

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
First Regular Session  
2007

# HOUSE BILL 2785

AN ACT

AMENDING SECTION 41-713, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-1306, 41-1307 AND 41-3010.11, ARIZONA REVISED STATUTES; AMENDING SECTIONS 41-1554, 41-1554.01, 41-1554.02, 41-1554.03, 41-1554.04, 41-1554.06 AND 41-3521, ARIZONA REVISED STATUTES; 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. Repeal  
32 Sections 41-1306, 41-1307 and 41-3010.11, Arizona Revised Statutes, are  
33 repealed.  
34 Sec. 3. Section 41-1554, Arizona Revised Statutes, is amended to read:  
35 41-1554. Definitions  
36 In this article, unless the context otherwise requires:  
37 1. "Authority" means the greater Arizona development authority.  
38 2. "Board" means the board of directors of the authority.  
39 3. "Financial assistance" means assistance provided by the authority  
40 to eligible political subdivisions, special districts and Indian tribes  
41 pursuant to section 41-1554.06.  
42 4. "Fund" means the greater Arizona development authority revolving  
43 fund established by section 41-1554.03.

1           5. "Indian tribe" means any Indian tribe, band, group or community  
2 that is recognized by the United States secretary of the interior and that  
3 exercises governmental authority within the limits of any Indian reservation  
4 under the jurisdiction of the United States government, notwithstanding the  
5 issuance of any patent and including rights-of-way running through the  
6 reservation.

7           6. "Infrastructure" means any LAND, BUILDING OR OTHER IMPROVEMENT AND  
8 EQUIPMENT OR OTHER PERSONAL PROPERTY THAT WILL MAKE UP PART OF A facility  
9 THAT IS located in this state for public use and THAT IS owned by a political  
10 subdivision, special district or Indian tribe that retains ultimate  
11 responsibility for its operation and maintenance.

12           7. "Loan" means bonds, leases, loans or other evidences of  
13 indebtedness.

14           8. "Loan repayment agreement" means an agreement to repay a loan  
15 entered into by a political subdivision, special district or Indian tribe.

16           9. "Pledged revenues" means any monies to be received by a political  
17 subdivision, SPECIAL DISTRICT OR INDIAN TRIBE, including property taxes,  
18 other local taxes, fees, assessments or charges pledged by a political  
19 subdivision, SPECIAL DISTRICT OR INDIAN TRIBE as a source for repayment of a  
20 loan repayment agreement.

21           10. "Political subdivision" means a county, city or town.

22           11. "Short-term assistance" means assistance provided by the authority  
23 to political subdivisions, special districts and Indian tribes in connection  
24 with the financing of infrastructure.

25           12. "Special district" means any of the following entities established  
26 pursuant to title 48:

- 27           (a) Municipal improvement district.
- 28           (b) Fire district.
- 29           (c) County improvement district.
- 30           (d) Special road district.
- 31           (e) Sanitary district.
- 32           (f) Drainage or flood protection district.
- 33           (g) County flood control district.
- 34           (h) County jail district.
- 35           (i) Regional public transportation authority.
- 36           (j) Regional transportation authority.

37           13. "Technical assistance" means assistance provided pursuant to  
38 section 41-1554.05.

39           14. "Technical assistance repayment agreement" means an agreement to  
40 repay assistance provided pursuant to section 41-1554.05.

41           15. "Tribal subdivision" means any chapter, district or village that is  
42 recognized by an Indian tribe by resolution or through tribal constitution  
43 and that receives technical assistance.

1           Sec. 4. Section 41-1554.01, Arizona Revised Statutes, is amended to  
2 read:

3           41-1554.01. Greater Arizona development authority; board;  
4                                   staff; conflict of interest prohibited;  
5                                   violation; classification

6           A. The greater Arizona development authority is established. The  
7 authority shall be governed by a board of directors consisting of the  
8 following members:

9           1. The director of the department of commerce or the director's  
10 designee who shall serve as the ~~chairman~~ CHAIRPERSON.

