

PROPOSED AMENDMENT  
SENATE AMENDMENTS TO S.B. 1013  
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 12-119, Arizona Revised Statutes, is amended to  
3 read:

4 12-119. Facilities management

5 The supreme court may obtain OPERATIONAL AND MAINTENANCE ASSISTANCE  
6 from the department of administration ~~operational, maintenance~~ and security  
7 assistance FROM THE DEPARTMENT OF PUBLIC SAFETY for any supreme court  
8 facility or may employ personnel or contract for outside services for the  
9 operation, maintenance and security of such facility. The supreme court and  
10 division one of the court of appeals shall be housed in the Arizona courts  
11 building. FOR THE PURPOSES OF THIS SECTION, SECURITY DOES NOT MEAN SECURITY  
12 SERVICES RELATED TO BUILDING OPERATION AND MAINTENANCE FUNCTIONS PROVIDED BY  
13 THE DEPARTMENT OF ADMINISTRATION.

14 Sec. 2. Section 23-392, Arizona Revised Statutes, is amended to read:

15 23-392. Overtime compensation for certain law enforcement or  
16 probation officer activities; option; definitions

17 A. Any person engaged in law enforcement activities shall be  
18 compensated for each hour worked in excess of forty hours in one work week at  
19 the option of such employer at the following rates:

20 1. One and one-half times the regular rate at which such person is  
21 employed or one and one-half hours of compensatory time off for each hour  
22 worked if by the person's job classification overtime compensation is  
23 mandated by federal law.

24 2. If by the person's job classification federal law does not mandate  
25 overtime compensation, the person shall receive the regular rate of pay or  
26 compensatory leave on an hour for hour basis.

27 B. Any person engaged in probation officer activities shall be  
28 compensated for each hour worked in excess of eighty hours in a two week work  
29 period at the option of such employer at the following rates:

30 1. One and one-half times the regular rate at which such person is  
31 employed or one and one-half hours of compensatory time off for each hour

1 worked if by the person's job classification overtime compensation is  
2 mandated by federal law.

3 2. If by the person's job classification federal law does not mandate  
4 overtime compensation, the person shall receive the regular rate of pay or  
5 compensatory leave on an hour for hour basis.

6 C. Paid leave may be considered hours worked for the purpose of  
7 calculating overtime.

8 D. The director of the department of public safety may establish  
9 alternate work periods, in accordance with federal law, for the purpose of  
10 determining overtime compensation for those employees of the air rescue  
11 section of the department of public safety.

12 E. Notwithstanding subsection C of this section, an alternate work  
13 period established by the director of the department of public safety for the  
14 purpose of determining overtime compensation shall not exceed twenty-eight  
15 days or one hundred sixty hours.

16 F. For the purposes of this section:

17 1. "Person engaged in law enforcement activities":

18 (a) Means:

19 (i) A law enforcement officer as defined by section 38-1001.

20 (ii) A peace officer as defined by section 41-1701.

21 (iii) Any security personnel responsible for controlling or  
22 maintaining custody of inmates in correctional institutions maintained by  
23 this state or a county, city or town.

24 ~~(iv) A capitol police officer employed pursuant to section 41-794,  
25 subsection A.~~

26 (b) Does not include any such person employed in a bona fide executive  
27 or administrative capacity as defined by the employer.

28 2. "Person engaged in probation officer activities":

29 (a) Means a probation officer or surveillance officer who is appointed  
30 pursuant to section 8-203, 12-251 or 12-259.

31 (b) Does not include any such person employed in a bona fide executive  
32 or administrative capacity as defined by the employer.

33 Sec. 3. Section 23-901, Arizona Revised Statutes, is amended to read:  
34 23-901. Definitions

35 In this chapter, unless the context otherwise requires:

1           1. "Award" means the finding or decision of an administrative law  
2 judge or the commission as to the amount of compensation or benefit due an  
3 injured employee or the dependents of a deceased employee.

4           2. "Client" means an individual, association, company, firm,  
5 partnership, corporation or any other legally recognized entity that is  
6 subject to this chapter and that enters into a professional employer  
7 agreement with a professional employer organization.

8           3. "Co-employee" means every person employed by an injured employee's  
9 employer.

10          4. "Commission" means the industrial commission of Arizona.

11          5. "Compensation" means the compensation and benefits provided by this  
12 chapter.

13          6. "Employee", "workman", "worker" and "operative" means:

14          (a) Every person in the service of the state or a county, city, town,  
15 municipal corporation or school district, including regular members of  
16 lawfully constituted police and fire departments of cities and towns, whether  
17 by election, appointment or contract of hire.

18          (b) Every person in the service of any employer subject to this  
19 chapter, including aliens and minors legally or illegally permitted to work  
20 for hire, but not including a person whose employment is both:

21           (i) Casual.

22           (ii) Not in the usual course of the trade, business or occupation of  
23 the employer.

24          (c) Lessees of mining property and their employees and contractors  
25 engaged in the performance of work which is a part of the business conducted  
26 by the lessor and over which the lessor retains supervision or control are  
27 within the meaning of this paragraph employees of the lessor, and are deemed  
28 to be drawing wages as are usually paid employees for similar work. The  
29 lessor may deduct from the proceeds of ores mined by the lessees the premium  
30 required by this chapter to be paid for such employees.

31          (d) Regular members of volunteer fire departments organized pursuant  
32 to title 48, chapter 5, article 1, regular firemen of any volunteer fire  
33 department, including private fire protection service organizations,  
34 organized pursuant to title 10, chapters 24 through 40, volunteer firemen  
35 serving as members of a fire department of any incorporated city or town or  
36 an unincorporated area without pay or without full pay and on a part-time  
37 basis, and voluntary policemen and volunteer firemen serving in any

1 incorporated city, town or unincorporated area without pay or without full  
2 pay and on a part-time basis, are deemed to be employees, but for the  
3 purposes of this chapter, the basis for computing wages for premium payments  
4 and compensation benefits for regular members of volunteer fire departments  
5 organized pursuant to title 48, chapter 5, article 1, or organized pursuant  
6 to title 10, chapters 24 through 40, regular members of any private fire  
7 protection service organization, volunteer firemen and volunteer policemen of  
8 these departments or organizations shall be the salary equal to the beginning  
9 salary of the same rank or grade in the full-time service with the city,  
10 town, volunteer fire department or private fire protection service  
11 organization, provided if there is no full-time equivalent then the salary  
12 equivalent shall be as determined by resolution of the governing body of the  
13 city, town or volunteer fire department or corporation.

14 (e) Members of the department of public safety reserve, organized  
15 pursuant to section 41-1715, are deemed to be employees. For the purposes of  
16 this chapter, the basis for computing wages for premium payments and  
17 compensation benefits for a member of the department of public safety reserve  
18 who is a peace officer shall be the salary received by officers of the  
19 department of public safety for their first month of regular duty as an  
20 officer. For members of the department of public safety reserve who are not  
21 peace officers, the basis for computing premiums and compensation benefits is  
22 four hundred dollars a month.

23 (f) Any person placed in on-the-job evaluation or in on-the-job  
24 training under the department of economic security's temporary assistance for  
25 needy families program or vocational rehabilitation program shall be deemed  
26 to be an employee of the department for the purpose of coverage under the  
27 state workers' compensation laws only. The basis for computing premium  
28 payments and compensation benefits shall be two hundred dollars per month.  
29 Any person receiving vocational rehabilitation services under the department  
30 of economic security's vocational rehabilitation program whose major  
31 evaluation or training activity is academic, whether as an enrolled attending  
32 student or by correspondence, or who is confined to a hospital or penal  
33 institution, shall not be deemed to be an employee of the department for any  
34 purpose. Any dividend which the department's vocational rehabilitation  
35 program may be entitled to receive from the state compensation fund because  
36 of a favorable loss experience for any policy period shall not revert to the

1 state general fund but shall be applied to the department's current premium  
2 obligations for workers' compensation coverage for such program.

