

House Engrossed
community impact special plates

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HOUSE BILL 2271

AN ACT

AMENDING SECTIONS 28-2351 AND 28-2403, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 7, ARTICLE 12, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-2470.10; AMENDING SECTIONS 28-6501, 28-6991 AND 28-6993, ARIZONA REVISED STATUTES; RELATING TO SPECIAL PLATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 28-2351, Arizona Revised Statutes, is amended to
3 read:

4 28-2351. License plate provided; design

5 A. Notwithstanding any other law, the department shall provide to
6 every owner one license plate for each vehicle registered. At the request
7 of the owner and on payment of a fee in an amount prescribed by the
8 director by rule, the department shall provide one additional license
9 plate for a vehicle for which a special plate is requested pursuant to
10 this chapter.

11 B. The license plate shall display the number assigned to the
12 vehicle and to the owner of the vehicle and the name of this state, which
13 may be abbreviated. The director shall coat the license plate with a
14 reflective material that is consistent with the determination of the
15 department regarding the color and design of license plates and special
16 plates. The director shall design the license plate and the letters and
17 numerals on the license plate to be of sufficient size to be plainly
18 readable during daylight from a distance of one hundred feet. In addition
19 to the standard license plate issued for a trailer before August 12, 2005,
20 the director shall issue a license plate for trailers that has a design
21 that is similar to the standard size license plate for trailers but that
22 is the same size as the license plate for motorcycles. The trailer owner
23 shall notify the department which size license plate the owner wants for
24 the trailer.

25 C. Notwithstanding any other law, the department shall not contract
26 with a nongovernmental entity to purchase or secure reflective material
27 for the plates issued by the department unless the department has made a
28 reasonable effort to secure qualified bids or proposals from as many
29 individual responsible respondents as possible.

30 D. The department shall determine the color and design of the
31 license plate. All other plates issued by the department, except the
32 plates issued pursuant to sections 28-2404, 28-2412, 28-2413, 28-2414,
33 28-2416, 28-2416.01, 28-2417 through ~~28-2470.09~~ 28-2470.10, 28-2472,
34 28-2473, 28-2474, 28-2475, 28-2476 and 28-4533 and article 14 of this
35 chapter, shall be the same color as and similar in design to the license
36 plate as determined by the department.

37 E. A passenger motor vehicle that is rented without a driver shall
38 receive the same type of license plate as is issued for a private
39 passenger motor vehicle.

40 Sec. 2. Section 28-2403, Arizona Revised Statutes, is amended to
41 read:

42 28-2403. Special plates; transfers; violation; classification

43 A. Except as otherwise provided in this article, the department
44 shall issue or renew special plates in lieu of the regular license plates
45 pursuant to the following conditions and procedures and only if the

1 requirements prescribed by this article for the requested special plates
2 are met:

3 1. Except as provided in sections 28-2416 and 28-2416.01, a person
4 who is the registered owner of a vehicle registered with the department or
5 who applies for an original or renewal registration of a vehicle may
6 submit to the department a completed application form as prescribed by the
7 department with the fee prescribed by section 28-2402 for special plates
8 in addition to the registration fee prescribed by section 28-2003.

9 2. Except for plates issued pursuant to sections 28-2404, 28-2412,
10 28-2413, 28-2414, 28-2416, 28-2416.01, 28-2417 through ~~28-2470.09~~
11 ~~28-2470.10~~, 28-2472, 28-2473, 28-2474, 28-2475 and 28-2476 and article 14
12 of this chapter, the special plates shall be the same color as and similar
13 to the design of the regular license plates that is determined by the
14 department.

15 3. Except as provided in section 28-2416, the department shall
16 issue special plates only to the owner or lessee of a vehicle that is
17 currently registered, including any vehicle that has a declared gross
18 weight, as defined in section 28-5431, of twenty-six thousand pounds or
19 less.

20 4. Except as provided in sections 28-2416 and 28-2416.01, the
21 department shall charge the fee prescribed by section 28-2402 for each
22 annual renewal of special plates in addition to the registration fee
23 prescribed by section 28-2003.