11           2. The director of the department of environmental quality or the  
12 director's designee.

13           3. The director of the department of transportation or the director's  
14 designee.

15           4. The state treasurer or the state treasurer's designee.

16           5. Five members, one of whom is a ~~member of an Indian tribe~~  
17 REPRESENTATIVE OF A TRIBAL NATION of Arizona, appointed by the governor  
18 pursuant to section 38-211. All appointed members shall reside in different  
19 counties, and no more than three members may be members of the same political  
20 party.

21           B. Members appointed by the governor serve staggered five year terms.

22           C. Members of the board are not eligible to receive compensation for  
23 their services but are eligible for reimbursement of expenses pursuant to  
24 title 38, chapter 4, article 2.

25           D. Members of the board are public officers for purposes of title 38,  
26 chapter 3, article 8 and the authority is a public body for purposes of title  
27 38, chapter 3, article 3.1.

28           E. No appointed member may serve more than two consecutive terms,  
29 except that service for a partial term of less than three years shall not be  
30 counted toward the two term limitation.

31           F. The department of commerce shall provide general administrative  
32 support, equipment and office and meeting space to the authority.

33           G. The department of commerce may hire staff to provide administrative  
34 and technical assistance on behalf of the authority. Earnings on the monies  
35 in the fund may be used to pay for staff services.

36           H. Members of the board shall not participate in any direct  
37 discussions or actions related to any project financed under this article in  
38 which the member has any direct or indirect personal financial interest. For  
39 purposes of this subsection, a member of the board who is an employee or  
40 official of a participant in or applicant for a loan shall not be considered  
41 to have a direct or indirect personal financial interest in a project by  
42 virtue of the member's services alone. A violation of this subsection is a  
43 class 1 misdemeanor.

1           Sec. 5. Section 41-1554.02, Arizona Revised Statutes, is amended to  
2 read:

3           41-1554.02. Powers and duties of authority

4           A. The authority is a body corporate and politic and shall have an  
5 official seal that is judicially noticed. The authority may sue and be sued,  
6 contract and acquire, hold, operate and dispose of property as necessary to  
7 carry out its responsibilities under this article.

8           B. The authority, through its board, may:

9           1. Issue bonds to provide financial assistance to political  
10 subdivisions, special districts and Indian tribes for ACQUIRING,  
11 constructing, ~~or~~ improving OR EQUIPPING infrastructure or for refinancing  
12 outstanding bonds or other obligations of the political subdivisions, special  
13 districts or Indian tribes that were issued to ACQUIRE, construct, ~~or~~ improve  
14 OR EQUIP infrastructure. The bonds shall be in the name of the authority.

15           2. Provide financial assistance to political subdivisions, special  
16 districts and Indian tribes to finance or refinance infrastructure projects.

17           3. Guarantee debt obligations of political subdivisions, special  
18 districts and Indian tribes that are issued to finance or refinance  
19 infrastructure projects.

20           4. Provide technical assistance or short-term assistance to political  
21 subdivisions, special districts, Indian tribes and tribal subdivisions  
22 ~~through staff or other professional assistance.~~

23           5. Apply for, accept and administer grants and other ~~financial~~  
24 MONETARY assistance from the United States government and from other public  
25 and private sources to carry out its responsibilities under this article.

26           6. Hire professional assistance as needed to carry out ~~the provisions~~  
27 ~~of~~ this article.

28           C. The board shall:

29           1. Approve all policies and procedures of the authority.

30           2. Approve which projects receive technical and financial assistance.

31           3. Approve loan repayment agreements entered into with political  
32 subdivisions, special districts and Indian tribes.

33           D. The authority may impose administrative fees and penalties that are  
34 necessary to recover the costs incurred in connection with entering into or  
35 enforcing a loan repayment agreement or providing financial or technical  
36 assistance.

37           E. The board shall deposit, pursuant to sections 35-146 and 35-147,  
38 any monies received pursuant to subsection B, paragraph 5 OF THIS SECTION in  
39 the fund.

