

COMMITTEE ON NATURAL RESOURCES, ENERGY AND WATER
SENATE AMENDMENTS TO S.B. 1285
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Title 17, chapter 2, article 4, Arizona Revised
3 Statutes, is amended by adding section 17-265, to read:

4 17-265. Game and fish in-lieu fee program restoration
5 endowment trust fund; exemption; definition

6 A. THE GAME AND FISH IN-LIEU FEE PROGRAM RESTORATION ENDOWMENT TRUST
7 FUND IS ESTABLISHED TO BE USED TO FULFILL THE DEPARTMENT'S OBLIGATIONS AS
8 AN IN-LIEU FEE SPONSOR PURSUANT TO SECTIONS 401 AND 404 OF THE CLEAN WATER
9 ACT. THE COMMISSION SHALL ADMINISTER THE TRUST FUND AS TRUSTEE.

10 B. THE TRUST FUND IS A PERMANENT ENDOWMENT FUND THAT CONSISTS OF
11 MONIES DEPOSITED FROM PROCEEDS RECEIVED BY THE DEPARTMENT AS AN IN-LIEU FEE
12 SPONSOR PURSUANT TO SECTIONS 401 AND 404 OF THE CLEAN WATER ACT, AND
13 INTEREST AND INVESTMENT INCOME EARNED ON THOSE MONIES, INCLUDING:

14 1. COMPENSATORY MITIGATION MONIES RECEIVED FROM FEDERAL IN-LIEU FEE
15 PERMITTEES THROUGH THE PURCHASE OF IN-LIEU FEE MITIGATION CREDITS.

16 2. MONIES RECEIVED FROM THE UNITED STATES ARMY CORPS OF ENGINEERS
17 FOR OTHER APPROVED IN-LIEU FEE PROGRAMS.

18 3. MONIES RECEIVED FROM THE UNITED STATES ARMY CORPS OF ENGINEERS AS
19 A RESOLUTION OF UNAUTHORIZED ACTIVITIES UNDER A COMPLETED FEDERAL
20 ENFORCEMENT ACTION PURSUANT TO SECTIONS 401 AND 404 OF THE CLEAN WATER ACT.

21 C. MONIES IN THE TRUST FUND ARE CONTINUOUSLY APPROPRIATED. MONIES
22 IN THE TRUST FUND DO NOT REVERT TO THE STATE GENERAL FUND AND ARE EXEMPT
23 FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
24 APPROPRIATIONS.

1 D. THE STATE TREASURER SHALL ACCEPT, SEPARATELY ACCOUNT FOR AND HOLD
2 IN TRUST ANY MONIES DEPOSITED IN THE STATE TREASURY, WHICH ARE CONSIDERED
3 TO BE TRUST MONIES AS DEFINED IN SECTION 35-310 AND WHICH MAY NOT BE
4 COMMINGLED WITH ANY OTHER MONIES IN THE STATE TREASURY EXCEPT FOR
5 INVESTMENT PURPOSES. ON NOTICE FROM THE COMMISSION, THE STATE TREASURER
6 SHALL INVEST AND DIVEST, AS PROVIDED BY SECTION 35-313, 35-314 OR
7 35-314.03, ANY TRUST FUND MONIES DEPOSITED IN THE STATE TREASURY, AND
8 MONIES EARNED FROM INTEREST AND INVESTMENT INCOME SHALL BE CREDITED TO THE
9 TRUST FUND.

10 E. THE BENEFICIARIES OF THE TRUST ARE THE IN-LIEU FEE PROJECTS
11 SPONSORED BY THE DEPARTMENT PURSUANT TO SECTIONS 401 AND 404 OF THE CLEAN
12 WATER ACT. MONIES IN THE TRUST FUND SHALL BE SPENT BY THE COMMISSION
13 SOLELY FOR THE PURPOSES AUTHORIZED UNDER ANY ENABLING INSTRUMENT BETWEEN
14 THE COMMISSION, THE UNITED STATES ARMY CORPS OF ENGINEERS AND THE UNITED
15 STATES ENVIRONMENTAL PROTECTION AGENCY.

16 F. FOR THE PURPOSES OF THIS SECTION, "CLEAN WATER ACT" HAS THE SAME
17 MEANING PRESCRIBED IN SECTION 49-201.

18 Sec. 2. Section 35-142, Arizona Revised Statutes, is amended to
19 read:

20 35-142. Monies kept in funds separate from state general fund;
21 receipt and withdrawal

22 A. All monies received for and belonging to the state shall be
23 deposited in the state treasury and credited to the state general fund
24 except the following, which shall be placed and retained in separate funds:

25 1. The unexpendable principal of monies received from federal land
26 grants shall be placed in separate funds and the account of each such
27 separate fund shall bear a title indicating the source and the institution
28 or purpose to which ~~such~~ THE fund belongs.

