

McCOMISH FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2250

(Reference to printed bill)

- 1 Page 1, line 12, after "insurer" strike remainder of line
2 Line 13, strike "under title 41, chapter 10, article 2" insert "AS CERTIFIED BY
3 THE DEPARTMENT OF COMMERCE PURSUANT TO SECTION 41-1525"
4 Line 29, after "STATE" strike remainder of line
5 Line 30, strike "ZONE" insert "TO A LOCATION IN THIS STATE"; strike "TO A
6 LOCATION IN AN ENTERPRISE ZONE
7 Line 32, strike "AN URBAN ZONE LOCATION" insert "A CITY OR TOWN"; strike
8 "EIGHTY" insert "FIFTY"
9 Line 33, after "IN" strike remainder of line
10 Strike line 34, insert "ANY OTHER LOCATION."
11 Line 39, strike "in an enterprise zone that is located"
12 Line 44, after the period strike remainder of line
13 Page 2, strike lines 1 and 2
14 Line 7, after the second "the" strike remainder of line
15 Line 8, strike "of the"; after "business" insert "LOCATION"
16 Line 10, after "location" strike remainder of line
17 Line 11, strike "location"
18 Lines 35 and 36, strike "in the zone"
19 Page 3, line 2, after "years" strike remainder of line insert a period
20 Strike line 3
21 Lines 4 and 5, strike "in a zone"
22 Strike lines 24 through 31
23 Reletter to conform
24 Between lines 40 and 41, insert:
25 "Sec. 4. Section 35-701, Arizona Revised Statutes, is amended to read:
26 35-701. Definitions
27 In this chapter, unless the context otherwise requires:
28 1. "Corporation" means any corporation organized as an authority as
29 provided in this chapter.

1 2. "Designated area" means any area of this state which is either
2 designated pursuant to section 36-1479 as a slum or blighted area as defined
3 in section 36-1471, designated by regulation as a pocket of poverty or a
4 neighborhood strategy area by the United States department of housing and
5 urban development pursuant to title I of the housing and community
6 development act of 1977 (P.L. 95-128; 42 United States Code sections 5301
7 through 5320), as amended, and the department of housing and urban
8 development act (P.L. 89-174; 42 United States Code section 3535(d)) or
9 designated by the United States department of housing and urban development
10 as an empowerment or enterprise zone pursuant to the federal omnibus budget
11 reconciliation act of 1993 (P.L. 103-66; 26 United States Code section
12 1391(g)) ~~or an area certified as an enterprise zone pursuant to section~~
13 ~~41-1524, subsection B.~~

14 3. "Governing body" means:

15 (a) The board or body in which the general legislative powers of the
16 municipality or the county are vested.

17 (b) The Arizona board of regents with respect to a corporation formed
18 with the permission of the Arizona board of regents.

19 4. "Income" means gross earnings from wages, salary, commissions,
20 bonuses or tips from all jobs, net earnings from such person's or family's
21 own nonfarm business, professional practice or partnership, and net earnings
22 from such person's or family's own farm. Income includes income, other than
23 earnings, that consists of amounts received from social security or railroad
24 retirement, interest, dividends, veterans payments, pensions and other
25 regular payments, public assistance or welfare payments, including aid for
26 dependent children, old age assistance and aid to the blind or totally
27 disabled, but excluding separate payments for hospital or other medical care.

28 5. "Manufactured house" means a structure that is manufactured in a
29 factory after June 15, 1976, that is delivered to a homesite in more than one
30 section and that is placed on a permanent foundation. The dimensions of the
31 completed house shall not be less than twenty feet by forty feet, the roof
32 must be sloping, the siding and roofing must be the same as those found in
33 site-built houses and the house must be eligible for thirty year real estate
34 mortgage financing.

1 6. "Municipality" or "county" means the Arizona board of regents or
2 any incorporated city or town, including charter cities, or any county in
3 this state in which a corporation may be organized and in which it is
4 contemplated the corporation will function.

