



STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY  
GOVERNOR

EXECUTIVE OFFICE

April 11, 2019

The Honorable Katie Hobbs  
Secretary of State  
1700 W. Washington, 7<sup>th</sup> Floor  
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 1st Regular Session, which I signed on April 11th, 2019:

H.B. 2008 duty to report; supervisor; administrator (Kavanagh)  
H.B. 2053 competency evaluations; reports (J. Allen)  
H.B. 2092 health care directives; definitions (Grantham)  
H.B. 2107 municipalities; parking; public vehicles (Grantham)  
H.B. 2137 workers' compensation; excess insurance policies (Biasiucci)  
H.B. 2166 insurance; cost-sharing; calculation (Barto)  
H.B. 2229 cable licensing; video service providers (J. Allen)  
H.B. 2272 G&F; resident; definition (Dunn)  
H.B. 2487 state veterans' homes (Lawrence)  
H.B. 2695 funds; repeal (Udall)  
H.B. 2721 town elected officials; term limits (Lawrence)  
S.B. 1077 emergency medical services council; continuation (Brophy-McGee)  
S.B. 1142 trust land fund monies; distributions (D. Farnsworth)  
S.B. 1170 nonprescription drug permits; repeal (Carter)  
S.B. 1184 schools; economics; personal financial management (S. Allen)  
S.B. 1256 school districts: procurement practices; auditors (Gray)  
S.B. 1346 school; assessments; instruction; reporting (S. Allen)

Sincerely,

Douglas A. Ducey  
Governor  
State of Arizona

cc: Senate Secretary

Chief Clerk of the House of Representatives  
Arizona News Service

House Engrossed

**FILED**  
**KATIE HOBBS**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-fourth Legislature  
First Regular Session  
2019

**CHAPTER 79**  
**HOUSE BILL 2695**

AN ACT

REPEALING SECTIONS 8-812, 8-881, 15-217, 15-245 AND 41-110, ARIZONA REVISED STATUTES; AMENDING SECTION 41-1504, ARIZONA REVISED STATUTES; REPEALING SECTION 41-2307, ARIZONA REVISED STATUTES; AMENDING SECTIONS 41-2804, 41-2822, 41-2824, 41-2826 AND 41-2827, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-2828 AND 41-3956, ARIZONA REVISED STATUTES; AMENDING SECTION 49-474.02, ARIZONA REVISED STATUTES; REPEALING SECTION 49-818, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO FUNDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Sections 8-812, 8-881, 15-217, 15-245 and 41-110, Arizona Revised  
4 Statutes, are repealed.

5 Sec. 2. Section 41-1504, Arizona Revised Statutes, is amended to  
6 read:

7 41-1504. Powers and duties; e-verify requirement

8 A. The board of directors, on behalf of the authority, may:

9 1. Adopt and use a corporate seal.

10 2. Sue and be sued.

11 3. Enter into contracts as necessary to carry out the purposes and  
12 requirements of this chapter, including intergovernmental agreements  
13 pursuant to title 11, chapter 7, article 3 and interagency service  
14 agreements as provided by section 35-148.

15 4. Lease real property and improvements to real property for the  
16 purposes of the authority. Leases by the authority are exempt from  
17 chapter 4, article 7 of this title, relating to management of state  
18 properties.

19 5. Employ or retain legal counsel and other consultants as  
20 necessary to carry out the purposes of the authority.

21 6. Develop and use written policies, procedures and guidelines for  
22 the terms and conditions of employing officers and employees of the  
23 authority and may include background checks of appropriate personnel.

24 B. The board of directors, on behalf of the authority, shall:

25 1. Develop comprehensive long-range strategic economic plans for  
26 this state and submit the plans to the governor.

27 2. Annually update a strategic economic plan for submission to the  
28 governor.

29 3. Accept gifts, grants and loans and enter into contracts and  
30 other transactions with any federal or state agency, municipality, private  
31 organization or other source.

