

COMMITTEE ON APPROPRIATIONS
SENATE AMENDMENTS TO H.B. 2361
(Reference to House engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 41-2308, Arizona Revised Statutes, is amended to
3 read:

4 41-2308. Special sporting events; promotion and marketing;
5 report; appropriation; definitions

6 A. Beginning from and after June 30, 2021, the state treasurer shall
7 pay from monies appropriated pursuant to this section ~~one million five~~
8 ~~hundred thousand dollars~~ \$1,500,000 per fiscal year, in twelve equal
9 monthly installments, to the office of tourism for the purposes described
10 in this section. The office of tourism shall deposit the monies in a
11 separate fund and shall use the monies to promote and market a special
12 sporting event at a host facility. ~~THE OFFICE OF TOURISM SHALL CONTRACT~~
13 ~~WITH A PROMOTION AND MARKETING AGENCY THAT IS APPROVED BY THE HOST FACILITY~~
14 ~~AND THAT HAS THE REQUISITE CAPABILITIES AND SKILLS TO PROMOTE AND MARKET A~~
15 ~~SPECIAL SPORTING EVENT AS REASONABLY DETERMINED BY THE HOST FACILITY. FOR~~
16 ~~THE PURPOSES OF THIS SECTION, THE OFFICE OF TOURISM MAY CONTRACT WITH A~~
17 ~~PROMOTION AND MARKETING AGENCY THAT IS NOT AWARDED A STATEWIDE CONTRACT FOR~~
18 ~~MARKETING SERVICES.~~ On or before October 1 of each year, the office of
19 tourism shall report to the joint legislative budget committee the amounts
20 and purposes of all expenditures made pursuant to this subsection in the
21 previous fiscal year.

22 B. The treasurer may make the payments prescribed in subsection A of
23 this section if the special sporting event project cost incurred from and

1 after December 31, 2016 is at least ~~one hundred million dollars~~
2 \$100,000,000.

3 C. The host facility shall report to the joint legislative budget
4 committee and the governor's office of strategic planning and budgeting
5 that it has incurred the special sporting event project cost prescribed in
6 subsection B of this section on or before December 31, 2020. The joint
7 legislative budget committee shall certify the expenditures reported by the
8 host facility.

9 D. If the requirements of subsections B and C of this section are
10 met, the sum of ~~one million five hundred thousand dollars~~ \$1,500,000 is
11 appropriated annually from the state general fund to the state treasurer
12 for the purposes of this section beginning in fiscal year 2021-2022 and
13 ending in fiscal year 2050-2051.

14 E. For the purposes of this section:

15 1. "Host facility" means a complex facility in this state that has
16 fixed seating, that requires a ticket for admission for viewing a sporting
17 event and that was chosen to host a special sporting event by a site
18 selection organization through a competitive selection process that
19 included consideration of at least one facility that is not located in this
20 state.

21 2. "Special sporting event" means a sporting event that is
22 sanctioned by a nationally recognized premier national auto racing series
23 governing body that establishes an annual schedule of sporting events and
24 grants rights to conduct the events, that has established and administers
25 rules and regulations governing all participants involved in the events and
26 all persons conducting the events and that requires certain liability
27 assurances, including insurance.

28 3. "Special sporting event project" means:

29 (a) The acquisition of land subject to property tax in this state to
30 construct a host facility for a special sporting event.

1 (b) The construction, reconstruction, improvement or renovation of
2 improvements to land subject to property tax in this state of a host
3 facility for a special sporting event.

4 4. "Special sporting event project cost" means the monies spent from
5 and after December 31, 2016 by the owner of the host facility on the
6 special sporting event project.

7 Section 2. Section 41-2501, Arizona Revised Statutes, is amended to
8 read:

9 41-2501. Applicability

10 A. This chapter applies only to procurements initiated after
11 January 1, 1985 unless the parties agree to its application to procurements
12 initiated before that date.

13 B. This chapter applies to every expenditure of public monies,
14 including federal assistance monies except as otherwise specified in
15 section 41-2637, by this state, acting through a state governmental unit as
16 defined in this chapter, under any contract, except that this chapter does
17 not apply to either grants as defined in this chapter, or contracts between
18 this state and its political subdivisions or other governments, except as
19 provided in chapter 24 of this title and in article 10 of this
20 chapter. This chapter also applies to the disposal of state materials.
21 This chapter and rules adopted under this chapter do not prevent any state
22 governmental unit or political subdivision from complying with the terms of
23 any grant, gift, bequest or cooperative agreement.

24 C. All political subdivisions and other local public agencies of
25 this state may adopt all or any part of this chapter and the rules adopted
26 pursuant to this chapter.

27 D. Notwithstanding any other law, sections 41-2517 and 41-2546 apply
28 to any agency as defined in section 41-1001, including the office of the
29 governor.

30 E. The Arizona board of regents and the legislative and judicial
31 branches of state government are not subject to this chapter except as
32 prescribed in subsection F of this section.