5 7. "Persons of low and moderate income" means, for the purposes of
6 financing owner-occupied single family dwelling units in areas which the
7 municipality has found, pursuant to section 36-1479, to be slum or blighted
8 areas, as defined in section 36-1471, persons and families whose income does
9 not exceed two and one-half times the median family income of this state. In
10 all other areas it means persons and families whose income does not exceed
11 one and one-half times the median family income of this state.

12 8. "Project" means any land, any building or any other improvement and
13 all real and personal properties, including machinery and equipment whether
14 or not now in existence or under construction and whether located within or
15 without this state or the municipality or county approving the formation of
16 the corporation, that are suitable for any of the following:

17 (a) With respect to a corporation formed with the permission of a
18 municipality or county other than the Arizona board of regents:

19 (i) Any enterprise for the manufacturing, processing or assembling of
20 any agricultural or manufactured products.

21 (ii) Any commercial enterprise for the storing, warehousing,
22 distributing or selling of products of agriculture, mining or industry, or of
23 processes related thereto, including research and development.

24 (iii) Any office building or buildings for use as corporate or company
25 headquarters or regional offices or the adaptive use for offices of any
26 building within this state that is on the national register of historic
27 places or rehabilitation of residential buildings located in registered
28 historic neighborhoods.

29 (iv) A health care institution as defined in section 36-401.

30 (v) Residential real property for dwelling units located within the
31 municipality or county approving the formation of the corporation and, in the
32 case of a county, whether or not also within a municipality that is within
33 the county.

34 (vi) Repairing or rehabilitating single family dwelling units or
35 constructing or repairing residential fences and walls.

1 (vii) Convention or trade show facilities.

2 (viii) Airports, docks, wharves, mass commuting facilities, parking
3 facilities or storage or training facilities directly related to any of the
4 facilities as provided in this item.

5 (ix) Sewage or solid waste disposal facilities or facilities for the
6 furnishing of electric energy, gas or water.

7 (x) Industrial park facilities.

8 (xi) Air or water pollution control facilities.

9 (xii) Any educational institution that is operated by a nonprofit
10 educational organization that is exempt from taxation under section 501(c)(3)
11 of the United States internal revenue code and that is not otherwise funded
12 by state monies, any educational institution or organization that is
13 established under title 15, chapter 1, article 8 and that is owned by a
14 nonprofit organization, any private nonsectarian school or any private
15 nonsectarian organization established for the purpose of funding a joint
16 technological education school district.

17 (xiii) Research and development facilities.

18 (xiv) Commercial enterprises, including facilities for office,
19 recreational, hotel, motel and service uses if the facilities authorized by
20 this item are to be located in a designated area.

21 (xv) A child welfare agency, as defined in section 8-501, owned and
22 operated by a nonprofit organization.

23 (xvi) A transportation facility constructed or operated pursuant to
24 title 28, chapter 22.

25 (xvii) A museum operated by a nonprofit organization.

26 (xviii) Facilities owned or operated by a nonprofit organization
27 described in section 501(c) of the United States internal revenue code of
28 1986.

29 (xix) New or existing correctional facilities within this state.

30 (b) With respect to a corporation formed with the permission of the
31 Arizona board of regents, any facility consisting of classrooms, lecture
32 halls or conference centers or any facility for research and development or
33 for manufacturing, processing, assembling, marketing, storing and
34 transferring items developed through or connected with research and
35 development or in which the results of such research and development are

1 utilized, but only if the facility is located in an area designated as a
2 research park by the Arizona board of regents.

3 9. "Property" means any land, improvements thereon, buildings and any
4 improvements thereto, machinery and equipment of any and all kinds necessary
5 to a project and any other personal properties deemed necessary in connection
6 with a project.

7 10. "Research park" means an area of land that has been designated by
8 the Arizona board of regents as a research park for a university and that, at
9 the date of designation, is owned by this state or by the Arizona board of
10 regents.

11 11. "Single family dwelling unit" includes any new, used or
12 manufactured house that meets the insuring requirements of the federal
13 housing administration, the veterans administration or any other insuring
14 entity of the United States government or any private mortgage insurance or
15 surety company that is approved by the federal home loan mortgage corporation
16 or the federal national mortgage association."