32 C. The authority shall:

33 1. Assess and collect fees for processing applications and  
34 administering incentives. The board shall adopt the manner of computing  
35 the amount of each fee to be assessed. Within thirty days after proposing  
36 fees for adoption, the chief executive officer shall submit a schedule of  
37 the fees for review by the joint legislative budget committee. It is the  
38 intent of the legislature that a fee shall not exceed one percent of the  
39 amount of the incentive.

40 2. Determine and collect registry fees for the administration of  
41 the allocation of federal tax exempt industrial development bonds and  
42 student loan bonds authorized by the authority. Such monies collected by  
43 the authority shall be deposited, pursuant to sections 35-146 and 35-147,  
44 in an ~~authority bond~~ APPLICATION FEES fund. Monies in the fund shall be  
45 used, subject to annual appropriation by the legislature, by the authority

1 to administer the allocations provided in this paragraph and are exempt  
2 from the provisions of section 35-190 relating to the lapsing of  
3 appropriations.

4 3. Determine and collect security deposits for the allocation, for  
5 the extension of allocations and for the difference between allocations  
6 and principal amounts of federal tax exempt industrial development bonds  
7 and student loan bonds authorized by the authority. Security deposits  
8 forfeited to the authority shall be deposited in the state general fund.

9 4. At the direction of the board, establish and supervise the  
10 operations of full-time or part-time offices in other states and foreign  
11 countries for the purpose of expanding direct investment and export trade  
12 opportunities for businesses and industries in this state if, based on  
13 objective research, the authority determines that the effort would be  
14 beneficial to the economy of this state.

15 5. Establish a program by which entrepreneurs become aware of  
16 permits, licenses or other authorizations needed to establish, expand or  
17 operate in this state.

18 6. Post on its website on an annual basis a report containing at  
19 least the following information:

20 (a) The cumulative progress made toward its goals for job creation,  
21 capital investment and higher average wages.

22 (b) To the extent not prohibited by law, information on each  
23 incentive application approved by the authority in the fiscal year,  
24 including the amount of the incentive approved or awarded and the  
25 applicant's activity that is projected or has been achieved, whichever is  
26 applicable, to qualify for the incentive.

27 (c) Rural economic development outreach and impact data.

28 (d) Small business outreach and impact data.

29 7. Develop and implement written policies and procedures relating  
30 to the administration of grants from the Arizona competes fund established  
31 by section 41-1545.01, including the following elements:

32 (a) Procedures for documenting grantee selection and due diligence.

33 (b) Procedures for verification of information submitted by  
34 grantees.

35 (c) Procedures for evaluating requests to amend grant terms and for  
36 documenting decisions relating to those requests.

37 8. Notwithstanding any other law, on request of the office of  
38 economic opportunity, disclose to the office of economic opportunity  
39 applicant information for incentives administered, in whole or in part, by  
40 the authority. Any confidentiality requirements provided by law  
41 applicable to the information disclosed pursuant to this paragraph apply  
42 to the office of economic opportunity.