3 (g) Regular members of a volunteer sheriff's reserve, which may be  
4 established by resolution of the county board of supervisors, to assist the  
5 sheriff in the performance of the sheriff's official duties. A roster of the  
6 current members shall monthly be certified to the clerk of the board of  
7 supervisors by the sheriff and shall not exceed the maximum number authorized  
8 by the board. Certified members of an authorized volunteer sheriff's reserve  
9 shall be deemed to be employees of the county for the purpose of coverage  
10 under the Arizona workers' compensation laws and occupational disease  
11 disability laws and shall be entitled to receive the benefits of these laws  
12 for any compensable injuries or disabling conditions which arise out of and  
13 occur in the course of the performance of duties authorized and directed by  
14 the sheriff. Compensation benefits and premium payments shall be based upon  
15 the salary received by a regular full-time deputy sheriff of the county  
16 involved for the first month of regular patrol duty as an officer for each  
17 certified member of a volunteer sheriff's reserve. This subdivision shall  
18 not be construed to provide compensation coverage for any member of a  
19 sheriff's posse who is not a certified member of an authorized volunteer  
20 sheriff's reserve except as a participant in a search and rescue mission or a  
21 search and rescue training mission.

22 (h) A working member of a partnership may be deemed to be an employee  
23 entitled to the benefits provided by this chapter upon written acceptance, by  
24 endorsement, at the discretion of the insurance carrier for the partnership  
25 of an application for coverage by the working partner. The basis for  
26 computing premium payments and compensation benefits for the working partner  
27 shall be an assumed average monthly wage of not less than six hundred dollars  
28 nor more than the maximum wage provided in section 23-1041 and is subject to  
29 the discretionary approval of the insurance carrier. Any compensation for  
30 permanent partial or permanent total disability payable to the partner shall  
31 be computed on the lesser of the assumed monthly wage agreed to by the  
32 insurance carrier on the acceptance of the application for coverage or the  
33 actual average monthly wage received by the partner at the time of injury.

34 (i) The sole proprietor of a business subject to this chapter may be  
35 deemed to be an employee entitled to the benefits provided by this chapter on  
36 written acceptance, by endorsement, at the discretion of the insurance  
37 carrier of an application for coverage by the sole proprietor. The basis for

1 computing premium payments and compensation benefits for the sole proprietor  
2 shall be an assumed average monthly wage of not less than six hundred dollars  
3 nor more than the maximum wage provided by section 23-1041 and is subject to  
4 the discretionary approval of the insurance carrier. Any compensation for  
5 permanent partial or permanent total disability payable to the sole  
6 proprietor shall be computed on the lesser of the assumed monthly wage agreed  
7 to by the insurance carrier on the acceptance of the application for coverage  
8 or the actual average monthly wage received by the sole proprietor at the  
9 time of injury.

10 (j) A member of the Arizona national guard, Arizona state guard or  
11 unorganized militia shall be deemed a state employee and entitled to coverage  
12 under the Arizona workers' compensation law at all times while the member is  
13 receiving the payment of the member's military salary from the state of  
14 Arizona under competent military orders or upon order of the governor.  
15 Compensation benefits shall be based upon the monthly military pay rate to  
16 which the member is entitled at the time of injury, but not less than a  
17 salary of four hundred dollars per month, nor more than the maximum provided  
18 by the workers' compensation law. No Arizona compensation benefits shall  
19 inure to a member compensable under federal law.

20 (k) Certified ambulance drivers and attendants who serve without pay  
21 or without full pay on a part-time basis are deemed to be employees and  
22 entitled to the benefits provided by this chapter and the basis for computing  
23 wages for premium payments and compensation benefits for certified ambulance  
24 personnel shall be four hundred dollars per month.

25 (l) Volunteer workers of a licensed health care institution may be  
26 deemed to be employees and entitled to the benefits provided by this chapter  
27 upon written acceptance by the insurance carrier of an application by the  
28 health care institution for coverage of such volunteers. The basis for  
29 computing wages for premium payments and compensation benefits for volunteers  
30 shall be four hundred dollars per month.

31 (m) Personnel who participate in a search or rescue operation or a  
32 search or rescue training operation that carries a mission identifier  
33 assigned by the division of emergency management as provided in section  
34 35-192.01 and who serve without compensation as volunteer state employees.  
35 The basis for computation of wages for premium purposes and compensation  
36 benefits is the total volunteer man-hours recorded by the division of

1 emergency management in a given quarter multiplied by the amount determined  
2 by the appropriate risk management formula.

3 (n) Personnel who participate in emergency management training,  
4 exercises or drills that are duly enrolled or registered with the division of  
5 emergency management or any political subdivision as provided in section  
6 26-314, subsection C and who serve without compensation as volunteer state  
7 employees. The basis for computation of wages for premium purposes and  
8 compensation benefits is the total volunteer man-hours recorded by the  
9 division of emergency management or political subdivision during a given  
10 training session, exercise or drill multiplied by the amount determined by  
11 the appropriate risk management formula.

12 (o) Regular members of the Arizona game and fish department reserve,  
13 organized pursuant to section 17-214. The basis for computing wages for  
14 premium payments and compensation benefits for a member of the reserve is the  
15 salary received by game rangers and wildlife managers of the Arizona game and  
16 fish department for their first month of regular duty.

17 (p) Every person employed pursuant to a professional employer  
18 agreement.

19 ~~(q) Members of the department of administration capitol police~~  
20 ~~reserve, organized pursuant to section 41-794, are deemed to be employees.~~  
21 ~~For the purposes of this chapter, the basis for computing wages for premium~~  
22 ~~payments and compensation benefits for a member of the department of~~  
23 ~~administration capitol police reserve who is a peace officer shall be the~~  
24 ~~salary received by officers of the department of administration for their~~  
25 ~~first month of regular duty as an officer.~~

26 7. "General order" means an order applied generally throughout the  
27 state to all persons under jurisdiction of the commission.

28 8. "Heart-related or perivascular injury, illness or death" means  
29 myocardial infarction, coronary thrombosis or any other similar sudden,  
30 violent or acute process involving the heart or perivascular system, or any  
31 death resulting therefrom, and any weakness, disease or other condition of  
32 the heart or perivascular system, or any death resulting therefrom.

33 9. "Insurance carrier" means the state compensation fund and every  
34 insurance carrier duly authorized by the director of insurance to write  
35 workers' compensation or occupational disease compensation insurance in the  
36 state of Arizona.

1           10. "Interested party" means the employer, the employee, or if the  
2 employee is deceased, the employee's estate, the surviving spouse or  
3 dependents, the commission, the insurance carrier or their representative.

4           11. "Mental injury, illness or condition" means any mental, emotional,  
5 psychotic or neurotic injury, illness or condition.

6           12. "Order" means and includes any rule, direction, requirement,  
7 standard, determination or decision other than an award or a directive by the  
8 commission or an administrative law judge relative to any entitlement to  
9 compensation benefits, or to the amount thereof, and any procedural ruling  
10 relative to the processing or adjudicating of a compensation matter.

11           13. "Personal injury by accident arising out of and in the course of  
12 employment" means any of the following:

13           (a) Personal injury by accident arising out of and in the course of  
14 employment.

15           (b) An injury caused by the wilful act of a third person directed  
16 against an employee because of the employee's employment, but does not  
17 include a disease unless resulting from the injury.

18           (c) An occupational disease which is due to causes and conditions  
19 characteristic of and peculiar to a particular trade, occupation, process or  
20 employment, and not the ordinary diseases to which the general public is  
21 exposed, and subject to section 23-901.01.

22           14. "Professional employer agreement" means a written contract between  
23 a client and a professional employer organization:

24           (a) In which the professional employer organization expressly agrees  
25 to co-employ all or a majority of the employees providing services for the  
26 client. In determining whether the professional employer organization  
27 employs all or a majority of the employees of a client, any person employed  
28 pursuant to the terms of the professional employer agreement after the  
29 initial placement of client employees on the payroll of the professional  
30 employer organization shall be included.

31           (b) That is intended to be ongoing rather than temporary in nature.

32           (c) In which employer responsibilities for worksite employees,  
33 including hiring, firing and disciplining, are expressly allocated between  
34 the professional employer organization and the client in the agreement.

35           15. "Professional employer organization" means any person engaged in  
36 the business of providing professional employer services. Professional



1 employer organization does not include a temporary help firm or an employment  
2 agency.

