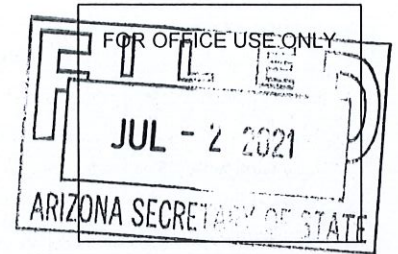




STATE OF ARIZONA

Application for Serial Number
Referendum Petition
A.R.S. § 19-111



The undersigned intends to circulate and file a referendum petition and hereby makes application for the issuance of an official serial number to be printed in the lower right-hand corner of each side of each signature sheet of such petition.

Measure to be Referred SB1827, Sec. 4
Date of Application 7/2/2021
Signatures Required 118,823
Deadline for Filing 9/28/2021
Serial Number Issued R-04-2021

This petition seeks to refer Section 4 of 2021 Laws, Chapter 411 (SB 1827). Section 4 creates a maximum combined individual income tax rate of 4.5%, inclusive of the regular income tax imposed by A.R.S. § 43-1011 and the 3.5% income tax surcharge imposed by A.R.S. § 43-1013 (which was approved by Arizona voters in 2020 as Proposition 208).

Dacey Montoya

Name of Applicant

P.O. Box 97241

Address

Phoenix AZ 85060

City

State

Zip

602-228-8902

Telephone Number

dacey@tmwcompliance.com

E-mail Address

Invest in Arizona (Sponsored by AEA and Stand for Children)

Committee Name

100204

Committee ID No.

Amber Gould

Chairperson

Dacey Montoya

Treasurer

2828 N Central Ave Fl 10

Committee Address

Phoenix AZ 85004

City

State

Zip

602-228-8902

Committee Telephone Number

dacey@tmwcompliance.com

Committee E-mail Address

By submitting this Application for Serial Number and checking all boxes below, I acknowledge the following:

[X] That I have received and will review the accompanying Instructions for Statewide Referenda, including the Secretary of State's recommended best practices for printing copies of the Statewide Referendum Petition to be circulated.

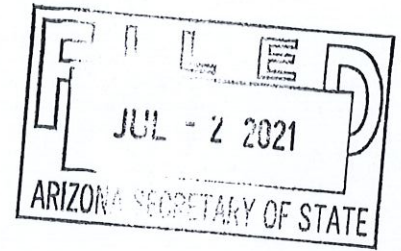
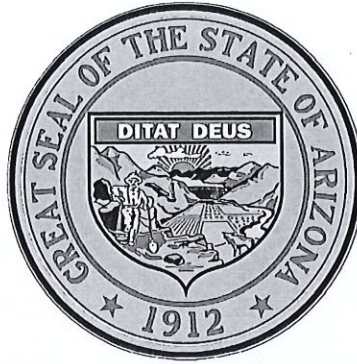
[X] That at the time of filing, I was provided instructions regarding accurate completion of the Statewide Referendum Petition form.

[Handwritten Signature]

Applicant Signature

07/02/2021

Date



Instructions for Statewide Referenda Application for Serial Number and Best Practices for Printing and Circulating Petitions

Statement of Organization

At the time of submitting an Application for Serial Number, the individual or organization wishing to refer a measure to the ballot must either file a Statement of Organization using the Secretary of State's Campaign Finance Filing System or designate an existing (non-candidate) committee to act as the referendum's sponsor. The Secretary of State will not accept an Application without an accompanying statement or designation.

Application for Serial Number

All individuals or organizations wishing to refer a measure to the ballot must submit an Application for Serial Number stating their intent to circulate a statewide referendum petition.

To complete the PDF application, please enter all required fields including:

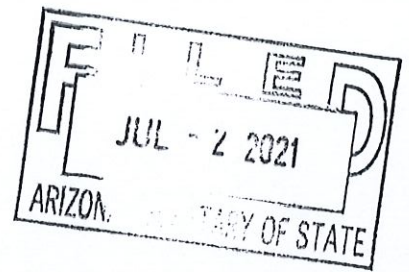
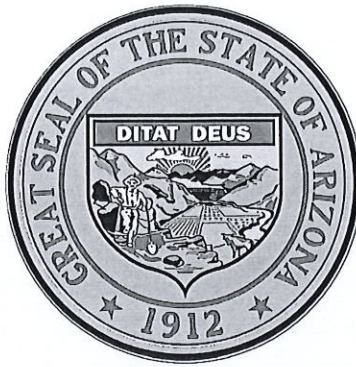
- The bill number to be referred (*e.g.* – H.B. #####);
- A no more than 100-word description of the principal provisions of the measure to be referred, which will be printed on the front of each petition sheet; and
- All information required to identify the referendum applicant and sponsoring committee.

Application Procedure

Upon receipt of an Application, the Secretary of State will complete the remainder of the form and issue a unique serial number to be printed on the front and back of each petition sheet. The Secretary of State will also provide instructions regarding proper completion of the Statewide Referendum Petition form.

Please note:

- An Application for Serial Number will not be accepted unless the applicant has checked both disclaimer boxes and provided a signature as an acknowledgment of the required printing and circulating procedures.
- At the time of submission, an Application for Serial Number must include the accompanying title and text of the measure to be referred.
- The minimum number of signatures required to refer a measure to the ballot is equal to 5% of the number of votes cast at the last gubernatorial election.
- The deadline to file referendum petition signatures is no later than 90 days after *sine die* (the date of adjournment of the legislative session in which the measure was passed).
- Any revision to the title and text or 100-word description requires a new Application for Serial Number to be filed. All previous versions and signatures collected will be considered invalid.



Recommended Best Practices for Printing and Circulating Petitions

The Statewide Referendum Petition form is designed to be compatible with electronic petition review technology and verification procedures. The Secretary of State's Office recommends the following best practices for printing and circulating petitions to ensure optimal verification and processing. Failure to adhere to these practices may result in reduced document integrity, which may inhibit the Secretary of State's ability to efficiently and accurately process the petitions.

1. Print Resolution of 600dpi or Higher:

The Secretary of State's Office recommends that petitions be printed at a resolution of 600dpi or higher to preserve print integrity and assist in the digital scanning and review process. This will ensure that the form field lines on the petition remain intact, and that information provided by the committee (such as the initiative description and petition serial number) is clearly printed for inspection by petitioners.

2. Print from Digital File Only – Do Not Photocopy

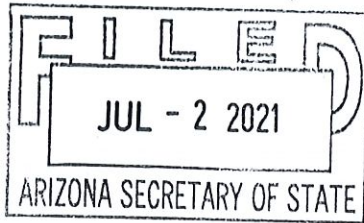
It is recommended that petitions be duplicated only by means of digital printing and should not be photocopied. Photocopied petitions may result in a degraded image, including the loss of information capture boxes, pixelated text or irregularities that may obstruct scanning capability. To avoid document degradation, please print petitions from a digital file only.

3. Instructions to Signers

Circulators should instruct petition signers to write in the center of (and within) the information capture boxes to ensure that signature and identifying information is easily discernable by the petition processing software. Signers should avoid letting information bleed over to adjacent rows, and should sign with blue or black ink.

4. Circulator ID Number

Paid and out-of-state circulators are strongly encouraged to print their Registered Circulator ID Number on the front and back side of each petition sheet. Failure to include the Registered Circulator ID Number will not (by itself) invalidate the petition sheet, but greatly inhibits the Secretary of State's ability to efficiently and accurately process the petition.



