

House Engrossed

State of Arizona  
House of Representatives  
Forty-sixth Legislature  
First Regular Session  
2003

CHAPTER 67

# HOUSE BILL 2051

AN ACT

AMENDING SECTIONS 11-952 AND 41-1092.02, ARIZONA REVISED STATUTES; RELATING TO THE STATE BOARD OF EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 11-952, Arizona Revised Statutes, is amended to  
3 read:

4 11-952. Intergovernmental agreements and contracts

5 A. If authorized by their legislative or other governing bodies, two  
6 or more public agencies by direct contract or agreement may contract for  
7 services or jointly exercise any powers common to the contracting parties and  
8 may enter into agreements with one another for joint or cooperative action  
9 or may form a separate legal entity, including a nonprofit corporation, to  
10 contract for or perform some or all of the services specified in the contract  
11 or agreement or exercise those powers jointly held by the contracting  
12 parties; ~~except that if two or more school districts arrange to become~~  
13 ~~contracting parties under the terms of this section, such contract shall~~  
14 ~~first be approved by the state board of education.~~

15 B. Any such contract or agreement shall specify the following:

16 1. Its duration.

17 2. Its purpose or purposes.

18 3. The manner of financing the joint or cooperative undertaking and  
19 of establishing and maintaining a budget therefor.

20 4. The permissible method or methods to be employed in accomplishing  
21 the partial or complete termination of the agreement and for disposing of  
22 property upon such partial or complete termination.

23 5. If a separate legal entity is formed pursuant to subsection A, the  
24 precise organization, composition, title and nature of the entity.

25 6. Any other necessary and proper matters.

26 C. No agreement made pursuant to this article shall relieve any public  
27 agency of any obligation or responsibility imposed upon it by law.

28 D. Except as provided in subsection E, every agreement or contract  
29 involving any public agency, board or commission made pursuant to this  
30 article shall, prior to its execution, be submitted to the attorney for each  
31 such public agency, board or commission, who shall determine whether the said  
32 agreement is in proper form and is within the powers and authority granted  
33 under the laws of this state to such public agency, board or commission.

34 E. A federal department or agency which is a party to an agreement or  
35 contract made pursuant to this article is not required to submit the  
36 agreement or contract to the attorney for the federal department or agency  
37 unless required under federal law.

38 F. Any agreement or contract submitted to the attorney general shall  
39 be filed with the secretary of state and shall become effective on the date  
40 provided in the agreement. The secretary of state shall prepare a  
41 cross-index of the names of all public agencies which coordinate with the  
42 attorney general and secretary of state and file an agreement under this  
43 section.

1 G. Any agreement or contract submitted to an attorney other than the  
2 attorney general shall be filed with the secretary of state if the agreement  
3 affects more than one county and shall be filed with the county recorder if  
4 only one county is affected and shall become effective on the date provided  
5 in the agreement.

6 H. Appropriate action by ordinance, resolution or otherwise pursuant  
7 to the laws applicable to the governing bodies of the participating agencies  
8 approving or extending the duration of the agreement or contract shall be  
9 necessary before any such agreement, contract or extension may be filed or  
10 become effective.

11 I. If a school district is a party to an agreement made pursuant to  
12 subsection A, the parties to such agreement may extend the duration of the  
13 agreement by notification to the secretary of state if the agreement is filed  
14 pursuant to subsection F ~~and the state board of education~~. Such agreement  
15 may be extended as many times as is desirable, but each extension may not  
16 exceed the duration of the previous agreement.

17 J. Payment for services under this section shall not be made unless  
18 pursuant to a fully approved written contract.

19 K. A person who authorizes payment of any monies in violation of this  
20 section is liable for the monies paid plus twenty per cent of such amount and  
21 legal interest from the date of payment.

22 L. Notwithstanding any other provision of law, public agencies may  
23 enter into a contract or agreement pursuant to this section with the superior  
24 court, justice courts and police courts for related services and facilities  
25 of such courts for a term not to exceed ten years, with the approval of such  
26 contract or agreement by the presiding judge of the superior court in the  
27 county in which the court or courts which provide the facilities or services  
28 are located.

29 Sec. 2. Section 41-1092.02, Arizona Revised Statutes, is amended to  
30 read:

31 41-1092.02. Appealable agency actions; application of  
32 procedural rules; exemption from article

33 A. This article applies to all contested cases as defined in section  
34 41-1001 and all appealable agency actions, except contested cases with or  
35 appealable agency actions of:

- 36 1. The state department of corrections.
- 37 2. The board of executive clemency.
- 38 3. The industrial commission of Arizona.
- 39 4. The Arizona corporation commission.
- 40 5. The Arizona board of regents and institutions under its  
41 jurisdiction.
- 42 6. The state personnel board.
- 43 7. The department of juvenile corrections.
- 44 8. The department of transportation.