- 1           D. The authority, through the chief executive officer, may:
- 2           1. Contract and incur obligations reasonably necessary or desirable
- 3 within the general scope of the authority's activities and operations to
- 4 enable the authority to adequately perform its duties.
- 5           2. Use monies, facilities or services to provide matching
- 6 contributions under federal or other programs that further the objectives
- 7 and programs of the authority.
- 8           3. Accept gifts, grants, matching monies or direct payments from
- 9 public or private agencies or private persons and enterprises for the
- 10 conduct of programs that are consistent with the general purposes and
- 11 objectives of this chapter.
- 12           4. Assess business fees for promotional services provided to
- 13 businesses that export products and services from this state. The fees
- 14 shall not exceed the actual costs of the services provided.
- 15           5. Establish and maintain one or more accounts in banks or other
- 16 depositories, for public or private monies of the authority, from which
- 17 operational activities, including payroll, vendor and grant payments, may
- 18 be conducted. Individual funds that are established by law under the
- 19 jurisdiction of the authority may be maintained in separate accounts in
- 20 banks or other depositories, but shall not be commingled with any other
- 21 monies or funds of the authority.
- 22           E. The chief executive officer shall:
- 23           1. Hire employees and prescribe the terms and conditions of their
- 24 employment as necessary to carry out the purposes of the authority. The
- 25 board of directors shall adopt written policies, procedures and
- 26 guidelines, similar to those adopted by the department of administration,
- 27 regarding officer and employee compensation, observed holidays, leave and
- 28 reimbursement of travel expenses and health and accident insurance. The
- 29 officers and employees of the authority are exempt from any laws
- 30 regulating state employment, including:
- 31           (a) Chapter 4, articles 5 and 6 of this title, relating to state
- 32 service.
- 33           (b) Title 38, chapter 4, article 1 and chapter 5, article 2,
- 34 relating to state personnel compensation, leave and retirement.
- 35           (c) Title 38, chapter 4, article 2, relating to reimbursement of
- 36 state employee expenses.
- 37           (d) Title 38, chapter 4, article 4, relating to health and accident
- 38 insurance.
- 39           2. Maintain three full-time employees to serve as advocates for
- 40 small and rural businesses on economic development and regulatory matters
- 41 before ~~a city, town, county or state agency~~ CITIES, TOWNS, COUNTIES OR
- 42 STATE AGENCIES. Two OF THE full-time employees shall be dedicated to
- 43 small business growth, support and regulation, one of ~~which~~ WHOM shall
- 44 serve as a small business ombudsman. One OF THE full-time ~~employee~~
- 45 EMPLOYEES shall be dedicated to rural economic development.

1           3. On a quarterly basis, provide public record data in a manner  
2 prescribed by the department of administration related to the authority's  
3 revenues and expenditures for inclusion in the comprehensive database of  
4 receipts and expenditures of state monies pursuant to section 41-725.

5           F. In addition to any other requirement, in order to qualify for  
6 any grant, loan, reimbursement, tax incentive or other economic  
7 development incentive pursuant to this chapter, an applicant that is an  
8 employer must register with and participate in the e-verify program in  
9 compliance with section 23-214. The authority shall require verification  
10 of compliance with this subsection as part of any application process.

11           G. Notwithstanding any other law, the authority is subject to  
12 chapter 3.1, article 1 of this title, relating to risk management.

13           H. The authority is exempt from title 18, chapter 1, articles 1 and  
14 2, relating to statewide information technology. The authority shall  
15 adopt policies, procedures and guidelines regarding information  
16 technology.

17           I. The authority is exempt from state general accounting and  
18 finance practices and rules adopted pursuant to chapter 4, article 3 of  
19 this title, but the board shall adopt written accounting practices,  
20 systems and procedures for the economic and efficient operation of the  
21 authority.

22           J. The authority is exempt from section 41-712, relating to the  
23 installation and maintenance of telecommunication systems.

24           K. The authority may lease or purchase motor vehicles for use by  
25 employees to conduct business activities. The authority is exempt from  
26 section 41-803, relating to the state motor vehicle fleet, and title 38,  
27 chapter 3, article 10, relating to vehicle usage and markings.

28           L. Any tangible or intangible record submitted to or compiled by  
29 the board or the authority in connection with its work, including the  
30 award of monies, is subject to title 39, chapter 1, unless an applicant  
31 shows, or the board or authority determines, that specific information  
32 meets either of the following:

33           1. If made public, the information would divulge the applicant's or  
34 potential applicant's trade secrets, as defined in section 44-401.

35           2. If made public, the information could potentially harm the  
36 applicant's, the potential applicant's or this state's competitive  
37 position relating to potential business development opportunities and  
38 strategies.

39           M. The authority is exempt from chapter 25, article 1 of this  
40 title, relating to government competition with private enterprise.

41           Sec. 3. Repeal

42           Section 41-2307, Arizona Revised Statutes, is repealed.

1           Sec. 4. Section 41-2804, Arizona Revised Statutes, is amended to  
2 read:

3           41-2804. Duties and powers of director

4           A. The director shall:

5           1. Be responsible for the overall operations and policies of the  
6 department.