Senate Engrossed

revenue; budget reconciliation; 2021-2022

FILED
KATIE HOBBS
SECRETARY OF STATE

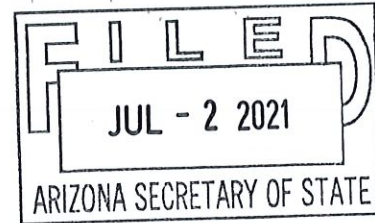
State of Arizona
Senate
Fifty-fifth Legislature
First Regular Session
2021

CHAPTER 411
SENATE BILL 1827

AN ACT

AMENDING TITLE 23, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 11; AMENDING SECTION 42-5029, ARIZONA REVISED STATUTES; REPEALING SECTION 42-5041, ARIZONA REVISED STATUTES; AMENDING SECTION 43-1011, ARIZONA REVISED STATUTES; AMENDING LAWS 2016, CHAPTER 125, SECTION 21, AS AMENDED BY LAWS 2017, CHAPTER 215, SECTION 1; AMENDING LAWS 2016, CHAPTER 125, SECTION 22, AS AMENDED BY LAWS 2017, CHAPTER 215, SECTION 2; AMENDING LAWS 2016, CHAPTER 125, SECTION 26, AS AMENDED BY LAWS 2017, CHAPTER 215, SECTION 3; AMENDING LAWS 2016, CHAPTER 125, SECTION 28, AS AMENDED BY LAWS 2017, CHAPTER 215, SECTION 4; APPROPRIATING MONIES; RELATING TO REVENUE BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Title 23, Arizona Revised Statutes, is amended by adding
3 chapter 11, to read:

4 CHAPTER 11

5 MUNICIPAL FIREFIGHTER CANCER REIMBURSEMENT

6 ARTICLE 1. GENERAL PROVISIONS

7 23-1701. Definitions

8 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "COMMISSION" MEANS THE INDUSTRIAL COMMISSION OF ARIZONA.

10 2. "FIREFIGHTER" HAS THE SAME MEANING PRESCRIBED IN SECTION
11 23-901.09.

12 3. "FIRE INVESTIGATOR" HAS THE SAME MEANING PRESCRIBED IN SECTION
13 23-901.09.

14 4. "FUND" MEANS THE MUNICIPAL FIREFIGHTER CANCER REIMBURSEMENT
15 FUND.

16 5. "MUNICIPAL PAYOR" MEANS ANY OF THE FOLLOWING:

17 (a) A WORKERS' COMPENSATION INSURER USED BY A CITY OR TOWN.

18 (b) A SELF-INSURANCE PROGRAM APPROVED PURSUANT TO SECTION 23-961
19 USED BY A CITY OR TOWN.

20 (c) A PUBLIC AGENCY POOL THAT IS ESTABLISHED PURSUANT TO SECTION
21 11-952.01 AND THAT IS USED BY A CITY OR TOWN.

22 23-1702. Municipal firefighter cancer reimbursement fund;
23 exemption; rulemaking; annual report

24 A. THE MUNICIPAL FIREFIGHTER CANCER REIMBURSEMENT FUND IS
25 ESTABLISHED CONSISTING OF MONIES DEPOSITED IN THE FUND PURSUANT TO SECTION
26 23-1703. THE COMMISSION SHALL ADMINISTER THE FUND. MONIES IN THE FUND
27 SHALL BE USED TO REIMBURSE MUNICIPAL PAYORS FOR THE COMPENSATION AND
28 BENEFITS PAID BY MUNICIPAL PAYORS TO MUNICIPAL FIREFIGHTERS AND MUNICIPAL
29 FIRE INVESTIGATORS UNDER SECTION 23-901.09 FOR:

30 1. COMPENSATION FOR TEMPORARY PARTIAL DISABILITY, PERMANENT PARTIAL
31 DISABILITY AND LOST EARNING CAPACITY AS PRESCRIBED IN SECTION 23-1044.

32 2. COMPENSATION FOR TEMPORARY TOTAL DISABILITY AND PERMANENT TOTAL
33 DISABILITY AS PRESCRIBED IN SECTION 23-1045.

34 3. MEDICAL, SURGICAL AND HOSPITAL BENEFITS AS PRESCRIBED IN SECTION
35 23-1062.

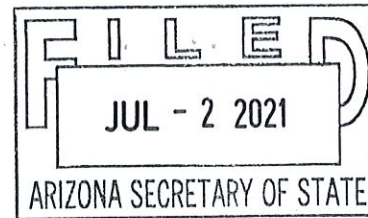
36 4. DEATH BENEFITS AS PRESCRIBED IN SECTION 23-1046.

37 B. THE FUND CONSISTS OF THE FOLLOWING:

38 1. FEES FROM CITIES AND TOWNS DEPOSITED PURSUANT TO SECTION
39 23-1703.

40 2. MONIES RECEIVED FROM ANY OTHER SOURCE, INCLUDING FEDERAL MONIES,
41 INVESTMENT INCOME AND PRIVATE GRANTS, GIFTS, CONTRIBUTIONS AND DEVICES.

42 C. THE COMMISSION SHALL ANNUALLY DISTRIBUTE THE MONIES IN THE FUND
43 ON A PRORATED BASIS BASED ON THE AMOUNT OF THE INDIVIDUAL COMPENSATION AND
44 BENEFITS PAID BY A MUNICIPAL PAYOR FOR COMPENSATION AND BENEFITS TO A
45 MUNICIPAL FIREFIGHTER OR MUNICIPAL FIRE INVESTIGATOR FOR A DISEASE,



1 INFIRMITY OR IMPAIRMENT AS PRESCRIBED IN SECTION 23-901.09 IN PROPORTION
2 TO THE STATEWIDE AGGREGATE OF ALL COMPENSATION AND BENEFITS PAID TO
3 MUNICIPAL FIREFIGHTERS AND MUNICIPAL FIRE INVESTIGATORS PURSUANT TO
4 SECTION 23-901.09 FOR THE FISCAL YEAR. THE COMMISSION MAY NOT REIMBURSE
5 MONIES FOR EXPENSES RELATING TO CASE MANAGEMENT, VOCATIONAL REHABILITATION
6 OR SIMILAR NONMEDICAL COSTS. THE PRORATED SHARE SHALL BE DISTRIBUTED TO
7 THE MUNICIPAL PAYORS ENTITLED TO A SHARE WITHOUT REGARD TO THE ORDER IN
8 WHICH THE RESPECTIVE COMPENSATION AND BENEFITS WERE PAID IN THE FISCAL
9 YEAR.

10 D. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT
11 FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
12 APPROPRIATIONS.

13 E. ON OR BEFORE JANUARY 1, 2022, THE COMMISSION SHALL ADOPT RULES
14 PURSUANT TO TITLE 41, CHAPTER 6 TO CARRY OUT THIS CHAPTER.

15 F. ON OR BEFORE APRIL 1 OF EACH YEAR, THE COMMISSION SHALL SUBMIT A
16 REPORT TO THE LEGISLATURE AND THE MUNICIPAL PAYORS REIMBURSED FROM THE
17 FUND ON THE FINANCIAL STATUS OF THE FUND. THE REPORT SHALL INCLUDE ALL OF
18 THE FOLLOWING:

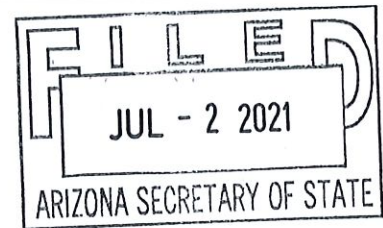
19 1. THE TOTAL NUMBER OF FUND REIMBURSEMENT CLAIMS THE COMMISSION
20 RECEIVED IN THE IMMEDIATELY PRECEDING FISCAL YEAR.

21 2. FOR THE IMMEDIATELY PRECEDING FISCAL YEAR, THE NUMBER OF FUND
22 REIMBURSEMENT CLAIMS APPROVED, THE TOTAL DOLLAR AMOUNT OF FUND
23 REIMBURSEMENT CLAIMS PAID BY THE FUND AND THE AMOUNT PAID TO EACH
24 MUNICIPAL PAYOR REIMBURSED BY THE FUND.

