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REFERENCE TITLE: **state government; privatization review**

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
2004

HB 2453

Introduced by
Representative Pearce: Senator Harper

AN ACT

**AMENDING TITLE 41, CHAPTER 25, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 3;
RELATING TO STATE GOVERNMENT.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 41, chapter 25, Arizona Revised Statutes, is amended
3 by adding article 3, to read:

4 ARTICLE 3. PRIVATIZATION REVIEW

5 41-2781. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "AGENCY" MEANS A DEPARTMENT, OFFICE, COMMISSION, INSTITUTION, BOARD
8 OR OTHER AGENCY OF STATE ORGANIZATION REGARDLESS OF WHETHER MONIES ARE
9 APPROPRIATED TO THE AGENCY.

10 2. "COMMERCIAL SOURCE" MEANS ANY NONPROFIT OR PRIVATE SECTOR ENTITY.

11 3. "CONVERSION" MEANS THE TRANSFER OF WORK FROM A GOVERNMENT
12 COMMERCIAL OR INDUSTRIAL ACTIVITY TO PERFORMANCE BY A PRIVATE COMMERCIAL
13 SOURCE UNDER CONTRACT.

14 4. "DIRECTOR" MEANS THE DIRECTOR OF THE GOVERNOR'S OFFICE OF STRATEGIC
15 PLANNING AND BUDGETING.

16 5. "EXPANSION" MEANS MODERNIZATION, REPLACEMENT OR UPGRADE THAT
17 INVOLVES ADDITIONAL CAPITAL INVESTMENT OF ONE HUNDRED THOUSAND DOLLARS OR
18 MORE OR THAT INCREASES OPERATING ANNUAL COSTS BY TWO HUNDRED THOUSAND DOLLARS
19 OR MORE, EXCEPT THAT THE INCREASE MUST EXCEED TWENTY PER CENT OF THE TOTAL
20 INVESTMENT OR ANNUAL OPERATING COSTS. THE CONSOLIDATION OF TWO OR MORE
21 ACTIVITIES IS NOT AN EXPANSION UNLESS THE PROPOSED TOTAL CAPITAL INVESTMENT
22 OR OPERATING COST EXCEEDS THE TOTAL FROM THE INDIVIDUAL ACTIVITIES BY THE
23 AMOUNT OF THE THRESHOLD THAT IS PRESCRIBED IN THIS PARAGRAPH. AN EXPANSION
24 THAT INCREASES EITHER CAPITAL INVESTMENT OR ANNUAL OPERATING COST BY ONE
25 HUNDRED PER CENT OR MORE IS A NEW START.

26 6. "GOVERNMENT COMMERCIAL OR INDUSTRIAL ACTIVITY" MEANS AN ACTIVITY
27 THAT IS OPERATED AND MANAGED BY AN AGENCY AND THAT PROVIDES A PRODUCT OR A
28 SERVICE THAT COULD BE OBTAINED FROM A PRIVATE SOURCE.

29 7. "GOVERNMENTAL FUNCTION" MEANS A FUNCTION THAT MUST BE PERFORMED
30 IN-HOUSE DUE TO A SPECIAL RELATIONSHIP IN EXECUTING GOVERNMENTAL
31 RESPONSIBILITIES SUCH AS FUNCTIONS INVOLVING THE DISCRETIONARY APPLICATION OF
32 GOVERNMENTAL AUTHORITY. SUCH FUNCTIONS INCLUDE INVESTIGATION, PROSECUTION
33 AND OTHER JUDICIAL FUNCTIONS, THE OVERALL MANAGEMENT AND DIRECTION OF
34 GOVERNMENT PROGRAMS, SELECTION OF PROGRAM PRIORITIES AND REGULATORY
35 ACTIVITIES.

36 8. "IN-HOUSE ACTIVITY" MEANS A GOOD OR SERVICE THAT IS PROVIDED BY AN
37 AGENCY.

38 9. "NEW START" MEANS A NEWLY ESTABLISHED GOVERNMENT COMMERCIAL OR
39 INDUSTRIAL ACTIVITY, INCLUDING A TRANSFER OF WORK FROM CONTRACT TO IN-HOUSE
40 PERFORMANCE, INCLUDING ANY EXPANSION THAT WOULD INCREASE CAPITAL INVESTMENT
41 OR ANNUAL OPERATING COST BY ONE HUNDRED PER CENT OR MORE.