7           2. Maintain and administer all secure care facilities and programs  
8 within the department required and established for the custody, control,  
9 treatment, education and rehabilitation of all youths committed to the  
10 department.

11           3. Be responsible for the administration and execution of all  
12 conditional liberty services for youths released pursuant to rules adopted  
13 by the director in accordance with law.

14           4. Be responsible for the development of policies and programs  
15 which shall be recommended to the governor and the legislature for the  
16 purpose of improving the youth rehabilitative and treatment programs of  
17 this state.

18           5. Develop and establish a uniform statewide method of reporting  
19 statistics as related to this chapter.

20           6. Subject to chapter 4, article 4 of this title, employ deputy  
21 directors and other key personnel based on qualifications prescribed by  
22 the director ~~which~~ THAT require education and practical experience.

23           B. The director may:

24           1. Adopt rules to implement the purposes of the department and the  
25 duties and powers of the director.

26           2. Take any administrative action to improve the efficiency of the  
27 department, including the following:

28           (a) Create new divisions or units or consolidate divisions or  
29 units.

30           (b) Subject to chapter 4, article 4 of this title, transfer  
31 employees between the various divisions and units of the department.

32           (c) Shift duties between divisions or units.

33           (d) Delegate authority to appoint, hire, terminate and discipline  
34 all personnel of the department, including specialists and consultants  
35 subject to chapter 4, article 4 and, as applicable, article 5 of this  
36 title.

37           (e) Transfer committed youths between secure care facilities.

38           (f) Transfer youths who have been committed to the department or to  
39 any facility under its jurisdiction between the various secure care  
40 facilities for youths, foster homes and public and private agencies on  
41 notification to the committing court.

42           (g) Subject to chapter 4, article 4 and, as applicable, article 5  
43 of this title, appoint certain employees of the department to peace  
44 officer status for purposes of guarding, transporting or pursuing persons  
45 under the jurisdiction of the department and appoint certain employees of

1 the department to peace officer status for purposes of investigating or  
2 arresting persons who commit or attempt to commit offenses directly  
3 relating to the operations of the department.

4 3. Contract with other agencies or institutions in furtherance of  
5 any department program.

6 4. Authorize the temporary escort of a youth for compassionate  
7 leave or for the purposes of treatment, education or rehabilitation. The  
8 director shall consider the public safety and any other relevant factors  
9 before approving the temporary escort of a youth. Department staff shall  
10 escort and maintain custody of a youth authorized for temporary escort.

11 5. Adopt guidelines to dispose of property that is no longer needed  
12 or necessary for use in a department educational, vocational, treatment,  
13 training or work program. The disposition of property is exempt from  
14 chapter 23, article 8 of this title. ~~Any monies derived from the~~  
15 ~~disposition of the property shall be deposited, pursuant to sections~~  
16 ~~35-146 and 35-147, in the department of juvenile corrections career~~  
17 ~~technical education fund established by section 41-2828.~~

18 6. Accept and spend private grants of monies to effectuate the  
19 purposes of section 41-2827. ~~Monies collected pursuant to this paragraph~~  
20 ~~shall be deposited and administered pursuant to section 41-2828.~~

21 C. Peace officers of the department shall not preempt the authority  
22 and jurisdiction of established agencies of this state and political  
23 subdivisions of this state. Such officers shall notify agencies of this  
24 state and political subdivisions of this state before conducting an  
25 investigation within the jurisdiction of the agency and before making an  
26 arrest within the jurisdiction of the agency and shall ask, except in an  
27 emergency, if the agency wishes to participate, perform the investigation  
28 or arrest the person to be arrested before proceeding. Personnel  
29 appointed as peace officers by the director shall have the minimum  
30 qualifications established for peace officers pursuant to section  
31 41-1822. Personnel appointed by the director pursuant to subsection B,  
32 paragraph 2, subdivision (g) of this section are not eligible to  
33 participate in the public safety personnel retirement system except as  
34 otherwise provided in title 38, chapter 5, article 4.