3 16. "Professional employer services" means the service of entering into  
4 co-employment relationships under this chapter to which all or a majority of  
5 the employees providing services to a client or to a division or work unit of  
6 a client are covered employees.

7 17. "Special order" means an order other than a general order.

8 18. "State compensation fund" includes the state compensation fund,  
9 accident benefit fund and occupational disease compensation fund in existence  
10 on January 2, 1969 and shall thereafter include all funds under the  
11 jurisdiction of the board of directors of the state compensation fund which  
12 have been derived from the assessment of premiums, interest, penalties and  
13 investment earnings for the payment of all workers' compensation and  
14 occupational disease compensation benefits.

15 19. "Weakness, disease or other condition of the heart or perivascular  
16 system" means arteriosclerotic heart disease, cerebral vascular disease,  
17 peripheral vascular disease, cardiovascular disease, angina pectoris,  
18 congestive heart trouble, coronary insufficiency, ischemia and all other  
19 similar weaknesses, diseases and conditions, and also previous episodes or  
20 instances of myocardial infarction, coronary thrombosis or any similar  
21 sudden, violent or acute process involving the heart or perivascular system.

22 20. "Workers' compensation" means workmen's compensation as used in  
23 article XVIII, section 8, Constitution of Arizona.

24 Sec. 4. Section 28-3513, Arizona Revised Statutes, is amended to read:

25 28-3513. Administrative charges

26 A. The immobilizing or impounding agency shall establish procedures  
27 for immobilization hearings or poststorage hearings, for the release of  
28 properly immobilized or impounded vehicles and for imposition of a charge for  
29 administrative costs relating to the removal, immobilization, impoundment,  
30 storage or release of a vehicle. The immobilizing or impounding agency may  
31 waive the administrative charges.

32 B. The administrative charges established pursuant to this section  
33 shall not exceed one hundred fifty dollars and shall not be charged to a  
34 towing company that performs removal, immobilization, impoundment, storage or  
35 release of the vehicle.

36 C. The immobilizing or impounding agency shall collect any  
37 administrative charges at the time of the release of the vehicle unless the

1 vehicle is stolen and the theft was reported to the appropriate law  
2 enforcement agency. If the vehicle is stolen and the theft was reported to  
3 the appropriate law enforcement agency, the operator of the vehicle at the  
4 time of immobilization or impoundment is responsible for all towing,  
5 immobilization, storage and administrative charges.

6 D. The administrative charges established pursuant to this section are  
7 in addition to any other immobilization, impoundment or storage charges.

8 E. A justice court providing an immobilization or poststorage hearing  
9 may collect a fee equal to the fee established pursuant to section 22-281 for  
10 a small claims answer.

11 F. If the immobilizing or impounding agency is:

12 1. A municipality, the administrative charges collected pursuant to  
13 this section shall be transmitted to the city treasurer for deposit in a  
14 special fund established by the municipality for the purpose of implementing  
15 section 28-872 and this article.

16 2. A county, the administrative charges collected pursuant to this  
17 section shall be transmitted to the county treasurer for deposit in a special  
18 fund established by the county for the purpose of implementing section 28-872  
19 and this article.

20 3. The department of public safety, the administrative charges  
21 collected pursuant to this section shall be deposited, pursuant to sections  
22 35-146 and 35-147, in the Arizona highway patrol fund established by section  
23 41-1752.

24 4. The capitol police, the administrative charges collected pursuant  
25 to this section shall be deposited, pursuant to sections 35-146 and 35-147,  
26 in the capitol police administrative towing fund established by section  
27 ~~41-795~~ 41-1725.

28 Sec. 5. Section 38-842, Arizona Revised Statutes, is amended to read:

29 ~~38-842.~~ Definitions

30 In this article, unless the context otherwise requires:

31 1. "Accidental disability" means a physical or mental condition that  
32 the local board finds totally and permanently prevents an employee from  
33 performing a reasonable range of duties within the employee's job  
34 classification and that was incurred in the performance of the employee's  
35 duty.

36 2. "Accumulated contributions" means, for each member, the sum of the  
37 amount of the member's aggregate contributions made to the fund and the

1 amount, if any, attributable to the employee's contributions before the  
2 member's effective date under another public retirement system, other than  
3 the federal social security act, and transferred to the fund minus the  
4 benefits paid to or on behalf of the member.

5 3. "Actuarial equivalent" means equality in present value of the  
6 aggregate amounts expected to be received under two different forms of  
7 payment, based on mortality and interest assumptions adopted by the board.

8 4. "Alternate payee" means the spouse or former spouse of a  
9 participant as designated in a domestic relations order.

10 5. "Alternate payee's portion" means benefits that are payable to an  
11 alternate payee pursuant to a plan approved domestic relations order.

12 6. "Annuitant" means a person who is receiving a benefit pursuant to  
13 section 38-846.01.

14 7. "Average monthly benefit compensation" means the result obtained by  
15 dividing the total compensation paid to an employee during a considered  
16 period by the number of months, including fractional months, in which such  
17 compensation was received. The considered period shall be the three  
18 consecutive years within the last twenty completed years of credited service  
19 that yield the highest average. In the computation under this paragraph, a  
20 period of nonpaid or partially paid industrial leave shall be considered  
21 based on the compensation the employee would have received in the employee's  
22 job classification if the employee was not on industrial leave.

23 8. "Board" means the board of trustees of the system, who are the  
24 persons appointed to invest and operate the fund.

25 9. "Catastrophic disability" means a physical and not a psychological  
26 condition that the local board determines prevents the employee from totally  
27 and permanently engaging in any gainful employment and that results from a  
28 physical injury incurred in the performance of the employee's duty.

29 10. "Certified peace officer" means a peace officer certified by the  
30 Arizona peace officers standards and training board.

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

33 12. "Compensation" means, for the purpose of computing retirement  
34 benefits, base salary, overtime pay, shift differential pay, military  
35 differential wage pay and holiday pay paid to an employee by the employer on  
36 a regular monthly, semimonthly or biweekly payroll basis and longevity pay  
37 paid to an employee at least every six months for which contributions are

1 made to the system pursuant to section 38-843, subsection D. Compensation  
2 does not include, for the purpose of computing retirement benefits, payment  
3 for unused sick leave, payment in lieu of vacation, payment for compensatory  
4 time or payment for any fringe benefits. In addition, compensation does not  
5 include, for the purpose of computing retirement benefits, payments made  
6 directly or indirectly by the employer to the employee for work performed for  
7 a third party on a contracted basis or any other type of agreement under  
8 which the third party pays or reimburses the employer for the work performed  
9 by the employee for that third party, except for third party contracts  
10 between public agencies for law enforcement, criminal, traffic and crime  
11 suppression activities training OR FIRE, wildfire, emergency medical or  
12 emergency management activities or where the employer supervises the  
13 employee's performance of law enforcement, criminal, traffic and crime  
14 suppression activities, ~~training, OR fire, wildfire, emergency medical or~~  
15 emergency management ~~services~~ ACTIVITIES. For the purposes of this  
16 paragraph, "base salary" means the amount of compensation each employee is  
17 regularly paid for personal services rendered to an employer before the  
18 addition of any extra monies, including overtime pay, shift differential pay,  
19 holiday pay, longevity pay, fringe benefit pay and similar extra payments.

20 13. "Credited service" means the member's total period of service  
21 before the member's effective date of participation, plus those compensated  
22 periods of the member's service thereafter for which the member made  
23 contributions to the fund.

24 14. "Cure period" means the ninety-day period in which a participant or  
25 alternate payee may submit an amended domestic relations order and request a  
26 determination, calculated from the time the system issues a determination  
27 finding that a previously submitted domestic relations order did not qualify  
28 as a plan approved domestic relations order.

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

32 16. "Determination" means a written document that indicates to a  
33 participant and alternate payee whether a domestic relations order qualifies  
34 as a plan approved domestic relations order.

35 17. "Determination period" means the ninety-day period in which the  
36 system must review a domestic relations order that is submitted by a  
37 participant or alternate payee to determine whether the domestic relations

1 order qualifies as a plan approved domestic relations order, calculated from  
2 the time the system mails a notice of receipt to the participant and  
3 alternate payee.

