier than September 30, 1996. In addition, the department shall accelerate pollution prevention technical assistance efforts pursuant to section 49-965, subsection A, paragraph 6 in order to avoid ozone violations in calendar years 1995 and 1996. The department shall identify sources that emit ozone forming substances and shall establish a clearinghouse for information on the supply of products that may be used to substitute for substances that contribute to ozone formation.

D. No disbursement or expenditure of monies in the air quality fund may be made for any purposes other than those set forth in subsections C, E and G of this section.

E. The department OF ENVIRONMENTAL QUALITY shall allocate and the state treasurer shall distribute four hundred thousand dollars from the air quality fund to the department of transportation for the purposes prescribed by section 28-2611 in eight installments in each of the first eight months of a fiscal year.

F. This section does not apply to an electrically powered golf cart or an electrically powered vehicle.

G. Monies in the fund do not revert to the general fund. The department may make grants to a regional planning agency, county, city or town located within a vehicle emissions control area or areas which have achieved maintenance status for the purpose of air quality research or

implementation of programs designed to accomplish the purposes of this section.

Sec. 50. Repeal

Section 49-551, Arizona Revised Statutes, as amended by Laws 1995, chapter 202, section 13, is repealed.

Sec. 51. Laws 1994, chapter 201, section 32, as amended by Laws 1995, chapter 224, section 1, is amended to read:

Sec. 32. Appropriation; purpose

A. The sum of $714,600 is appropriated from the state general fund in fiscal year 1994-1995 to the department of youth treatment and rehabilitation for the purpose of establishing boot camps at secure care facilities under the jurisdiction of the department, OR FOR OTHER ALTERNATIVE SANCTIONS PROVIDED BY A CONTRACTOR.

B. The director of the department of youth treatment and rehabilitation shall establish the criteria for participation in a boot camp program. Each youth who is selected for boot camp shall serve at least three months in the program, followed by nine months of intensive aftercare.

C. The department of youth treatment and rehabilitation may place a youth already committed to the department in the boot camp.

D. The boot camps shall continue until June 30, 1997. On or before June 30, 1996, the department of youth treatment and rehabilitation shall report to the president of the senate, the speaker of the house of representatives and the governor on the effectiveness of the boot camps.

Sec. 52. Repeal

Laws 1994, chapter 201, section 32, as amended by Laws 1995, first special session, chapter 6, section 14, is repealed.

Sec. 53. Laws 1994, chapter 323, section 54, as amended by Laws 1995, chapter 249, section 42, is amended to read:

Sec. 54. Delayed effective date

A. Sections 1 through 7, 9, 11, 16, 25, 26, 29, 30, ~~and~~ 32, 33, 34, 36, 37, 38, 40 THROUGH 43 AND 45 through 48 of this act are effective from and after December 31, 1995.

B. Sections 27, 49 and 53 of this act are effective from and after October 31, 1994.

C. Sections 8, 10, 12 through 15, 17, 19 through 24, 28, ~~and~~ 31, 35, 39 AND 44 of this act are effective from and after July 31, 1995.

Sec. 54. Laws 1995, chapter 249, section 44 is amended to read:

Sec. 44. Delayed effective date

A. Sections 1 through 17, 20, 22, 23 and 28 through 31 of this act are effective from and after July 31, 1995.

B. Sections 18, 19, 24, 25 and 27 of this act are effective from and after December 31, 1995.

Sec. 55. Repeal

Laws 1995, chapter 205, section 16 is repealed.

Sec. 56. Laws 1996, chapter 188, section 13, is amended to read:

Sec. 13. Delayed repeal

A. Section 11 of this act is repealed from and after September 30, 2001.

B. Section ~~13~~ 12 of this act is repealed from and after June 30, 1997.

Sec. 57. Legislative intent; retroactive application

A. Section 38-842, paragraph 24, Arizona Revised Statutes, as amended by this act, applies retroactively to September 27, 1990.

B. The purpose of the amendment to section 38-842, paragraph 24, Arizona Revised Statutes, in section 22 of this act is to clarify the legislative intent that the amendments made by Laws 1990, chapter 325, section 1 are to be interpreted with reference to the other provisions of title 38, chapter 5, article 4, Arizona Revised Statutes, and specifically with the other provisions of section 38-824, paragraph 24, Arizona Revised Statutes.

Sec. 58. Retroactive application

A. Sections 18 through 21 of this act apply retroactively to April 17, 1995.

B. Sections 6 through 9, 12, 13, 16, 17, 22 through 25, 47 and 48 of this act apply retroactively to July 13, 1995.

C. Sections 29 through 32, 53 and 54 of this act apply retroactively to from and after July 31, 1995.

D. Sections 27, 28, 37 through 40, 43 through 46, 49 and 50 apply retroactively to from and after June 30, 1996.

Sec. 59. Delayed effective date

A. Section 10 of this act is effective on October 1, 1996.

B. Section 14 of this act is effective from and after November 1, 1998.

APPROVED BY THE GOVERNOR MAY 1, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 2, 1996