24 B. Except as provided in sections 28-2416 and 28-2416.01, on
25 notification to the department and on payment of the transfer fee
26 prescribed by section 28-2402, a person who is issued special plates may
27 transfer the special plates to another vehicle the person owns or leases.
28 Persons who are issued special plates for hearing impaired persons
29 pursuant to section 28-2408 and international symbol of access special
30 plates pursuant to section 28-2409 are exempt from the transfer fee. If a
31 person who is issued special plates sells, trades or otherwise releases
32 ownership of the vehicle on which the plates have been displayed, the
33 person shall immediately report the transfer of the plates to the
34 department or the person shall surrender the plates to the department as
35 prescribed by the director. It is unlawful for a person to whom the
36 plates have been issued to knowingly allow them to be displayed on a
37 vehicle except the vehicle authorized by the department.

38 C. The special plates shall be affixed to the vehicle for which
39 registration is sought in lieu of the regular license plates.

40 D. A person is guilty of a class 3 misdemeanor who:

41 1. Violates subsection B of this section.

42 2. Fraudulently gives false or fictitious information in the
43 application for or renewal of special plates or placards issued pursuant
44 to this article.

1 3. Conceals a material fact or otherwise commits fraud in the
2 application for or renewal of special plates or placards issued pursuant
3 to this article.

4 Sec. 3. Title 28, chapter 7, article 12, Arizona Revised Statutes,
5 is amended by adding section 28-2470.10, to read:

6 28-2470.10. Community impact special plates; fund

7 A. IF, BY DECEMBER 31, 2022, A PERSON PAYS \$32,000 TO THE
8 DEPARTMENT FOR THE IMPLEMENTATION OF THIS SECTION, THE DEPARTMENT SHALL
9 ISSUE COMMUNITY IMPACT SPECIAL PLATES. THE PERSON THAT PROVIDES THE
10 \$32,000 SHALL DESIGN THE COMMUNITY IMPACT SPECIAL PLATES. THE DESIGN AND
11 COLOR OF THE COMMUNITY IMPACT SPECIAL PLATES ARE SUBJECT TO THE APPROVAL
12 OF THE DEPARTMENT. THE DIRECTOR MAY ALLOW A REQUEST FOR COMMUNITY IMPACT
13 SPECIAL PLATES TO BE COMBINED WITH A REQUEST FOR PERSONALIZED SPECIAL
14 PLATES. IF THE DIRECTOR ALLOWS SUCH A COMBINATION, THE REQUEST SHALL BE
15 IN A FORM PRESCRIBED BY THE DIRECTOR AND IS SUBJECT TO THE FEES FOR THE
16 PERSONALIZED SPECIAL PLATES IN ADDITION TO THE FEES REQUIRED FOR THE
17 COMMUNITY IMPACT SPECIAL PLATES.

18 B. OF THE \$25 FEE REQUIRED BY SECTION 28-2402 FOR THE ORIGINAL
19 SPECIAL PLATES AND FOR RENEWAL OF SPECIAL PLATES, \$8 IS A SPECIAL PLATE
20 ADMINISTRATION FEE AND \$17 IS AN ANNUAL DONATION.

21 C. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND
22 35-147, ALL SPECIAL PLATE ADMINISTRATION FEES IN THE STATE HIGHWAY FUND
23 ESTABLISHED BY SECTION 28-6991 AND ALL DONATIONS COLLECTED PURSUANT TO
24 THIS SECTION IN THE COMMUNITY IMPACT FUND ESTABLISHED BY THIS SECTION.

25 D. THE COMMUNITY IMPACT SPECIAL PLATE FUND IS ESTABLISHED
26 CONSISTING OF MONIES DEPOSITED PURSUANT TO THIS SECTION. THE DIRECTOR
27 SHALL ADMINISTER THE FUND. THE FIRST \$32,000 IN THE FUND SHALL BE
28 REIMBURSED TO THE PERSON THAT PAID THE IMPLEMENTATION FEE TO THE
29 DEPARTMENT PURSUANT TO SUBSECTION A OF THIS SECTION. NOT MORE THAN TEN
30 PERCENT OF THE MONIES DEPOSITED IN THE FUND ANNUALLY SHALL BE USED FOR THE
31 COST OF ADMINISTERING THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
32 APPROPRIATED.