4 18. "Direct rollover" means a payment by the system to an eligible  
5 retirement plan that is specified by the distributee.

6 19. "Distributee" means a member, a member's surviving spouse or a  
7 member's spouse or former spouse who is the alternate payee under a plan  
8 approved domestic relations order.

9 20. "Domestic relations order" means an order of a court of this state  
10 that is made pursuant to the domestic relations laws of this state and that  
11 creates or recognizes the existence of an alternate payee's right to, or  
12 assigns to an alternate payee the right to, receive a portion of the benefits  
13 payable to a participant.

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

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

20 23. "Eligible child" means an unmarried child of a deceased member or  
21 retired member who meets one of the following qualifications:

22 (a) Is under eighteen years of age.

23 (b) Is at least eighteen years of age and under twenty-three years of  
24 age only during any period that the child is a full-time student.

25 (c) Is under a disability that began before the child attained  
26 twenty-three years of age and remains a dependent of the surviving spouse or  
27 guardian.

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

30 (a) Municipal police officers who are certified peace officers.

31 (b) Municipal fire fighters.

32 (c) Paid full-time fire fighters employed directly by a fire district  
33 organized pursuant to section 48-803 or 48-804 with three or more full-time  
34 fire fighters, but not including fire fighters employed by a fire district  
35 pursuant to a contract with a corporation.

36 (d) State highway patrol officers who are certified peace officers.

37 (e) State fire fighters.

1 (f) County sheriffs and deputies who are certified peace officers.

2 (g) Game and fish wardens who are certified peace officers.

3 (h) Police officers who are certified peace officers and fire fighters  
4 of a nonprofit corporation operating a public airport pursuant to sections  
5 28-8423 and 28-8424. A police officer shall be designated pursuant to  
6 section 28-8426 to aid and supplement state and local law enforcement  
7 agencies and a fire fighter's sole duty shall be to perform fire fighting  
8 services, including services required by federal regulations.

9 (i) Police officers who are certified peace officers and who are  
10 appointed by the Arizona board of regents.

11 (j) Police officers who are certified peace officers and who are  
12 appointed by a community college district governing board.

13 (k) State attorney general investigators who are certified peace  
14 officers.

15 (l) County attorney investigators who are certified peace officers.

16 (m) Police officers who are certified peace officers and who are  
17 employed by an Indian reservation police agency.

18 (n) Fire fighters who are employed by an Indian reservation fire  
19 fighting agency.

20 ~~(o) Police officers who are certified peace officers and who are  
21 appointed by the department of administration.~~

22 ~~(p)~~ (o) Department of liquor licenses and control investigators who  
23 are certified peace officers.

24 ~~(q)~~ (p) Arizona department of agriculture officers who are certified  
25 peace officers.

26 ~~(r)~~ (q) Arizona state parks board rangers and managers who are  
27 certified peace officers.

28 ~~(s)~~ (r) County park rangers who are certified peace officers.

29 25. "Eligible retirement plan" means any of the following that accepts  
30 a distributee's eligible rollover distribution:

31 (a) An individual retirement account described in section 408(a) of  
32 the internal revenue code.

33 (b) An individual retirement annuity described in section 408(b) of  
34 the internal revenue code.

35 (c) An annuity plan described in section 403(a) of the internal  
36 revenue code.

1 (d) A qualified trust described in section 401(a) of the internal  
2 revenue code.

3 (e) An annuity contract described in section 403(b) of the internal  
4 revenue code.

5 (f) An eligible deferred compensation plan described in section 457(b)  
6 of the internal revenue code that is maintained by a state, a political  
7 subdivision of a state or any agency or instrumentality of a state or a  
8 political subdivision of a state and that agrees to separately account for  
9 amounts transferred into the eligible deferred compensation plan from this  
10 plan.

11 26. "Eligible rollover distribution" means a payment to a distributee,  
12 but does not include any of the following:

13 (a) Any distribution that is one of a series of substantially equal  
14 periodic payments made not less frequently than annually for the life or life  
15 expectancy of the member or the joint lives or joint life expectancies of the  
16 member and the member's beneficiary or for a specified period of ten years or  
17 more.

18 (b) Any distribution to the extent the distribution is required under  
19 section 401(a)(9) of the internal revenue code.

20 (c) The portion of any distribution that is not includable in gross  
21 income.

22 27. "Employee" means any person who is employed by a participating  
23 employer and who is a member of an eligible group but does not include any  
24 persons compensated on a contractual or fee basis. If an eligible group  
25 requires certified peace officer status and at the option of the local board,  
26 employee may include a person who is training to become a certified peace  
27 officer.

28 28. "Employers" means:

29 (a) Cities contributing to the fire fighters' relief and pension fund  
30 as provided in sections 9-951 through 9-971 or statutes amended thereby and  
31 antecedent thereto, as of June 30, 1968 on behalf of their full-time paid  
32 fire fighters.

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

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

3 (d) The state, or any political subdivision of this state, including  
4 towns, cities, fire districts, counties and nonprofit corporations operating  
5 public airports pursuant to sections 28-8423 and 28-8424, that has elected to  
6 participate in the system on behalf of an eligible group of public safety  
7 personnel pursuant to a joinder agreement entered into after July 1, 1968.

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

11 29. "Fund" means the public safety personnel retirement fund, which is  
12 the fund established to receive and invest contributions accumulated

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

16 31. "Member" means any full-time employee who meets all of the  
17 following qualifications:

18 (a) Who is either a paid municipal police officer, a paid fire  
19 fighter, a law enforcement officer who is employed by this state including  
20 the director thereof, a state fire fighter who is primarily assigned to fire  
21 fighting duties, a fire fighter or police officer of a nonprofit corporation  
22 operating a public airport pursuant to sections 28-8423 and 28-8424, all  
23 ranks designated by the Arizona law enforcement merit system council, a state  
24 attorney general investigator who is a certified peace officer, a county  
25 attorney investigator who is a certified peace officer, ~~a police officer who  
26 is appointed by the department of administration and who is a certified peace  
27 officer,~~ a department of liquor licenses and control investigator who is a  
28 certified peace officer, an Arizona department of agriculture officer who is  
29 a certified peace officer, an Arizona state parks board ranger or manager who  
30 is a certified peace officer, a county park ranger who is a certified peace  
31 officer, a person who is a certified peace officer and who is employed by an  
32 Indian reservation police agency, a fire fighter who is employed by an Indian  
33 reservation fire fighting agency or an employee included in a group  
34 designated as eligible employees under a joinder agreement entered into by  
35 their employer after July 1, 1968 and who is or was regularly assigned to  
36 hazardous duty.



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

4 (c) Whose customary employment is at least forty hours per week or,  
5 for those employees who customarily work fluctuating work weeks, whose  
6 customary employment averages at least forty hours per week.

7 (d) Who is engaged to work for more than six months in a calendar  
8 year.

9 (e) Who, if economic conditions exist, is required to take furlough  
10 days or reduce the hours of ~~their~~ THE EMPLOYEE'S normal work week below forty  
11 hours but not less than thirty hours per pay cycle, and maintain ~~their~~ THE  
12 EMPLOYEE'S active member status within the system as long as the hour change  
13 does not extend beyond twelve consecutive months.

14 (f) Who has not attained age sixty-five before the employee's  
15 effective date of participation or who was over age sixty-five with  
16 twenty-five years or more of service prior to the employee's effective date  
17 of participation.

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

22 33. "Notice of receipt" means a written document that is issued by the  
23 system to a participant and alternate payee and that states that the system  
24 has received a domestic relations order and a request for a determination  
25 that the domestic relations order is a plan approved domestic relations  
26 order.

27 34. "Ordinary disability" means a physical condition that the local  
28 board determines will prevent an employee totally and permanently from  
29 performing a reasonable range of duties within the employee's department or a  
30 mental condition that the local board determines will prevent an employee  
31 totally and permanently from engaging in any substantial gainful activity.

32 35. "Participant" means a member who is subject to a domestic relations  
33 order.

34 36. "Participant's portion" means benefits that are payable to a  
35 participant pursuant to a plan approved domestic relations order.

