Senate Engrossed House Bill

ADOT; administration; licensing; planning (now: ADOT; continuation; administration; licensing; planning)

State of Arizona House of Representatives Fifty-sixth Legislature Second Regular Session 2024

CHAPTER 208

HOUSE BILL 2438

AN ACT

AMENDING SECTIONS 28-369, 28-375, 28-472, 28-1559 AND 28-2003, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 7, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-2209; AMENDING SECTION 28-3171, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 8, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-3230; AMENDING SECTIONS 28-5614, 28-5801, 28-6952, 28-8322 AND 28-9201, ARIZONA REVISED STATUTES; REPEALING SECTION 41-3024.25, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3032.06; RELATING TO THE DEPARTMENT OF TRANSPORTATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona: 2 Section 1. Section 28-369, Arizona Revised Statutes, is amended to 3 read: 4 28-369. Law enforcement powers; ports of entry; violation; 5 classification 6 A. The director and officers, agents and employees the of 7 department or local or state law enforcement agencies the director 8 designates are peace officers. The director may designate: 9 1. Regular peace officers with like authority of other peace 10 officers of this state or cities and towns of this state. 11 2. Specialty peace officers whose powers are limited to the 12 enforcement of motor vehicle laws and rules. 13 B. The director and designated officers, agents and employees may 14 exercise the powers prescribed in subsection A of this section throughout 15 this state. 16 C. A regular peace officer designated pursuant to subsection A, 17 paragraph 1 of this section: 18 1. Shall meet the minimum qualifications established for peace 19 officers pursuant to section 41-1822. 20 2. Except as provided in title 38, chapter 5, article 4, is not 21 eligible to participate in the public safety personnel retirement system. 22 D. A PEACE OFFICER WHO IS DESIGNATED BY THE DEPARTMENT PURSUANT TO 23 SUBSECTION A OF THIS SECTION: 24 1. HAS THE PRIMARY DUTIES OF PROTECTING THIS STATE'S TRANSPORTATION 25 INFRASTRUCTURE AND PROMOTING ROAD SAFETY THROUGH THE ENFORCEMENT OF STATE 26 AND FEDERAL COMMERCIAL MOTOR CARRIER LAWS AND RULES AND OF CONDUCTING 27 VEHICLE INSPECTIONS AND INVESTIGATIONS OF FRAUD, ABUSE AND MISCONDUCT PURSUANT TO STATE LAW. 28 29 2. MAY NOT ENFORCE A VIOLATION OF CHAPTER 3, ARTICLES 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 AND 16 OF THIS TITLE IF THE VIOLATION IS 30 31 COMMITTED BY THE OPERATOR OF A NONCOMMERCIAL MOTOR VEHICLE UNLESS THE 32 PEACE OFFICER DETERMINES THAT A FAILURE TO ENFORCE THE VIOLATION COULD RESULT IN A SUBSTANTIAL RISK OF IMMINENT DEATH OR SERIOUS PHYSICAL INJURY. 33 34 D. E. This section does not preempt the authority and jurisdiction 35 of established agencies and political subdivisions of this state. 36 F. A MOBILE PORT OF ENTRY MAY ONLY BE OPERATED WITHIN TWENTY-FIVE ROAD MILES OF A FIXED PORT OF ENTRY IN THIS STATE UNLESS STATE OR 37 MUNICIPAL LAW ENFORCEMENT AGENCIES REQUEST ASSISTANCE FOR COMMERCIAL MOTOR 38 VEHICLE ENFORCEMENT TO STREAMLINE OPERATIONS OR COMBINE ENFORCEMENT 39 40 RESOURCES FOR COMPLIANCE, EDUCATION OR TRAINING OR TO ENSURE SAFE, SECURE 41 AND EFFICIENT COMMERCIAL TRANSPORTATION ACROSS THIS STATE. 42 E. G. A peace officer as defined in section 41-1701 or a peace 43 officer designated $\frac{1}{100}$ PURSUANT TO subsection A of this section may require a vehicle that is subject to the fee in section 28-5433 or the 44 requirements of sections 28-2321, through 28-2322, 28-2323 AND 28-2324 to 45