25 3. THE AMOUNT OF ANY ANTICIPATED SURPLUS IN THE FUND.
26 23-1703. Assessment

27 A. FROM AND AFTER JUNE 30, 2021, THE COMMISSION SHALL ASSESS AND
28 COLLECT FEES FROM CITIES AND TOWNS FOR DEPOSIT IN THE FUND. THE FEE SHALL
29 BE ASSESSED TO EACH CITY AND TOWN THAT RECEIVES STATE SHARED REVENUES
30 PURSUANT TO SECTIONS 42-5029 AND 43-206. THE TOTAL AMOUNT OF FEES FOR ALL
31 CITIES AND TOWNS MAY NOT EXCEED \$15,000,000 IN EACH FISCAL YEAR. THE
32 SHARE OF FEES ASSESSED IN EACH FISCAL YEAR TO EACH CITY AND TOWN SHALL BE
33 BASED ON THE POPULATION OF THE CITY OR TOWN AS DETERMINED BY THE MOST
34 RECENT POPULATION ESTIMATES OF THE UNITED STATES CENSUS BUREAU AS OF
35 JULY 1 IN PROPORTION TO THE TOTAL POPULATION OF ALL INCORPORATED CITIES
36 AND TOWNS.

37 B. THE COMMISSION SHALL ASSESS THE FEES UNDER THIS SECTION NOT
38 LATER THAN JULY 31 OF EACH YEAR, AND THE FEES ARE PAYABLE IMMEDIATELY ON
39 ASSESSMENT. IF A CITY OR TOWN FAILS TO PAY THE ASSESSMENT IN FULL ON OR
40 BEFORE SEPTEMBER 30, THE COMMISSION SHALL NOTIFY THE STATE TREASURER WHO
41 SHALL WITHHOLD THE DELINQUENT AMOUNT FROM THE DISTRIBUTION OF MONIES TO
42 THE APPROPRIATE CITY OR TOWN PURSUANT TO SECTIONS 42-5029 AND 43-206 AND
43 SHALL CONTINUE TO WITHHOLD MONIES UNTIL THE CITY OR TOWN HAS PAID THE
44 ENTIRE AMOUNT OF THE ASSESSMENT.



1 C. ALL MONIES PAID TO THE COMMISSION OR WITHHELD BY THE STATE
2 TREASURER FOR THE FEES ASSESSED PURSUANT TO THIS SECTION SHALL BE
3 DEPOSITED IN THE FUND.

4 D. CITIES AND TOWNS MAY MEET THEIR OBLIGATION FOR THE ASSESSMENT
5 FROM ANY SOURCE OF CITY OR TOWN REVENUE DESIGNATED BY THE APPROPRIATE CITY
6 OR TOWN. CITY AND TOWN PAYMENTS MADE PURSUANT TO THIS SECTION ARE
7 EXCLUDED FROM THE APPLICABLE EXPENDITURE LIMITATIONS.

8 Sec. 2. Section 42-5029, Arizona Revised Statutes, is amended to
9 read:

10 42-5029. Remission and distribution of monies; withholding;
11 definition

12 A. The department shall deposit, pursuant to sections 35-146 and
13 35-147, all revenues collected under this article and articles 4, 5 and 8
14 of this chapter pursuant to section 42-1116, separately accounting for:

15 1. Payments of estimated tax under section 42-5014, subsection D.

16 2. Revenues collected pursuant to section 42-5070.

17 3. Revenues collected under this article and article 5 of this
18 chapter from and after June 30, 2000 from sources located on Indian
19 reservations in this state.

20 4. Revenues collected pursuant to section 42-5010, subsection G and
21 section 42-5155, subsection D.

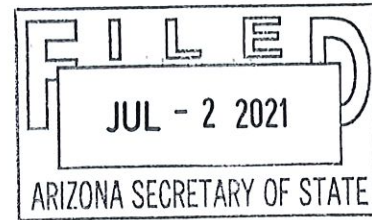
22 5. Revenues collected pursuant to section 42-5010.01 and section
23 42-5155, subsection E.

24 B. The department shall credit payments of estimated tax to an
25 estimated tax clearing account and each month shall transfer all monies in
26 the estimated tax clearing account to a fund designated as the transaction
27 privilege and severance tax clearing account. The department shall credit
28 all other payments to the transaction privilege and severance tax clearing
29 account, separately accounting for the monies designated as distribution
30 base under sections 42-5010, 42-5164 and 42-5205. Each month the
31 department shall report to the state treasurer the amount of monies
32 collected pursuant to this article and articles 4, 5 and 8 of this
33 chapter.

34 C. On notification by the department, the state treasurer shall
35 distribute the monies deposited in the transaction privilege and severance
36 tax clearing account in the manner prescribed by this section and by
37 sections 42-5164 and 42-5205, after deducting warrants drawn against the
38 account pursuant to sections 42-1118 and 42-1254.

39 D. Of the monies designated as distribution base, ~~and subject to~~
40 ~~the requirements of section 42-5041~~, the department shall:

41 1. Pay twenty-five percent to the various incorporated
42 municipalities in this state in proportion to their population to be used
43 by the municipalities for any municipal purpose.



1 2. Pay 38.08 percent to the counties in this state by averaging the
2 following proportions:

3 (a) The proportion that the population of each county bears to the
4 total state population.

5 (b) The proportion that the distribution base monies collected
6 during the calendar month in each county under this article, section
7 42-5164, subsection B and section 42-5205, subsection B bear to the total
8 distribution base monies collected under this article, section 42-5164,
9 subsection B and section 42-5205, subsection B throughout the state for
10 the calendar month.

11 3. Pay an additional 2.43 percent to the counties in this state as
12 follows:

13 (a) Average the following proportions:

14 (i) The proportion that the assessed valuation used to determine
15 secondary property taxes of each county, after deducting that part of the
16 assessed valuation that is exempt from taxation at the beginning of the
17 month for which the amount is to be paid, bears to the total assessed
18 valuations used to determine secondary property taxes of all the counties
19 after deducting that portion of the assessed valuations that is exempt
20 from taxation at the beginning of the month for which the amount is to be
21 paid. Property of a city or town that is not within or contiguous to the
22 municipal corporate boundaries and from which water is or may be withdrawn
23 or diverted and transported for use on other property is considered to be
24 taxable property in the county for purposes of determining assessed
25 valuation in the county under this item.

26 (ii) The proportion that the distribution base monies collected
27 during the calendar month in each county under this article, section
28 42-5164, subsection B and section 42-5205, subsection B bear to the total
29 distribution base monies collected under this article, section 42-5164,
30 subsection B and section 42-5205, subsection B throughout the state for
31 the calendar month.

32 (b) If the proportion computed under subdivision (a) of this
33 paragraph for any county is greater than the proportion computed under
34 paragraph 2 of this subsection, the department shall compute the
35 difference between the amount distributed to that county under paragraph 2
36 of this subsection and the amount that would have been distributed under
37 paragraph 2 of this subsection using the proportion computed under
38 subdivision (a) of this paragraph and shall pay that difference to the
39 county from the amount available for distribution under this paragraph.
40 Any monies remaining after all payments under this subdivision shall be
41 distributed among the counties according to the proportions computed under
42 paragraph 2 of this subsection.

43 4. After any distributions required by sections 42-5030,
44 42-5030.01, 42-5031, 42-5032, 42-5032.01 and 42-5032.02, and after making
45 any transfer to the water quality assurance revolving fund as required by



1 section 49-282, subsection B, credit the remainder of the monies
2 designated as distribution base to the state general fund. From this
3 amount the legislature shall annually appropriate to:

4 (a) The department of revenue sufficient monies to administer and
5 enforce this article and articles 5 and 8 of this chapter.

6 (b) The department of economic security monies to be used for the
7 purposes stated in title 46, chapter 1.

8 (c) The firearms safety and ranges fund established by section
9 17-273, fifty thousand dollars derived from the taxes collected from the
10 retail classification pursuant to section 42-5061 for the current fiscal
11 year.