1           37. "Pension" means a series of monthly amounts that are payable to a  
2 person who is entitled to receive benefits under the plan but does not  
3 include an annuity that is payable pursuant to section 38-846.01.

4           38. "Personal representative" means the personal representative of a  
5 deceased alternate payee.

6           39. "Plan approved domestic relations order" means a domestic relations  
7 order that the system approves as meeting all the requirements for a plan  
8 approved domestic relations order as otherwise prescribed in this article.

9           40. "Regularly assigned to hazardous duty" means regularly assigned to  
10 duties of the type normally expected of municipal police officers, municipal  
11 or state fire fighters, eligible fire district fire fighters, state highway  
12 patrol officers, county sheriffs and deputies, fish and game wardens, fire  
13 fighters and police officers of a nonprofit corporation operating a public  
14 airport pursuant to sections 28-8423 and 28-8424, police officers who are  
15 appointed by the Arizona board of regents or a community college district  
16 governing board, state attorney general investigators who are certified peace  
17 officers, county attorney investigators who are certified peace officers,  
18 ~~police officers who are appointed by the department of administration and who~~  
19 ~~are certified peace officers,~~ department of liquor licenses and control  
20 investigators who are certified peace officers, Arizona department of  
21 agriculture officers who are certified peace officers, Arizona state parks  
22 board rangers and managers who are certified peace officers, county park  
23 rangers who are certified peace officers, police officers who are certified  
24 peace officers and who are employed by an Indian reservation police agency or  
25 fire fighters who are employed by an Indian reservation fire fighting agency.  
26 Those individuals who are assigned solely to support duties such as  
27 secretaries, stenographers, clerical personnel, clerks, cooks, maintenance  
28 personnel, mechanics and dispatchers are not assigned to hazardous duty  
29 regardless of their position classification title. Since the normal duties of  
30 those jobs described in this paragraph are constantly changing, questions as  
31 to whether a person is or was previously regularly assigned to hazardous duty  
32 shall be resolved by the local board on a case-by-case basis. Resolutions by  
33 local boards are subject to rehearing and appeal.

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

1           42. "Segregated funds" means the amount of benefits that would  
2 currently be payable to an alternate payee pursuant to a domestic relations  
3 order under review by the system, or a domestic relations order submitted to  
4 the system that failed to qualify as a plan approved domestic relations  
5 order, if the domestic relations order were determined to be a plan approved  
6 domestic relations order.

7           43. "Service" means the last period of continuous employment of an  
8 employee by the employers before the employee's retirement, except that if  
9 such period includes employment during which the employee would not have  
10 qualified as a member had the system then been effective, such as employment  
11 as a volunteer fire fighter, then only twenty-five per cent of such  
12 noncovered employment shall be considered as service. Any absence that is  
13 authorized by an employer shall not be considered as interrupting continuity  
14 of employment if the employee returns within the period of authorized  
15 absence. Transfers between employers also shall not be considered as  
16 interrupting continuity of employment. Any period during which a member is  
17 receiving sick leave payments or a temporary disability pension shall be  
18 considered as service. Notwithstanding any other provision of this  
19 paragraph, any period during which a person was employed as a full-time paid  
20 fire fighter for a corporation that contracted with an employer to provide  
21 firefighting services on behalf of the employer shall be considered as  
22 service if the employer has elected at its option to treat part or all of the  
23 period the firefighter worked for the company as service in its applicable  
24 joinder agreement. Any reference in this system to the number of years of  
25 service of an employee shall be deemed to include fractional portions of a  
26 year.

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

29           45. "System" means the public safety personnel retirement system  
30 established by this article.

31           46. "Temporary disability" means a physical or mental condition that  
32 the local board finds totally and temporarily prevents an employee from  
33 performing a reasonable range of duties within the employee's department and  
34 that was incurred in the performance of the employee's duty.

1           Sec. 6. Section 38-847, Arizona Revised Statutes, is amended to read:

2           38-847. Local boards

3           A. The administration of the system and responsibility for making the  
4 provisions of the system effective for each employer are vested in a local  
5 board. The department of public safety, the Arizona game and fish  
6 department, the department of emergency and military affairs, the university  
7 of Arizona, Arizona state university, northern Arizona university, each  
8 county sheriff's office, each county attorney's office, each county parks  
9 department, each municipal fire department, each eligible fire district, each  
10 community college district, each municipal police department, the department  
11 of law, ~~the department of administration~~, the department of liquor licenses  
12 and control, the Arizona department of agriculture, the Arizona state parks  
13 board, each Indian reservation police agency and each Indian reservation fire  
14 fighting agency shall have a local board. A nonprofit corporation operating  
15 pursuant to sections 28-8423 and 28-8424 shall have one local board for all  
16 of its members. Each local board shall be constituted as follows:

17           1. For political subdivisions or Indian tribes, the mayor or chief  
18 elected official or a designee of the mayor or chief elected official  
19 approved by the respective governing body as chairman, two members elected by  
20 secret ballot by members employed by the appropriate employer and two  
21 citizens, one of whom shall be the head of the merit system, or the head's  
22 designee from among the other members of the merit system, if it exists for  
23 the group of members, appointed by the mayor or chief elected official and  
24 with the approval of the governing body of the city or the governing body of  
25 the employer. The appointed two citizens shall serve on both local boards in  
26 a city or Indian tribes where both fire and police department employees are  
27 members.

28           2. For state agencies and nonprofit corporations operating pursuant to  
29 sections 28-8423 and 28-8424, two members elected by secret ballot by members  
30 employed by the appropriate employer and three citizens appointed by the  
31 governor. Each state agency local board shall elect a chairman.

32           3. For fire districts organized pursuant to section 48-804, the  
33 secretary-treasurer as chairman, two members elected by secret ballot by  
34 members employed by the fire district and two citizens appointed by the  
35 secretary-treasurer, one of whom is a resident of the fire district and one  
36 of whom has experience in personnel administration but who is not required to  
37 be a resident of the fire district.

1           B. On the taking effect of this system for an employer, the  
2 appointments and elections of local board members shall take place with one  
3 elective and appointive local board member serving a term ending two years  
4 after the effective date of participation for the employer and other local  
5 board members serving a term ending four years after the effective date.  
6 Thereafter, every second year, and as a vacancy occurs, an office shall be  
7 filled for a term of four years in the same manner as previously provided.

8           C. Each local board shall be fully constituted pursuant to subsection  
9 A of this section within sixty days after the employer's effective date of  
10 participation in the system. If the deadline is not met, on the written  
11 request of any member who is covered by the local board or the employer to  
12 the ~~fund-manager~~ BOARD OF TRUSTEES, the ~~fund-manager~~ BOARD OF TRUSTEES may  
13 appoint all vacancies of the local board pursuant to subsection A of this  
14 section and designate whether each appointive position is for a two year or  
15 four year term. If the ~~fund-manager~~ BOARD OF TRUSTEES cannot find  
16 individuals to serve on the local board who meet the requirements of  
17 subsection A of this section, the ~~fund-manager~~ BOARD OF TRUSTEES may appoint  
18 individuals to serve as interim local board members until qualified  
19 individuals are appointed or elected. Each local board shall meet at least  
20 twice a year. Each member of a local board, within ten days after the  
21 member's appointment or election, shall take an oath of office that, so far  
22 as it devolves on the member, the member shall diligently and honestly  
23 administer the affairs of the local board and that the member shall not  
24 knowingly violate or willingly permit to be violated any of the provisions of  
25 law applicable to the system.

26           D. Except as limited by subsection E of this section, a local board  
27 shall have such powers as may be necessary to discharge the following duties:

28           1. To decide all questions of eligibility and service credits, and  
29 determine the amount, manner and time of payment of any benefits under the  
30 system.

31           2. To prescribe procedures to be followed by claimants in filing  
32 applications for benefits.