40           Sec. 6. Section 41-1554.03, Arizona Revised Statutes, is amended to  
41 read:

42           41-1554.03. Greater Arizona development authority revolving  
43 fund

44           A. The greater Arizona development authority revolving fund is  
45 established consisting of:

- 1           1. Monies appropriated by the legislature.
- 2           2. Monies received from the United States government to carry out
- 3 ~~the provisions of~~ this article.
- 4           3. Monies received from political subdivisions, Indian tribes,
- 5 tribal subdivisions and special districts as loan repayments, technical
- 6 assistance repayments, interest, administrative fees and penalties.
- 7           4. Interest and other income received from investing monies in the
- 8 fund.
- 9           5. Gifts, grants and donations received from any public or private
- 10 source to carry out ~~the provisions of~~ this article.
- 11           6. Any other monies received by the authority.
- 12           B. The board shall administer the fund in compliance with the
- 13 requirements of this article. The board shall separately account for
- 14 monies received from each source listed in subsection A of this section.
- 15 Monies received pursuant to subsection A, paragraph 1 of this section
- 16 shall not be used for any purpose except securing bonds issued by the
- 17 authority and providing assistance under technical assistance repayment
- 18 agreements if the amount used for providing this assistance is not more
- 19 than eight hundred thousand dollars. This subsection does not limit the
- 20 power of the authority to pledge other monies in the fund to secure bonds
- 21 issued by the authority or to provide assistance under technical
- 22 assistance repayment agreements.
- 23           C. The board may establish accounts and subaccounts as necessary to
- 24 properly account for and use monies received by the authority.
- 25           D. Monies in the fund may be used for securing bonds of the
- 26 authority.
- 27           E. Monies in the fund received pursuant to subsection A, paragraphs
- 28 2, 3, 4, 5 and 6 of this section may be used for:
- 29           1. Providing technical assistance to political subdivisions,
- 30 special districts, Indian tribes and tribal subdivisions.
- 31           2. Providing financial assistance to political subdivisions,
- 32 special districts and Indian tribes.
- 33           3. Paying the compensation and employment related expenses
- 34 associated with the employees hired pursuant to section 41-1554.01,
- 35 subsection G.
- 36           4. Paying the costs to operate the authority, to administer the
- 37 fund and to carry out the requirements of this article.
- 38           5. Paying the costs of professional assistance hired by the
- 39 authority pursuant to section 41-1554.02, subsection B, paragraph 6.
- 40           F. On notice from the board, the state treasurer shall invest and
- 41 divest monies in the fund as provided by section 35-313, and monies earned
- 42 from investment shall be credited to the fund.

1 G. If the monies pledged to secure the bonds become insufficient to  
2 pay the principal and interest on the bonds, the board ~~shall~~ MAY direct  
3 the state treasurer to divest monies in the fund as may be necessary and  
4 ~~shall~~ MAY apply those proceeds to make current all payments then due on  
5 the bonds. The state treasurer shall immediately notify the attorney  
6 general and auditor general of the insufficiency. The auditor general  
7 shall audit the circumstances surrounding the depletion of the fund and  
8 shall report these findings to the attorney general. The attorney general  
9 shall conduct an investigation and report these findings to the governor  
10 and the legislature.

11 Sec. 7. Section 41-1554.04, Arizona Revised Statutes, is amended to  
12 read:

13 41-1554.04. Project application and prioritization

14 A. The authority shall:

15 1. Establish an application form for technical and financial  
16 assistance.

17 2. Establish a procedure to review and approve or disapprove on its  
18 merits each administratively complete application for technical and financial  
19 assistance.

20 3. Establish by rule criteria by which technical and financial  
21 assistance will be awarded. For financial assistance the criteria shall  
22 include a determination of the ability of the applicant to repay a loan  
23 according to its terms and other conditions established by this article.

24 4. Adopt rules to prioritize applications for technical and financial  
25 assistance.

26 5. Inform the applicant of the board's determination within ninety  
27 days after the application date established by the authority pursuant to  
28 paragraph 2 of this subsection.