42 41-2782. Agency duties; working groups; task force; duties

43 A. AN AGENCY SHALL NOT PERFORM OR ENGAGE IN A CONTRACT FOR GOVERNMENT
44 COMMERCIAL OR INDUSTRIAL ACTIVITIES, EXCEPT PURSUANT TO THIS ARTICLE OR AS
45 OTHERWISE PROVIDED BY STATUTE.

1 B. EACH AGENCY SHALL RETAIN FULL CONTROL OF SERVICE QUANTITIES,
2 SERVICE SPECIFICATIONS, STANDARDS AND ANY OTHER MATTER DEMONSTRABLY RELATED
3 TO THE DELIVERY OF A PARTICULAR PUBLIC GOOD OR SERVICE IN A MANNER CONSISTENT
4 WITH THE PUBLIC INTEREST.

5 C. EACH AGENCY SHALL DESIGNATE ONE OFFICER OR EMPLOYEE WHO, WITH THE
6 WORKING GROUPS ESTABLISHED PURSUANT TO THIS SECTION, SHALL:

7 1. COORDINATE THE PROCESS OF EVALUATING CURRENT ACTIVITIES, EXPANSIONS
8 AND NEW START PROPOSALS.

9 2. IMPLEMENT THE REQUIRED MAKE OR BUY ANALYSES.

10 3. IMPLEMENT THE RECOMMENDATIONS OF THE WORKING GROUPS CONCERNING
11 WHETHER THE GOOD OR SERVICE SHALL BE DELIVERED BY IN-HOUSE OR COMMERCIAL
12 SOURCES.

13 D. AGENCY EMPLOYEES SHALL BE ENCOURAGED TO PARTICIPATE IN THE
14 ACTIVITIES REQUIRED BY THIS ARTICLE. EACH AGENCY SHALL CREATE A WORKING
15 GROUP THAT IS CHAIRED BY THE DESIGNATED OFFICER OR EMPLOYEE. IN ADDITION,
16 THE WORKING GROUP CONSISTS OF AN EQUAL NUMBER OF MEMBERS REPRESENTING
17 MANAGEMENT AND AN EQUAL NUMBER OF EMPLOYEES REPRESENTING ALL COLLECTIVE
18 BARGAINING UNITS THAT REPRESENT AGENCY EMPLOYEES.

19 E. THE WORKING GROUPS SHALL:

20 1. DEVELOP AND IMPLEMENT THIS ARTICLE.

21 2. ADDRESS EMPLOYEE CONCERNS RELATING TO THE IMPACT OF CONVERSIONS OF
22 GOVERNMENT COMMERCIAL OR INDUSTRIAL ACTIVITIES FROM IN-HOUSE TO COMMERCIAL
23 PROVIDERS.

24 3. DEVELOP POLICIES TO MINIMIZE WORKER DISLOCATIONS THAT RESULT FROM
25 SUCH CONVERSIONS THROUGH APPROACHES SUCH AS THE USE OF REASSIGNMENT,
26 RETRAINING AND ATTRITION.

27 4. CONSIDER OTHER EMPLOYEE CONCERNS THAT ARE BROUGHT BEFORE THEM.

28 F. AN INTERAGENCY TASK FORCE IS ESTABLISHED CONSISTING OF THE DIRECTOR
29 OF THE DEPARTMENT OF ADMINISTRATION, THE DIRECTOR OF THE GOVERNOR'S OFFICE OF
30 STRATEGIC PLANNING AND BUDGETING, TWO DEPARTMENT HEADS WHO ARE SELECTED BY
31 THE GOVERNOR AND THREE REPRESENTATIVES OF COLLECTIVE BARGAINING UNITS THAT
32 REPRESENT STATE EMPLOYEES. THE TASK FORCE SHALL REVIEW ISSUES RELATING TO
33 EMPLOYEE ADJUSTMENTS RESULTING FROM THE IMPLEMENTATION OF THIS ARTICLE AND
34 SHALL DEVELOP PROCEDURES TO MINIMIZE EMPLOYEE DISLOCATIONS.

35 G. THE DIRECTOR SHALL PROVIDE TECHNICAL ASSISTANCE TO AGENCIES IN
36 IMPLEMENTING THIS ARTICLE, INCLUDING:

37 1. PREPARING A NONEXCLUSIVE LIST OF ACTIVITIES THAT ARE COMMERCIAL OR
38 INDUSTRIAL TO BE MADE AVAILABLE TO ALL AGENCIES.

39 2. ADVISING AGENCIES ON COST ANALYSIS ISSUES.