1 stop at a port of entry in this state for the purpose of enforcing a motor 2 vehicle law prescribed in this title. A person who fails to stop as 3 required by this subsection is guilty of a class 1 misdemeanor. 4 Sec. 2. Section 28-375, Arizona Revised Statutes, is amended to 5 read: 6 28-375. Alternative office hours for motor vehicle division 7 offices 8 NOTWITHSTANDING SECTION 1-302 AND to meet the needs of the public, 9 the director may establish hours of operation for motor vehicle division offices other than the office hours for state offices provided in section 10 11 38-401. 12 Sec. 3. Section 28-472, Arizona Revised Statutes, is amended to 13 read: 14 28-472. Fleet operation services: records: rules: vehicle 15 replacement rate; participating agencies; 16 coordinator; public service announcements; annual 17 report 18 A. The director shall operate the state motor vehicle fleet for the purpose of providing fleet operation services to agencies. The director 19 20 shall make fleet operation services available to an agency on the request 21 of the chosen representative for that agency. 22 B. The director is responsible for administering the state motor 23 vehicle fleet, including: 24 1. Procuring motor vehicles for the state motor vehicle fleet. 25 Notwithstanding title 41, chapter 23, article 8, administering 2. 26 the surplus and sale of motor vehicles in the state motor vehicle fleet. 27 C. The director shall provide for detailed cost, operation, 28 maintenance, mileage and custody records for each state-owned motor 29 vehicle. 30 D. The director may adopt rules necessary to administer this 31 article. The department shall recover all costs for fleet operation 32 Ε. 33 services that are provided to an agency. Each agency shall pay from available monies the cost of fleet operation services received from the 34 35 department at a rate determined by the director, including a separate 36 vehicle replacement rate for motor vehicle replacements. The director shall deposit, pursuant to sections 35-146 and 35-147, monies received for 37 fleet operation services in the state fleet operations fund established by 38 section 28-475. The director shall deposit, pursuant to sections 35-146 39 40 and 35-147, monies received to pay the vehicle replacement rate in the 41 state vehicle replacement fund established by section 28-476. 42 F. The following agencies are excluded from participation in the 43 state motor vehicle fleet: 1. The department of public safety. 44 45 2. The department of economic security.

1 3. The state department of corrections.

4. Universities and community colleges.

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5. The Arizona state schools for the deaf and the blind.

- 6. 5. The cotton research and protection council.
- 7. 6. The Arizona commerce authority.

8. 7. The department of child safety.

9. 8. The department of transportation.

8 G. The director shall appoint a state motor vehicle fleet 9 coordinator.

H. An agency may not purchase, lease or rent a motor vehicle unless the agency is excluded from participation in the state motor vehicle fleet by subsection F of this section. The director may withhold registration for any motor vehicle that is purchased, leased or rented in violation of this subsection.

I. Notwithstanding subsection H of this section, an agency that administers a separate account pursuant to section 28-476, subsection C shall control the purchase, lease or rental of motor vehicles. Vehicles purchased, leased or rented under this subsection shall be used by the agency only for the agency's purposes.

J. An agency listed in subsection F of this section may elect to participate in the state motor vehicle fleet by executing an interagency service agreement between the agency and the department.

K. A governmental budget unit of this state that is not an agency
 may elect to participate in the state motor vehicle fleet by entering into
 an interagency service agreement with the department.

L. An agency, including an agency listed in subsection F of this section, may accept compensation for placing public service announcements on state-owned motor vehicles, and monies received shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund. The agency director shall determine the appropriateness of the announcements, may exempt any motor vehicles that are not suitable for advertising and may contract with private parties to design and place the announcements.

33 M. On or before October 1 of each year, the department shall submit to the joint legislative budget committee and the governor's office of 34 35 strategic planning and budgeting a report that accounts for all monies 36 deposited in the state fleet operations fund established by section 28-475 and the state vehicle replacement fund established by section 28-476, 37 including any monies allocated to separate agency accounts. The report 38 39 shall also include the number of motor vehicles that were replaced in the 40 prior fiscal year, the number of motor vehicles at each agency, the 41 replacement life cycle for each motor vehicle and the number of motor 42 vehicles the department identifies as not requiring replacement.