1           9. The department of economic security except as provided in sections  
2 8-506.01 and 8-811.

3           10. The department of revenue regarding income tax, withholding tax or  
4 estate tax or any tax issue related to information associated with the  
5 reporting of income tax, withholding tax or estate tax.

6           11. The board of tax appeals.

7           12. The state board of equalization.

8           13. The state board of education, BUT ONLY IN CONNECTION WITH CONTESTED  
9 CASES AND APPEALABLE AGENCY ACTIONS RELATED TO APPLICATIONS FOR ISSUANCE OR  
10 RENEWAL OF A CERTIFICATE AND DISCIPLINE OF CERTIFICATE HOLDERS PURSUANT TO  
11 SECTIONS 15-203, 15-534, 15-535, 15-545 AND 15-550.

12           B. Unless waived by all parties, an administrative law judge shall  
13 conduct all hearings under this article, and the procedural rules set forth  
14 in this article and rules made by the director apply.

15           C. Except as provided in subsection A of this section:

16           1. A contested case heard by the office of administrative hearings  
17 regarding taxes administered under title 42 shall be subject to the  
18 provisions under section 42-1251.

19           2. A final decision of the office of administrative hearings regarding  
20 taxes administered under title 42 may be appealed by either party to the  
21 director of the department of revenue, or a taxpayer may file and appeal  
22 directly to the board of tax appeals pursuant to section 42-1253.

23           D. Except as provided in subsections A, B, E, F and G of this section  
24 and notwithstanding any other administrative proceeding or judicial review  
25 process established in statute or administrative rule, this article applies  
26 to all appealable agency actions and to all contested cases.

27           E. Except for a contested case or an appealable agency action  
28 regarding unclaimed property, sections 41-1092.03, 41-1092.08 and 41-1092.09  
29 do not apply to the department of revenue.

30           F. The board of appeals established by section 37-213 is exempt from:

31           1. The time frames for hearings and decisions provided in section  
32 41-1092.05, subsection A, section 41-1092.08 and section 41-1092.09.

33           2. The requirement in section 41-1092.06, subsection A to hold an  
34 informal settlement conference at the appellant's request if the sole subject  
35 of an appeal pursuant to section 37-215 is the estimate of value reported in  
36 an appraisal of lands or improvements.

37           G. Auction protest procedures pursuant to title 37, chapter 2, article  
38 4.1 are exempt from this article.

**APPROVED BY THE GOVERNOR APRIL 17, 2003.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2003.**

Passed the House February 4, 2003,

Passed the Senate April 10, 2003,

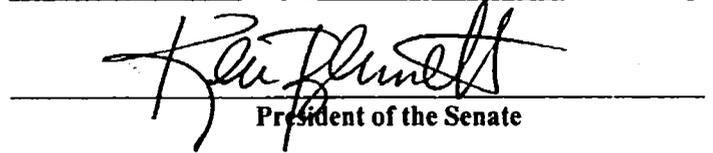
by the following vote: 56 Ayes,

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting  
2 Vacancies

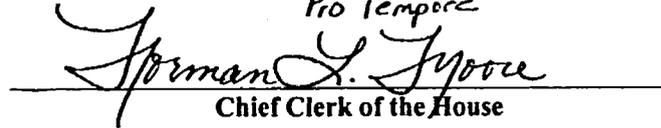
0 Nays, 2 Not Voting

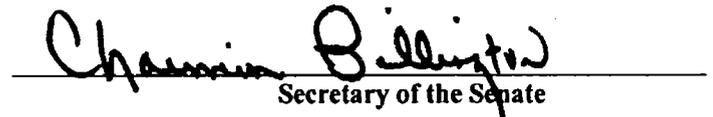




Speaker of the House  
*Pro Tempore*

President of the Senate

  
Chief Clerk of the House

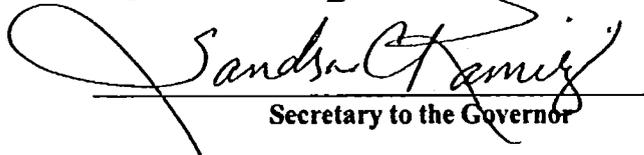
  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

14 day of April, 2003,

at 3:11 o'clock P. M.

  
Secretary to the Governor

Approved this 17 day of

April, 2003,

at 4:00 o'clock P. M.

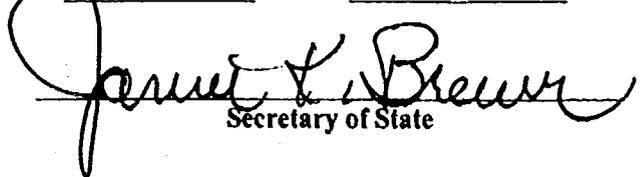
  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 18 day of April, 2003

at 11:18 o'clock A. M.

  
Secretary of State