40 41-2783. Inventory of in-house activities; review

41 A. EACH AGENCY SHALL PREPARE AN INVENTORY OF ALL IN-HOUSE GOVERNMENT
42 COMMERCIAL OR INDUSTRIAL ACTIVITIES.

43 B. EVERY YEAR, AT LEAST FIVE PER CENT OF AN AGENCY'S IN-HOUSE
44 GOVERNMENT COMMERCIAL AND INDUSTRIAL ACTIVITIES SHALL BE REVIEWED AS FOLLOWS:

- 1 1. EACH AGENCY SHALL DETERMINE GOALS AND STANDARDS FOR ACTIVITIES THAT
2 ARE UNDER REVIEW.
- 3 2. EACH AGENCY SHALL CONSIDER ALTERNATIVE METHODS FOR PERFORMING
4 IN-HOUSE ACTIVITIES WITH EFFECTIVENESS AND COST EFFICIENCY AS PRIMARY
5 CONCERNS.
- 6 3. EACH AGENCY SHALL DETERMINE, FOR EACH IN-HOUSE ACTIVITY, WHETHER
7 THERE ARE KNOWN COMMERCIAL SOURCES.
- 8 C. IF THE AGENCY DETERMINES THAT THERE IS POTENTIAL THAT A PRIVATE
9 COMMERCIAL SOURCE CAN PERFORM THE ACTIVITY, THE AGENCY SHALL PURSUE A REQUEST
10 FOR PETITIONS OF INTEREST.
- 11 D. IF THE AGENCY FINDS THAT THERE ARE NO KNOWN PRIVATE COMMERCIAL
12 SOURCES THAT CAN PERFORM AN ACTIVITY, THE AGENCY SHALL INITIATE A PETITION OF
13 INTEREST PROCESS.
- 14 E. EACH AGENCY SHALL MAKE THE INVENTORY AVAILABLE FOR REVIEW BY THE
15 AUDITOR GENERAL AND THE DIRECTOR.
- 16 41-2784. Petitions of interest
- 17 A. FOR EACH IN-HOUSE GOVERNMENT COMMERCIAL OR INDUSTRIAL ACTIVITY OF
18 AN AGENCY, OTHER THAN AN ACTIVITY THAT IS EXEMPTED BY THIS ARTICLE, A
19 COMMERCIAL SOURCE MAY SUBMIT A PETITION OF INTEREST AT ANY TIME. ON RECEIPT
20 OF AN UNSOLICITED PETITION OF INTEREST, AN AGENCY SHALL SCHEDULE SUCH AN
21 ACTIVITY FOR REVIEW WITHIN TWELVE MONTHS AFTER RECEIPT OF THE REQUEST. AN
22 AGENCY MAY DECLINE A PETITION WHERE A PETITION REGARDING THE SAME SERVICE HAS
23 BEEN CONSIDERED DURING THE PAST TWELVE MONTHS. A MAKE OR BUY ANALYSIS IS NOT
24 REQUIRED FOR ANY PUBLIC GOOD OR SERVICE FOR ANY PERIOD DURING WHICH THE
25 PUBLIC GOOD OR SERVICE IS TO BE PROVIDED UNDER AN EXISTING COMPETITIVE
26 CONTRACT.
- 27 B. EACH AGENCY SHALL SOLICIT PETITIONS OF INTEREST FOR ANY PROPOSED
28 EXPANSIONS OR NEW START ACTIVITIES FOR WHICH THERE IS NO KNOWN COMMERCIAL
29 SOURCE.
- 30 C. AT A MINIMUM THE AGENCY SHALL SOLICIT PETITIONS THROUGH:
- 31 1. THE PROCUREMENT OPPORTUNITIES NEWSLETTER OF THE DEPARTMENT OF
32 COMMERCE.
- 33 2. A RELEVANT TRADE OR SERVICE JOURNAL.
- 34 D. EACH PETITION OF INTEREST THAT IS SUBMITTED BY A COMMERCIAL ENTITY
35 SHALL INCLUDE:
- 36 1. A DESCRIPTION OF THE GOOD OR SERVICE THE ENTITY OFFERS TO PROVIDE.
37 2. A DESCRIPTION OF THE ENTITY'S FINANCIAL CAPACITY TO UNDERTAKE THIS
38 ACTIVITY.
- 39 3. A DESCRIPTION OF THE ENTITY'S TECHNICAL ABILITY TO PROVIDE THE GOOD
40 OR SERVICE WITH REFERENCES TO IDENTICAL, SIMILAR OR RELEVANT GOODS OR
41 SERVICES PRESENTLY PROVIDED BY THE ENTITY.
- 42 E. WITHIN SIXTY DAYS AFTER RECEIVING THE PETITION OF INTEREST, THE
43 AGENCY SHALL DETERMINE WHETHER THERE IS SUFFICIENT REASON TO BELIEVE THAT AN
44 ENTITY HAS THE FINANCIAL AND TECHNICAL ABILITY TO PROVIDE THE PUBLIC GOOD OR
45 SERVICE.