33           3. To make a determination as to the right of any claimant to a  
34 benefit and to afford any claimant or the board of trustees, or both, a right  
35 to a rehearing on the original determination. Unless all parties involved in  
36 a matter presented to the local board for determination otherwise agree, the  
37 local board shall commence a hearing on the matter within ninety days after

1 the date the matter is presented to the local board for determination. If a  
2 local board fails to commence a hearing as provided in this paragraph, on a  
3 matter presented to the local board for determination, the relief demanded by  
4 the party petitioning the local board is deemed granted and approved by the  
5 local board. The granting and approval of this relief is considered final  
6 and binding unless a timely request for rehearing or appeal is made as  
7 provided in this article, unless the ~~fund-manager~~ BOARD OF TRUSTEES  
8 determines that granting the relief requested would violate the internal  
9 revenue code or threaten to impair the system's status as a qualified plan  
10 under the internal revenue code. If the ~~fund-manager~~ BOARD OF TRUSTEES  
11 determines that granting the requested relief would violate the internal  
12 revenue code or threaten to impair the system's status as a qualified plan,  
13 the ~~fund-manager~~ BOARD OF TRUSTEES may refuse to grant the relief by issuing  
14 a written determination to the local board and the party petitioning the  
15 local board for relief. The decision by the ~~fund-manager~~ BOARD OF TRUSTEES  
16 is subject to judicial review pursuant to title 12, chapter 7, article 6.

17 4. To request and receive from the employers and from members such  
18 information as is necessary for the proper administration of the system and  
19 action on claims for benefits and to forward such information to the board of  
20 trustees.

21 5. To distribute, in such manner as the local board determines to be  
22 appropriate, information explaining the system received from the board of  
23 trustees.

24 6. To furnish the employer, the board of trustees and the legislature,  
25 on request, with such annual reports with respect to the administration of  
26 the system as are reasonable and appropriate.

27 7. To receive and review the actuarial valuation of the system for its  
28 group of members.

29 8. To receive and review reports of the financial condition and of the  
30 receipts and disbursements of the fund from the board of trustees.

31 9. To appoint medical boards as provided in section 38-859.

32 10. To sue and be sued to effectuate the duties and responsibilities  
33 set forth in this article.

34 E. A local board shall have no power to add to, subtract from, modify  
35 or waive any of the terms of the system, change or add to any benefits  
36 provided by the system or waive or fail to apply any requirement of  
37 eligibility for membership or benefits under the system. Notwithstanding any

1 limitations periods imposed in this article, including subsection D,  
2 paragraph 3 and subsections G and H of this section, if the ~~fund-manager~~  
3 BOARD OF TRUSTEES determines a local board decision violates the internal  
4 revenue code or threatens to impair the system's status as a qualified plan  
5 under the internal revenue code, the local board's decision is not final and  
6 binding and the ~~fund-manager~~ BOARD OF TRUSTEES may refrain from implementing  
7 or complying with the local board decision.

8 F. A local board, from time to time, shall establish and adopt such  
9 rules as it deems necessary or desirable for its administration. All rules  
10 and decisions of a local board shall be uniformly and consistently applied to  
11 all members in similar circumstances. If a claim or dispute is presented to  
12 a local board for determination but the local board has not yet adopted  
13 uniform rules of procedure for adjudication of the claim or dispute, the  
14 local board shall adopt and use the model uniform rules of local board  
15 procedure that are issued by the board of trustees' fiduciary counsel to  
16 adjudicate the claim or dispute.

17 G. Except as otherwise provided in this article, any action by a  
18 majority vote of the members of a local board that is not inconsistent with  
19 the provisions of the system and the internal revenue code shall be final,  
20 conclusive and binding on all persons affected by it unless a timely  
21 application for a rehearing or appeal is filed as provided in this article.  
22 No later than twenty business days after taking action, the local board shall  
23 submit to the ~~fund-manager~~ BOARD OF TRUSTEES the name of the member affected  
24 by its decision, a description of the action taken and an explanation of the  
25 reasons supporting the local board's action. The ~~fund-manager~~ BOARD OF  
26 TRUSTEES may not implement and comply with any local board action that does  
27 not comply with the internal revenue code or that threatens to jeopardize the  
28 system's status as a qualified plan under the internal revenue code.

29 H. A claimant or the board of trustees may apply for a rehearing  
30 before the local board within the time periods prescribed in this subsection,  
31 except that if a decision of a local board violates the internal revenue code  
32 or threatens to jeopardize the system's status as a qualified plan under the  
33 internal revenue code, no limitation period for the ~~fund-manager~~ BOARD OF  
34 TRUSTEES to seek a rehearing of a local board decision applies. An  
35 application for a rehearing shall be filed in writing with a member of the  
36 local board or its secretary within sixty days after:

1           1. The applicant-claimant receives notification of the local board's  
2 original action by certified mail, by attending the meeting at which the  
3 action is taken or by receiving benefits from the system pursuant to the  
4 local board's original action, whichever occurs first.

5           2. The applicant-board of trustees receives notification of the local  
6 board's original action as prescribed by subsection G of this section by  
7 certified mail.

8           I. A hearing before a local board on a matter remanded from the  
9 superior court is not subject to a rehearing before the local board.

10          J. Decisions of local boards are subject to judicial review pursuant  
11 to title 12, chapter 7, article 6.

12          K. When making a ruling, determination or calculation, the local board  
13 shall be entitled to rely on information furnished by the employer, the board  
14 of trustees, independent legal counsel or the actuary for the system.

15          L. Each member of a local board is entitled to one vote. A majority  
16 are necessary for a decision by the members of a local board at any meeting  
17 of the local board.

18          M. The local board shall adopt such bylaws as it deems desirable. The  
19 local board shall elect a secretary who may, but need not, be a member of the  
20 local board. The secretary of the local board shall keep a record and  
21 prepare minutes of all meetings, forward the minutes to the board of trustees  
22 within forty-five days after each meeting and forward all necessary  
23 communications to the board of trustees.

24          N. The fees of the medical board and of the local board's independent  
25 legal counsel and all other expenses of the local board necessary for the  
26 administration of the system shall be paid by the employer and not the ~~fund~~  
27 ~~manager~~ BOARD OF TRUSTEES or system at such rates and in such amounts as the  
28 local board shall approve. Legal counsel that is employed by the local board  
29 is independent of the employer and any employee organization or member and  
30 owes its duty of loyalty only to the local board in connection with its  
31 representation of the local board.

32          O. The local board shall issue directions to the board of trustees  
33 concerning all benefits that are to be paid from the employer's account  
34 pursuant to the provisions of the fund. The local board shall keep on file,  
35 in such manner as it may deem convenient or proper, all reports from the  
36 board of trustees and the actuary.



1 P. The local board and the individual members of the local board shall  
2 be indemnified from the assets of the employer for any judgment against the  
3 local board or its members, including attorney fees and costs, arising from  
4 any act, or failure to act, made in good faith pursuant to the provisions of  
5 the system, including expenses reasonably incurred in the defense of any  
6 claim relating to the act or failure to act.

7 Sec. 7. Section 41-790, Arizona Revised Statutes, is amended to read:

8 41-790. Definitions

9 In this article, unless the context otherwise requires:

10 1. "Building renewal" means major activities that involve the repair  
11 or reworking of a building and the supporting infrastructure that will result  
12 in maintaining a building's expected useful life. Building renewal does not  
13 include new building additions, new infrastructure additions, landscaping and  
14 area beautification, routine maintenance or demolition and removal of a  
15 building.

16 2. "Building system" means a group of buildings ~~which~~ THAT together  
17 constitute a single unit for purposes of planning, land acquisition,  
18 construction or building renewal.

19 3. "Capital projects" means buildings, structures, facilities and  
20 areas constructed for the use or benefit of this state.

21 4. "Infrastructure" means nonbuilding improvements that directly  
22 support operating a facility that is listed in the annual building system  
23 such as utility delivery systems, roadway systems, external lighting systems,  
24 irrigation systems, sidewalks and parking lots.

25 5. "Land acquisition" means the procurement of real property by gift,  
26 grant, purchase, lease purchase, condemnation or other lawful means.

27 6. "SECURITY" MEANS SECURITY SERVICES RELATED TO BUILDING OPERATION  
28 AND MAINTENANCE FUNCTIONS PROVIDED BY THE DEPARTMENT.

29 ~~6-~~ 7. "State capitol building" means:

30 (a) The original 1898 statehouse known as the state capitol museum.

31 (b) The 1919 state capitol wing and the 1938 state capitol justice  
32 addition known jointly as the legislative services wing.