35 Sec. 5. Section 41-2822, Arizona Revised Statutes, is amended to  
36 read:

37 41-2822. Committed youth work program

38 A. The director shall establish a committed youth work program for  
39 youths in secure care facilities and on conditional liberty to ensure  
40 that:

41 1. All committed youths in a secure care facility receive work  
42 assignments commensurate and compatible with the condition and limitations  
43 of the youth's physical and mental health.

1           2. Committed youths on conditional liberty, as a condition of  
2 liberty, may receive work assignments. All work assignments shall be  
3 commensurate and compatible with the condition and limitations of the  
4 youth's physical and mental health.

5           3. No committed youth in a secure care facility or on conditional  
6 liberty participates in a work assignment that threatens the safety and  
7 security of the public, a secure care facility or the committed youth.

8           B. A committed youth may be exempted from the work requirement if  
9 the staff determines that the exemption is necessary for the health,  
10 safety or treatment of the youth. The director or the director's  
11 authorized designee shall review and approve each exemption of a committed  
12 youth from engaging in the work requirements of this section.

13           C. Notwithstanding title 23, chapter 2, article 3 relating to youth  
14 employment, each youth who is under commitment to the department, who is  
15 confined in a secure care facility under the department's jurisdiction and  
16 who is not regularly attending and making satisfactory progress in  
17 educational classes shall engage in work for at least forty hours a week  
18 unless exempted pursuant to subsection B of this section.

19           D. Each committed youth who is engaged in productive work while  
20 under the jurisdiction of the department may receive such compensation for  
21 the youth's work as the director determines. The compensation shall be in  
22 accordance with a graduated schedule based on quality and quantity of work  
23 performed and skill required for its performance.

24           E. The compensation of committed youths shall be paid directly by  
25 an outside entity or out of monies received pursuant to section 8-243 or  
26 monies appropriated by the legislature or by the department with monies  
27 from the department of juvenile corrections restitution fund established  
28 by section 41-2826.

29           F. A minimum of two-thirds of any compensation earned pursuant to  
30 this section by a committed youth in a secure care facility shall be paid  
31 to the clerk of the superior court to satisfy any juvenile court  
32 restitution order made pursuant to section 8-344. While a youth is on  
33 conditional liberty, the department shall determine the amount of wages to  
34 be credited to restitution.

35           G. If a committed youth in a secure care facility is not subject to  
36 a restitution order but is subject to a monetary assessment by the court  
37 pursuant to section 8-341, subsection G or H, a minimum of two-thirds of  
38 any compensation earned shall be paid to the clerk of the superior court  
39 to satisfy the monetary assessment. While a youth is on conditional  
40 liberty the department shall determine the amount of wages to be credited  
41 to a monetary assessment.

42           H. If a committed youth in a secure care facility is not subject to  
43 a restitution order or a monetary assessment, two-thirds of any  
44 compensation earned pursuant to this section shall be used to defer the

1 costs of room and board for maintaining the committed youth at the secure  
2 care facility.

3 I. The department shall require the payment of court ordered  
4 restitution, monetary reimbursements or assessments as a term of  
5 conditional liberty.

6 J. With the approval of the juvenile court and the victim,  
7 community restitution hours may be substituted for monetary restitution or  
8 monetary assessments at a rate deemed reasonable by the department.

9 K. The department may enter into contracts with this state, any  
10 political subdivision of this state or private entities in order to  
11 provide employment or vocational educational experience. ~~Any revenues the~~  
12 ~~department receives from the contracts shall be deposited, pursuant to~~  
13 ~~sections 35-146 and 35-147, in the department of juvenile corrections~~  
14 ~~career technical education fund established by section 41-2828 and shall~~  
15 ~~be used in accordance with the purposes of the fund.~~

16 Sec. 6. Section 41-2824, Arizona Revised Statutes, is amended to  
17 read:

18 41-2824. Training institute

19 A. A training institute is established within the department of  
20 juvenile corrections to train those persons who work with committed youth  
21 in juvenile justice.