1 F. THE AGENCY MAY MAKE ONE OF THE FOLLOWING FINDINGS:

2 1. IF THE AGENCY DETERMINES THAT THE ENTITY HAS INSUFFICIENT FINANCIAL
3 AND TECHNICAL ABILITY TO PROVIDE THE GOOD OR SERVICE, THE AGENCY SHALL ISSUE
4 A WRITTEN DENIAL OF THE PETITION AND STATE ITS JUSTIFICATION FOR THE FINDING.

5 2. IF THE AGENCY DETERMINES THAT THERE ARE COMMERCIAL SOURCES WITH
6 SUFFICIENT FINANCIAL AND TECHNICAL ABILITY TO PROVIDE A GOOD OR SERVICE, THE
7 AGENCY SHALL PROCEED TO CONDUCT A MAKE OR BUY ANALYSIS. THE ANALYSIS IS
8 SUBJECT TO THE REQUIREMENTS OF THIS ARTICLE.

9 41-2785. Make or buy analysis

10 A. IF AN AGENCY CONSIDERS AN EXPANSION OF AN IN-HOUSE ACTIVITY OR
11 PERFORMANCE OF A NEW START ACTIVITY IN-HOUSE AND THE AGENCY IS AWARE OF
12 COMMERCIAL SOURCES FOR A GOVERNMENT COMMERCIAL OR INDUSTRIAL ACTIVITY, THE
13 AGENCY SHALL PERFORM A MAKE OR BUY ANALYSIS.

14 B. THE AGENCY SHALL PERFORM A MAKE OR BUY ANALYSIS THROUGH EVALUATION
15 OF BIDS OR PROPOSALS THAT ARE SOLICITED THROUGH A COMPETITIVE PROCEDURE FROM
16 COMMERCIAL SOURCES AND AGENCIES.

17 C. AN AGENCY MAY REQUEST THE DIRECTOR TO AUTHORIZE AN IN-HOUSE
18 PERFORMANCE OF A NEW COMMERCIAL OR INDUSTRIAL ACTIVITY OR AN EXPANSION OF AN
19 EXISTING IN-HOUSE GOVERNMENT COMMERCIAL OR INDUSTRIAL ACTIVITY WITHOUT A MAKE
20 OR BUY ANALYSIS IF THE AGENCY DEMONSTRATES THAT:

21 1. THERE IS NO COMMERCIAL SOURCE CAPABLE OF PROVIDING THE PRODUCT OR
22 SERVICE THAT IS NEEDED AND THAT IT HAS SOLICITED A PETITION OF INTEREST AS
23 REQUIRED BY THIS ARTICLE.

24 2. USE OF A COMMERCIAL SOURCE WOULD CAUSE AN UNACCEPTABLE DELAY OR
25 DISRUPTION OF ESSENTIAL PROGRAMS.

26 D. THE DIRECTOR SHALL MAKE A DECISION WITHIN THIRTY DAYS AFTER
27 RECEIVING A DOCUMENTED EXPLANATION FROM THE RELEVANT AGENCY IF THE AGENCY
28 SEEKS TO PERFORM A COMMERCIAL OR INDUSTRIAL ACTIVITY IN-HOUSE. THE
29 DOCUMENTATION SHALL INCLUDE:

30 1. DELAY OR DISRUPTION CRITERIA EXPLAINED SPECIFICALLY IN TERMS OF
31 COST, TIME AND PERFORMANCE MEASURES.

32 2. THAT THE DISRUPTION IS SHOWN TO BE OF A LASTING OR UNACCEPTABLE
33 NATURE. A TRANSITORY DISRUPTION THAT IS CAUSED BY A CHANGE IS NOT SUFFICIENT
34 CAUSE.

35 41-2786. Cost analysis; requirements

36 A. BOTH AGENCY AND COMMERCIAL SOURCE COST ANALYSIS SHALL BE BASED ON
37 THE SAME SCOPE OF WORK AND THE SAME LEVEL OF PERFORMANCE. A PRECISE WORK
38 STATEMENT WITH STANDARDS THAT CAN BE MONITORED IS REQUIRED.