33 (c) The house of representatives wing.

34 (d) The senate wing.

35 (e) The west wing known as the state capitol executive tower.

36 Sec. 8. Repeal

37 Sections 41-794 and 41-795, Arizona Revised Statutes, are repealed.

1           Sec. 9. Section 41-796, Arizona Revised Statutes, is amended to read:

2           41-796. Regulation of traffic and parking; monetary penalties;  
3           hearing; state traffic and parking control fund;  
4           definition

5           A. The department of administration may adopt and administratively  
6           enforce rules for the control of vehicles on state property with respect only  
7           to the following:

- 8           1. Maximum speed of vehicles.
- 9           2. Direction of travel.
- 10          3. Place, method and time of parking.
- 11          4. Nonparking areas.
- 12          5. Designation of special parking areas for state employees and the

13          general public.

14          6. Prohibiting parking in vehicle emissions control areas as defined  
15          in section 49-541 of those vehicles which fail to comply with section 49-542.

16          B. The department shall adopt and administratively enforce rules  
17          requiring the designation of preferential parking areas, such as reserved,  
18          close-in or covered parking, to state employees with offices in vehicle  
19          emissions control areas as defined in section 49-541 who are car pool  
20          operators as defined in section 28-4032 or who drive vehicles powered by  
21          alternative fuel as defined in section 1-215.

22          C. The department may prescribe and collect reasonable monetary  
23          penalties for violations of the rules adopted pursuant to subsection A of  
24          this section.

25          D. The department shall:

- 26          1. Cause signs, markings and notices to be posted on the property for  
27          the regulation of vehicles.
- 28          2. Maintain parking lots and structures.

29          E. ~~Police personnel shall be authorized to issue a notice to appear~~  
30          ~~for an alleged violation in the form adopted by the department directing a~~  
31          ~~person accused of violating a rule for control of vehicles on state property~~  
32          ~~adopted pursuant to this section to appear at a designated place to contest~~  
33          ~~the allegation of violation or to admit the violation and pay a penalty.~~  
34          Upon ON THE failure of a person ~~served with a notice under~~ WHO IS ISSUED A  
35          CITATION FOR A VIOLATION OF A RULE ADOPTED PURSUANT TO this section to  
36          appear, the administrative law judge may proceed to determine whether a  
37          violation has occurred and, if so, the penalty to be imposed.

1 F. Penalties ~~which~~ THAT are imposed pursuant to this section and ~~which~~  
2 THAT are not paid within the time prescribed by the administrative law judge  
3 may be collected by an action filed with the justice court.

4 G. A state traffic and parking control fund is established consisting  
5 of monetary penalties collected pursuant to this section. The department  
6 shall administer the fund. Monies in the fund are continuously appropriated  
7 and are exempt from the provisions of section 35-190 relating to lapsing of  
8 appropriations.

9 H. All monetary penalties collected by the department for violations  
10 of the rules adopted pursuant to subsection A of this section shall be  
11 deposited in the state traffic and parking control fund.

12 I. Except as provided in section 41-1092.08, subsection H, a person  
13 who has received a final administrative ruling concerning a penalty imposed  
14 on the person as a result of a violation of a rule adopted pursuant to this  
15 section may have that ruling reviewed by the superior court in the county in  
16 which the institution involved is located pursuant to title 12, chapter 7,  
17 article 6.

18 J. ~~As used in~~ FOR THE PURPOSES OF this section, "state property" means  
19 property ~~which~~ THAT is the responsibility of the department under section  
20 41-791 and property ~~which~~ THAT is the responsibility of the speaker of the  
21 house of representatives or the president of the senate under section  
22 41-1304.05.

23 Sec. 10. Section 41-1304, Arizona Revised Statutes, is amended to  
24 read:

25 41-1304. Powers and duties

26 A. The legislative council shall:

27 1. Provide bill drafting, research and other services to the  
28 legislature deemed necessary or advisable by the council to improve the  
29 quality of legislation and to ensure full participation by the legislative  
30 branch in determining and reviewing policy and the administration of state  
31 affairs.

32 2. Adopt rules and formulate policies for the administration of this  
33 article and for the conduct of the affairs of the council.

34 3. Appoint ~~such~~ clerical, stenographic, technical and professional  
35 assistants deemed necessary or advisable to carry out the provisions of this  
36 article, ~~and~~ fix their compensation and prescribe their powers and duties.

1           4. Consult with state departments or officers engaged in carrying out  
2 construction programs authorized by law, and investigate the conduct of the  
3 programs, with particular reference to the plans for and type of  
4 construction.

5           5. Maintain a legislative reference library, containing legal,  
6 statistical and descriptive data and authoritative philosophical and  
7 scientific treatises on current and potential legislative subjects.

8           6. Procure information at the request of members of the legislature or  
9 state officers on any legislative subject.

10          7. Prepare or revise bills and other legislative measures for members  
11 or committees of the legislature and, on request of a member of the  
12 legislature, for state officers and agencies.

13          8. Prepare and issue styles and forms for drafting bills, amendments  
14 and other legislative measures for the use of the legislature, state officers  
15 and persons interested in drafting amendments and bills or measures for  
16 introduction in the legislature. The styles and forms for drafting  
17 amendments shall be developed and adopted in consultation and cooperation  
18 with the senate and the house of representatives.

19          9. Prepare and file with the secretary of state, not later than sixty  
20 days preceding the regular primary election, an analysis of the provisions of  
21 each ballot proposal of a measure or proposed amendment.

22          B. The legislative council may purchase, lease and otherwise acquire  
23 land and buildings and make improvements to land and buildings it acquires or  
24 uses for the purpose of providing suitable facilities for the use of the  
25 legislative department. The council may obtain operational, ~~AND~~ maintenance  
26 ~~and security~~ assistance for any legislative facilities without charge from  
27 the department of administration, **MAY OBTAIN SECURITY ASSISTANCE FROM THE**  
28 **DEPARTMENT OF PUBLIC SAFETY**, may employ personnel to discharge ~~such~~  
29 **OPERATIONAL, MAINTENANCE AND SECURITY** functions or may contract for outside  
30 services payable from council appropriations.

31          Sec. 11. Section 41-1304.05, Arizona Revised Statutes, is amended to  
32 read:

33          41-1304.05. State capitol building areas and other facilities;  
34 jurisdiction; maintenance; definition

35          A. The legislative council is responsible for the allocation of space,  
36 operation, alteration, renovation and control of the following:

1           1. The original 1898 statehouse area of the state capitol building  
2 known as the state capitol museum.

3           2. The 1919 wing and the 1938 justice addition of the state capitol  
4 building known jointly as the legislative services wing.

5           3. The public records retention center and the grounds adjacent to it.

6           4. Any other facility acquired for legislative use and placed under  
7 legislative council jurisdiction and the grounds adjacent to it.

8           5. Except as provided in subsections B and C of this section, the  
9 grounds adjacent to the state capitol museum, the legislative services wing,  
10 the house of representatives wing and the senate wing and comprising the area  
11 east of the state capitol executive tower with a northern boundary of west  
12 Adams street, an eastern boundary of Seventeenth avenue and a southern  
13 boundary of west Jefferson street in Phoenix, Arizona.

14           B. The speaker of the state house of representatives is responsible  
15 for the following:

16           1. The allocation of space, operation, alteration, renovation and  
17 control of the house of representatives wing of the state capitol building.

18           2. The allocation of space and control of the parking lot area  
19 adjacent to the house of representatives wing, the parking lot area with a  
20 southern boundary of west Adams street, an eastern boundary of Seventeenth  
21 avenue and a northern boundary of west Monroe street in Phoenix, Arizona and  
22 comprised of one hundred five parking spaces and the southeast portion of the  
23 parking lot area with a southern boundary of west Monroe street and an  
24 eastern boundary of Seventeenth avenue in Phoenix, Arizona and comprised of  
25 fifty parking spaces.

26           C. The president of the state senate is responsible for the following:

27           1. The allocation of space, operation, alteration, renovation and  
28 control of the senate wing of the state capitol building.