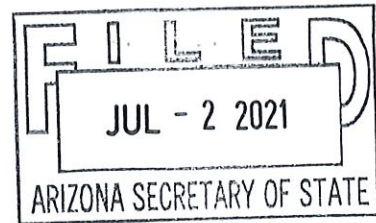
12 E. If approved by the qualified electors voting at a statewide
13 general election, all monies collected pursuant to section 42-5010,
14 subsection G and section 42-5155, subsection D shall be distributed each
15 fiscal year pursuant to this subsection. The monies distributed pursuant
16 to this subsection are in addition to any other appropriation, transfer or
17 other allocation of public or private monies from any other source and
18 shall not supplant, replace or cause a reduction in other school district,
19 charter school, university or community college funding sources. The
20 monies shall be distributed as follows:

21 1. If there are outstanding state school facilities revenue bonds
22 pursuant to title 15, chapter 16, article 7, each month one-twelfth of the
23 amount that is necessary to pay the fiscal year's debt service on
24 outstanding state school improvement revenue bonds for the current fiscal
25 year shall be transferred each month to the school improvement revenue
26 bond debt service fund established by section 15-2084. The total amount
27 of bonds for which these monies may be allocated for the payment of debt
28 service shall not exceed a principal amount of eight hundred million
29 dollars exclusive of refunding bonds and other refinancing obligations.

30 2. After any transfer of monies pursuant to paragraph 1 of this
31 subsection, twelve per cent of the remaining monies collected during the
32 preceding month shall be transferred to the technology and research
33 initiative fund established by section 15-1648 to be distributed among the
34 universities for the purpose of investment in technology and
35 research-based initiatives.

36 3. After the transfer of monies pursuant to paragraph 1 of this
37 subsection, three per cent of the remaining monies collected during the
38 preceding month shall be transferred to the workforce development account
39 established in each community college district pursuant to section 15-1472
40 for the purpose of investment in workforce development programs.

41 4. After transferring monies pursuant to paragraphs 1, 2 and 3 of
42 this subsection, one-twelfth of the amount a community college that is
43 owned, operated or chartered by a qualifying Indian tribe on its own
44 Indian reservation would receive pursuant to section 15-1472, subsection
45 D, paragraph 2 if it were a community college district shall be



1 distributed each month to the treasurer or other designated depository of
2 a qualifying Indian tribe. Monies distributed pursuant to this paragraph
3 are for the exclusive purpose of providing support to one or more
4 community colleges owned, operated or chartered by a qualifying Indian
5 tribe and shall be used in a manner consistent with section 15-1472,
6 subsection B. For the purposes of this paragraph, "qualifying Indian
7 tribe" has the same meaning as defined in section 42-5031.01,
8 subsection D.

9 5. After transferring monies pursuant to paragraphs 1, 2 and 3 of
10 this subsection, one-twelfth of the following amounts shall be transferred
11 each month to the department of education for the increased cost of basic
12 state aid under section 15-971 due to added school days and associated
13 teacher salary increases enacted in 2000:

- 14 (a) In fiscal year 2001-2002, \$15,305,900.
- 15 (b) In fiscal year 2002-2003, \$31,530,100.
- 16 (c) In fiscal year 2003-2004, \$48,727,700.
- 17 (d) In fiscal year 2004-2005, \$66,957,200.
- 18 (e) In fiscal year 2005-2006 and each fiscal year thereafter,
19 \$86,280,500.

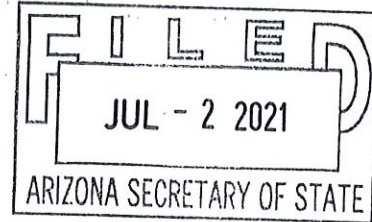
20 6. After transferring monies pursuant to paragraphs 1, 2 and 3 of
21 this subsection, seven million eight hundred thousand dollars is
22 appropriated each fiscal year, to be paid in monthly installments, to the
23 department of education to be used for school safety as provided in
24 section 15-154 and two hundred thousand dollars is appropriated each
25 fiscal year, to be paid in monthly installments to the department of
26 education to be used for the character education matching grant program as
27 provided in section 15-154.01.

28 7. After transferring monies pursuant to paragraphs 1, 2 and 3 of
29 this subsection, no more than seven million dollars may be appropriated by
30 the legislature each fiscal year to the department of education to be used
31 for accountability purposes as described in section 15-241 and title 15,
32 chapter 9, article 8.

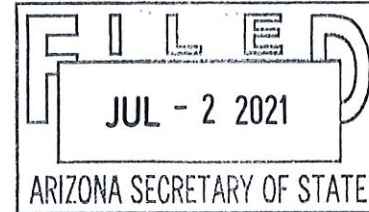
33 8. After transferring monies pursuant to paragraphs 1, 2 and 3 of
34 this subsection, one million five hundred thousand dollars is appropriated
35 each fiscal year, to be paid in monthly installments, to the failing
36 schools tutoring fund established by section 15-241.

37 9. After transferring monies pursuant to paragraphs 1, 2 and 3 of
38 this subsection, twenty-five million dollars shall be transferred each
39 fiscal year to the state general fund to reimburse the general fund for
40 the cost of the income tax credit allowed by section 43-1072.01.

41 10. After the payment of monies pursuant to paragraphs 1 through 9
42 of this subsection, the remaining monies collected during the preceding
43 month shall be transferred to the classroom site fund established by
44 section 15-977. The monies shall be allocated as follows in the manner
45 prescribed by section 15-977:



1 (a) Forty per cent shall be allocated for teacher compensation
2 based on performance.
3 (b) Twenty per cent shall be allocated for increases in teacher
4 base compensation and employee related expenses.
5 (c) Forty per cent shall be allocated for maintenance and operation
6 purposes.
7 F. The department shall credit the remainder of the monies in the
8 transaction privilege and severance tax clearing account to the state
9 general fund, subject to any distribution required by section 42-5030.01.
10 G. Notwithstanding subsection D of this section, if a court of
11 competent jurisdiction finally determines that tax monies distributed
12 under this section were illegally collected under this article or articles
13 5 and 8 of this chapter and orders the monies to be refunded to the
14 taxpayer, the department shall compute the amount of such monies that was
15 distributed to each city, town and county under this section. Each
16 city's, town's and county's proportionate share of the costs shall be
17 based on the amount of the original tax payment each municipality and
18 county received. Each month the state treasurer shall reduce the amount
19 otherwise distributable to the city, town and county under this section by
20 one thirty-sixth of the total amount to be recovered from the city, town
21 or county until the total amount has been recovered, but the monthly
22 reduction for any city, town or county shall not exceed ten percent of the
23 full monthly distribution to that entity. The reduction shall begin for
24 the first calendar month after the final disposition of the case and shall
25 continue until the total amount, including interest and costs, has been
26 recovered.
27 H. On receiving a certificate of default from the greater Arizona
28 development authority pursuant to section 41-2257 or 41-2258 and to the
29 extent not otherwise expressly prohibited by law, the state treasurer
30 shall withhold from the next succeeding distribution of monies pursuant to
31 this section due to the defaulting political subdivision the amount
32 specified in the certificate of default and immediately deposit the amount
33 withheld in the greater Arizona development authority revolving fund. The
34 state treasurer shall continue to withhold and deposit the monies until
35 the greater Arizona development authority certifies to the state treasurer
36 that the default has been cured. In no event may the state treasurer
37 withhold any amount that the defaulting political subdivision certifies to
38 the state treasurer and the authority as being necessary to make any
39 required deposits then due for the payment of principal and interest on
40 bonds of the political subdivision that were issued before the date of the
41 loan repayment agreement or bonds and that have been secured by a pledge
42 of distributions made pursuant to this section.
43 I. Except as provided by sections 42-5033 and 42-5033.01, the
44 population of a county, city or town as determined by the most recent
45 United States decennial census plus any revisions to the decennial census

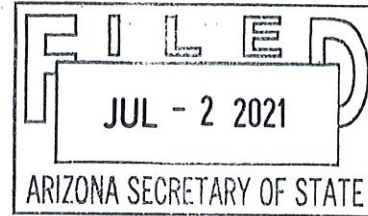


1 certified by the United States bureau of the census shall be used as the
2 basis for apportioning monies pursuant to subsection D of this section.