39 B. THE DIRECTOR SHALL DETERMINE STANDARD COST FACTORS THAT AGENCIES
40 PERFORMING ANALYSIS PURSUANT TO THIS ARTICLE SHALL APPLY.

41 C. COST COMPARISONS ARE SUBJECT TO THE FOLLOWING:

42 1. FULLY ALLOCATED COSTS SHALL BE USED.

43 2. ALL SIGNIFICANT COSTS, INCLUDING FIXED COSTS, VARIABLE COSTS,
44 OVERHEAD COSTS AND DIRECT AND INDIRECT COSTS SHALL BE CONSIDERED BOTH FOR
45 IN-HOUSE AND NONGOVERNMENTAL SOURCES.

1 3. THE DIRECTOR SHALL REVIEW AGENCY COST COMPARISONS AND SHALL
2 DETERMINE WHETHER COSTING WAS DONE USING FULL COST COMPARISONS.

3 D. IN THE SOLICITATION FOR BIDS FROM COMMERCIAL SOURCES FOR WORKLOADS
4 OF A CONTINUING NATURE, UNLESS OTHERWISE INAPPROPRIATE, SOLICITATIONS SHALL
5 PROVIDE FOR PREPRICED OPTIONS FOR OUT YEARS.

6 E. THE DIRECTOR SHALL COMPUTE A RATE TO BE APPLIED BY AGENCIES FOR THE
7 OPPORTUNITY COST OF CAPITAL INVESTMENTS AND OF THE NET PROCEEDS FROM THE
8 POTENTIAL SALE OF CAPITAL ASSETS USING THE BEST AVAILABLE DATA FOR COMPARABLE
9 COMMERCIAL AND INDUSTRIAL ACTIVITIES.

10 F. AN AGENCY IS NOT REQUIRED TO CONDUCT COST COMPARISONS FOR GOODS OR
11 SERVICES IF ANNUAL OPERATION COSTS ARE ESTIMATED TO BE LESS THAN ONE HUNDRED
12 DOLLARS. ACTIVITIES BELOW THIS THRESHOLD SHALL BE PERFORMED BY CONTRACT
13 UNLESS OTHERWISE EXEMPTED BY THIS ARTICLE. IF THERE IS REASON TO BELIEVE
14 THAT INADEQUATE COMPETITION OR OTHER FACTORS ARE CAUSING COMMERCIAL PRICES TO
15 BE UNREASONABLE, A COST COMPARISON MAY BE CONDUCTED. HOWEVER, AN AGENCY
16 SHALL FIRST MAKE A REASONABLE EFFORT TO OBTAIN SATISFACTORY PRICES FROM AN
17 EXISTING COMMERCIAL SOURCE.

18 41-2787. Contract provisions

19 A. ANY PUBLIC GOOD OR SERVICE THAT IS PROVIDED THROUGH A COMPETITIVE
20 BIDDING PROCESS SHALL BE SUBJECT TO A NEW COMPETITIVE BIDDING PROCESS AT
21 LEAST EVERY FIVE YEARS. A CHANGE IN CONTRACT OR RENEWAL OPTION PAYMENT
22 AMOUNTS TO A PRIVATE CONTRACTOR OR AGENCY SHALL NOT BE MADE EXCEPT AS
23 PROVIDED IN THE CONTRACT EXECUTED AT THE START OF SERVICE. PAYMENT CHARGES
24 IN CONTRACTS ARE LIMITED TO INDICES, ESCALATORS, DEFLATORS, CHANGES IN
25 SERVICE LEVEL AND OTHER EXPRESSLY STATED OR CALCULABLE AMOUNTS, CONSISTENT
26 WITH THE PROPOSAL OF THE PRIVATE CONTRACTOR OR AGENCY AWARDED THE CONTRACT.

27 B. A GOOD OR SERVICE THAT HAS BEEN PROCURED THROUGH A COMPETITIVE
28 PROCESS SHALL NOT BE PROCURED FROM AN EXTERNAL SOURCE OR RETURNED TO IN-HOUSE
29 PERFORMANCE WITHOUT CONDUCTING THE MAKE OR BUY ANALYSIS AS REQUIRED BY THIS
30 ARTICLE.

