

State of Arizona  
Senate  
Forty-eighth Legislature  
First Regular Session  
2007

# SENATE BILL 1089

AN ACT

AMENDING SECTIONS 41-713 AND 41-764, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-1306, 41-1307 AND 41-3010.11, ARIZONA REVISED STATUTES; AMENDING SECTION 41-3521, ARIZONA REVISED STATUTES; AMENDING LAWS 2006, CHAPTER 350, SECTION 20; MAKING AN APPROPRIATION; RELATING TO BUDGET PROCEDURES FOR BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 41-713, Arizona Revised Statutes, is amended to  
3 read:

4 41-713. Telecommunications fund; report

5 A. A telecommunications fund is established for paying costs incurred  
6 in operating the telecommunications program office established pursuant to  
7 section 41-712.

8 B. The fund consists of:

9 1. Legislative appropriations.

10 2. Grants, except for otherwise specifically dedicated grants,  
11 received for telecommunication operations, consolidation and cost reduction  
12 or cost avoidance functions.

13 3. Monies derived from administering the telecommunications program  
14 office.

15 4. Monies derived from the sale or exchange of telecommunications  
16 assets or any assets that may be used to provide telecommunication access.

17 5. Monies derived from agencies and political subdivisions and other  
18 states or their agencies in payment for services provided by the  
19 telecommunications program office established pursuant to section 41-712.

20 C. The department of administration shall administer the fund. All  
21 monies in the fund, INCLUDING SUBACCOUNTS AND PRIVATE ACCOUNTS SUCH AS THE  
22 INFRASTRUCTURE INVESTMENT ACCOUNT, are subject to annual legislative  
23 appropriation to the department.

24 D. In connection with its annual budget request to the legislature,  
25 the department shall prepare a report that accounts for all monies deposited  
26 in the fund, the sources of the monies received for deposit, the purposes for  
27 which the fund monies were used during the preceding fiscal year and the  
28 plans for using fund monies during the next fiscal year.

29 E. Monies in the fund are exempt from the provisions of section 35-190  
30 relating to lapsing of appropriations.

31 Sec. 2. Section 41-764, Arizona Revised Statutes, is amended to read:

32 41-764. Contribution of pro rata share for personnel division  
33 fund

34 A. State service agencies within the covered service shall contribute  
35 a pro rata share of the overall cost of personnel administration services  
36 provided by the department. The pro rata share shall be payable by payroll  
37 fund source and the resultant amount shall be deposited, pursuant to sections  
38 35-146 and 35-147, in a personnel division fund for appropriation by the  
39 legislature for the personnel division of the department. ~~Beginning on July~~  
40 ~~1, 1997 through June 30, 2003, the pro rata share shall be 90 per cent of the~~  
41 ~~total payroll of the agency. Beginning on July 1, 2003, the pro rata share~~  
42 ~~shall be 1.04 per cent of the total payroll of the agency. BEGINNING JULY 1,~~  
43 ~~2007, THE PRO RATA SHARE SHALL BE 1.07 PER CENT OF THE TOTAL PAYROLL OF THE~~  
44 AGENCY. Total payroll shall include all fund sources including the state

1 general fund, federal monies, special revenue funds, intergovernmental  
2 revenue monies, trust funds and other payroll fund sources.

3 B. A claim for the pro rata share percentage payment shall be  
4 submitted according to the fund source, with the accompanying payroll to the  
5 department for deposit in the personnel division fund.

6 C. Notwithstanding section 35-190, only monies in excess of five  
7 hundred thousand dollars revert to the state general fund at the end of each  
8 fiscal year. The state comptroller shall pay any monies determined to be  
9 owed to the federal government from the personnel division fund before  
10 calculating the reversion.

11 Sec. 3. Repeal

12 Sections 41-1306, 41-1307 and 41-3010.11, Arizona Revised Statutes, are  
13 repealed.

14 Sec. 4. Section 41-3521, Arizona Revised Statutes, is amended to read:  
15 41-3521. Information technology authorization committee;  
16 members; terms; duties; compensation; definition

17 A. The information technology authorization committee is established  
18 consisting of the following fifteen members:

19 1. One member of the house of representatives who is appointed by the  
20 speaker of the house of representatives and who shall serve as an advisory  
21 member.

22 2. One member of the senate who is appointed by the president of the  
23 senate and who shall serve as an advisory member.

24 3. Four members from private industry who are appointed by the  
25 governor pursuant to section 38-211 and who are knowledgeable in information  
26 technology.

27 4. One local government member and one federal government member who  
28 are appointed by the governor and who shall serve as advisory members.

29 5. Two members who are directors of state agencies and who are  
30 appointed by the governor.

31 6. The administrative director of the courts or the director's  
32 designee.

33 7. The director of the government information technology agency. The  
34 director shall be the chairperson of the committee but for all other purposes  
35 shall serve as an advisory member.

36 8. Two members from either private industry or state government who  
37 are appointed by the governor.

38 9. The staff director of the joint legislative budget committee, or  
39 the staff director's designee, who shall serve as an advisory member.

40 B. Committee members who are from private industry serve two year  
41 terms. The other members serve at the pleasure of their appointing officers.

42 C. For all budget units and the legislative and judicial branches of  
43 state government, the committee shall:

44 1. Review established statewide information technology standards and  
45 the statewide information technology plan.