3 J. Except as otherwise provided by this subsection, on notice from
4 the department of revenue pursuant to section 42-6010, subsection B, the
5 state treasurer shall withhold from the distribution of monies pursuant to
6 this section to the affected city or town the amount of the penalty for
7 business location municipal tax incentives provided by the city or town to
8 a business entity that locates a retail business facility in the city or
9 town. The state treasurer shall continue to withhold monies pursuant to
10 this subsection until the entire amount of the penalty has been withheld.
11 The state treasurer shall credit any monies withheld pursuant to this
12 subsection to the state general fund as provided by subsection D,
13 paragraph 4 of this section. The state treasurer shall not withhold any
14 amount that the city or town certifies to the department of revenue and
15 the state treasurer as being necessary to make any required deposits or
16 payments for debt service on bonds or other long-term obligations of the
17 city or town that were issued or incurred before the location incentives
18 provided by the city or town.

19 K. On notice from the auditor general pursuant to section 9-626,
20 subsection D, the state treasurer shall withhold from the distribution of
21 monies pursuant to this section to the affected city the amount computed
22 pursuant to section 9-626, subsection D. The state treasurer shall
23 continue to withhold monies pursuant to this subsection until the entire
24 amount specified in the notice has been withheld. The state treasurer
25 shall credit any monies withheld pursuant to this subsection to the state
26 general fund as provided by subsection D, paragraph 4 of this section.

27 L. Except as otherwise provided by this subsection, on notice from
28 the attorney general pursuant to section 41-194.01, subsection B,
29 paragraph 1 that an ordinance, regulation, order or other official action
30 adopted or taken by the governing body of a county, city or town violates
31 state law or the Constitution of Arizona, the state treasurer shall
32 withhold the distribution of monies pursuant to this section to the
33 affected county, city or town and shall continue to withhold monies
34 pursuant to this subsection until the attorney general certifies to the
35 state treasurer that the violation has been resolved. The state treasurer
36 shall redistribute the monies withheld pursuant to this subsection among
37 all other counties, cities and towns in proportion to their population as
38 provided by subsection D of this section. The state treasurer shall not
39 withhold any amount that the county, city or town certifies to the
40 attorney general and the state treasurer as being necessary to make any
41 required deposits or payments for debt service on bonds or other long-term
42 obligations of the county, city or town that were issued or incurred
43 before committing the violation.



1 M. For the purposes of this section, "community college district"
 2 means a community college district that is established pursuant to
 3 sections 15-1402 and 15-1403 and that is a political subdivision of this
 4 state and, unless otherwise specified, includes a community college
 5 tuition financing district established pursuant to section 15-1409.

6 Sec. 3. Repeal

7 Section 42-5041, Arizona Revised Statutes, is repealed.

8 Sec. 4. Section 43-1011, Arizona Revised Statutes, is amended to
 9 read:

10 43-1011. Taxes and tax rates

11 A. There shall be levied, collected and paid for each taxable year
 12 on the entire taxable income of every resident of this state and on the
 13 entire taxable income of every nonresident that is derived from sources
 14 within this state taxes determined in the following manner:

15 1. For taxable years beginning from and after December 31, 1996
 16 through December 31, 1997:

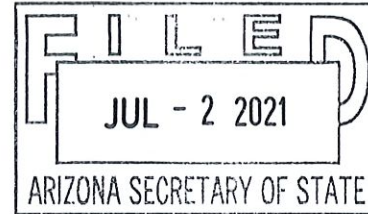
17 (a) In the case of a single person or a married person filing
 18 separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
19 \$0 - \$10,000	2.90% of taxable income
20 \$10,001 - \$25,000	\$290, plus 3.30% of the excess 21 over \$10,000
22 \$25,001 - \$50,000	\$785, plus 3.90% of the excess 23 over \$25,000
24 \$50,001 - \$150,000	\$1,760, plus 4.80% of the excess 25 over \$50,000
26 \$150,001 and over	\$6,560, plus 5.17% of the excess 27 over \$150,000

28 (b) In the case of a married couple filing a joint return or a
 29 single person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
30 \$0 - \$20,000	2.90% of taxable income
31 \$20,001 - \$50,000	\$580, plus 3.30% of the excess 32 over \$20,000
33 \$50,001 - \$100,000	\$1,570, plus 3.90% of the excess 34 over \$50,000
35 \$100,001 - \$300,000	\$3,520, plus 4.80% of the excess 36 over \$100,000
37 \$300,001 and over	\$13,120, plus 5.17% of the 38 excess over \$300,000

39 2. For taxable years beginning from and after December 31, 1997
 40 through December 31, 1998:
 41
 42



1 (a) In the case of a single person or a married person filing
2 separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
3 \$0 - \$10,000	2.88% of taxable income
4 \$10,001 - \$25,000	\$288, plus 3.24% of the excess 5 over \$10,000
6 \$25,001 - \$50,000	\$774, plus 3.82% of the excess 7 over \$25,000
8 \$50,001 - \$150,000	\$1,729, plus 4.74% of the excess 9 over \$50,000
10 \$150,001 and over	\$6,469, plus 5.10% of the excess 11 over \$150,000

12
13 (b) In the case of a married couple filing a joint return or a
14 single person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
15 \$0 - \$20,000	2.88% of taxable income
16 \$20,001 - \$50,000	\$576, plus 3.24% of the excess 17 over \$20,000
18 \$50,001 - \$100,000	\$1,548, plus 3.82% of the excess 19 over \$50,000
20 \$100,001 - \$300,000	\$3,458, plus 4.74% of the excess 21 over \$100,000
22 \$300,001 and over	\$12,938, plus 5.10% of the 23 excess over \$300,000

24
25 3. For taxable years beginning from and after December 31, 1998
26 through December 31, 2005:

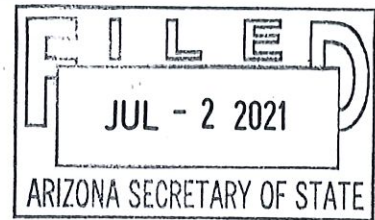
27 (a) In the case of a single person or a married person filing
28 separately:

<u>If taxable income is:</u>	<u>The tax is:</u>
29 \$0 - \$10,000	2.87% of taxable income
30 \$10,001 - \$25,000	\$287, plus 3.20% of the excess 31 over \$10,000
32 \$25,001 - \$50,000	\$767, plus 3.74% of the excess 33 over \$25,000
34 \$50,001 - \$150,000	\$1,702, plus 4.72% of the excess 35 over \$50,000
36 \$150,001 and over	\$6,422, plus 5.04% of the excess 37 over \$150,000

38
39 (b) In the case of a married couple filing a joint return or a
40 single person who is a head of a household:

<u>If taxable income is:</u>	<u>The tax is:</u>
41 \$0 - \$20,000	2.87% of taxable income
42 \$20,001 - \$50,000	\$574, plus 3.20% of the excess 43 over \$20,000

44



1	\$50,001 - \$100,000	\$1,534, plus 3.74% of the excess over \$50,000
2		
3	\$100,001 - \$300,000	\$3,404, plus 4.72% of the excess over \$100,000
4		
5	\$300,001 and over	\$12,844, plus 5.04% of the excess over \$300,000
6		

7 4. For taxable years beginning from and after December 31, 2005
 8 through December 31, 2006:

9 (a) In the case of a single person or a married person filing
 10 separately:

11	<u>If taxable income is:</u>	<u>The tax is:</u>
12	\$0 - \$10,000	2.73% of taxable income
13	\$10,001 - \$25,000	\$273, plus 3.04% of the excess over \$10,000
14		
15	\$25,001 - \$50,000	\$729, plus 3.55% of the excess over \$25,000
16		
17	\$50,001 - \$150,000	\$1,617, plus 4.48% of the excess over \$50,000
18		
19	\$150,001 and over	\$6,097, plus 4.79% of the excess over \$150,000
20		

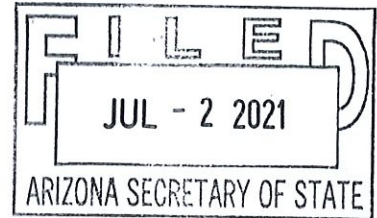
21 (b) In the case of a married couple filing a joint return or a
 22 single person who is a head of a household:

23	<u>If taxable income is:</u>	<u>The tax is:</u>
24	\$0 - \$20,000	2.73% of taxable income
25	\$20,001 - \$50,000	\$546, plus 3.04% of the excess over \$20,000
26		
27	\$50,001 - \$100,000	\$1,458, plus 3.55% of the excess over \$50,000
28		
29	\$100,001 - \$300,000	\$3,233, plus 4.48% of the excess over \$100,000
30		
31	\$300,001 and over	\$12,193, plus 4.79% of the excess over \$300,000
32		

33 5. Subject to subsections B and C of this section, for taxable
 34 years beginning from and after December 31, 2006 through December 31,
 35 2018:

36 (a) In the case of a single person or a married person filing
 37 separately:

38	<u>If taxable income is:</u>	<u>The tax is:</u>
39	\$0 - \$10,000	2.59% of taxable income
40	\$10,001 - \$25,000	\$259, plus 2.88% of the excess over \$10,000
41		
42	\$25,001 - \$50,000	\$691, plus 3.36% of the excess over \$25,000
43		
44	\$50,001 - \$150,000	\$1,531, plus 4.24% of the excess over \$50,000
45		



1 \$150,001 and over \$5,771, plus 4.54% of the excess
2 over \$150,000

3 (b) In the case of a married couple filing a joint return or a
4 single person who is a head of a household:

5	<u>If taxable income is:</u>	<u>The tax is:</u>
6	\$0 - \$20,000	2.59% of taxable income
7	\$20,001 - \$50,000	\$518, plus 2.88% of the excess 8 over \$20,000
9	\$50,001 - \$100,000	\$1,382, plus 3.36% of the excess 10 over \$50,000
11	\$100,001 - \$300,000	\$3,062, plus 4.24% of the excess 12 over \$100,000
13	\$300,001 and over	\$11,542, plus 4.54% of the 14 excess over \$300,000

15 6. Subject to ~~subsection~~ SUBSECTIONS D AND E of this section, for
16 taxable years beginning from and after December 31, 2018:

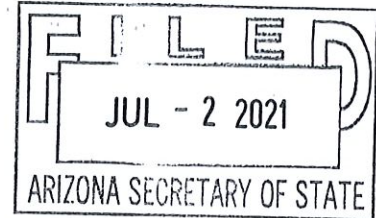
17 (a) In the case of a single person or a married person filing
18 separately:

19	<u>If taxable income is:</u>	<u>The tax is:</u>
20	\$0 - \$26,500	2.59% of taxable income
21	\$26,501 - \$53,000	\$686, plus 3.34% of the amount 22 over \$26,500
23	\$53,001 - \$159,000	\$1,571, plus 4.17% of the 24 amount over \$53,000
25	\$159,001 and over	\$5,991, plus 4.50% of the amount 26 over \$159,000

27 (b) In the case of a married couple filing a joint return or a
28 single person who is a head of a household:

29	<u>If taxable income is:</u>	<u>The tax is:</u>
30	\$0 - \$53,000	2.59% of taxable income
31	\$53,001 - \$106,000	\$1,373, plus 3.34% of the amount 32 over \$53,000
33	\$106,001 - \$318,000	\$3,143, plus 4.17% of the amount 34 over \$106,000
35	\$318,001 and over	\$11,983, plus 4.50% of the 36 amount over \$318,000

37 B. For the taxable year beginning from and after December 31, 2014
38 through December 31, 2015, the department shall adjust the income dollar
39 amounts for each rate bracket prescribed by subsection A, paragraph 5 of
40 this section according to the average annual change in the metropolitan
41 Phoenix consumer price index published by the United States department of
42 labor, bureau of labor statistics. The revised dollar amounts shall be
43 raised to the nearest whole dollar. The income dollar amounts for each
44 rate bracket may not be revised below the amounts prescribed in the prior
45 taxable year.



1 C. For each taxable year beginning from and after December 31, 2015
2 through December 31, 2018, the department shall adjust the income dollar
3 amounts for each rate bracket prescribed by subsection A, paragraph 5 of
4 this section according to the average annual change in the metropolitan
5 Phoenix consumer price index published by the United States department of
6 labor, bureau of labor statistics. The revised dollar amounts shall be
7 raised to the nearest whole dollar. The income dollar amounts for each
8 rate bracket may not be revised below the amounts prescribed in the prior
9 taxable year.

10 D. For each taxable year beginning from and after December 31,
11 2019, the department shall adjust the income dollar amount for each rate
12 bracket prescribed by subsection A, paragraph 6 of this section according
13 to the average annual change in the metropolitan Phoenix consumer price
14 index published by the United States department of labor, bureau of labor
15 statistics. The revised dollar amounts shall be raised to the nearest
16 whole dollar. The income dollar amounts for each rate bracket may not be
17 revised below the amounts prescribed in the prior taxable year.

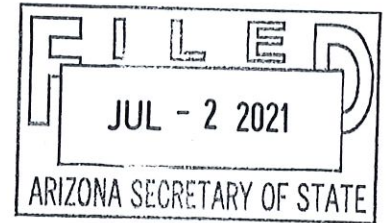
18 E. FOR EACH TAXABLE YEAR BEGINNING FROM AND AFTER DECEMBER 31,
19 2020, FOR TAXABLE INCOME THAT IS SUBJECT TO THE INCOME TAX SURCHARGE
20 IMPOSED BY SECTION 43-1013, THE COMBINED TAX RATE OF THE INCOME TAX
21 SURCHARGE IMPOSED BY SECTION 43-1013 AND THE HIGHEST TAX RATE IMPOSED BY
22 SUBSECTION A, PARAGRAPH 6, 7, 8 OR 9 OF THIS SECTION MAY NOT EXCEED FOUR
23 AND ONE-HALF PERCENT. IF THE COMBINED TAX RATE EXCEEDS FOUR AND ONE-HALF
24 PERCENT, THE HIGHEST TAX RATE IMPOSED BY SUBSECTION A, PARAGRAPH 6, 7, 8
25 OR 9 OF THIS SECTION SHALL BE REDUCED SO THAT THE COMBINED TAX RATE IS
26 FOUR AND ONE-HALF PERCENT. THE DEPARTMENT MAY ADOPT RULES PURSUANT TO
27 TITLE 41, CHAPTER 6 TO CARRY OUT THIS SUBSECTION.

28 Sec. 5. Laws 2016, chapter 125, section 21, as amended by Laws
29 2017, chapter 215, section 1, is amended to read:

30 Sec. 21. Veterans' income tax settlement fund; exemption from
31 lapsing

32 A. The veterans' income tax settlement fund is established
33 consisting of monies appropriated by the legislature and other monies
34 donated or accruing to the fund. Monies in the fund are continuously
35 appropriated to the department of revenue for the purposes of Laws 2016,
36 chapter 125, sections 19 through 27.

37 B. The department of revenue shall administer the fund. On notice
38 from the department, the state treasurer shall invest and divest monies in
39 the fund as provided by section 35-313, Arizona Revised Statutes, and
40 monies earned from investment shall be credited to the fund. Monies in
41 the fund are exempt from the provisions of section 35-190, Arizona Revised
42 Statutes, relating to lapsing of appropriations, except that unexpended
43 and unencumbered monies remaining in the fund on June 30, ~~2021~~ 2023 revert
44 to the state general fund.



1 C. Five percent of the monies in the fund at the beginning of each
2 fiscal year are appropriated separately to both the department of revenue
3 and the department of veterans' services for administrative costs incurred
4 under Laws 2016, chapter 125, sections 19 through 27 ~~of this act~~ during
5 the fiscal year. Any unexpended and unencumbered balance of either
6 appropriation remaining at the end of the fiscal year reverts to the fund.

7 Sec. 6. Laws 2016, chapter 125, section 22, as amended by Laws
8 2017, chapter 215, section 2, is amended to read:

9 Sec. 22. Income tax settlement claims; requirements;
10 procedure; approval or denial of claim

11 A. A veteran or, if the veteran is deceased, the veteran's
12 surviving spouse, personal representative, executor or other official
13 representative of the estate, as designated pursuant to applicable state
14 or tribal law or tradition, may file a claim for a settlement payment for
15 any period of active duty in the armed forces of the United States during
16 which the veteran:

17 1. Was an enrolled member of a tribe.