33 E. THE DIRECTOR SHALL ANNUALLY ALLOCATE MONIES FROM THE FUND,
34 EXCLUDING ADMINISTRATIVE FEES, TO AN ENTITY THAT IS A CHARITABLE
35 ORGANIZATION THAT IS QUALIFIED UNDER SECTION 501(c)(3) OF THE UNITED
36 STATES INTERNAL REVENUE CODE FOR FEDERAL INCOME TAX PURPOSES. THE ENTITY
37 MUST:

- 38 1. BE HEADQUARTERED IN THIS STATE.
- 39 2. BE AFFILIATED WITH A CLOTHING BRAND THAT IS INSPIRED BY THIS
40 STATE AND THAT IS HEADQUARTERED IN THIS STATE.
- 41 3. HAVE A MISSION TO DRIVE LOCAL INNOVATION AND INSPIRE COMMUNITY
42 ACTION THROUGH THE SUPPORT AND EMPOWERMENT OF ENTREPRENEURS IN THIS STATE.
- 43 4. BE DEDICATED TO THE PROSPERITY OF ITS COMMUNITY MEMBERS AND THIS
44 STATE THROUGH THE SUPPORT OF LOCAL ORGANIZATIONS.

- 1 5. PROVIDE BOTH OF THE FOLLOWING:
2 (a) GRANT OPPORTUNITIES TO ENTREPRENEURS IN THIS STATE.
3 (b) MENTORSHIPS AND PROGRAMMING FOR ENTREPRENEURS IN THIS STATE.
4 F. ON NOTICE FROM THE DIRECTOR, THE STATE TREASURER SHALL INVEST
5 AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES
6 EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

7 Sec. 4. Section 28-6501, Arizona Revised Statutes, is amended to
8 read:

9 28-6501. Definition of highway user revenues

10 In this article, unless the context otherwise requires or except as
11 otherwise provided by statute, "highway user revenues" means all monies
12 received in this state from licenses, taxes, penalties, interest and fees
13 authorized by the following:

- 14 1. Chapters 2, 7, 8 and 15 of this title, except for:
15 (a) The special plate administration fees prescribed in sections
16 28-2404, 28-2407, 28-2412 through ~~28-2470.09~~ 28-2470.10 and 28-2514.
17 (b) The donations prescribed in sections 28-2404, 28-2407, 28-2412
18 through 28-2415, 28-2417 through ~~28-2470.09~~ 28-2470.10, 28-2473, 28-2474,
19 28-2475 and 28-2476.
20 2. Section 28-1177.
21 3. Chapters 10 and 11 of this title.
22 4. Chapter 16, articles 1, 2 and 4 of this title, except as
23 provided in sections 28-5926 and 28-5927.

24 Sec. 5. Section 28-6991, Arizona Revised Statutes, is amended to
25 read:

26 28-6991. State highway fund; sources

27 The state highway fund is established that consists of:

- 28 1. Monies distributed from the Arizona highway user revenue fund
29 pursuant to chapter 18 of this title.
30 2. Monies appropriated by the legislature.
31 3. Monies received from donations for the construction, improvement
32 or maintenance of state highways or bridges. These monies shall be
33 credited to a special account and shall be spent only for the purpose
34 indicated by the donor.
35 4. Monies received from counties or cities under cooperative
36 agreements, including proceeds from bond issues. The state treasurer
37 shall deposit these monies to the credit of the fund in a special account
38 on delivery to the treasurer of a concise written agreement between the
39 department and the county or city stating the purposes for which the
40 monies are surrendered by the county or city, and these monies shall be
41 spent only as stated in the agreement.
42 5. Monies received from the United States under an act of Congress
43 to provide aid for the construction of rural post roads, but monies
44 received on projects for which the monies necessary to be provided by this
45 state are wholly derived from sources mentioned in paragraphs 2 and 3 of

1 this section shall be allotted by the department and deposited by the
2 state treasurer in the special account within the fund established for
3 each project. On completion of the project, on the satisfaction and
4 discharge in full of all obligations of any kind created and on request of
5 the department, the treasurer shall transfer the unexpended balance in the
6 special account for the project into the state highway fund, and the
7 unexpended balance and any further federal aid thereafter received on
8 account of the project may be spent under the general provisions of this
9 title.

10 6. Monies in the custody of an officer or agent of this state from
11 any source that is to be used for the construction, improvement or
12 maintenance of state highways or bridges.

13 7. Monies deposited in the state general fund and arising from the
14 disposal of state personal property belonging to the department.

15 8. Receipts from the sale or disposal of any or all other property
16 held by the department and purchased with state highway monies.