29 B. The board shall:

30 1. Approve or disapprove applications for financial and technical  
31 assistance.

32 2. Determine the order and priority of projects assisted under this  
33 article based on the merits of the applications.

34 C. If the application is approved, the board may condition the  
35 approval on assurances the board deems necessary to ensure that the technical  
36 assistance or financial assistance will be used according to law and the  
37 terms of the application. The loan repayment agreement shall include any  
38 conditions concerning financial assistance deemed necessary by the board.

39 D. The authority shall only make financial assistance or short-term  
40 assistance available when ~~projects are ready for construction and~~ the  
41 applicant is ready to proceed or, if the financial assistance is for  
42 refinancing outstanding bonds or other obligations, when the outstanding  
43 bonds or other obligations are to be refunded. The authority may provide  
44 technical assistance on an as needed basis. The authority may charge the

1 applicant fees sufficient to cover the authority's costs related to the  
2 project.

3 E. A political subdivision, a special district or an Indian tribe may  
4 apply to the authority for financial assistance and may accept assistance in  
5 connection with an infrastructure project owned by the political subdivision,  
6 special district or Indian tribe. The existence of a current investment  
7 grade rating on existing debt of the applicant that is secured by the same  
8 revenues to be pledged to secure repayment under the loan repayment agreement  
9 may be accepted by the board as evidence regarding the ability of the  
10 applicant to repay a loan.

11 F. The authority shall only make financial assistance available upon a  
12 determination of the ability of the applicant to repay the financial  
13 assistance according to its terms and conditions.

14 G. Applications for financial assistance shall:

15 1. Be solicited annually, semiannually, quarterly or monthly as  
16 determined by the authority pursuant to subsection A, paragraph 2.

17 2. Be administratively complete before being reviewed by the  
18 authority.

19 3. Include documentation concerning the ability of the applicant to  
20 repay the financial assistance according to its terms and conditions.

21 4. Include a resolution from the governing body of the political  
22 subdivision, special district or Indian tribe that the project is in the best  
23 interests of the residents.

24 H. Applications for technical assistance shall:

25 1. Be solicited annually or semiannually as determined by the  
26 authority pursuant to subsection A, paragraph 2, except that an application  
27 for short-term assistance may be solicited at those times as the authority  
28 determines.

29 2. Be administratively complete before being reviewed by the  
30 authority.

31 3. Include a resolution from the governing body of the political  
32 subdivision, special district or Indian tribe that the project is in the best  
33 interests of the residents.

34 Sec. 8. Section 41-1554.06, Arizona Revised Statutes, is amended to  
35 read:

36 41-1554.06. Financial assistance

37 A. The authority may provide financial assistance to political  
38 subdivisions, special districts and Indian tribes in developing, **ACQUIRING**,  
39 constructing, **IMPROVING**, **EQUIPPING** or refinancing infrastructure. The  
40 financial assistance shall include:

41 1. Loans as provided in this section.

42 2. Credit enhancements purchased for a political subdivision's,  
43 special district's or Indian tribe's bonds or other forms of indebtedness.



1           B. A loan shall be evidenced by a loan repayment agreement, LEASE  
2 PURCHASE AGREEMENT or bonds of a political subdivision, special district or  
3 Indian tribe that are delivered to and held by the authority.

4           C. The authority shall prescribe a principal repayment schedule for  
5 each loan made. Loan principal payments may be rescheduled at the discretion  
6 of the authority but may not be forgiven.

7           D. A loan under this section:

8           1. Shall be repaid not more than thirty years after the date it is  
9 incurred.

10           2. Shall require that interest payments begin not later than the next  
11 date that either principal or interest must be paid by the authority to  
12 holders of any of the authority's bonds that provided funding for the loan.  
13 The authority may provide that loan interest accruing during construction of  
14 the borrower's infrastructure project and up to one year after completion of  
15 the construction be capitalized in the loan.

16           3. Shall be repayable in at least annual principal installments and at  
17 least semiannual interest installments.

