



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1738

commerce; 2024-2025.

Purpose

Makes statutory and session law changes relating to commerce necessary to implement the FY 2025 state budget.

Background

The Arizona Constitution prohibits substantive law from being included in the general appropriations, capital outlay appropriations and supplemental appropriations bills. However, it is often necessary to make statutory and session law changes to effectuate the budget. Thus, separate bills called budget reconciliation bills (BRBs) are introduced to enact these provisions. Because BRBs contain substantive law changes, the Arizona Constitution provides that they become effective on the general effective date, unless an emergency clause is enacted.

S.B. 1738 contains the budget reconciliation provisions for changes relating to commerce.

Provisions

1. Increases, from \$200,000 to \$700,000, the cap of unencumbered monies in the Department of Insurance and Financial Institutions (DIFI) Revolving Fund before monies must be deposited into the DIFI Receivership Revolving Fund.
2. Establishes, effective July 1, 2026, the Fraud Unit Assessment Fund.
3. Deposits, effective July 1, 2026, the fees collected for the administration and operation of the DIFI Fraud Unit into the Fraud Unit Assessment Fund, rather than the state General Fund (state GF).
4. Stipulates that monies in the Fraud Unit Assessment Fund are continuously appropriated.
5. Requires DIFI to administer the Fraud Unit Assessment Fund for administering and operating the Fraud Unit.
6. Requires monies appropriated to DIFI from the Fraud Unit Assessment Fund to be included as a separate line item in the General Appropriations Act.
7. Repeals the Rural Broadband Accelerated Match Fund.
8. Eliminates the specification that the Microbusiness Loan Fund and Program be utilized only in FY 2024.

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9. Repeals the Microbusiness Loan Fund and Program on July 1, 2025, and transfers all unexpended and unencumbered monies in the Microbusiness Loan Fund to the state GF.
10. Makes technical and conforming changes.
11. Becomes effective on the general effective date, with delayed effective dates as noted.

Prepared by Senate Research

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JT/cs