17 9. Monies generated pursuant to section 28-410.

18 10. Monies distributed pursuant to section 28-5808, subsection B,
19 paragraph 2, subdivision (d).

20 11. Monies deposited pursuant to sections 28-1143, 28-2353 and
21 28-3003.

22 12. Except as provided in section 28-5101, the following monies:

23 (a) Monies deposited pursuant to section 28-2206 and section
24 28-5808, subsection B, paragraph 2, subdivision (e).

25 (b) \$1 of each registration fee and \$1 of each title fee collected
26 pursuant to section 28-2003.

27 (c) \$2 of each late registration penalty collected by the director
28 pursuant to section 28-2162.

29 (d) The air quality compliance fee collected pursuant to section
30 49-542.

31 (e) The special plate administration fees collected pursuant to
32 sections 28-2404, 28-2407, 28-2412 through 28-2416, 28-2416.01, 28-2417
33 through ~~28-2470.09~~ 28-2470.10 and 28-2514.

34 (f) Monies collected pursuant to sections 28-372, 28-2155 and
35 28-2156 if the director is the registering officer.

36 13. Monies deposited pursuant to chapter 5, article 5 of this
37 title.

38 14. Donations received pursuant to section 28-2269.

39 15. Dealer and registration monies collected pursuant to section
40 28-4304.

41 16. Abandoned vehicle administration monies deposited pursuant to
42 section 28-4804.

43 17. Monies deposited pursuant to section 28-710, subsection D,
44 paragraph 2.

- 1 18. Monies deposited pursuant to section 28-2065.
- 2 19. Monies deposited pursuant to section 28-7311.
- 3 20. Monies deposited pursuant to section 28-7059.
- 4 21. Monies deposited pursuant to section 28-1105.
- 5 22. Monies deposited pursuant to section 28-2448, subsection D.
- 6 23. Monies deposited pursuant to section 28-3415.
- 7 24. Monies deposited pursuant to section 28-3002, subsection A,
- 8 paragraph 14.
- 9 25. Monies deposited pursuant to section 28-7316.
- 10 26. Monies deposited pursuant to section 28-4302.
- 11 27. Monies deposited pursuant to section 28-3416.
- 12 28. Monies deposited pursuant to section 28-4504.
- 13 29. Monies deposited pursuant to section 28-2098.
- 14 30. Monies deposited pursuant to sections 28-2321, 28-2324,
- 15 28-2325, 28-5474, 28-5739, 28-5863 and 28-5864.
- 16 Sec. 6. Section 28-6993, Arizona Revised Statutes, is amended to
- 17 read:
- 18 28-6993. State highway fund; authorized uses
- 19 A. Except as provided in subsection B of this section and section
- 20 28-6538, the state highway fund shall be used for any of the following
- 21 purposes in strict conformity with and subject to the budget as provided
- 22 by this section and by sections 28-6997 through 28-7003:
- 23 1. To pay salaries, wages, necessary travel expenses and other
- 24 expenses of officers and employees of the department and the incidental
- 25 office expenses, including telegraph, telephone, postal and express
- 26 charges and printing, stationery and advertising expenses.
- 27 2. To pay for both:
- 28 (a) Equipment, supplies, machines, tools, department offices and
- 29 laboratories established by the department.
- 30 (b) The construction and repair of buildings or yards of the
- 31 department.
- 32 3. To pay the cost of both:
- 33 (a) Engineering, construction, improvement and maintenance of state
- 34 highways and parts of highways forming state routes.
- 35 (b) Highways under cooperative agreements with the United States
- 36 that are entered into pursuant to this chapter and an act of Congress
- 37 providing for the construction of rural post roads.
- 38 4. To pay land damages incurred by reason of establishing, opening,
- 39 altering, relocating, widening or abandoning portions of a state route or
- 40 state highway.
- 41 5. To reimburse the department revolving account.
- 42 6. To pay premiums on authorized indemnity bonds and on
- 43 compensation insurance under the workers' compensation act.