17 Renumber to conform

18 Page 6, between lines 33 and 34, insert:

19 "Sec. 6. Heading change

20 The article heading of title 41, chapter 10, article 2, Arizona Revised
21 Statutes, is changed from "ENTERPRISE ZONES" to "ARIZONA ENTERPRISE
22 DEVELOPMENT PROGRAM".

23 Sec. 7. Repeal

24 Sections 41-1521, 41-1522, 41-1523 and 41-1524, Arizona Revised
25 Statutes, are repealed."

26 Renumber to conform

27 Line 36, after "insurer" strike remainder of line

28 Line 40, strike "zone"

29 Line 44, strike "in the zone"

30 Page 7, line 7, strike "INTO AN ENTERPRISE"

31 Line 8, strike "ZONE" insert "TO A LOCATION IN THIS STATE"; strike "TO A
32 LOCATION IN AN ENTERPRISE ZONE"

33 Line 10, strike "AN URBAN ZONE LOCATION" insert "A CITY OR TOWN"; strike
34 "EIGHTY" insert "FIFTY"

35 Line 11, after "IN" strike remainder of line

1 Page 7, strike line 12, insert "ANY OTHER LOCATION."

2 Line 17, after "EMPLOYEES" strike remainder of line

3 Line 18, strike "ZONE LOCATION"

4 Line 37, strike "zone"

5 Strike lines 40, 41 and 42

6 Reletter to conform

7 Page 8, line 13, after "location" strike remainder of line insert a period

8 Strike line 14

9 Line 16, strike "zone"

10 Line 30, strike "in the zone" insert "AT THE LOCATION"

11 Line 37, strike "zone" insert "DESIGNATED"

12 Page 9, line 4, strike "zone"

13 Strike lines 13 through 16

14 Reletter to conform

15 Line 20, strike "zone"

16 Line 22, strike "at the zone location"

17 Line 39, strike "zone" insert "DESIGNATED"

18 Page 10, strike lines 17 through 21, insert:

19 "F. THE FOLLOWING PROPERTY THAT IS OWNED OR USED BY A QUALIFYING
20 BUSINESS THAT IS CERTIFIED BY THE DEPARTMENT PURSUANT TO SECTION 41-1525.01
21 SHALL BE ASSESSED AS CLASS SIX PROPERTY AS PROVIDED BY SECTION 42-12006 OR AS
22 CLASS NINE PROPERTY AS PROVIDED BY SECTION 42-12009:

23 1. PERSONAL PROPERTY AND IMPROVEMENTS THAT ARE CONSTRUCTED OR UNDERGO
24 A MAJOR RENOVATION FROM AND AFTER JUNE 30, 2010 THROUGH JUNE 30, 2016.

25 2. REAL PROPERTY THAT IS OWNED BY THE QUALIFYING BUSINESS ON WHICH THE
26 PERSONAL PROPERTY AND IMPROVEMENTS DESCRIBED IN PARAGRAPH 1 OF THIS
27 SUBSECTION ARE LOCATED."

28 Between lines 40 and 41, insert:

29 "2. "LOCATION" MEANS A SINGLE PARCEL OR CONTIGUOUS PARCELS OF OWNED OR
30 LEASED LAND, THE STRUCTURES AND PERSONAL PROPERTY CONTAINED ON THE LAND OR
31 ANY PART OF THE STRUCTURES OCCUPIED BY A TAXPAYER."