22 B. The director shall establish and maintain training institutes  
23 under the jurisdiction of the department.

24 C. The director may:

25 1. Employ personnel and any faculty necessary to operate the  
26 training institute.

27 2. Solicit, accept and expend gifts and grants.

28 3. Adopt training standards.

29 4. Approve the training curriculum, including continuing education  
30 and advanced and specialized training courses.

31 5. Issue a certificate of completion to a person who satisfactorily  
32 completes a training program of not less than two hundred forty hours.

33 D. A postsecondary institution may provide the training courses the  
34 director may approve under subsection C, paragraph 4 of this section.

35 E. The director shall adopt rules for reimbursing reasonable  
36 tuition and fees for employees who attend the training institute. If an  
37 agency other than the department sends an employee to the training  
38 institute, the agency shall pay all of its employee's tuition and fees.

39 ~~F. A training institute fund is established consisting of monies~~  
40 ~~collected pursuant to any grant, gift, donation, service or other~~  
41 ~~financial assistance received from an individual, corporation, government~~  
42 ~~or other organization. The department of juvenile corrections shall~~  
43 ~~administer the fund. On notice from the department, the state treasurer~~  
44 ~~shall invest and divest monies in the fund as provided by section 35-313,~~  
45 ~~and monies earned from investment shall be credited to the fund.~~

1           Sec. 7. Section 41-2826, Arizona Revised Statutes, is amended to  
2 read:

3           41-2826. Department of juvenile corrections restitution fund

4           A. The department of juvenile corrections restitution fund is  
5 established for the payment of restitution and monetary assessments by  
6 youths who are ordered to pay restitution or monetary assessments and who  
7 are financially unable to pay or who are otherwise unable to be employed  
8 to earn money to pay restitution or monetary assessments and who are  
9 working in the committed youth work program prescribed by section 41-2822  
10 or the community work program established by section 41-2825. The fund  
11 consists of federal, state and local appropriations, ~~monies distributed to~~  
12 ~~the fund pursuant to section 41-2828~~ and grants, gifts, devises and  
13 donations from any public or private source. The fund shall be used to  
14 pay a youth for the youth's work in the committed youth work program  
15 prescribed by section 41-2822 and to provide monies for the community work  
16 program established by section 41-2825.

17           B. The director may direct the payment of monies from the fund to  
18 the victim or the court for community restitution activities the youth  
19 does to pay restitution or monetary assessments that were ordered by the  
20 juvenile court or that the youth agreed to pay as part of a community work  
21 program administered by the department. If a youth performs community  
22 restitution pursuant to this subsection, the entity providing the work  
23 shall supervise the youth's work. The youth shall be credited for each  
24 hour worked at an hourly rate set by the director.

25           C. As monies are available, the department shall pay from the fund  
26 youths who perform work or community restitution activities for  
27 restitution and monetary assessments purposes.

28           D. The department may expend, for the payment of administrative  
29 costs and expenses, an amount not greater than ten ~~per cent~~ PERCENT of the  
30 fund balance as of the end of the preceding fiscal year.

31           E. Monies in the fund are continuously appropriated and are exempt  
32 from the provisions of section 35-190 relating to lapsing of  
33 appropriations.

34           Sec. 8. Section 41-2827, Arizona Revised Statutes, is amended to  
35 read:

36           41-2827. Products produced by committed youths; materials;  
37 disaffirmance; contracts

38           A. Products that are produced by committed youths pursuant to an  
39 educational, vocational, treatment, training or work program are the  
40 property of the department and may be marketed to the public by the  
41 department. ~~All proceeds from the sale of products that are produced by~~  
42 ~~committed youths shall be deposited, pursuant to sections 35-146 and~~  
43 ~~35-147, in the department of juvenile corrections career technical~~  
44 ~~education fund established by section 41-2828.~~

1 B. The department may purchase raw materials, components and  
2 supplies for use in the manufacture of products in a department  
3 educational, vocational, treatment, training or work program.