1 Sec. 4. Section 28-1559, Arizona Revised Statutes, is amended to 2 read: 3 28-1559. Traffic case records; abstract of record; reports 4 A. Each magistrate, judge or hearing officer of a court shall: 5 Keep or cause to be kept a record of each traffic complaint or 1. 6 other legal form of traffic charge deposited with or presented to the 7 court or its traffic violations bureau. 8 2. Keep a record of each official action by the court or its 9 traffic violations bureau in reference to each traffic complaint or other legal form of traffic charge deposited with or presented to the court or 10 11 its traffic violations bureau, including but not limited to a record of: 12 (a) Each conviction, forfeiture of bail or deposit, judgment of 13 acquittal or civil adjudication. 14 (b) The amount of the civil penalty, fine or forfeiture resulting from each traffic complaint deposited with or presented to the court or 15 16 traffic violations bureau. 17 B. Within ten days after the conviction, judgment or forfeiture of 18 bail or deposit of a person on a charge of violating chapter 3 or 4 of this title or this chapter or any other law regulating the operation of 19 20 vehicles on highways, each magistrate of the court or clerk of the court 21 of record in which the conviction or judgment was had or bail or deposit 22 was forfeited shall prepare and immediately forward to the department an abstract of the record of the court covering the case in which the person 23 24 either: 25 1. Was convicted. 26 2. Was adjudicated to have committed a civil traffic violation. 27 3. Forfeited bail or deposit. 28 С. The person required to prepare the abstract shall certify that 29 it is true and correct. 30 D. A report is not required for a conviction or civil adjudication 31 involving the illegal parking or standing of a vehicle. E. The abstract shall be made on a form furnished or in a manner 32 33 prescribed by the department and shall include: 34 1. The name and address of the party charged. 35 2. The number, if any, of the driver license of the party charged. 36 3. The registration number of the vehicle involved. 37 4. The nature of the offense or civil traffic violation. 38 The date of the hearing, the plea, the judgment or whether bail 5. 39 or deposit was forfeited. 40 6. The amount of the fine, civil penalty or forfeiture. 41 F. Each court of record shall also forward a like report to the department on the conviction of a person of homicide or aggravated assault 42 43 resulting from the operation of a motor vehicle or any other felony in the 44 commission of which a motor vehicle was used. To facilitate the preparation of the report, the sentencing minute entry that is issued by 45

1 the court shall indicate if the person was convicted of an offense that 2 required the mandatory revocation of a driver license pursuant to section 3 28-3304, subsection A, paragraph 1, 2, 3, 4 or 5.

4 G. The department shall keep all abstracts received under this 5 section for inspection as required by law.

6 H. Each judge, referee, hearing officer, probation officer or other 7 person responsible for the disposition of cases involving traffic offenses 8 or civil violations committed by persons under eighteen years of age 9 shall:

10 Keep a full record of each case in which the person is charged 1. 11 with a violation of chapter 3 or 4 of this title or this chapter or any other law regulating the operation of vehicles on highways. 12

13 Report the offense or civil violation to the department at its 2. office in Phoenix not more than thirty days after the date on which it was 14 committed OF CONVICTION OR OF FINDING OF RESPONSIBILITY, except that a 15 16 report is not required for parking violations or if it is found that the 17 offense or civil violation was not committed.

I. The report required by subsection H of this section shall:

19 Be made on a form furnished or in a manner prescribed by the 1. 20 department.

2. Contain:

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(a) All necessary information as to the identity of the offender.

(b) The citing or arresting agency.

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(c) The date and nature of the offense or civil violation.

25 (d) The date of the hearing, the plea, the judgment or whether bail 26 or deposit was forfeited.

(e) The amount of the fine, civil penalty or forfeiture.

28 J. Failure, refusal or neglect of a judicial officer to comply with 29 this section is misconduct in office and grounds for removal from office.

K. NOTWITHSTANDING ANY OTHER LAW, THE DEPARTMENT MAY NOT TAKE 30 31 ADMINISTRATIVE ACTION AGAINST A PERSON'S DRIVING PRIVILEGE OR A VEHICLE'S REGISTRATION IF A JUDICIAL OFFICER REPORTS A CONVICTION OR FINDING OF 32 RESPONSIBILITY TO THE DEPARTMENT MORE THAN FIVE YEARS AFTER THE DATE OF 33 CONVICTION OR FINDING OF RESPONSIBILITY. 34

35 Sec. 5. Section 28-2003, Arizona Revised Statutes, is amended to 36 read:

28-2003. Fees; vehicle title and registration; identification

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plate; definitions The following fees are required:

Α. 40 For each certificate of title, salvage certificate of title, 1. 41 restored salvage certificate of title or nonrepairable vehicle certificate 42 of title, four dollars \$4.

43 2. For each certificate of title for a mobile home, seven dollars 44 \$7. The director shall deposit three dollars \$3 of each fee imposed by 45 this paragraph in the state highway fund established by section 28-6991.