32 Renumber to conform

33 Page 11, strike lines 4 through 6

- 1 Page 11, line 29, after "INCLUDE" insert "PERSONAL PROPERTY AND IMPROVEMENTS THAT
2 ARE CONSTRUCTED OR UNDERGO A MAJOR RENOVATION FROM AND AFTER JUNE 30, 2010
3 THROUGH JUNE 30, 2016,"
- 4 Line 30, after "VACANT" insert "AND REAL PROPERTY THAT IS OWNED BY THE
5 QUALIFYING BUSINESS ON WHICH QUALIFYING PERSONAL PROPERTY AND IMPROVEMENTS
6 ARE LOCATED"
- 7 Line 34, strike "AN URBAN ZONE LOCATION" insert "A CITY OR TOWN"; strike
8 "EIGHTY" insert "FIFTY"
- 9 Line 36, strike "TWELVE MONTHS" insert "THREE YEARS"
- 10 Line 37, after "(b)" strike remainder of line
- 11 Line 38, strike "PERSONS" insert "IN ANY OTHER LOCATION"; strike "TWELVE" insert
12 "THREE"
- 13 Line 39, strike "MONTHS" insert "YEARS"
- 14 Page 12, line 22, after "location" strike remainder of line
- 15 Line 23, strike "located"
- 16 Lines 30, 33 and 38, strike "zone"
- 17 Page 13, line 3, after "~~and~~" strike remainder of line
- 18 Line 4, strike "zone continues in existence"
- 19 Line 16, strike "zone"
- 20 Line 26, strike "enterprise zone"
- 21 Lines 31 and 34, strike "zone"
- 22 Page 14, line 9, strike "from the enterprise zone"
- 23 Page 15, line 23, strike "Zone"
- 24 Between lines 24 and 25, insert:
- 25 "Sec. 10. Section 41-1526, Arizona Revised Statutes, is amended to
26 read:
- 27 41-1526. Duties of department
- 28 The department shall administer this article and shall:
- 29 1. Monitor the implementation and operation of this article and
30 continually evaluate the progress made in ~~the enterprise zones~~ ATTRACTING NEW
31 BUSINESSES.
- 32 2. Assist an employer or prospective employer ~~in a zone~~ to obtain the
33 benefits of any incentive or inducement program authorized by law.

1 3. Submit an annual written report, evaluating the effectiveness of
2 the program and presenting any suggestions to improve the program, to the
3 governor no later than March 1 of each year.

4 4. Adopt rules as necessary to administer this article.

5 5. Provide information regarding ~~zones~~ THE BUSINESS INCENTIVES on
6 request and conduct informational and instructional seminars and training."

7 Renumber to conform

8 Page 15, strike lines 35 and 36

9 Renumber to conform

10 Line 39, after "41-1525" strike remainder of line

11 Line 40, strike "zone"

12 Line 42, strike ", in each enterprise zone"

13 Page 16, line 1, strike the comma

14 Line 2, strike "in each enterprise zone"

15 Line 16, after "4" strike remainder of line

16 Line 17, strike "zone"

17 Line 23, strike "in enterprise zones"; after "six" insert "OR CLASS NINE"

18 Between lines 27 and 28, insert:

19 "A. Section 41-1528, Arizona Revised Statutes, is repealed.

20 B."

21 Between lines 40 and 41, insert:

22 "(b) IT IS THE NATIONAL OR REGIONAL CORPORATE HEADQUARTERS OF AN
23 ARIZONA BASIC INDUSTRY."

24 Reletter to conform

25 Page 17, line 4, strike "SEVENTY-FIVE" insert "SIXTY-FIVE"

26 Between lines 7 and 8, insert:

27 "(e) INDUSTRIES IDENTIFIED BY NORTH AMERICAN INDUSTRY CLASSIFICATION
28 SYSTEM CODE SECTORS 31, 32 AND 33."

29 Line 12, after the first "STATE" insert ", A PRIVATE POSTSECONDARY EDUCATIONAL
30 INSTITUTION LICENSED BY THIS STATE"

31 Between lines 27 and 28, insert:

32 "9. "FULL-TIME" MEANS PERMANENT EMPLOYMENT FOR AT LEAST ONE THOUSAND
33 SEVEN HUNDRED FIFTY HOURS PER YEAR.

34 10. "HEADQUARTERS" MEANS A PRINCIPAL CENTRAL ADMINISTRATIVE OFFICE
35 WHERE PRIMARY HEADQUARTERS RELATED FUNCTIONS AND SERVICES ARE PERFORMED,

1 INCLUDING FINANCIAL, PERSONNEL, ADMINISTRATIVE, LEGAL, PLANNING AND SIMILAR
2 BUSINESS FUNCTIONS ARE PERFORMED."

3 Renumber to conform

4 Page 17, line 35. strike "A JOB" insert "FULL-TIME EMPLOYMENT"

5 Page 19, between lines 4 and 5, insert:

6 "2. ON A CASE BY CASE BASIS, APPROVE PROJECT AGREEMENTS FOR THE
7 PURPOSE OF PRESERVING AND RETAINING EXISTING JOBS IN AN ARIZONA BASIC
8 ENTERPRISE."

