

COMMITTEE ON SCIENCE & TECHNOLOGY
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2872
(Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[~~GREEN STRIKEOUT IN BRACKETS~~] indicates new text removed from statute or previously enacted session law.

[~~Green strikeout in brackets~~] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<~~Green strikeout in carets~~>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Title 41, chapter 10, article 1, Arizona Revised
3 Statutes, is amended by adding section 41-1529, to read:

4 41-1529. Arizona office of defense innovation; director;
5 advisory board; duties; annual report; definition

6 A. THE ARIZONA OFFICE OF DEFENSE INNOVATION IS ESTABLISHED IN THE
7 AUTHORITY. THE OFFICE SHALL FOSTER PARTNERSHIPS TO DRIVE INNOVATION FOR
8 DEFENSE TECHNOLOGIES IN THIS STATE AND LEVERAGE ASSETS IN THIS STATE TO
9 ATTRACT FEDERAL AND PRIVATE DEFENSE INVESTMENTS.

10 B. THE GOVERNOR SHALL APPOINT A DIRECTOR OF THE OFFICE PURSUANT TO
11 SECTION 38-211.

12 C. THE ARIZONA OFFICE OF DEFENSE INNOVATION ADVISORY BOARD IS
13 ESTABLISHED AND CONSISTS OF THE FOLLOWING MEMBERS:

14 1. THE GOVERNOR OR THE GOVERNOR'S DESIGNEE, WHO SHALL SERVE AS THE
15 CHAIRPERSON.

16 2. THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S DESIGNEE.

17 3. FIVE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR.

18 4. FIVE MEMBERS WHO ARE APPOINTED BY THE PRESIDENT OF THE SENATE.

19 5. FIVE MEMBERS WHO ARE APPOINTED BY THE SPEAKER OF THE HOUSE OF
20 REPRESENTATIVES.

21 D. THE MEMBERS WHO ARE APPOINTED PURSUANT TO SUBSECTION C OF THIS
22 SECTION SHALL SERVE STAGGERED THREE-YEAR TERMS, SHALL BE FROM
23 GEOGRAPHICALLY DIVERSE AREAS IN THIS STATE AND SHALL BE UNITED STATES
24 CITIZENS AND ARE REQUIRED TO PASS A BACKGROUND CHECK BEFORE APPOINTMENT TO
25 THE BOARD. THE MEMBERS APPOINTED MAY REPRESENT OR HAVE RELEVANT EXPERTISE
26 IN ANY OF THE FOLLOWING:

27 1. MILITARY INSTALLATIONS IN THIS STATE.

28 2. NONTRADITIONAL ORGANIZATIONS IN DEFENSE-RELATED INDUSTRIES.