- 1 7. To defray lawful expenses and costs required to administer and
2 carry out the intent, purposes and provisions of this title, including
3 repayment of obligations entered into pursuant to this title, payment of
4 interest on obligations entered into pursuant to this title, repayment of
5 loans and other financial assistance, including repayment of advances and
6 interest on advances made to the department pursuant to section 28-7677,
7 and payment of all other obligations and expenses of the board and
8 department pursuant to chapter 21 of this title.
- 9 8. To pay lawful bills and charges incurred by the state engineer.
- 10 9. To acquire, construct or improve entry roads to state parks or
11 roads within state parks.
- 12 10. To acquire, construct or improve entry roads to state prisons.
- 13 11. To pay the cost of relocating a utility facility pursuant to
14 section 28-7156.
- 15 12. For the purposes provided in subsections C, D and E of this
16 section and sections 28-1143, 28-2353 and 28-3003.
- 17 13. To pay the cost of issuing an Arizona centennial special plate
18 pursuant to section 28-2448.
- 19 14. To pay for all of the following:
- 20 (a) The enforcement by the department of public safety and the
21 department of transportation of vehicle safety requirements within
22 twenty-five miles of the border between this state and Mexico.
- 23 (b) Costs related to procuring electronic equipment, automated
24 systems or improvements to existing electronic equipment or automated
25 systems for relieving vehicle congestion at ports of entry on the border
26 between this state and Mexico.
- 27 (c) Constructing, maintaining and upgrading transportation
28 facilities, including roads, streets and highways, approved by the board
29 within twenty-five miles of the border between this state and Mexico.
- 30 (d) As approved by the board, constructing and maintaining
31 transportation facilities in the CANAMEX high priority corridor as defined
32 in section 332 of the national highway system designation act of 1995
33 (P.L. 104-59; 109 Stat. 568).
- 34 (e) Activities of the department that include collecting
35 transportation and trade data in the United States and Mexico for the
36 purposes of constructing transportation facilities, improving public
37 safety, improving truck processing time and relieving congestion at ports
38 of entry on the border between this state and Mexico. The department may
39 enter into an agreement with the Arizona-Mexico commission and provide
40 funding to the commission for the purposes of this subdivision.
- 41 (f) A commitment or investment necessary for the department or
42 another agency of this state to obtain federal monies that are designated
43 for expenditure pursuant to this section.

1 B. For each fiscal year, the department of transportation shall
2 allocate and transfer monies in the state highway fund to the department
3 of public safety for funding a portion of highway patrol costs in eight
4 installments in each of the first eight months of a fiscal year that do
5 not exceed \$10,000,000.

6 C. Subject to legislative appropriation, the department may use the
7 monies in the state highway fund as prescribed in section 28-6991,
8 paragraph 12 to carry out the duties imposed by this title for
9 registration or titling of vehicles, to operate joint title, registration
10 and driver licensing offices, to cover the administrative costs of issuing
11 the air quality compliance sticker, modifying the year validating tab and
12 issuing the windshield sticker and to cover expenses and costs in issuing
13 special plates pursuant to sections 28-2404, 28-2407, 28-2412 through
14 ~~28-2470.09~~ 28-2470.10 and 28-2514.

15 D. The department shall use monies deposited in the state highway
16 fund pursuant to chapter 5, article 5 of this title only as prescribed by
17 that article.

18 E. Monies deposited in the state highway fund pursuant to section
19 28-2269 shall be used only as prescribed by that section.

20 F. Monies deposited in the state highway fund pursuant to section
21 28-710, subsection D, paragraph 2 shall only be used for state highway
22 work zone traffic control devices.

23 G. The department may exchange monies distributed to the state
24 highway fund pursuant to section 28-6538, subsection A, paragraph 1 for
25 local government surface transportation program federal monies
26 suballocated to councils of government and metropolitan planning
27 organizations if the local government scheduled to receive the federal
28 monies concurs. An exchange of state highway fund monies pursuant to this
29 subsection shall be in an amount that is at least equal to ninety percent
30 of the federal obligation authority that exists in the project for which
31 the exchange is proposed.

32 H. The department shall use monies deposited in the state highway
33 fund pursuant to section 28-1105, subsection A, paragraph 2, subdivision
34 (a) only for a transportation facility that is located within twenty
35 drivable miles of the international port of entry and shall spend the
36 monies proportionally based on the amount of total monies collected
37 pursuant to section 28-1105, subsection A, paragraph 2, subdivision (a).
38 For the purposes of this subsection, "transportation facility" means a
39 highway or a state route or a county, city or town road that is used by a
40 commercial vehicle or a commercial vehicle combination for which an axle
41 fee is paid pursuant to section 28-5474.