18           4. Shall be conditioned on the identification of pledged revenues for  
19 repaying the loan. If the infrastructure financed by the loan is part of a  
20 municipal utility and the city or town pledges revenues of the utility to  
21 repay the loan, the loan shall be treated under section 9-530, subsection B  
22 as a lawful long-term obligation incurred for a specific capital purpose.

23           5. To the extent permitted by law, shall be secured by a debt service  
24 reserve account that is held in trust and that is in such amount, if any, as  
25 determined by the authority.

26           6. Shall be either:

27           (a) For a political subdivision, additionally secured by an  
28 irrevocable pledge of the shared state revenues due the political subdivision  
29 for the life of the loan as provided by a resolution of the board.

30           (b) For an Indian tribe, conditioned on the establishment of a  
31 dedicated revenue source under the control of a tribally chartered  
32 corporation or other tribal entity that is subject to suit by the attorney  
33 general to enforce the loan contract or be secured by assets that, in the  
34 event of default of the loan contract, are subject to execution by the  
35 attorney general ~~without the waiver of any claim of sovereign immunity by the~~  
36 ~~tribe.~~

37           E. The authority shall prescribe the rate or rates of interest on  
38 loans made under this section, but the rate or rates shall not exceed the  
39 prevailing market rate for similar types of loans. A political subdivision  
40 OR SPECIAL DISTRICT may negotiate the sale of its bonds to or a loan  
41 repayment agreement with the authority without complying with any public or  
42 accelerated bidding requirements imposed by any other law for the sale of its  
43 bonds.

1 F. The approval of a loan is conditioned on a written commitment by  
2 the political subdivision or special district to complete all applicable  
3 reviews and approvals and to secure all required permits in a timely manner.

4 G. The approval of financial assistance to a city or town having a  
5 population of more than fifty thousand persons shall be conditioned ~~upon~~ ON  
6 approval of its voters. An election is not required if voter approval has  
7 previously been received for substantially the same project ~~with a different~~  
8 ~~financing source.~~

9 H. The approval of financial assistance to a county having a  
10 population of more than two hundred thousand persons ~~but less than one~~  
11 ~~million persons~~ shall be conditioned on approval of its voters. An election  
12 is not required if voter approval has previously been received for  
13 substantially the same project ~~with a different financing source.~~

14 I. By resolution of the board, the authority may impose any additional  
15 requirements it considers necessary to ensure that the loan principal and  
16 interest are timely paid.

17 J. All monies received from political subdivisions, special districts  
18 and Indian tribes as loan repayments, interest and penalties shall be  
19 deposited, pursuant to sections 35-146 and 35-147, in the fund.

20 K. The attorney general may take whatever actions are necessary to  
21 enforce the loan contract and achieve repayment of loans provided by the  
22 authority pursuant to this article.

23 L. If a political subdivision fails to make any payment due to the  
24 authority under its loan repayment agreement or bonds, the authority shall  
25 certify to the state treasurer and notify the governing body of the  
26 defaulting political subdivision that the political subdivision has failed to  
27 make the required payment and direct a withholding of state shared revenues  
28 as provided in subsection M of this section. The certificate of default  
29 shall be in the form determined by the authority, provided the certificate  
30 specifies the amount required to satisfy the unpaid payment obligation of the  
31 political subdivision.

32 M. On receipt of a certificate of default from the authority, the  
33 state treasurer, to the extent not otherwise expressly prohibited by law,  
34 shall withhold the monies from the next succeeding distribution of monies  
35 pursuant to section 42-5029 due to the defaulting political subdivision. In  
36 the case of a city or town, the state treasurer shall also withhold from the  
37 next succeeding distribution of monies pursuant to section 43-206 due to the  
38 defaulting city or town the amount specified in the certificate of default  
39 and immediately deposit the amount withheld in the fund. The state treasurer  
40 shall continue to withhold and deposit the monies until the authority  
41 certifies to the state treasurer that the default has been cured. In no  
42 event shall the state treasurer withhold any amount that is necessary, as  
43 certified by the defaulting political subdivision to the state treasurer and  
44 the authority, to make any required deposits then due for the payment of  
45 principal and interest on bonds of the political subdivision that were issued

1 prior to the date of the loan repayment agreement or bonds and that have been  
2 secured by a pledge of distributions made pursuant to sections 42-5029 and  
3 43-206.