1 3. ACADEMIC INSTITUTIONS WITH RELEVANT EXPERTISE IN DEFENSE.
2 4. ECONOMIC DEVELOPMENT AGENCIES IN THIS STATE.
3 5. ENTREPRENEURIAL SUPPORT ORGANIZATIONS.
4 E. THE OFFICE SHALL:
5 1. ACT AS A LIAISON BETWEEN THE STATE AND THE UNITED STATES
6 DEPARTMENT OF DEFENSE AND ANY OTHER NATIONAL SECURITY ORGANIZATIONS,
7 INCLUDING STATE AND FEDERAL AGENCIES.
8 2. INCREASE THE AMOUNT OF FEDERAL FUNDING IN THIS STATE FOR
9 DEFENSE.
10 3. SUPPORT THE ONGOING MISSION OF THE UNITED STATES DEPARTMENT OF
11 DEFENSE IN THIS STATE AND EXPAND AND ENHANCE THE GROWTH OF THE MISSION
12 THROUGHOUT THIS STATE.
13 4. PROVIDE SUPPORT TO COMPANIES BASED IN THIS STATE THAT ARE
14 SEEKING FEDERAL DEFENSE CONTRACTS.
15 5. IDENTIFY AND SUPPORT EMERGING TECHNOLOGY THAT CAN BENEFIT
16 DEFENSE INDUSTRIES AND PROVIDE COMMERCIALIZATION SUPPORT SERVICES TO
17 ACCELERATE TECHNOLOGY DEVELOPMENT.
18 6. COLLABORATE WITH UNIVERSITIES AND RESEARCH INSTITUTIONS TO
19 INCREASE THE AMOUNT OF DEFENSE-RELATED RESEARCH AND DEVELOPMENT FUNDING
20 FOR APPLIED RESEARCH AND ADVANCE PROTOTYPING OF CRITICAL DEFENSE-RELATED
21 RESEARCH, AND COORDINATE AND FACILITATE RAPID TECHNOLOGY TRANSFER AND
22 TRANSITION CAPABILITIES.
23 7. ENHANCE WORKFORCE DEVELOPMENT PROGRAMMING THAT PREPARES
24 INNOVATORS AND INTRAPRENEURS TO SUPPORT INDUSTRIES OF THE FUTURE.
25 8. ADVOCATE FOR THIS STATE'S DEFENSE INTERESTS IN KEY POLICY AREAS
26 ACROSS GOVERNMENT.
27 9. DEVELOP AND IMPLEMENT A BIENNIAL STRATEGIC PLAN TO ENHANCE
28 COMPETITIVENESS IN DEFENSE-RELATED INDUSTRIES IN THIS STATE.
29 10. ENTER INTO PUBLIC-PRIVATE PARTNERSHIP CONTRACTS WITH [NONPROFIT
30 ORGANIZATIONS IN THIS STATE THAT HAVE] ALL OF THE FOLLOWING:
31 ~~[(a) NONPROFIT ORGANIZATIONS IN THIS STATE.]~~
32 ~~[(b)]~~ [(a)] EXPERIENCED AND QUALIFIED STAFF MEMBERS WHO CAN
33 SUPPORT THE FULL SCOPE OF WORK THROUGH IN-HOUSE SUPPORT, TEAMING AND
34 SUBCONTRACTING AGREEMENTS.
35 ~~[(c) A PERSON OR ENTITY WITH ALL OF THE FOLLOWING:]~~
36 ~~[(b)]~~ [(b)] DEMONSTRATED PAST PERFORMANCE WITH DEFENSE AND FEDERAL
37 CONTRACTING.
38 ~~[(c)]~~ [(c)] DEMONSTRATED COMMAND OF THE DEFENSE ECOSYSTEM IN THIS
39 STATE.
40 ~~[(d)]~~ [(d)] DEMONSTRATED RELATIONSHIPS ACROSS THE UNITED STATES
41 DEPARTMENT OF DEFENSE AND STRATEGIC LEADERS AND TACTICAL LEVEL COMMANDS.
42 ~~[(e)]~~ [(e)] ACTIVE FACILITY SECURITY CLEARANCE AND THE ABILITY TO
43 HOLD PERSONAL SECURITY CLEARANCES.
44 ~~[(f)]~~ [(f)] AN ACCOUNTING SYSTEM THAT IS COMPLIANT WITH A DEFENSE
45 CONTRACT AUDIT AGENCY.
46 11. ON OR BEFORE DECEMBER 31 OF EACH YEAR, SUBMIT A REPORT TO THE
47 GOVERNOR, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF

1 REPRESENTATIVES REGARDING THE OFFICE'S ACTIVITIES, ACHIEVEMENTS AND ANY
2 RECOMMENDATIONS FOR IMPROVING THE OFFICE.

3 F. THE OFFICE MAY:

4 1. ACCEPT ANY GRANTS, GIFTS, DEVICES AND DONATIONS FROM ANY PUBLIC
5 OR PRIVATE SOURCE TO ASSIST IN CARRYING OUT THE PURPOSES OF THIS SECTION.

6 2. REQUEST ASSISTANCE FROM REPRESENTATIVES OF OTHER AGENCIES IN
7 THIS STATE TO MAXIMIZE ECONOMIC DEVELOPMENT OPPORTUNITIES.

8 G. FOR THE PURPOSES OF THIS SECTION, "OFFICE" MEANS THE ARIZONA
9 OFFICE OF DEFENSE INNOVATION.

10 <<Sec. 2. ~~Appropriation; Arizona office of defense~~
11 ~~innovation; exemption~~

12 ~~A. The sum of \$350,000 is appropriated from the state general fund~~
13 ~~in fiscal year 2025-2026 to the Arizona commerce authority to support the~~
14 ~~Arizona office of defense innovation established by section 41-1529,~~
15 ~~Arizona Revised Statutes, as added by this act.~~

16 ~~B. The appropriation made in subsection A of this section is exempt~~
17 ~~from the provisions of section 35-190, Arizona Revised Statutes, relating~~
18 ~~to lapsing of appropriations.>>~~

19 Sec. 2. Legislative findings

20 The legislature finds that:

21 1. The defense industry is a critical component of the economy in
22 this state that contributes significantly to job creation, innovation and
23 national security.

24 2. States such as Michigan, Indiana and Utah have successfully
25 established offices dedicated to defense innovation that have captured
26 significant economic development opportunities.

27 3. This state has unique resources, including the state's proximity
28 to military installations and a robust technology sector, which position
29 this state to excel in defense-related economic activities.

30 Sec. 3. Short title

31 This act may be cited as the "Arizona Office of Defense Innovation
32 Act".

33 Enroll and engross to conform

34 Amend title to conform

And, as so amended, it do pass

BEVERLY PINGERELLI
CHAIRMAN

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