9 Renumber to conform

10 Page 20, line 4, after "JUDICIAL" insert "OR NONJUDICIAL"

11 Line 27, after "IS" insert ":

12 1. FOR ARIZONA BASIC ENTERPRISES THAT OWN PROPERTY QUALIFYING FOR TAX
13 CLASSIFICATION PURSUANT TO SECTION 42-12009, SUBSECTION A, PARAGRAPH 6, AN
14 AMOUNT UP TO ONE HUNDRED PER CENT OF THE STATE WITHHOLDING TAX ON
15 COMPENSATION PAID BY THE EMPLOYER WITH RESPECT TO THE NEW JOBS IN EACH
16 CALENDAR QUARTER, AS DETERMINED BY THE DIRECTOR.

17 2. FOR ALL OTHER EMPLOYERS, AN AMOUNT"

18 Line 37, after "LEAST" insert "SEVENTY-FIVE OR"

19 Page 24, line 4, strike the colon

20 Line 5, strike "1."

21 Line 6, after "TO" insert ":

22 1."

23 Strike lines 8, 9 and 10, insert:

24 "2. THE JOINT LEGISLATIVE BUDGET COMMITTEE FOR ITS REVIEW AND
25 EVALUATION."

26 Page 25, strike lines 29, 30 and 31

27 Renumber to conform

28 Page 26, line 43 strike "ONE HUNDRED THIRTY-FIVE" insert "TWO HUNDRED"; strike
29 "COUNTY MEDIAN WAGE" insert "WAGE OFFER BY COUNTY AS COMPUTED ANNUALLY BY THE
30 DEPARTMENT OF ECONOMIC SECURITY RESEARCH ADMINISTRATION DIVISION OR SUCCESSOR
31 ADMINISTRATION"

32 Line 45, strike "ONE HUNDRED FORTY-FIVE" insert "TWO HUNDRED TEN"; strike
33 "COUNTY MEDIAN WAGE" insert "WAGE OFFER BY COUNTY AS COMPUTED ANNUALLY BY THE
34 DEPARTMENT OF ECONOMIC SECURITY RESEARCH ADMINISTRATION DIVISION OR SUCCESSOR
35 ADMINISTRATION"

1 Page 27, line 2, strike "ONE HUNDRED FIFTY-FIVE" insert "TWO HUNDRED TWENTY";
2 strike "COUNTY MEDIAN WAGE" insert "WAGE OFFER BY COUNTY AS COMPUTED ANNUALLY
3 BY THE DEPARTMENT OF ECONOMIC SECURITY RESEARCH ADMINISTRATION DIVISION OR
4 SUCCESSOR ADMINISTRATION"

5 Page 41, strike lines 41 through 45

6 Page 42, between lines 2 and 3, insert:

7 "4. PERSONAL PROPERTY AND IMPROVEMENTS THAT ARE CONSTRUCTED OR UNDERGO
8 A MAJOR RENOVATION FROM AND AFTER JUNE 30, 2010 THROUGH JUNE 30, 2016, AND
9 REAL PROPERTY ON WHICH THE PERSONAL PROPERTY AND IMPROVEMENTS ARE LOCATED AND
10 OWNED BY A BUSINESS THAT IS CERTIFIED BY THE DEPARTMENT OF COMMERCE PURSUANT
11 TO SECTION 41-1525.01, AND VALUED AT FULL CASH VALUE AS FOLLOWS:"