4 Sec. 9. Section 41-3521, Arizona Revised Statutes, is amended to read:  
5 41-3521. Information technology authorization committee:  
6 members; terms; duties; compensation; definition

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

9 1. One member of the house of representatives who is appointed by the  
10 speaker of the house of representatives and who shall serve as an advisory  
11 member.

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

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

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

19 5. Two members who are directors of state agencies and who are  
20 appointed by the governor.

21 6. The administrative director of the courts or the director's  
22 designee.

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

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

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

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

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

34 1. Review established statewide information technology standards and  
35 the statewide information technology plan.

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

38 3. Approve or disapprove all proposed information technology projects,  
39 INCLUDING PROJECT CHANGES AND CONTRACT AMENDMENTS, that exceed a total cost  
40 of one million dollars, excluding public monies from county, municipal and  
41 other political subdivision sources that are not deposited in a state fund.  
42 As part of a budget request for an information technology project that has  
43 total costs of more than one million dollars, a budget unit and the  
44 legislative and judicial branches of state government shall indicate the

1 status of review by the committee. Projects shall not be artificially  
2 divided to avoid review by the committee.

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

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

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

11 7. Monitor information technology projects that the committee  
12 considers to be major or critical.

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

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

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

23 (a) Its review of the statewide information technology plan developed  
24 by the agency.

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

26 (c) Its recommendations on desirable legislation relating to  
27 information technology.

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

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

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

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

38 Sec. 10. Business reengineering/integrated tax system contract  
39 extension; retroactivity

40 A. Notwithstanding any other law, the department of revenue must  
41 receive authorization by legislative enactment before executing any future  
42 extension or modification of the current business reengineering/integrated  
43 tax system contract with a fiscal impact that increases the contractor's  
44 share of gain-sharing proceeds from state revenues during fiscal year  
45 2007-2008. Contract extensions or modifications related to information

1 technology support or the data center shall only require review by the joint  
2 legislative budget committee before execution.

3 B. This section is effective retroactively to from and after June 30,  
4 2007.

5 Sec. 11. Information technology retirement appropriations:  
6 lapsing exemption; retroactivity

7 A. Notwithstanding any other law, the amounts appropriated to the  
8 information technology plan special line item for the Arizona state  
9 retirement system for fiscal year 2004-2005 by Laws 2003, chapter 262,  
10 section 88, as amended by Laws 2005, chapter 331, section 12, and exempted  
11 from lapsing by Laws 2006, chapter 316, section 6, and for fiscal year  
12 2005-2006 by Laws 2005, chapter 286, section 87, as exempted from lapsing by  
13 Laws 2006, chapter 316, section 6, are exempt from the provisions of section  
14 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,  
15 through June 30, 2008.

16 B. This section is effective retroactively to from and after June 30,  
17 2007.

18 Sec. 12. State web portal; contract; retroactivity

19 A. Notwithstanding any other law, the government information  
20 technology agency shall execute a contract for the state web portal that  
21 takes effect contingent on review by the joint legislative budget committee.  
22 The government information technology agency shall submit the fiscal  
23 provisions of the contract, including a list of services and their associated  
24 fees and fee sharing arrangements, for the review by the joint legislative  
25 budget committee.

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

28 Sec. 13. Military base economic impact study appropriation:  
29 lapsing exemption; retroactivity

30 A. Notwithstanding any other law, the amount appropriated to the  
31 military base economic impact study special line item for the department of  
32 commerce for fiscal year 2006-2007 by Laws 2006, chapter 344, section 5 is  
33 exempt from the provisions of section 35-190, Arizona Revised Statutes,  
34 relating to the lapsing of appropriations.

35 B. This section is effective retroactively to from and after June 30,  
36 2007.