1 3. Except as provided in section 28-1177, for the registration of a 2 motor vehicle, eight dollars \$8, except that the fee for motorcycles is 3 nine dollars \$9. 4 4. For a duplicate registration card or any duplicate permit, four 5 dollars \$4. 6 5. For each special ninety day nonresident registration issued 7 under section 28-2154. fifteen dollars \$15. 8 6. For the registration of a trailer or semitrailer that is not a 9 travel trailer, and that is ten thousand pounds or less DECLARED gross vehicle weight and that is used in the furtherance of a commercial 10 11 enterprise, eight dollars \$8. 12 7. For the registration of a trailer or semitrailer that is not a 13 travel trailer and that exceeds ten thousand pounds DECLARED gross vehicle 14 weight: (a) On initial registration, a one-time ONETIME fee of two hundred 15 16 forty-five dollars \$245. 17 (b) On renewal of registration or if previously registered in 18 another state, a one-time ONETIME fee of: 19 (i) If the trailer's or semitrailer's model year is less than six 20 years old, one hundred forty-five dollars \$145. 21 (ii) If the trailer's or semitrailer's model year is at least six 22 years old, ninety-five dollars \$95. 23 8. For the registration of a noncommercial trailer that is not a 24 travel trailer and that is ten thousand pounds or less DECLARED gross 25 vehicle weight: 26 (a) On initial registration, a one-time ONETIME fee of twenty 27 dollars \$20. 28 (b) On renewal of registration, a one-time ONETIME fee of five 29 dollars \$5. 9. For a transfer of a noncommercial trailer that is not a travel 30 31 trailer and that is ten thousand pounds or less DECLARED gross vehicle 32 weight, twelve dollars \$12. 33 10. For each special ninety day resident registration issued under 34 section 28-2154, fifteen dollars \$15. 11. For each one trip registration permit issued under section 35 36 28-2155, one dollar \$1. 37 12. For each temporary general use registration issued under section 38 28-2156, fifteen dollars \$15. 39 13. For each identification plate bearing a serial or identification 40 number to be affixed to any vehicle, five dollars \$5. 41 B. For the purposes of this section: -1. "DECLARED GROSS WEIGHT" HAS THE SAME MEANING PRESCRIBED IN 42 SECTION 28-5431. 43 2. "Travel trailer" means a trailer that is: 44 45 1. (a) Mounted on wheels.

1 2. (b) Designed to provide temporary living quarters for 2 recreational, camping or travel use.

Sec. 6. Title 28, chapter 7, article 6, Arizona Revised Statutes,

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is amended by adding section 28-2209, to read: 28-2209. <u>Commercial vehicle fleet license plates; fund</u>

8 A. THE DEPARTMENT MAY ISSUE A COMMERCIAL VEHICLE FLEET LICENSE
9 PLATE IN A MANNER DETERMINED BY THE DEPARTMENT TO A PERSON THAT PAYS A FEE
10 DESCRIBED IN SUBSECTION B OR C OF THIS SECTION.

11 B. A FLEET WITH MORE THAN ONE HUNDRED COMMERCIAL VEHICLES MAY APPLY 12 FOR A COMMERCIAL VEHICLE FLEET LICENSE PLATE WITH THE FLEET'S APPROVED 13 LOGO IN A STANDARD LOCATION ON THE LICENSE PLATE AS DESIGNED BY THE FLEET AND APPROVED BY THE DEPARTMENT. THE DEPARTMENT MAY CHARGE THE FLEET A FEE 14 IN AN AMOUNT TO BE DETERMINED BY THE DIRECTOR FOR THE INITIAL DESIGN AND 15 16 ADMINISTRATION OF THE PLATE IN ADDITION TO THE REGISTRATION FEE REQUIRED 17 BY SECTION 28-2003. THE DEPARTMENT MAY ESTABLISH DESIGN GUIDELINES TO HELP STREAMLINE THE APPROVAL PROCESS AND MINIMIZE THE COSTS. 18

19 C. A FLEET WITH MORE THAN TWENTY-FIVE COMMERCIAL VEHICLES MAY APPLY 20 FOR A COMMERCIAL VEHICLE FLEET LICENSE PLATE WITH THE FLEET'S NAME PLACED 21 ON THE BOTTOM OF THE LICENSE PLATE AS DESIGNED BY THE FLEET AND APPROVED 22 BY THE DEPARTMENT. THE DEPARTMENT MAY CHARGE THE FLEET A FEE IN AN AMOUNT TO BE DETERMINED BY THE DIRECTOR FOR THE INITIAL DESIGN AND ADMINISTRATION 23 24 OF THE PLATE IN ADDITION TO THE REGISTRATION FEE REQUIRED BY SECTION 25 DEPARTMENT MAY 28-2003. THE ESTABLISH DESIGN GUIDELINES TO HELP 26 STREAMLINE THE APPROVAL PROCESS AND MINIMIZE COSTS.