12 Line 3, strike "AN URBAN ZONE LOCATION" insert "A CITY OR TOWN"

13 Line 4, strike "EIGHTY" insert "FIFTY"

14 Line 6, strike "TWELVE MONTHS" insert "THREE YEARS"

15 Line 11, strike "EIGHTEEN"

16 Line 12, strike "MONTHS" insert "THREE YEARS"

17 Line 19, after "IN" strike remainder of line insert "ANY OTHER LOCATION:"

18 Strike line 20

19 Line 22, strike "TWELVE MONTHS" insert "THREE YEARS"

20 Line 27, strike "EIGHTEEN MONTHS" insert "THREE YEARS"

21 Page 45, strike line 32, insert:

22 "6. PERSONAL PROPERTY AND IMPROVEMENTS THAT ARE CONSTRUCTED OR UNDERGO
23 A MAJOR RENOVATION FROM AND AFTER JUNE 30, 2010 THROUGH JUNE 30, 2016, AND
24 REAL PROPERTY ON WHICH THE PERSONAL PROPERTY AND IMPROVEMENTS ARE LOCATED AND
25 OWNED"

26 Page 52, line 42, after "~~state~~" strike remainder of line

27 Line 43, after "~~2-~~" strike remainder of line insert "AS CERTIFIED BY THE
28 DEPARTMENT OF COMMERCE PURSUANT TO"

29 Page 53, line 3, strike "in the zone"

30 Line 31, after "STATE" strike remainder of line

31 Line 32, strike "ZONE" insert "TO A LOCATION IN THIS STATE"; strike "TO A
32 LOCATION IN AN ENTERPRISE ZONE"

33 Line 34, strike "AN URBAN ZONE LOCATION" insert "A CITY OR TOWN"; strike
34 "EIGHTY" insert "FIFTY"

35 Line 35, after "IN" strike remainder of line insert "ANY OTHER LOCATION."

- 1 Page 53, strike line 36
2 Line 41, strike "in an enterprise zone that is located"
3 Page 54, line 1, after the period strike remainder of line
4 Strike lines 2 and 3
5 Line 11, after "location" strike remainder of line
6 Line 12, strike "location"
7 Lines 39 and 40, strike "in the zone"
8 Page 55, line 9, strike ", provided the business remains in an enterprise zone"
9 Line 16, strike "in a zone"
10 Strike lines 33 through 40
11 Reletter to conform
12 Page 56, between lines 2 and 3, insert:
13 "2. "LOCATION" MEANS A SINGLE PARCEL OR CONTIGUOUS PARCELS OF OWNED OR
14 LEASED LAND, THE STRUCTURES AND PERSONAL PROPERTY CONTAINED ON THE LAND OR
15 ANY PART OF THE STRUCTURES OCCUPIED BY A TAXPAYER."
16 Renumber to conform
17 Strike lines 11 through 13
18 Page 58, line 6, after "~~state~~" strike remainder of line
19 Line 7, after "~~2-~~" strike remainder of line insert "AS CERTIFIED BY THE
20 DEPARTMENT OF COMMERCE PURSUANT TO"
21 Line 12, strike "in the zone"
22 Line 40, after "STATE" strike remainder of line
23 Line 41, strike "ZONE" insert "TO A LOCATION IN THIS STATE"; strike "TO A
24 LOCATION IN AN ENTERPRISE ZONE"
25 Line 43, strike "AN URBAN ZONE LOCATION" insert "A CITY OR TOWN"; strike
26 "EIGHTY" insert "FIFTY"
27 Line 44, after "IN" strike remainder of line insert "ANY OTHER LOCATION."
28 Strike line 45
29 Page 59, line 5, strike "in an enterprise zone that is located"
30 Line 10, after the period strike remainder of line
31 Strike lines 11 and 12
32 Line 20, after "location" strike remainder of line
33 Line 21, strike "location"
34 Page 60, lines 3 and 4, strike "in the zone"
35 Line 17, strike ", provided the business remains in an enterprise zone"

1 Page 60, line 23, strike "in a zone"

2 Strike lines 40 through 45

3 Page 61, strike lines 1 and 2

4 Reletter to conform

5 Between lines 7 and 8, insert:

6 "2. "LOCATION" MEANS A SINGLE PARCEL OR CONTIGUOUS PARCELS OF OWNED OR
7 LEASED LAND, THE STRUCTURES AND PERSONAL PROPERTY CONTAINED ON THE LAND OR
8 ANY PART OF THE STRUCTURES OCCUPIED BY A TAXPAYER."

9 Renumber to conform

10 Strike lines 16 through 18

11 Amend title to conform

JOHN McCOMISH

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1/27/10

6:41 PM

H:jmb