31 C. FOR ANY POSITIONS THAT ARE MADE AVAILABLE AS A RESULT OF A
32 CONVERSION FROM AN IN-HOUSE ACTIVITY TO ONE PROVIDED BY A COMMERCIAL SOURCE,
33 THE COMMERCIAL SOURCES SHALL FIRST CONSIDER PERSONS WHO WERE LAID OFF FROM
34 PUBLIC EMPLOYMENT BECAUSE OF THE CONVERSION.

35 D. AN AGENCY MAY NOT ESTABLISH ANY REQUIREMENT RELATING TO CONDITIONS
36 OF EMPLOYMENT OF CONTRACTED EMPLOYEES OTHER THAN THOSE REQUIRED BY APPLICABLE
37 STATE AND FEDERAL LAWS.

38 E. AN AGENCY SHALL NOT INCREASE PAYMENT TO AN IN-HOUSE OR PRIVATE
39 PROVIDER OF SERVICES EXCEPT AS IS EXPLICITLY STATED IN THE TERMS OF THE
40 CONTRACT.

41 41-2788. Audits

42 THE AUDITOR GENERAL, AS AN ELEMENT OF THE REGULAR AUDITS OF AGENCY
43 ACTIVITIES, SHALL INCLUDE AN ASSESSMENT OF:

- 44 1. PROGRESS ON IMPLEMENTATION OF THIS ARTICLE.
- 45 2. COMPLIANCE WITH THE COMPETITIVE PROPOSAL REQUIREMENT.

1 3. COMPLIANCE WITH FULLY ALLOCATED COST REQUIREMENT.
2 4. LEVEL OF CONTRACT COMPLIANCE BY PRIVATE CONTRACTORS.
3 5. COST OF THE COMPLIANCE.
4 6. WHETHER THE COSTS WILL BE RECURRING OR REDUCED.
5 7. THE COSTS AND BENEFITS OF FURTHER EFFORTS TO PRIVATIZE.
6 41-2789. Appeals
7 A. THE DIRECTOR SHALL ESTABLISH A PROCEDURE FOR ADMINISTRATIVE REVIEW
8 OF DETERMINATIONS PURSUANT TO THE REQUIREMENTS OF CHAPTER 6, ARTICLE 10 OF
9 THIS TITLE. THIS PROCEDURE WILL ONLY BE USED TO RESOLVE QUESTIONS OF
10 DETERMINATIONS BETWEEN IN-HOUSE AND CONTRACT PERFORMANCE AND SHALL NOT APPLY
11 TO QUESTIONS CONCERNING THE AWARD TO ONE CONTRACTOR IN PREFERENCE TO ANOTHER
12 CONTRACTOR. ON WRITTEN REQUEST FROM A DIRECTLY AFFECTED PARTY RAISING A
13 SPECIFIC OBJECTION, THE APPEALS PROCEDURE SHALL PROVIDE FOR:
14 1. AN INDEPENDENT, OBJECTIVE REVIEW OF THE INITIAL DETERMINATION AND
15 THE RATIONALE ON WHICH THE DECISION WAS BASED.
16 2. AN EXPEDITIOUS DETERMINATION, WITHIN THIRTY DAYS.
17 B. THE APPEALS PROCEDURE IS INTENDED TO PROVIDE AN ADMINISTRATIVE
18 SAFEGUARD TO ASSURE THAT AGENCY DECISIONS ARE FAIR, EQUITABLE AND PURSUANT TO
19 ESTABLISHED POLICY.
20 C. SINCE THE APPEAL PROCEDURE IS INTENDED TO PROTECT THE RIGHTS OF
21 STATE EMPLOYEES AND THEIR REPRESENTATIVE ORGANIZATIONS, CONTRACTORS AND
22 CONTRACT EMPLOYEES AND THEIR REPRESENTATIVES, THE PROCEDURE AND AGENCY
23 DETERMINATIONS ARE NOT SUBJECT TO NEGOTIATION, ARBITRATION OR AGREEMENTS WITH
24 ANY ONE OF THOSE PARTIES.
25 D. ANY DECISION OF THE DIRECTOR IS FINAL AND IS SUBJECT TO JUDICIAL
26 REVIEW PURSUANT TO TITLE 12, CHAPTER 7, ARTICLE 6.
27 41-2790. Program termination
28 THE PROGRAM ESTABLISHED BY THIS ARTICLE ENDS ON JULY 1, 2014 PURSUANT
29 TO SECTION 41-3102.
30 Sec. 2. Effective date
31 Title 41, chapter 25, article 3, Arizona Revised Statutes, as added by
32 this act, is effective from and after December 31, 2004.