House Engrossed

FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 120

HOUSE BILL 2702

AN ACT

AMENDING SECTION 44-1764, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2016, CHAPTER 56, SECTION 6; AMENDING SECTION 49-1015, ARIZONA REVISED STATUTES; REPEALING LAWS 2015, CHAPTER 13, SECTIONS 1, 2 AND 11; APPROPRIATING MONIES; RELATING TO ENVIRONMENT BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 44-1764, Arizona Revised Statutes, as added by Laws 2016, chapter 56, section 6, is amended to read:

44-1764. Distributed energy generation systems; interconnection

Any person who seeks to install, energize or interconnect a distributed energy generation system must first submit ~~an~~ A COMPLETE application for interconnection to the power grid to the utility that owns or operates the power grid at the point of interconnection. A person shall not install, energize or interconnect the distributed energy generation system until the utility approves the application. If the utility does not approve or deny the application within sixty days ~~of~~ AFTER the ~~application's~~ filing date OF THE APPLICATION, the distributed energy generation system may be installed. The application must disclose the current owner of the distributed energy generation system and the owner of the distributed energy generation system at the time the system will be energized. ~~The applicant must follow the interconnection standards established by the Arizona corporation commission when interconnecting the distributed energy generation system.~~ The utility that owns or operates the power grid to which the distributed energy generation system is interconnected must receive notice of any changes in ownership of the distributed energy generation system. A utility with less than seventy-five thousand customers ~~may~~, in its sole discretion, MAY waive any of the requirements of this section.

Sec. 2. Section 49-1015, Arizona Revised Statutes, is amended to read:

49-1015. Underground storage tank revolving fund; use; purpose

A. The underground storage tank revolving fund is established and shall be administered by the director. Monies in the fund are exempt from lapsing under section 35-190.

B. The fund consists of monies appropriated by the legislature, underground storage tank tax revenues collected and distributed pursuant to section 49-1036, monies obtained from the fees imposed by this chapter and the rules adopted under this chapter and monies reimbursed to the fund by the department. ON NOTICE FROM THE DIRECTOR, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

C. Monies from the fund may be used for the following:

1. To provide state matching monies and to meet other obligations as prescribed by section 9003(h)(7)(B) of the ~~federal~~ solid waste disposal act (42 United States Code section ~~6991(c)~~ 6991b(h)(7)(B)).

2. For all the reasonable and necessary costs incurred in taking corrective actions pursuant to section 49-1017 and noncorrective actions pursuant to section 49-1017.02.

3. For the costs of recovering the expenses of corrective actions pursuant to section 49-1017 and noncorrective actions pursuant to section 49-1017.02.

4. To provide reimbursement for eligible costs.

5. For the costs incurred in administering the regulatory requirements of this chapter.

6. To reimburse the department for the reasonable and necessary costs incurred by the department in administering the corrective action requirements of this chapter.

7. To reimburse the department for the reasonable and necessary costs incurred by the department in administering underground storage tank grant programs.

8. To reimburse the department for the reasonable and necessary costs incurred by the department in administering the fund. The department may not pay from the fund any costs, payments or other expenses that result from a contract awarded pursuant to this section unless the contract includes performance standards and contractual penalties for nonperformance or inadequate performance under the contract.

D. The director shall reimburse the fund for any corrective action costs or noncorrective action costs that are paid out of the fund and that are subsequently recovered by the department.

E. Monies in the fund may not be used to implement the water quality assurance revolving fund program pursuant to chapter 2, article 5 of this title.

Sec. 3. Repeal

Laws 2015, chapter 13, sections 1, 2 and 11 are repealed.

Sec. 4. Arizona water protection fund; use

Notwithstanding section 45-2114, Arizona Revised Statutes, in fiscal year 2016-2017, the Arizona water protection fund commission may grant to the department of water resources up to $336,000 of the unobligated balance in the Arizona water protection fund established by section 45-2111, Arizona Revised Statutes, to pay for administrative costs of the department in fiscal year 2016-2017.

Sec. 5. Off-highway vehicle recreation fund; use

Notwithstanding section 28-1176, Arizona Revised Statutes, the Arizona state parks board may spend up to $692,100 from the Arizona state parks board portion of the off-highway vehicle recreation fund established by section 28-1176, Arizona Revised Statutes, in fiscal year 2016-2017 for parks board operating expenses.