1 F. The Arizona board of regents and the judicial branch shall adopt
2 rules prescribing procurement policies and procedures for themselves and
3 institutions under their jurisdiction. The rules must be substantially
4 equivalent to the policies and procedures prescribed in this chapter.

5 G. The Arizona state lottery commission is exempt from this chapter
6 for procurement relating to the design and operation of the lottery or
7 purchase of lottery equipment, tickets and related materials. The
8 executive director of the Arizona state lottery commission shall adopt
9 rules substantially equivalent to the policies and procedures in this
10 chapter for procurement relating to the design and operation of the lottery
11 or purchase of lottery equipment, tickets or related materials. All other
12 procurement shall be as prescribed by this chapter.

13 H. The Arizona health care cost containment system administration is
14 exempt from this chapter for provider contracts pursuant to section
15 36-2904, subsection A and contracts for goods and services, including
16 program contractor contracts pursuant to title 36, chapter 29, articles 2
17 and 3 and contracts with regional behavioral health authorities pursuant to
18 title 36, chapter 34. All other procurement, including contracts for the
19 statewide administrator of the program pursuant to section 36-2903,
20 subsection B, shall be as prescribed by this chapter.

21 I. Arizona correctional industries is exempt from this chapter for
22 purchases of raw materials, components and supplies that are used in the
23 manufacture or production of goods or services for sale entered into
24 pursuant to section 41-1622. All other procurement shall be as prescribed
25 by this chapter.

26 J. The state transportation board and the director of the department
27 of transportation are exempt from this chapter other than sections 41-2517
28 and 41-2586 and are subject to title 28, chapter 20 and 2 Code of Federal
29 Regulations section 200.317 for the procurement of the following:

30 1. All items of construction, reconstruction, rehabilitation,
31 preservation or improvement undertaken on highway infrastructure.

1 2. Engineering services and any other work or activity to carry out
2 engineering services related to highway infrastructure.

3 3. Right-of-way services related to land titles, appraisals, real
4 property acquisitions, relocation services, property management and
5 facility design.

6 4. Any other construction, reconstruction, rehabilitation,
7 preservation or improvement work or activity that is required pursuant to
8 title 28, chapter 20.

9 K. The Arizona highways magazine is exempt from this chapter for
10 contracts for the production, promotion, distribution and sale of the
11 magazine and related products and for contracts for sole source creative
12 works entered into pursuant to section 28-7314, subsection A, paragraph 5.
13 All other procurement shall be as prescribed by this chapter.

14 L. The secretary of state is exempt from this chapter for contracts
15 entered into pursuant to section 41-1012 to publish and sell the
16 administrative code. All other procurement shall be as prescribed by this
17 chapter.

18 M. This chapter is not applicable to contracts for professional
19 witnesses if the purpose of such contracts is to provide for professional
20 services or testimony relating to an existing or probable judicial
21 proceeding in which this state is or may become a party or to contract for
22 special investigative services for law enforcement purposes.

23 N. The head of any state governmental unit, in relation to any
24 contract exempted by this section from this chapter, has the same authority
25 to adopt rules, procedures or policies as is delegated to the director
26 pursuant to this chapter.

27 O. Agreements negotiated by legal counsel representing this state in
28 settlement of litigation or threatened litigation are exempt from this
29 chapter.

30 P. This chapter is not applicable to contracts entered into by the
31 department of economic security:

1 1. With a provider licensed or certified by an agency of this state
2 to provide child day care services.

3 2. With area agencies on aging created pursuant to the older
4 Americans act of 1965 (P.L. 89-73; 79 Stat. 218; 42 United States Code
5 sections 3001 through 3058ff).

6 3. For services pursuant to title 36, chapter 29, article 2.

7 4. With an eligible entity as defined by Public Law 105-285, section
8 673(1)(A)(i), as amended, for designated community services block grant
9 program monies and any other monies given to the eligible entity that
10 accomplishes the purpose of Public Law 105-285, section 672.

11 Q. The Arizona health care cost containment system may not require
12 that persons with whom it contracts follow this chapter for the purposes of
13 subcontracts entered into for the provision of the following:

14 1. Mental health services pursuant to section 36-189, subsection B.

15 2. Services for the seriously mentally ill pursuant to title 36,
16 chapter 5, article 10.

17 3. Drug and alcohol services pursuant to section 36-141.

18 R. The department of health services may not require that persons
19 with whom it contracts follow this chapter for the purpose of subcontracts
20 entered into for the provision of domestic violence services pursuant to
21 title 36, chapter 30, article 1.

22 S. The department of health services is exempt from this chapter for
23 contracts for services of physicians at the Arizona state hospital.

24 T. Contracts for goods and services approved by the board of
25 trustees of the public safety personnel retirement system are exempt from
26 this chapter.