1           2. Review the minimum qualifications established by the director for  
2 each position authorized for the agency.

3           3. Approve or disapprove all proposed information technology projects,  
4 **INCLUDING PROJECT CHANGES AND CONTRACT AMENDMENTS**, that exceed a total cost  
5 of one million dollars, excluding public monies from county, municipal and  
6 other political subdivision sources that are not deposited in a state fund.  
7 As part of a budget request for an information technology project that has  
8 total costs of more than one million dollars, a budget unit and the  
9 legislative and judicial branches of state government shall indicate the  
10 status of review by the committee. Projects shall not be artificially  
11 divided to avoid review by the committee.

12           4. Develop a report format that incorporates the life cycle analysis  
13 prescribed by section 41-2553 for use in submitting project requests to the  
14 committee.

15           5. Require expenditure and activity reports from a budget unit or the  
16 legislative or judicial branches of state government on implementing  
17 information technology projects approved by the committee.

18           6. Conduct periodic reviews on the progress of implementing  
19 information technology projects approved by the committee.

20           7. Monitor information technology projects that the committee  
21 considers to be major or critical.

22           8. Temporarily suspend the expenditure of monies if the committee  
23 determines that the information technology project is at risk of failing to  
24 achieve its intended results or does not comply with the requirements of this  
25 chapter.

26           9. Hear and decide appeals made by budget units regarding the agency's  
27 rejection of their proposed information technology plans or projects.

28           10. Report to the governor, the speaker of the house of  
29 representatives, the president of the senate, the secretary of state and the  
30 director of the Arizona state library, archives and public records at least  
31 annually on all matters concerning its objectives. This includes:

32           (a) Its review of the statewide information technology plan developed  
33 by the agency.

34           (b) The findings and conclusions of its periodic reviews.

35           (c) Its recommendations on desirable legislation relating to  
36 information technology.

37           11. Adopt rules it deems necessary or desirable to further the  
38 objectives and programs of the committee.

39           D. The committee shall meet at the call of the chairperson.

40           E. Members of the committee are not eligible to receive compensation  
41 but are eligible to receive reimbursement for expenses pursuant to title 38,  
42 chapter 4, article 2.

1 F. For the purposes of this section, "advisory member" means a member  
2 who gives advice to the other members of the committee at committee meetings  
3 but who is not eligible to vote and is not a member for purposes of  
4 determining whether a quorum is present.

5 Sec. 5. Laws 2006, chapter 350, section 20 is amended to read:

6 Sec. 20. Department of economic security; Navajo senior center;  
7 appropriation

8 The sum of \$350,000 is appropriated from the state general fund in  
9 fiscal year 2006-2007 to the department of economic security for distribution  
10 to the Navajo Tribe as one-time funding for senior citizen centers. THIS  
11 APPROPRIATION IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA  
12 REVISED STATUTES, RELATING TO LAPSING OF APPROPRIATIONS.

13 Sec. 6. Navajo senior center; reappropriation

14 Notwithstanding any other law, any unexpended or unencumbered monies  
15 from the \$45,000 appropriated for a senior center at Chilchenbeto by Laws  
16 1998, chapter 222, section 1, are reappropriated to the department of  
17 economic security for the purposes specified by Laws 2006, chapter 350,  
18 section 20, as amended by this act.

19 Sec. 7. Business reengineering/integrated tax system contract  
20 extension; retroactivity

21 A. Notwithstanding any other law, before executing any extension or  
22 modification of the current business reengineering/integrated tax system  
23 contract with a fiscal impact that increases the contractor's share of  
24 gain-sharing proceeds from state revenues during fiscal year 2007-2008, the  
25 department of revenue shall submit the proposed changes to the joint  
26 legislative budget committee for its review.

27 B. This section is effective retroactively to from and after June 30,  
28 2007.

29 Sec. 8. Information technology retirement appropriations;  
30 lapsing extension; retroactivity

31 A. Notwithstanding any other law, the amounts appropriated to the  
32 information technology plan special line item for the Arizona state  
33 retirement system for fiscal year 2004-2005 by Laws 2003, chapter 262,  
34 section 88, as amended by Laws 2005, chapter 331, section 12, and exempted  
35 from lapsing by Laws 2006, chapter 316, section 6, and for fiscal year  
36 2005-2006 by Laws 2005, chapter 286, section 87, as exempted from lapsing by  
37 Laws 2006, chapter 316, section 6, are exempt from the provisions of section  
38 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,  
39 through June 30, 2008.

40 B. This section is effective retroactively to from and after June 30,  
41 2007.

42 Sec. 9. State web portal; contract; retroactivity

43 A. Notwithstanding any other law, the government information  
44 technology agency shall execute a contract for the state web portal that  
45 takes effect contingent on review by the joint legislative budget committee.

1 The government information technology agency shall submit the fiscal  
2 provisions of the contract, including a list of services and their associated  
3 fees and fee sharing arrangements, for the review by the joint legislative  
4 budget committee.

5 B. This section is effective retroactively to from and after June 30,  
6 2007.

7 Sec. 10. Retroactivity

8 Section 41-764, Arizona Revised Statutes, as amended by this act,  
9 applies retroactively to from and after June 30, 2007.