D. THE COMMERCIAL VEHICLE FLEET LICENSE PLATE FUND IS ESTABLISHED CONSISTING OF MONIES COLLECTED PURSUANT TO THIS SECTION. THE DIRECTOR SHALL ADMINISTER THE FUND. THE DIRECTOR SHALL USE THE MONIES FOR THE IMPLEMENTATION OF THIS SECTION. MONIES DEPOSITED IN THE COMMERCIAL VEHICLE FLEET LICENSE PLATE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

34 Sec. 7. Section 28-3171, Arizona Revised Statutes, is amended to 35 read:

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28-3171. Driver license expiration and renewal: exception: extension

A. Except as provided in subsection B, D or E of this section and unless medical restrictions require a shorter expiration period, a driver license is either of the following:

41 1. EXCEPT AS PROVIDED IN PARAGRAPH 3 OF THIS SUBSECTION, valid
 42 until the applicant's sixty-fifth birthday.

43 2. Renewable for successive periods of five years after the 44 applicant's sixtieth birthday. 1 3. VALID FOR A PERIOD OF UP TO FIVE YEARS IF INITIALLY ISSUED TO AN 2 APPLICANT WHO IS SIXTY YEARS OF AGE OR OLDER.

3 B. Notwithstanding subsection A of this section, on presentation 4 of satisfactory proof of qualification, the director may issue a class D, 5 G or M license or permit for a period of up to five years to:

6 1. A person who is an out-of-state student or who is the spouse of 7 student. For purposes out-of-state the of this paragraph. an 8 "out-of-state student" has the same meaning prescribed in section 28-2001.

9 2. An immediate family member of any active duty military personnel 10 temporarily stationed in this state.

11 3. Any other person for whom the director determines other 12 circumstances justify the issuance.

13 C. An applicant shall apply for renewal of a driver license before 14 the expiration of a current license. The department may require an examination of a renewal applicant for a class D, G or M license as 15 16 required of an original applicant.

17 D. A veteran, as defined in section 41-601, whose driver license 18 expires is not required to renew the veteran's driver license for six 19 months after the date of the veteran's discharge from military service.

20 E. The department may extend the expiration date of a class D or M 21 license for a resident if the applicant is not in this state at the time 22 the license expires and will not be in this state for at least thirty consecutive days after the expiration of the driver license. On payment 23 24 by the applicant of the fee prescribed in section 28-3002, the department 25 shall issue a certificate of extension that is valid only if accompanied 26 by the applicant's previous license. An applicant for extension of a 27 license shall comply with the following:

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The application requirements of section 28-3158. 1.

The licensing requirements of section 28-3153. 2.

30 3. Medical requirements applicable to all license applicants, 31 except that the applicant is not required to obtain an eyesight 32 examination.

Sec. 8. Title 28, chapter 8, article 5, Arizona Revised Statutes, 33 is amended by adding section 28-3230, to read: 34

35 36 28-3230. Federal motor carrier safety administration drug and alcohol clearinghouse; driving privilege denial

37 A. THE DEPARTMENT SHALL SEARCH THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION'S DRUG AND ALCOHOL CLEARINGHOUSE BEFORE THE DEPARTMENT 38 ISSUES, UPGRADES, RENEWS OR TRANSFERS A COMMERCIAL DRIVER LICENSE OR 39 ISSUES, UPGRADES OR RENEWS A COMMERCIAL LEARNER'S PERMIT. 40

41 B. ON NOTIFICATION FROM THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION'S DRUG AND ALCOHOL CLEARINGHOUSE THAT A DRIVER IS 42 43 PROHIBITED FROM OPERATING A COMMERCIAL MOTOR VEHICLE DUE TO A VIOLATION OF 44 THE CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING PROHIBITIONS IN 49 1 CODE OF FEDERAL REGULATIONS SECTIONS 382.201 THROUGH 382.217, THE 2 DEPARTMENT SHALL:

3 1. DENY ISSUING, UPGRADING, RENEWING OR TRANSFERRING A COMMERCIAL
 4 DRIVER LICENSE OR ISSUING, UPGRADING OR RENEWING A COMMERCIAL LEARNER'S
 5 PERMIT.