4 C. The department shall fix and determine the prices at which all  
5 articles, services or products that are manufactured, PROVIDED or produced  
6 shall be furnished or sold. All articles or products that are  
7 manufactured or produced or services that are provided through department  
8 educational, vocational, treatment, training or work programs shall be  
9 priced at not less than the actual cost of producing and marketing the  
10 product plus a reasonable amount for overhead and administrative costs and  
11 a reasonable profit to provide fiscal resources for the research and  
12 development of programs for committed youths.

13 D. Sales of products that are produced by committed youths pursuant  
14 to a department educational, vocational, treatment, training or work  
15 program are not subject to disaffirmance because of minority.

16 E. The director or the director's designee may contract with any  
17 state agency, political subdivision or private person, firm, corporation  
18 or association to provide services or products produced by committed  
19 youths pursuant to an educational, vocational, treatment, training or work  
20 program.

21 ~~F. All monies derived from contract services provided pursuant to~~  
22 ~~subsection E of this section shall be deposited, pursuant to sections~~  
23 ~~35-146 and 35-147, in the department of juvenile corrections career~~  
24 ~~technical education fund established by section 41-2828.~~

25 Sec. 9. Repeal

26 Sections 41-2828 and 41-3956, Arizona Revised Statutes, are  
27 repealed.

28 Sec. 10. Section 49-474.02, Arizona Revised Statutes, is amended to  
29 read:

30 49-474.02. Voluntary lawn and garden equipment emissions  
31 reduction program; criteria

32 A. A county with a population of more than five hundred thousand  
33 persons according to the most recent United States decennial census shall  
34 establish and coordinate a voluntary lawn and garden equipment emissions  
35 reduction program ~~to begin no later than July 1, 1998~~. The equipment  
36 owner's participation in the program is voluntary. The county may  
37 contract with an independent contractor to develop and implement all or  
38 any portion of the program. The program shall provide for real and  
39 quantifiable emissions reductions. The county shall coordinate the  
40 program with any similar programs offered by any person, organization or  
41 business.

1 B. A person may participate in the program if the lawn or garden  
2 equipment starts and is used for residential or commercial purposes.

3 C. A voucher shall be issued in the amount of ~~two hundred dollars~~  
4 \$200 to an owner of a commercial lawn mower that is retired and that meets  
5 the requirements of this section. The voucher shall be used for the  
6 purchase of a lawn mower that generates lower emissions.

7 D. A voucher shall be issued in the amount of at least ~~one hundred~~  
8 ~~dollars~~ \$100 to an owner of a residential lawn mower that is retired and  
9 that meets the requirements of this section. The voucher shall be used  
10 for the purchase of an electric lawn mower.

11 E. A voucher shall be issued in the amount of at least ~~fifty~~  
12 ~~dollars~~ \$50 to the owner of a gasoline-powered lawn or garden device that  
13 is retired and that meets the requirements of this section. The voucher  
14 shall be used for the purchase of a lawn or garden device that generates  
15 lower emissions.

16 F. Equipment that is retired pursuant to this section shall not be  
17 used in this state.

18 ~~G. The voluntary lawn and garden equipment emissions reduction fund~~  
19 ~~is established. The director shall administer the fund. The fund shall~~  
20 ~~consist of monies from the following sources:~~

21 ~~1. Monies appropriated by the legislature.~~

22 ~~2. Monies appropriated by political subdivisions.~~

23 ~~3. Gifts, grants and donations.~~

24 ~~H.~~ G. The county shall prepare and submit on December 1 of each  
25 year a progress report on the voluntary lawn mower emissions reduction  
26 program containing at least the following information:

27 1. The number of lawn mowers and other lawn and garden devices  
28 retired by brand and year of manufacture.

29 2. The cost-effectiveness of the program in terms of dollars spent  
30 per ton of emissions reductions.

31 3. Any recommendations for improving the effectiveness of the  
32 program.

33 4. The administrative costs of the program.