27 U. The Arizona department of agriculture is exempt from this chapter
28 with respect to contracts for private labor and equipment to effect cotton
29 or cotton stubble plow-up pursuant to rules adopted under title 3,
30 chapter 2, article 1.

31 V. The Arizona state parks board is exempt from this chapter for
32 purchases of guest supplies and items for resale such as food, linens, gift

1 items, sundries, furniture, china, glassware and utensils for the
2 facilities located in the Tonto natural bridge state park.

3 W. The Arizona state parks board is exempt from this chapter for the
4 purchase, production, promotion, distribution and sale of publications,
5 souvenirs and sundry items obtained and produced for resale.

6 X. The Arizona state schools for the deaf and the blind are exempt
7 from this chapter for the purchase of textbooks and when purchasing
8 products through a cooperative that is organized and operates in accordance
9 with state law if such products are not available on a statewide contract
10 and are related to the operation of the schools or are products for which
11 special discounts are offered for educational institutions.

12 Y. Expenditures of monies in the morale, welfare and recreational
13 fund established by section 26-153 are exempt from this chapter.

14 Z. Notwithstanding section 41-2534, the director of the state
15 department of corrections may contract with local medical providers in
16 counties with a population of less than four hundred thousand persons for
17 the following purposes:

18 1. To acquire hospital and professional medical services for inmates
19 who are incarcerated in state department of corrections facilities that are
20 located in those counties.

21 2. To ensure the availability of emergency medical services to
22 inmates in all counties by contracting with the closest medical facility
23 that offers emergency treatment and stabilization.

24 AA. The department of environmental quality is exempt from this
25 chapter for contracting for procurements relating to the water quality
26 assurance revolving fund program established pursuant to title 49, chapter
27 2, article 5. The department shall engage in a source selection process
28 that is similar to the procedures prescribed by this chapter. The
29 department may contract for remedial actions with a single selection
30 process. The exclusive remedy for disputes or claims relating to
31 contracting pursuant to this subsection is as prescribed by article 9 of

1 this chapter and the rules adopted pursuant to that article. All other
2 procurement by the department shall be as prescribed by this chapter.

3 BB. The motor vehicle division of the department of transportation
4 is exempt from this chapter for third-party authorizations pursuant to
5 title 28, chapter 13, only if all of the following conditions exist:

6 1. The division does not pay any public monies to an authorized
7 third party.

8 2. Exclusivity is not granted to an authorized third party.

9 3. The director has complied with the requirements prescribed in
10 title 28, chapter 13 in selecting an authorized third party.

11 CC. This section does not exempt third-party authorizations pursuant
12 to title 28, chapter 13 from any other applicable law.

13 DD. The state forester is exempt from this chapter for purchases and
14 contracts relating to wildland fire suppression and pre-positioning
15 equipment resources and for other activities related to combating wildland
16 fires and other unplanned risk activities, including fire, flood,
17 earthquake, wind and hazardous material responses. All other procurement
18 by the state forester shall be as prescribed by this chapter.

19 EE. The cotton research and protection council is exempt from this
20 chapter for procurements.

21 FF. The Arizona commerce authority is exempt from this chapter,
22 except article 10 for the purpose of cooperative purchases. The authority
23 shall adopt policies, procedures and practices, in consultation with the
24 department of administration, that are similar to and based on the policies
25 and procedures prescribed by this chapter for the purpose of increased
26 public confidence, fair and equitable treatment of all persons engaged in
27 the process and fostering broad competition while accomplishing flexibility
28 to achieve the authority's statutory requirements. The authority shall
29 make its policies, procedures and practices available to the public. The
30 authority may exempt specific expenditures from the policies, procedures
31 and practices.

1 GG. The Arizona exposition and state fair board is exempt from this
2 chapter for contracts for professional entertainment.

3 HH. This chapter does not apply to the purchase of water, gas or
4 electric utilities.

5 II. This chapter does not apply to professional certifications,
6 professional memberships and conference registrations.

7 JJ. The department of gaming is exempt from this chapter for problem
8 gambling treatment services contracts with licensed behavioral health
9 professionals.

10 KK. This chapter does not apply to contracts for credit reporting
11 services.

12 LL. This chapter does not apply to contracts entered into by the
13 department of child safety:

14 1. With a provider of family foster care pursuant to section 8-503.

15 2. With an eligible entity as defined by Public Law 105-285, section
16 673(1)(A)(i), as amended, for designated community services block grant
17 program monies and any other monies given to the eligible entity that
18 accomplishes the purpose of Public Law 105-285, section 672.

19 MM. This chapter does not apply to contracts entered into by the
20 department of economic security with a financial institution to serve as a
21 program manager and depository under section 46-903.

22 NN. THE OFFICE OF TOURISM IS EXEMPT FROM THIS CHAPTER FOR PROMOTION
23 AND MARKETING CONTRACTS FOR A SPECIAL SPORTING EVENT AT A HOST FACILITY
24 PURSUANT TO SECTION 41-2308."

25 Amend title to conform

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