6 2. INITIATE DOWNGRADE PROCEDURES FOR COMMERCIAL DRIVER LICENSE AND 7 COMMERCIAL LEARNER'S PERMIT HOLDERS BY REMOVING THE COMMERCIAL PRIVILEGE 8 FROM THE COMMERCIAL DRIVER LICENSE OR COMMERCIAL LEARNER'S PERMIT. THE 9 DOWNGRADE IS EFFECTIVE WITHIN SIXTY DAYS AFTER THE DEPARTMENT RECEIVES 10 NOTIFICATION OF THE DRIVER'S PROHIBITED STATUS.

11 C. AS PROVIDED BY THIS CHAPTER, THE DEPARTMENT SHALL ALLOW ISSUING, 12 UPGRADING, RENEWING, TRANSFERRING OR REINSTATING A COMMERCIAL DRIVER 13 LICENSE OR ISSUING, UPGRADING, RENEWING OR REINSTATING A COMMERCIAL 14 LEARNER'S PERMIT ON NOTIFICATION FROM THE FEDERAL MOTOR CARRIER SAFETY 15 ADMINISTRATION'S DRUG AND ALCOHOL CLEARINGHOUSE THAT A DRIVER IS NO LONGER 16 PROHIBITED FROM OPERATING A COMMERCIAL MOTOR VEHICLE.

D. IF THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION NOTIFIES THE
DEPARTMENT THAT A DRIVER WAS ERRONEOUSLY PLACED IN A PROHIBITED STATUS,
THE DEPARTMENT SHALL EXPUNGE THE DRIVER RECORD OF ANY REFERENCE TO AND
ACTIONS TAKEN ON THE DRIVER RECORD AS A RESULT OF THE ERRONEOUS
NOTIFICATION AND ALLOW FOR THE REINSTATEMENT OF THE COMMERCIAL PRIVILEGE
FOR A COMMERCIAL DRIVER LICENSE OR COMMERCIAL LEARNER'S PERMIT.

23 Sec. 9. Section 28-5614, Arizona Revised Statutes, is amended to 24 read:

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28-5614. <u>Refunds; use fuel</u>

26 A. If a vendor pays the use fuel tax rate for use class motor 27 vehicles on use fuel that is actually used in the propulsion of a light class motor vehicle on a highway in this state or that is actually used in 28 29 the propulsion of a use class motor vehicle that is exempt pursuant to 30 section 28-5432 from the weight fee prescribed in section 28-5433 on a 31 highway in this state and for the purpose of convenience and facility only, the vendor may apply to the department for a refund of the 32 difference between the amount of the use class motor vehicle use fuel tax 33 34 paid and the amount of the light class motor vehicle use fuel tax on the 35 same number of gallons purchased.

36 B. If a person who transports forest products on a highway in this 37 state in compliance with the requirements of section 41-1516 pays the use 38 fuel tax rate prescribed in section 28-5606, subsection B, paragraph 2 for 39 a use class motor vehicle that is eligible for the use fuel tax rate 40 prescribed in section 28-5606, subsection B, paragraph 3, the person may 41 apply to the department for a refund of the difference between the amount 42 of the use fuel tax paid and the use fuel tax rate prescribed for a motor 43 vehicle transporting forest products.