29 2. The interest, rentals and other expendable money received as
30 income from federal land grants shall be placed in separate accounts, each
31 account bearing a title indicating the source and the institution or
32 purpose to which the fund belongs. Such expendable monies shall be

1 expended only as authorized, regulated and controlled by the general
2 ~~appropriation~~ APPROPRIATIONS act or other act of the legislature.

3 3. All private or quasi-private monies authorized by law to be paid
4 to or held by the state treasurer shall be placed in separate accounts,
5 each account bearing a title indicating the source and purpose of ~~such~~ THE
6 fund.

7 4. All monies legally pledged to retirement of building indebtedness
8 or bonds issued by those institutions authorized to incur such indebtedness
9 or to issue such bonds shall be placed in separate accounts.

10 5. Monies of a multi-county water conservation district authorized
11 by law to be paid to or held by the state treasurer shall be placed in
12 separate accounts, each account bearing a title indicating the source and
13 purpose of ~~such~~ THE fund.

14 6. All monies collected by the Arizona game and fish department
15 shall be deposited in a special fund known as the state game and fish
16 protection fund for the use of the Arizona game and fish commission in
17 carrying out the provisions of title 17.

18 7. All federal monies that are received by the department of
19 economic security for family assistance benefits and medical eligibility as
20 a result of efficiencies developed by the department of economic security
21 and that would otherwise revert to the state general fund pursuant to
22 section 35-190 shall be retained for use by the department of economic
23 security in accordance with the terms and conditions imposed by the federal
24 funding source in an account or accounts established or authorized by the
25 state treasurer.

26 8. Monies designated by law as special state funds shall not be
27 considered a part of the general fund. Unless otherwise prescribed by law,
28 the state treasurer shall be the custodian of all such funds.

29 9. All monies received and any accounts established and maintained
30 by the director of the Arizona state retirement system or the administrator
31 of the public safety personnel retirement system, the corrections officer
32 retirement plan and the elected officials' retirement plan.

1 10. Monies received by a state agency or institution as a gift,
2 devise or donation shall not be considered a part of the state general fund
3 or transferred to the state general fund unless the gift, devise or
4 donation specifically authorizes a general state use for the monies. A
5 state agency or institution that receives a monetary gift, devise or
6 donation shall account for those monies separately.

7 11. ALL MONIES RECEIVED BY THE ARIZONA GAME AND FISH COMMISSION IN
8 CONNECTION WITH CLEAN WATER ACT IN-LIEU FEE PROJECTS SHALL BE DEPOSITED IN
9 A SPECIAL TRUST FUND KNOWN AS THE GAME AND FISH IN-LIEU FEE PROGRAM
10 RESTORATION ENDOWMENT TRUST FUND, ESTABLISHED BY SECTION 17-265, FOR THE
11 USE OF THE ARIZONA GAME AND FISH COMMISSION FOR THE PURPOSES AUTHORIZED
12 UNDER ANY ENABLING INSTRUMENT BETWEEN THE COMMISSION, THE UNITED STATES
13 ARMY CORPS OF ENGINEERS AND THE UNITED STATES ENVIRONMENTAL PROTECTION
14 AGENCY.

15 B. No money shall be received or held by the state treasurer except
16 as authorized by law, and in every instance the treasurer shall issue a
17 receipt for money received and shall record the transaction in the
18 statewide accounting system. No money shall be withdrawn from the treasury
19 except on the warrant or electronic funds transfer voucher of the
20 department of administration.

21 C. Monies received for and belonging to ~~the~~ THIS state and resulting
22 from compromises or settlements by or against this state, excluding
23 restitution and reimbursement to state agencies for costs or attorney fees,
24 shall be credited to the state general fund unless specifically credited to
25 another fund by law. A fund consisting of monies other than monies
26 received for restitution, costs or attorney fees shall not be established
27 on the basis of a court order without prior legislative authorization. For
28 the purposes of this subsection, "restitution" means monies intended to
29 compensate a specific, identifiable person, including this state, for
30 economic loss.

31 D. All federal monies granted and paid to ~~the~~ THIS state by the
32 federal government shall be accounted for in the accounts or funds of ~~the~~

1 THIS state in the necessary detail to meet federal and state accounting,
2 budgetary and auditing requirements, and all appropriations for matching
3 such federal monies shall be transferred from the STATE general fund to
4 such separate funds as needed, except as otherwise required by the federal
5 government.

6 E. Nothing in this section requires the establishment of separate
7 accounts or funds for such federal monies unless otherwise required by
8 federal or state law. The department of administration has the authority
9 to use the most efficient system of accounts and records, consistent with
10 legal requirements and standard and necessary fiscal safeguards.

11 F. Nothing in this section precludes the creation by the department
12 of administration of a clearing account or other acceptable accounting
13 method to effect prompt payment of claims from an approved budget or
14 appropriation. The department of administration shall report each account
15 or fund established or cancelled to the directors of the joint legislative
16 budget committee and the governor's office of strategic planning and
17 budgeting.

