

House Engrossed  
**FILED**  
**KEN BENNETT**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
Seventh Special Session  
2010

CHAPTER 5

## **HOUSE BILL 2005**

AN ACT

AMENDING SECTION 35-316, ARIZONA REVISED STATUTES; REPEALING LAWS 2007, CHAPTER 260, SECTION 6, AS AMENDED BY LAWS 2008, CHAPTER 291, SECTION 7 AND LAWS 2009, THIRD SPECIAL SESSION, CHAPTER 7, SECTION 22; MAKING APPROPRIATIONS AND APPROPRIATION REDUCTIONS; RELATING TO GENERAL GOVERNMENT BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 35-316, Arizona Revised Statutes, is amended to  
3 read:

4 35-316. Investment pools; deduction; operating fund

5 A. The state treasurer may establish and maintain investment pools for  
6 the collective investment of trust monies in this state.

7 B. The state treasurer may deposit operating monies in the investment  
8 pools and receive into such pools any monies a state agency, county, city or  
9 town or any other political subdivision or public entity in this state may  
10 supply. When a depositor provides monies, the state treasurer may ask the  
11 depositor to specify the date or dates on which the monies will be withdrawn.  
12 All investment pools shall be invested by the state treasurer for such  
13 periods as will facilitate the highest return on the monies deposited and  
14 provide the required liquidity to the depositors.

15 C. The state treasurer shall compute on a monthly basis the rate of  
16 earnings on the investment pools for that month, and, except as provided in  
17 subsection D, each depositor shall be credited with an amount determined by  
18 applying the calculated monthly rate to the principal amount of its deposit  
19 balance for the period of the deposit. Interest shall be credited monthly  
20 promptly after calculation.

21 D. The state treasurer may deduct monthly a management fee not to  
22 exceed six-hundredths of one per cent from the rate of earnings calculated  
23 pursuant to subsection C on investment pools other than permanent endowment  
24 funds for the operating budget appropriated to the state treasurer's office  
25 each fiscal year.

26 E. THE STATE TREASURER'S OPERATING FUND IS ESTABLISHED CONSISTING OF  
27 MONIES COLLECTED PURSUANT TO SUBSECTION D. THE STATE TREASURER'S OFFICE  
28 SHALL ADMINISTER THE STATE TREASURER'S OPERATING FUND. MONIES IN THE FUND  
29 ARE SUBJECT TO LEGISLATIVE APPROPRIATION. Any ~~excess~~ management fees  
30 collected ~~each month~~ IN EXCESS OF THE AMOUNT APPROPRIATED TO THE STATE  
31 TREASURER'S OFFICE FROM THE STATE TREASURER'S OPERATING FUND shall be  
32 deposited in the state general fund.

33 Sec. 2. Repeal: Arizona twenty-first century competitive  
34 initiative appropriation

35 Laws 2007, chapter 260, section 6, as amended by Laws 2008, chapter  
36 291, section 7 and Laws 2009, third special session, chapter 7, section 22,  
37 is repealed.

38 Sec. 3. Reduction; appropriation; fiscal year 2010-2011

39 A. The sum of \$2,492,400 is reduced from state general fund  
40 appropriations made in fiscal year 2010-2011 to the state treasurer.

41 B. The sum of \$2,492,400 is appropriated from the state treasurer's  
42 operating fund established by section 35-316, Arizona Revised Statutes, as  
43 amended by this act, in fiscal year 2010-2011 to the state treasurer.