1 C. The director may prescribe any forms the director deems 2 necessary to implement this section. 3 D. A vendor may file an application for a refund pursuant to this 4 section either: 5 1. on a monthly basis subject to the limitations prescribed in 6 section 28-5612. 7 2. If the amount of the requested refund is at least seven hundred 8 fifty dollars, except that a vendor shall not file an application for a 9 refund pursuant to this paragraph more frequently than once each week. 10 E. The director shall: 11 1. Pay the refund from current use fuel tax receipts. 12 Deduct the refund from the monthly use fuel tax receipts before 2. 13 the deposit pursuant to section 28-5730 is made. 14 Sec. 10. Section 28-5801, Arizona Revised Statutes, is amended to 15 read: 16 28-5801. Vehicle license tax rate; definitions 17 A. At the time of application for and before registration each year 18 of a vehicle, the registering officer shall collect the vehicle license tax imposed by article IX, section 11, Constitution of Arizona. On the 19 20 taxpayer's vehicle license tax bill, the registering officer shall provide 21 the taxpayer with the following: 22 1. information showing the amount of the vehicle license tax that 23 each category of recipient will receive and the amount that is owed by the 24 taxpayer. 25 2. The amount of vehicle license tax the taxpayer would pay 26 pursuant to section 28-5805 if the taxpayer's motor vehicle was powered by 27 alternative fuel. B. Except as provided in subsections C, D and E of this section: 28 29 During the first twelve months of the life of a vehicle as 1. determined by its initial registration, the vehicle license tax is based 30 31 on each \$100 in value, the value of the vehicle is sixty percent of the manufacturer's base retail price of the vehicle and the vehicle license 32 33 tax rate for each of the recipients is as follows: 34 (a) The rate for the Arizona highway user revenue fund is \$1.26. 35 (b) The rate for the county general fund is \$.69. 36 (c) The rate for counties for any purposes related to 37 transportation, as determined by the board of supervisors, is \$.16. 38 (d) The rate for incorporated cities and towns is \$.69. 39 2. During each succeeding twelve-month period, the vehicle license 40 tax is based on each \$100 in value, the value of the vehicle is 16.25 41 percent less than the value for the preceding twelve-month period and the vehicle license tax rate for each of the recipients is as follows: 42

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(a) The rate for the Arizona highway user revenue fund is \$1.30.

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(b) The rate for the county general fund is \$.71.

3 (c) The rate for counties for the same use as highway user revenue 4 fund monies is \$.17.

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(d) The rate for incorporated cities and towns is \$.71.

6 3. The minimum amount of the vehicle license tax computed under 7 this section is \$10 per year for each vehicle that is subject to the tax. 8 If the product of all of the rates prescribed in paragraph 1 or 2 of this 9 subsection is less than \$10, the vehicle license tax is \$10. The vehicle license tax collected pursuant to this paragraph shall be distributed to 10 11 the recipients prescribed in this subsection based on the percentage of each recipient's rate to the sum of all of the rates. 12

C. The vehicle license tax is as follows for noncommercial trailers 13 that are not travel trailers and that are ten thousand pounds or less 14 15 DECLARED gross vehicle weight:

1. On initial registration, a onetime vehicle license tax of \$105.

17 On renewal of registration, a onetime vehicle license tax of 2. 18 \$70.

19 D. The vehicle license tax is as follows for a trailer or 20 semitrailer that is not a travel trailer and that exceeds ten thousand 21 pounds DECLARED gross vehicle weight: 22

1. On initial registration, a onetime vehicle license tax of \$555.

23 On renewal of registration or if previously registered in 2. 24 another state, a onetime vehicle license tax of:

25 (a) If the trailer's or semitrailer's model year is less than six 26 years old, \$355.

27 (b) If the trailer's or semitrailer's model year is at least six years old, \$100. 28

29 E. The vehicle license tax for an all-terrain vehicle or off-highway vehicle as defined in section 28-1171 is \$3 if the all-terrain 30 31 vehicle or off-highway vehicle meets both of the following criteria:

32 1. Is designed by the manufacturer primarily for travel over 33 unimproved terrain.

Has an unladen weight of two thousand five hundred pounds or 34 2. 35 less.

36 F. The vehicle license tax collected pursuant to subsection C, D or 37 E of this section shall be distributed to the recipients prescribed in 38 subsection B of this section based on the percentage of each recipient's 39 rate to the sum of all of the rates.

G. For the purposes of subsections C and D of this section: -40

41 1. "DECLARED GROSS WEIGHT" HAS THE SAME MEANING PRESCRIBED IN 42 SECTION 28-5431.

43 2. "Travel trailer" has the same meaning prescribed in section 44 28-2003.