18 G. Nothing in this section or any other section precludes the use of
19 monies kept in funds separate from the STATE general fund, the interest
20 from which accrues to the STATE general fund, for payment of claims against
21 the STATE general fund, provided sufficient monies remain available for
22 payment of claims against such funds.

23 H. The department of administration may issue warrants for qualified
24 expenditures of federal program monies before they are deposited in the
25 state treasury. The receipt of federal monies shall be timed to coincide,
26 as closely as administratively feasible, with the redemption of warrants by
27 the state treasurer. The department of administration shall limit
28 expenditures to the amount that has been made available for the use under
29 the grant award by the federal government. The state agency initiating the
30 expenditures is responsible for ensuring that expenditures qualify for
31 coverage under the guidelines of the federal grant award.

1 I. The department of administration shall establish the policies and
2 procedures for all state agencies for drawing federal monies. When the
3 established method results in federal monies being held by this state, the
4 department of administration may use the interest earned on the monies to
5 pay the federal government for any related interest liability. If an
6 interest liability is incurred due to a state agency varying from the
7 established policies and procedures, the department of administration shall
8 charge the appropriate agency account or fund. Any federal interest
9 liability owed to this state as a result of the delayed federal
10 disbursements shall be used to offset this state's interest liability to
11 the federal government. Any remaining interest earnings shall be deposited
12 in the state general fund.

13 J. Any state agency or authorized agent of a state agency may accept
14 credit cards pursuant to an agreement entered into by the state treasurer
15 pursuant to section 35-315 for the payment of any amount due to that agency
16 or agent or this state.

17 K. Except for the department of revenue, agencies or authorized
18 agents on behalf of state agencies that accept credit cards shall deduct
19 any applicable discount fee and processing fee associated with the
20 transaction amount before depositing the net amount in the appropriate
21 state fund. No other reduction is permitted against the transaction
22 amount. The net amount deposited in the appropriate state fund shall be
23 considered as the full deposit required by law of monies received by the
24 agency or the authorized agent. Payment of any applicable discount fee and
25 processing fee shall be accounted for in the annual report submitted to the
26 governor's office of strategic planning and budgeting in accordance with
27 section 41-1273. The transaction amount of any credit card transaction
28 shall not be reduced by any discount fee or processing fee in an amount in
29 excess of the merchant card settlement fees reflected in the state banking
30 contract with the state treasurer's office.

31 L. Any state agency that contracts with an authorized agent for the
32 electronic processing of transactions pursuant to title 41, chapter 23 may

1 include a provision in the contract to allow the authorized agent to impose
2 a convenience fee. If allowed, the convenience fee shall be charged to the
3 cardholder in addition to the transaction amount, except for the following:

4 1. Except as provided in subsection R of this section, any permits,
5 licenses or other authorizations needed to pursue a trade or occupation in
6 this state.

7 2. Except as provided in subsection R of this section, any permits,
8 licenses or other authorizations needed to establish, expand or operate a
9 business in this state.

10 3. Except as provided in subsection R of this section, any permits,
11 licenses or other authorizations needed to register a vehicle or license a
12 driver in this state.

13 M. Each state agency or its authorized agent shall:

14 1. Deduct the amount of the convenience fee before depositing the
15 transaction amount or the transaction amount reduced by the discount fee or
16 the processing fee, or both, into the appropriate state fund.

17 2. Not deduct any part of the convenience fee from the transaction
18 amount before depositing the net amount into the appropriate state fund.

19 3. Deduct the amount of the discount fee or the processing fee, or
20 both, from the transaction amount before depositing the net amount into the
21 appropriate state fund.

22 N. The net amount deposited in the appropriate state fund pursuant
23 to subsection L or M of this section shall be considered as the full
24 deposit of monies that is required by law and that is received by the
25 agency.

26 O. Notwithstanding section 35-142.01, convenience fees received by a
27 state agency or its authorized agent are limited to, and may be used to
28 offset, the costs imposed by the authorized agent in processing the
29 transactions.

30 P. When the percentage of electronic transactions first exceeds at
31 least thirty percent of a state agency's total transactions, the state

1 agency shall perform a cost benefit report, including costs of convenience
2 fees, the amount of revenue generated and any realized cost savings.

3 Q. Nothing in this section or any other provision of law authorizes
4 any state agency, authorized agent of any state agency or budget unit to
5 establish a bank account for any government monies. All monies received by
6 or on behalf of this state shall be deposited with and in the custody of
7 the state treasurer or in an account that is authorized by the state
8 treasurer pursuant to this section. This subsection does not apply to
9 monies received and any accounts established and maintained by the director
10 of the Arizona state retirement system or the administrator of the public
11 safety personnel retirement system, the corrections officer retirement plan
12 and the elected officials' retirement plan.

13 R. If a state agency provides an alternative method of payment, the
14 convenience fee may be charged to the cardholder in addition to the
15 transaction amount."

16 Amend title to conform

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