## ARIZONA HOUSE OF REPRESENTATIVES



Fifty-sixth Legislature Second Regular Session

**House:** GOV DP 5-2-2-0

# HB 2571: Arizona highway magazine; privatization Sponsor: Representative Biasiucci, LD 30 House Engrossed

#### Overview

Outlines procedures for the sale and purchase of the Arizona Highways Magazine.

#### **History**

The Arizona Highways Magazine was established in the early 1920s by the Arizona Highway Department, now called the Arizona Department of Transportation (ADOT). The award-winning magazine contains travel stories and scenic photographs pertinent to Arizona's history.

Subject to approval by the Director of ADOT, the publisher of the Arizona Highway Magazine may employ or enter into contracts for distribution and wholesale sale of the magazine and contract for the publication, production, sale and distribution of sole source creative products in the magazine. The Director may award a printing and publishing contract, lasting no more than five years, to a bidder who has proper facilities and equipment necessary to perform all stages of production (A.R.S. § 28-7314).

The Arizona Department of Administration (ADOA) is the administrative and business hub of state government. ADOA provides medical and other health benefits to state employees, processes claims when employees get injured, purchases goods and services needed to conduct business, maintains office buildings for employees to work in and provides information technology and telecommunication services for employees. ADOA is made up of several departments: accounting and finance, benefits services, general services, government transformation office, human resources, procurement, regulatory review council, risk management, school facilities oversight and technology.

### **Provisions**

- 1. Authorizes ADOA to sell the magazine to a private entity if ADOA receives a bid from a private entity that meets the proposed requirements. (Sec. 1)
- 2. Prescribes that a private entity must be an entity that:
  - a) is based in Arizona;
  - b) has been in existence for at least five years:
  - c) has experience printing a magazine with at least 10,000 copies per month;
  - d) has strong experience on a social media platform; and
  - e) is suitable to ensure the integrity of the Arizona Highways Magazine. (Sec. 1)
- 3. Directs ADOA to solicit bids to sell the magazine. (Sec. 1)
- 4. Requires ADOA to solicit bids before selling the magazine. (Sec. 1)

|  | □ Prop 105 (45 votes) | □ Prop 108 (40 votes) | ☐ Emergency (40 votes) | ☐ Fiscal Note |
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- 5. Stipulates that after ADOA awards the sale of the magazine to a private entity, ADOA must create and enter into an agreement to convey the magazine and all of its assets to the private entity that:
  - a) contains language to protect the format and integrity of the magazine and the nature of the magazine in promoting Arizona tourism and business;
  - b) provides that all employees working full time on the magazine at the time of sale be offered employment with the private entity or be offered other positions with this state; and
  - c) provides that the private entity must pay an annual fee to ADOA in an amount to be determined by ADOA. (Sec. 1)
- 6. Asserts that the magazine will be transferred back to ADOA if a new private owner does not publish the magazine monthly. (Sec. 1)
- 7. Prescribes that if a private entity wants to sell the magazine, ADOA has the first right of purchasing. (Sec. 1)
- 8. Establishes the Arizona Highways Advisory Committee (Committee). (Sec. 1)
- 9. Outlines Committee membership to include:
  - a) the Director of ADOT or their designee;
  - b) the Director of the Office of Tourism or their designee;
  - c) one member appointed by the President of the Senate for a term of five years;
  - d) one member appointed by the Speaker of the House of Representatives for a term of five years; and
  - e) one public member appointed by the Governor for a term of five years. (Sec. 1)
- 10. Requires the Committee to choose a chairperson who must convene the Committee twice each year to meet with the private entity that buys the magazine to advise the private entity. (Sec. 1)
- 11. Repeals the Committee on January 1, 2036. (Sec. 2)
- 12. Provides that the initial terms of Committee members are:
  - a) one term ending January 1, 2026;
  - b) two terms ending January 1, 2027; and
  - c) the President of the Senate, the Speaker of the House of Representatives and the Governor must make all subsequent appointments. (Sec. 3)