29           2. The allocation of space and control of the parking lot area  
30 adjacent to the senate wing and the southwest portion of the parking lot area  
31 of the Wesley Bolin memorial plaza east of the state capitol building and  
32 comprised of one hundred twenty parking spaces.

33           D. The director of the department of administration is responsible for  
34 the maintenance of the entire state capitol building and the public records  
35 retention center subject to section 41-1304.

36           E. FOR THE PURPOSES OF THIS SECTION, "CONTROL" INCLUDES SECURITY  
37 SERVICES.



1 the scope of the department's duties and that relate to quality of life,  
2 trade and economic development in this state in a manner that will help the  
3 Arizona-Mexico commission to assess and enhance the economic competitiveness  
4 of this state and of the Arizona-Mexico region.

5 ~~9.~~ 10. Adopt and administer the breath, blood or other bodily  
6 substances test rules pursuant to title 28, chapter 4.

7 ~~10.~~ 11. Develop procedures to exchange information with the department  
8 of transportation for any purpose related to sections 28-1324, 28-1325,  
9 28-1326, 28-1462 and 28-3318.

10 ~~11.~~ 12. Collaborate with the state forester in presentations to  
11 legislative committees on issues associated with wildfire prevention,  
12 suppression and emergency management as provided by section 37-622,  
13 subsection B.

14 B. The director may:

15 1. Issue commissions to officers of the department.

16 2. Request the cooperation of the utilities, communication media and  
17 public and private agencies and any sheriff or other peace officer in any  
18 county or municipality, within the limits of their respective jurisdictions  
19 when necessary, to aid and assist in the performance of any duty imposed by  
20 this chapter.

21 3. Cooperate with any public or private agency or person to receive or  
22 give necessary assistance and may contract for such assistance subject to  
23 legislative appropriation controls.

24 4. Utilize the advice of the board and cooperate with sheriffs, local  
25 police and peace officers within the state for the prevention and discovery  
26 of crimes, the apprehension of criminals and the promotion of public safety.

27 5. Acquire in the name of the state, either in fee or lesser estate or  
28 interest, all real or any personal property that the director considers  
29 necessary for the department's use, by purchase, donation, dedication,  
30 exchange or other lawful means. All acquisitions of personal property  
31 pursuant to this paragraph shall be made as prescribed in chapter 23 of this  
32 title unless otherwise provided by law.

33 6. Dispose of any property, real or personal, or any right, title or  
34 interest in the property, when the director determines that the property is  
35 no longer needed or necessary for the department's use. Disposition of  
36 personal property shall be as prescribed in chapter 23 of this title. The  
37 real property shall be sold by public auction or competitive bidding after

1 notice published in a daily newspaper of general circulation, not less than  
2 three times, two weeks before the sale and subject to the approval of the  
3 director of the department of administration. When real property is sold, it  
4 shall not be sold for less than the appraised value as established by a  
5 competent real estate appraiser. Any monies derived from the disposal of  
6 real or personal property shall be deposited, pursuant to sections 35-146 and  
7 35-147, in the Arizona highway patrol fund as authorized by section 41-1752,  
8 subsection B, paragraph 6.

9 7. Sell, lend or lease personal property directly to any state, county  
10 or local law enforcement agency. Personal property may be sold or leased at  
11 a predetermined price without competitive bidding. Any state, county or  
12 local law enforcement agency receiving personal property may not resell or  
13 lease the property to any person or organization except for educational  
14 purposes.

15 8. Dispose of surplus property by transferring the property to the  
16 department of administration for disposition to another state budget unit or  
17 political subdivision if the state budget unit or political subdivision is  
18 not a law enforcement agency.

19 9. Lease or rent personal property directly to any state law  
20 enforcement officer for the purpose of traffic safety, traffic control or  
21 other law enforcement related activity.

22 10. Sell for one dollar, without public bidding, the department issued  
23 handgun or shotgun to a department officer on duty related retirement  
24 pursuant to title 38, chapter 5, article 4. Any monies derived from the sale  
25 of the handgun or shotgun to the retiring department officer shall be  
26 deposited, pursuant to sections 35-146 and 35-147, in the Arizona highway  
27 patrol fund as authorized by section 41-1752, subsection B, paragraph 6.

28 11. Conduct state criminal history records checks for the purpose of  
29 updating and verifying the status of current licensees or registrants who  
30 have a license or certificate issued pursuant to title 32, chapter 26. The  
31 director shall investigate, on receipt, credible evidence that a licensee or  
32 registrant has been arrested for, charged with or convicted of an offense  
33 that would preclude the person from holding a registration certificate issued  
34 pursuant to title 32, chapter 26.

35 12. Grant a maximum of two thousand eighty hours of industrial injury  
36 leave to any sworn department employee who is injured in the course of the  
37 employee's duty, any civilian department employee who is injured in the



1 course of performing or assisting in law enforcement or hazardous duties or  
2 any civilian department employee who was injured as a sworn department  
3 employee rehired after August 9, 2001 and would have been eligible pursuant  
4 to this paragraph and whose work-related injury prevents the employee from  
5 performing the normal duties of that employee's classification. This  
6 industrial injury leave is in addition to any vacation or sick leave earned  
7 or granted to the employee and does not affect the employee's eligibility for  
8 any other benefits, including workers' compensation. The employee is not  
9 eligible for payment pursuant to section 38-615 of industrial injury leave  
10 that is granted pursuant to this paragraph. Subject to approval by the law  
11 enforcement merit system council, the director shall adopt rules and  
12 procedures regarding industrial injury leave hours granted pursuant to this  
13 paragraph.

14 13. Sell at current replacement cost, without public bidding, the  
15 department issued badge of authority to an officer of the department ~~upon~~ ON  
16 the officer's promotion or separation from the department. Any monies  
17 derived from the sale of the badge to an officer shall be deposited, pursuant  
18 to sections 35-146 and 35-147, in the department of public safety  
19 administration fund to offset replacement costs.

20 C. The director and any employees of the department that the director  
21 designates in writing may use the seal adopted pursuant to subsection A,  
22 paragraph ~~6- 7~~ of this section to fully authenticate any department records  
23 and copies of these records. These authenticated records or authenticated  
24 copies of records shall be judicially noticed and shall be received in  
25 evidence by the courts of this state without any further proof of their  
26 authenticity.

27 Sec. 13. Title 41, chapter 12, article 2, Arizona Revised Statutes, is  
28 amended by adding section 41-1725, to read:

29 41-1725. Capitol police administrative towing fund

30 THE CAPITOL POLICE ADMINISTRATIVE TOWING FUND IS ESTABLISHED CONSISTING  
31 OF MONIES DEPOSITED PURSUANT TO SECTION 28-3513. THE DEPARTMENT SHALL  
32 ADMINISTER THE FUND. THE MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED  
33 AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF  
34 APPROPRIATIONS. THE MONIES IN THE FUND MAY BE USED BY THE CAPITOL POLICE FOR  
35 LAW ENFORCEMENT PURPOSES.

1           Sec. 14. Termination of department of administration local  
2                           board; transfer of personnel, records and equipment;  
3                           transfer of retirement assets; study

4           A. The department of administration public safety personnel retirement  
5 system local board is terminated. The department of administration shall  
6 transfer the records of employees who are currently members of the public  
7 safety personnel retirement system to the department of public safety public  
8 safety personnel retirement system local board.

9           B. All equipment, records, furnishings, vehicles and other property,  
10 all data and investigative findings and all appropriated and nonappropriated  
11 monies that remain unexpended and unencumbered on the effective date of this  
12 act that relate to the capitol police are transferred from the department of  
13 administration to the department of public safety. All equipment, records,  
14 furnishings, vehicles and other property that are transferred pursuant to  
15 this subsection shall not be upgraded at the time of transfer unless the  
16 legislature approves the upgrade.

17           C. All personnel who are under the state personnel system and employed  
18 by the department of administration as capitol police personnel are  
19 transferred to the department of public safety to classifications approved by  
20 the law enforcement merit system council.

21           D. The administrator of the public safety personnel retirement system  
22 shall transfer the assets in the public safety personnel retirement system  
23 department of administration account to the public safety personnel  
24 retirement system department of public safety account."

25 Amend title to conform

DON SHOOTER

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