34 Sec. 11. Repeal

35 Section 49-818, Arizona Revised Statutes, is repealed.

36 Sec. 12. Transfer of monies; deletion of funds

37 A. On the effective date of this act, all unexpended and  
38 unencumbered monies remaining in the following funds are transferred to  
39 the state general fund:

40 1. The oil overcharge fund established by section 41-110, Arizona  
41 Revised Statutes, as repealed by this act.

42 2. The department of administration AFIS II collections fund  
43 established pursuant to section 35-142, Arizona Revised Statutes.

- 1           3. The child safety expedited substance abuse treatment fund  
2 established by section 8-812, Arizona Revised Statutes, as repealed by  
3 this act.
- 4           4. The joint substance abuse treatment fund established by section  
5 8-881, Arizona Revised Statutes, as repealed by this act.
- 6           5. The commerce development bond fund established pursuant to  
7 section 41-1504, Arizona Revised Statutes, as amended by this act.
- 8           6. The corporation commission statewide donations fund established  
9 pursuant to section 35-142, Arizona Revised Statutes.
- 10          7. The state department of corrections payment card clearing fund  
11 established pursuant to section 35-142, Arizona Revised Statutes.
- 12          8. The American competitiveness project fund established by section  
13 15-245, Arizona Revised Statutes, as repealed by this act.
- 14          9. The e-learning fund established by Laws 2006, chapter 375,  
15 section 4 and repealed by Laws 2006, chapter 375, section 5, as a amended  
16 by Laws 2007, chapter 264, section 13.
- 17          10. The student success fund established by section 15-917, Arizona  
18 Revised Statutes, and repealed by Laws 2015, chapter 15, section 5.
- 19          11. The technology-based language development and literacy  
20 intervention fund established by section 15-217, Arizona Revised Statutes,  
21 as repealed by this act.
- 22          12. The intergovernmental agreement fund (fund 2180) established  
23 pursuant to section 49-104, Arizona Revised Statutes.
- 24          13. The department of environmental quality indirect cost fund  
25 (fund 7000) established pursuant to section 49-115, Arizona Revised  
26 Statutes.
- 27          14. The department of environmental quality payroll fund  
28 established pursuant to section 35-142, Arizona Revised Statutes.
- 29          15. The used oil fund established by section 49-818, Arizona  
30 Revised Statutes, as repealed by this act.
- 31          16. The voluntary lawn and garden equipment emissions reduction  
32 fund established by section 49-474.02, Arizona Revised Statutes, as  
33 amended by this act.
- 34          17. The building and fire safety fund established pursuant to  
35 section 41-4023, Arizona Revised Statutes.
- 36          18. The housing development fund established by section 41-3956,  
37 Arizona Revised Statutes, as repealed by this act.
- 38          19. The department of juvenile corrections career technical  
39 education fund established by section 41-2828, Arizona Revised Statutes,  
40 as repealed by this act.
- 41          20. The training institute fund established by section 41-2824,  
42 Arizona Revised Statutes, as amended by this act.

1           21. The office of tourism workshop fund established by section  
2 41-2307, Arizona Revised Statutes, as repealed by this act.

3           22. The department of water resources administrative fund  
4 established pursuant to section 35-142, Arizona Revised Statutes.

5           B. On or before December 31, 2019, the department of administration  
6 shall delete the funds described in subsection A of this section from this  
7 state's financial accounting system.

**APPROVED BY THE GOVERNOR APRIL 11, 2019.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2019.**

Passed the House March 4, 2019

Passed the Senate April 4, 2019

by the following vote: 59 Ayes,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

0 Nays, 1 Not Voting

[Signature]  
Speaker of the House  
 Pro Tempore

[Signature]  
President of the Senate

[Signature]  
Chief Clerk of the House

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

8 day of April, 2019

at 3:29 o'clock P M.

[Signature]  
Secretary to the Governor

Approved this 11<sup>th</sup> day of

April 2019

at 10:46 o'clock A M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 11 day of April, 2019

at 4:55 o'clock P M.

[Signature]  
Secretary of State

H.B. 2695