18 2. Maintained a domicile within the boundaries of the veteran's
19 reservation or the reservation of the veteran's spouse or within the
20 boundaries of lands held in trust by the United States for the benefit of
21 the veteran, the veteran's spouse or the tribe of the veteran or spouse.

22 3. Had Arizona state income tax withheld from the veteran's active
23 duty military pay on or after July 1, 1977 and before January 1, 2006, and
24 the amount withheld:

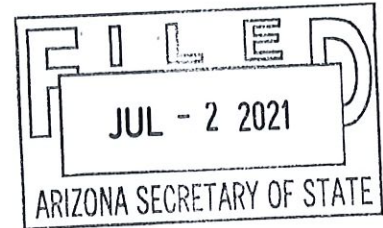
25 (a) Has not already been refunded to the veteran or the deceased
26 veteran's estate.

27 (b) Cannot be claimed as a refund by filing a state income tax
28 return because the period for filing a claim for refund has lapsed under
29 the applicable statute of limitations.

30 B. The claim for a settlement payment must include evidence of the
31 veteran's eligibility for and the amount of the claim as follows:

32 1. The claimant must provide a copy of the veteran's certificate of
33 release or discharge from active duty (DD Form 214) or other proof of
34 service provided by the United States department of defense and approved
35 by the department of veterans' services. If a claimant does not have a
36 copy of the veteran's DD Form 214 or other proof of service, the claimant
37 may request that the department of veterans' services request the
38 veteran's DD Form 214 or other proof of service from the United States
39 department of defense.

40 2. The claimant must provide a statement, signed by the claimant,
41 that the veteran is or was duly registered on the tribal rolls of a tribe
42 during the period or periods of the veteran's active duty in the armed
43 forces.



1 3. The claimant must provide evidence of domicile within the
2 boundaries of the veteran's reservation or the reservation of the
3 veteran's spouse or within the boundaries of lands held in trust by the
4 United States for the benefit of the veteran, the veteran's spouse or the
5 tribe of the veteran or spouse during the taxable years the state income
6 tax was withheld from active duty military pay. If the veteran's address
7 shown on the veteran's DD Form 214 or other proof of service:

8 (a) Is on the veteran's tribal land, that evidence is sufficient
9 for the purposes of this paragraph.

10 (b) Is not on the veteran's tribal land or if the veteran has no
11 DD Form 214 and the claimant cannot otherwise establish that the veteran's
12 domicile was on the veteran's tribal land, the claimant must provide a
13 signed statement, under penalty of perjury, that the veteran was domiciled
14 on tribal land during the period or periods the state income tax was
15 withheld. The statement must include the veteran's address on the tribal
16 land for each period, and an official designated by the tribe must attest
17 that each address is on tribal land.

18 4. The claimant must provide evidence of the amount of state income
19 tax withheld from active duty military pay by providing copies of the
20 United States internal revenue service Form W-2 covering active duty
21 military pay for the year or years during which state personal income tax
22 was withheld. If the claimant does not have copies of the applicable Form
23 W-2 for one or more of those years, the claimant may request that the
24 department of revenue obtain the veteran's Form W-2, or other withholding
25 information in a form approved by the department of revenue, from the
26 United States department of defense.

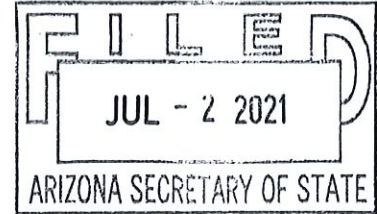
27 5. The claimant must provide a signed statement attesting, under
28 penalty of perjury, that the veteran has not received a refund of the
29 state income tax withheld for the years for which the claimant is filing a
30 claim for a settlement payment.

31 C. A claim for settlement payment under this section must be filed
32 by the eligible veteran or, if the veteran is deceased, by the veteran's
33 surviving spouse, successor or other personal representative. The
34 following apply if the claim is made for a deceased veteran:

35 1. The claimant must include a copy of the veteran's death
36 certificate or other proof of death.

37 2. If the veteran's estate exceeds ~~thirty thousand dollars~~ \$30,000,
38 only the surviving spouse, personal representative, executor or other
39 official representative of the estate, as designated pursuant to
40 applicable state or tribal law or tradition, may file the claim.

41 3. If the claimant is a successor who is not the surviving spouse,
42 personal representative, executor or other official representative of the
43 estate, the claimant must include a dated and notarized statement, signed
44 under penalty of perjury, that:



1 (a) The value of the entire probate estate of the deceased veteran,
2 wherever located, minus liens and encumbrances, does not exceed ~~thirty~~
3 ~~thousand dollars~~ \$30,000.

4 (b) At least thirty days have elapsed since the veteran's death.

5 (c) The successor is entitled to receive the settlement payment.

6 4. If the claimant is a personal representative, executor or other
7 official representative of the estate, the claimant must include:

8 (a) A signed, dated and notarized statement that the claimant has
9 been duly appointed as the personal representative, executor or other
10 representative of the veteran's estate pursuant to applicable state or
11 tribal law or tradition.

12 (b) A copy of the claimant's appointment.

13 D. A claim for a settlement payment shall be denied for any amount
14 of withholding tax that can be claimed as a refund by filing a state
15 income tax return pursuant to title 43, Arizona Revised Statutes. A state
16 income tax return may be filed by a veteran to claim the refund by the
17 later of December 31 of the year three years after:

18 1. The veteran separated from military service.

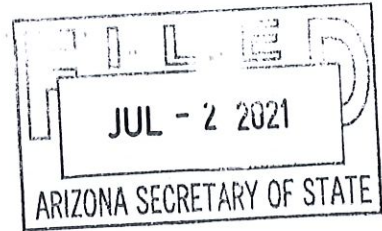
19 2. The year in which Arizona withholding tax was withheld from the
20 veteran's active duty pay.

21 E. A claim for a settlement payment must be made on a claim form
22 prescribed by the department of revenue and filed with the department of
23 veterans' services.

24 F. The department of veterans' services shall not accept claims
25 submitted from and after December 31, ~~2019~~ 2022.

26 G. Within two hundred ten days after receiving a complete and
27 correct claim form, the department of veterans' services shall determine
28 whether the claim meets the requirements of subsection B, paragraphs 1, 2
29 and 3 of this section; transmit qualifying claim forms to the department
30 of revenue and notify the claimant of the department's approval or denial.
31 The failure of the department of veterans' services to respond within two
32 hundred ten days after receiving a complete and correct claim form is
33 considered to be a denial.

34 H. Within two hundred ten days after receiving the claim form from
35 the department of veterans' services, the department of revenue shall
36 determine whether the claim meets the requirements of subsection A,
37 paragraph 3 and subsection B, paragraphs 4 and 5 of this section and
38 notify the claimant and the department of veterans' services of its
39 approval or denial. The failure of the department of revenue to respond
40 within two hundred ten days after receiving the claim form is considered
41 to be a denial.



1 Sec. 7. Laws 2016, chapter 125, section 26, as amended by Laws
2 2017, chapter 215, section 3, is amended to read:

3 Sec. 26. Veterans' income tax settlement; annual reports

4 The director of the department of revenue shall report the following
5 information to the senate appropriations and finance committees and to the
6 house of representatives appropriations and ways and means committees on
7 or before October 1 in each of years 2017 through ~~2021~~ 2023:

8 1. Estimates of the amount of state income tax withholdings subject
9 to payments under Laws 2016, chapter 125, sections 22 and 23.

10 2. The number of veterans affected by withholdings subject to
11 payments under Laws 2016, chapter 125, sections 22 and 23.

12 3. Expenditures from the veterans' income tax settlement fund
13 during the previous fiscal year.

14 4. Anticipated expenditures from the veterans' income tax
15 settlement fund during the current fiscal year.

16 5. Anticipated appropriations to the fund necessary to meet
17 expected payments in the next fiscal year.