Sec. 6. Underground storage tank revolving fund; transfer of monies; use

Notwithstanding any other law, the provisions of section 49-1015, subsection C, Arizona Revised Statutes, are suspended for fiscal year 2016-2017, and the department of environmental quality may transfer up to $6,531,000 from the underground storage tank revolving fund established by section 49-1015, Arizona Revised Statutes, as amended by this act, for administrative costs of the department in fiscal year 2016-2017.

Sec. 7. Arizona water banking fund; use

In addition to the purposes provided in section 45-2425, Arizona Revised Statutes, monies appropriated to the Arizona navigable stream adjudication commission from the Arizona water banking fund established by section 45-2425, Arizona Revised Statutes, may be used in fiscal year 2016-2017 to pay legal fees.

Sec. 8. Appropriations; reduction; water quality assurance revolving fund; legislative intent

A. Notwithstanding section 49-282, Arizona Revised Statutes, the appropriation from the state general fund to the water quality assurance revolving fund established by section 49-282, Arizona Revised Statutes, for fiscal year 2016-2017 may not exceed $2,823,600.

B. Notwithstanding any other law, the following amounts from the following sources are appropriated in fiscal year 2016-2017 to the water quality assurance revolving fund established by section 49-282, Arizona Revised Statutes:

1. $4,250,000 from the emissions inspection fund established by section 49-544, Arizona Revised Statutes.

2. $2,875,000 from the air quality fund established by section 49-551, Arizona Revised Statutes.

C. It is the intent of the legislature that the fund balances in the emissions inspection fund established by section 49-544, Arizona Revised Statutes, and the air quality fund established by section 49-551, Arizona Revised Statutes, be evaluated to determine whether there are sufficient monies available to continue to use these fund sources in fiscal year 2017-2018 for the purposes of the water quality assurance revolving fund established by section 49-282, Arizona Revised Statutes.

Sec. 9. Emissions inspection fund; use

Notwithstanding section 49-544, Arizona Revised Statutes, in fiscal year 2016-2017, the department of environmental quality may use up to $1,800,000 from the emissions inspection fund established by section 49-544, Arizona Revised Statutes, for the department's safe drinking water program.

Sec. 10. Department of environmental quality; vehicle emissions testing fees; decrease; exemption from rulemaking

A. Notwithstanding any other law, the director of environmental quality shall decrease fees in fiscal year 2016-2017 for vehicle emissions testing by $3.00 per test for tests conducted in Area A, as defined in section 49-541, Arizona Revised Statutes.

B. The department of environmental quality is exempt from the rulemaking requirements of title 41, chapter 6, Arizona Revised Statutes, until July 1, 2017 for the purpose of establishing fees pursuant to this section.

Sec. 11. Water resources fees; increase; intent; exemption from rulemaking

A. Notwithstanding any other law, the director of water resources may increase fees in fiscal year 2016-2017 for services in fiscal year 2016-2017.

B. Monies received from any fees collected pursuant to subsection A of this section shall be deposited in the water resources fund established by section 45-117, Arizona Revised Statutes.

C. It is the intent of the legislature that the monies generated by the fees collected pursuant to subsection A of this section not exceed $100,200.

D. The department of water resources is exempt from the rulemaking requirements of title 41, chapter 6, Arizona Revised Statutes, until July 1, 2017 for the purpose of establishing fees pursuant to this section.

APPROVED BY THE GOVERNOR MAY 10, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 10, 2016.

Passed the House May 3, 2016

by the following vote: 36 Ayes,

24 Nays, 0 Not Voting

Speaker of the House

☑ Pro Tempore

Chief Clerk of the House

Passed the Senate May 3, 2016

by the following vote: 18 Ayes,

12 Nays, 0 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

3rd day of May, 2016

at 7:00 o'clock P. M.

Secretary to the Governor

Approved this 10th day of

May

at 8:49 o'clock A. M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 10th day of May, 2016

at 11:30 o'clock A M.

Michele Reagan

Secretary of State

H.B. 2702