1 Sec. 11. Section 28-6952, Arizona Revised Statutes, is amended to 2 read: 3 28-6952. Five year transportation facilities construction 4 program; publication; hearing 5 A. On or before the second Monday in April 1 of each year, the 6 board shall review the updated five year transportation facilities 7 construction program prepared by the director. 8 B. On or before the first Monday in May 1 of each year, the board 9 shall publish a notice in a newspaper of general circulation in each county in which construction projects are planned under the statewide five 10 11 year transportation facilities construction program for the following five 12 fiscal years. The notice shall specify a date that is on or before the 13 third Monday in May for a public hearing held at the office of the board 14 to review the program and hear objections and protests from an individual 15 or group. THE NOTICE SHALL SPECIFY THE DATE OF THE PUBLIC HEARING AT 16 WHICH THE BOARD WILL CONSIDER THE PROJECTS PLANNED UNDER THE FIVE YEAR 17 TRANSPORTATION FACILITIES CONSTRUCTION PROGRAM. THE PUBLIC HEARING SHALL 18 ALLOW THE PUBLIC TO REVIEW THE FIVE YEAR TRANSPORTATION FACILITIES 19 CONSTRUCTION PROGRAM AND MAKE ANY COMMENTS TO THE BOARD RELATED TO THE 20 **PROJECTS PLANNED.** 21 C. After the public hearing, the board may make priority changes in 22 or introduce new projects to the proposed five year transportation 23 facilities construction program pursuant to section 28-6955. 24 Sec. 12. Section 28-8322, Arizona Revised Statutes, is amended to 25 read: 26 28-8322. <u>Registration; exceptions; definition</u> 27 A. Aircraft based in this state shall be registered with the 28 department. 29 B. A person or governmental entity shall register an aircraft by applying to the department on a form provided by the department within 30 31 sixty days after the aircraft is brought into this state. A person who 32 registers an aircraft shall renew the registration annually as prescribed 33 by section 28-8322.01. C. The department shall not issue a registration certificate for an 34 35 aircraft to a person who is subject to the use tax paid pursuant to title 36 42, chapter 5, article 4 unless the applicable tax has been paid as shown 37 by a receipt from the collecting officer. 38 D. Subsections A and B of this section do not apply to aircraft 39 that is any of the following: 40 1. Operated by an airline company and regularly scheduled for the 41 primary purpose of carrying persons or property for hire in interstate, 42 intrastate or international transportation.

1 2. Owned by a nonresident who bases the aircraft in this state for 2 a period of not more than ninety consecutive days or ninety days in any 3 one calendar year, if the aircraft is not engaged in intrastate commercial 4 activity. 5

3. A balloon.

6 E. Aircraft, except aircraft included in subsection D, paragraph 1 7 OR 3 of this section, entering the state to engage in intrastate 8 commercial operations shall be registered before commencing these 9 operations.

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F. For the purposes of this section, "balloon" means either:

11 1. An aircraft that is a flexible, nonporous bag inflated with a 12 gas that is lighter than air.

13 2. A hot air balloon.

14 Sec. 13. Section 28-9201, Arizona Revised Statutes, is amended to 15 read:

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28-9201. Minimum safety standards; violation

17 A. As prescribed by 49 United States Code section 5329 or 5330 and 18 49 Code of Federal Regulations part 659 (1995) 674, the department shall establish, implement and enforce minimum safety standards for light rail 19 20 transit systems and street car systems in a county with a population of 21 more than five hundred thousand persons.

22 B. The safety oversight responsibilities of the department under 23 this section include the authority to:

24 1. Review, approve, oversee and enforce the implementation by the 25 rail fixed guideway public transportation agency of this state's required 26 public agency safety plan relating to engineering, construction and 27 revenue services.

2. Enforce relevant federal and state laws on rail fixed guideway 28 29 public transportation safety.

C. If the department discovers a violation of the safety standards 30 31 prescribed pursuant to subsection A of this section, the department shall 32 report the violation in writing to the federal transit administration.

Sec. 14. <u>Repeal</u>

Section 41-3024.25, Arizona Revised Statutes, is repealed.

35 Sec. 15. Title 41, chapter 27, article 2, Arizona Revised Statutes, 36 is amended by adding section 41-3032.06, to read:

37 41-3032.06. Department of transportation; termination July 1. 2<u>032</u> 38 39 A. THE DEPARTMENT OF TRANSPORTATION TERMINATES ON JULY 1, 2032. 40 B. TITLE 28 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2033.

41 Sec. 16. <u>Purpose</u>

Pursuant to section 41-2955, subsection B, Arizona Revised Statutes, 42 43 the legislature continues the department of transportation to:

44 1. Design, construct and maintain the state highway system and 45 state routes for the entire state.

2. Provide for orderly registration and titling of vehicles and
 licensure of motor vehicle drivers.
 3. Assist and promote the aviation industry in this state.
 4. Provide for orderly registration and licensure of general
 aviation aircraft.
 6 Sec. 17. <u>Retroactivity</u>
 7 Sections 14 and 15 of this act apply retroactively to from and after
 8 July 1, 2024.

APPROVED BY THE GOVERNOR JUNE 18, 2024.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 18, 2024.