18 Sec. 8. Laws 2016, chapter 125, section 28, as amended by Laws
19 2017, chapter 215, section 4, is amended to read:

20 Sec. 28. Repeal

21 ~~Laws 2016, chapter 125, sections 19 through 26~~ THE FOLLOWING are
22 repealed from and after December 31, ~~2021~~ 2023:

23 1. LAWS 2016, CHAPTER 125, SECTION 19.

24 2. LAWS 2016, CHAPTER 125, SECTION 20.

25 3. LAWS 2016, CHAPTER 125, SECTION 21, AS AMENDED BY LAWS 2017,
26 CHAPTER 215, SECTION 1 AND THIS ACT.

27 4. LAWS 2016, CHAPTER 125, SECTION 22, AS AMENDED BY LAWS 2017,
28 CHAPTER 215, SECTION 2 AND THIS ACT.

29 5. LAWS 2016, CHAPTER 125, SECTION 23.

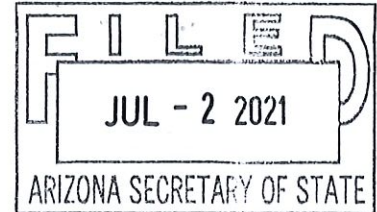
30 6. LAWS 2016, CHAPTER 125, SECTION 24.

31 7. LAWS 2016, CHAPTER 125, SECTION 25.

32 8. LAWS 2016, CHAPTER 125, SECTION 26, AS AMENDED BY LAWS 2017,
33 CHAPTER 215, SECTION 3 AND THIS ACT.

34 Sec. 9. Department of gaming regulatory assessment;
35 pari-mutuel pool

36 Notwithstanding any other law, in fiscal year 2021-2022, the
37 department of gaming shall establish and collect a regulatory assessment
38 from each commercial racing permittee, payable from amounts deducted from
39 pari-mutuel pools by the permittee, in addition to the amounts the
40 permittee is authorized to deduct pursuant to section 5-111, subsection B,
41 Arizona Revised Statutes, from amounts wagered on live and simulcast races
42 from in-state and out-of-state wagering handled by the permittee, in the
43 amount of 0.5 percent of the amounts wagered.



1 Sec. 10. Agricultural fees; continuation; intent; rulemaking
2 exemption

3 A. Notwithstanding any other law, the director of the Arizona
4 department of agriculture, with the assistance of the department of
5 agriculture advisory council, may continue, increase or lower existing
6 fees from fiscal years 2019-2020 and 2020-2021 in fiscal year 2021-2022
7 for services provided in fiscal year 2021-2022.

8 B. The legislature intends that the additional revenue generated by
9 the fees prescribed in subsection A of this section not exceed \$218,000 to
10 the state general fund, \$113,000 to the pesticide trust fund established
11 by section 3-350, Arizona Revised Statutes, and \$26,000 to the dangerous
12 plants, pests and diseases trust fund established by section 3-214.01,
13 Arizona Revised Statutes, in fiscal year 2021-2022.

14 C. The Arizona department of agriculture is exempt from the
15 rulemaking requirements of title 41, chapter 6, Arizona Revised Statutes,
16 until July 1, 2022 for the purpose of establishing fees pursuant to this
17 section.

18 Sec. 11. County fiscal obligations; report

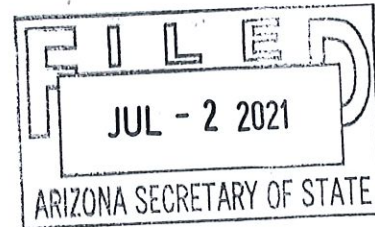
19 A. Notwithstanding any other law, for fiscal year 2021-2022, a
20 county with a population of less than two hundred fifty thousand persons
21 according to the 2010 United States decennial census may meet any county
22 fiscal obligation from any source of county revenue designated by the
23 county, including monies of any countywide special taxing jurisdiction of
24 which the board of supervisors serves as the board of directors. Under
25 the authority provided in this subsection, a county may not use more than
26 \$1,250,000 for purposes other than the purposes of the revenue source.

27 B. On or before October 1, 2021, each county with a population of
28 less than two hundred fifty thousand persons according to the 2010 United
29 States decennial census shall report to the director of the joint
30 legislative budget committee whether the county used a revenue source for
31 purposes other than the purposes of the revenue source to meet a county
32 fiscal obligation pursuant to subsection A of this section and, if so, the
33 specific source and amount of revenues that the county intends to use in
34 fiscal year 2021-2022.

35 Sec. 12. City of Flagstaff; local minimum wage assessment;
36 retroactivity

37 A. Pursuant to section 35-121.01, Arizona Revised Statutes, the
38 department of administration shall assess and collect the amount of
39 \$1,110,992 from the City of Flagstaff in fiscal year 2021-2022 to
40 reimburse this state for costs to this state attributable to the
41 establishment of a minimum wage that exceeds the minimum wage established
42 by this state pursuant to section 23-363, Arizona Revised Statutes.

43 B. This section applies retroactively to from and after June 30,
44 2021.



1 Sec. 13. Exemption from rulemaking

2 A. Notwithstanding any other law, for the purposes of title 23,
3 chapter 11, Arizona Revised Statutes, as added by this act, the industrial
4 commission of Arizona is exempt from the rulemaking requirements of title
5 41, chapter 6, Arizona Revised Statutes, for one year after the effective
6 date of this act, except that the commission shall provide the public with
7 a reasonable opportunity to comment on proposed rules and shall publish
8 otherwise exempt rules.

9 B. Notwithstanding any other law, for the purposes of section
10 43-1011, subsection E, Arizona Revised Statutes, as added by this act, the
11 department of revenue is exempt from the rulemaking requirements of title
12 41, chapter 6, Arizona Revised Statutes, for one year after the effective
13 date of this act.

14 Sec. 14. Legislative intent

15 The legislature intends that:

16 1. Title 23, chapter 11, Arizona Revised Statutes, as added by this
17 act, does not convey any responsibility of firefighter cancer compensation
18 and benefits claims onto this state. All costs incurred shall be paid for
19 by monies collected from cities and towns pursuant to section 23-1703,
20 Arizona Revised Statutes, as added by this act.

21 2. Any monies in the municipal firefighter cancer reimbursement
22 fund established by section 23-1702, Arizona Revised Statutes, as added by
23 this act, are not subject to transfer from the municipal firefighter
24 cancer reimbursement fund to the state general fund in any fiscal year.

25 Sec. 15. Retroactivity

26 A. Title 23, chapter 11, Arizona Revised Statutes, as added by this
27 act, section 42-5029, Arizona Revised Statutes, as amended by this act,
28 and section 42-5041, Arizona Revised Statutes, as repealed by this act,
29 apply retroactively to from and after June 30, 2021.

30 B. The following apply retroactively to from and after December 31,
31 2019:

32 1. Laws 2016, chapter 125, section 21, as amended by Laws 2017,
33 chapter 215, section 1 and this act.

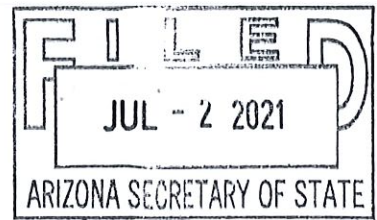
34 2. Laws 2016, chapter 125, section 22, as amended by Laws 2017,
35 chapter 215, section 2 and this act.

36 3. Laws 2016, chapter 125, section 26, as amended by Laws 2017,
37 chapter 215, section 3 and this act.

38 4. Laws 2016, chapter 125, section 28, as amended by Laws 2017,
39 chapter 215, section 4 and this act.

APPROVED BY THE GOVERNOR JUNE 30, 2021.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 30, 2021.



Passed the House June 24, 2021,

Passed the Senate June 22, 2021,

by the following vote: 31 Ayes,

by the following vote: 16 Ayes,

29 Nays, 0 Not Voting

14 Nays, 0 Not Voting

[Signature]
Speaker of the House
No 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 was received by the Governor this

28 day of June, 2021,

at 12:52 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 30 day of

June, 2021,

at 9:12 o'clock A M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 30th day of June, 2021,

at 4:00 o'clock P M.

[Signature]
Secretary of State

S.B. 1827