

REFERENCE TITLE: special plate; youth education

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **HB 2998**

Introduced by  
Representatives Gress: Carter P; Senator Werner

### 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 28-2470.40; 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. In addition to the requirements prescribed in subsection B of  
26 this section, for all license plates, including all special plates, that  
27 are designed or redesigned on or after September 24, 2022:

28 1. The background color of the license plate shall contrast  
29 significantly with the color of the letters and numerals on the license  
30 plate and with the name of this state on the license plate.

31 2. The name of this state shall appear on the license plate in  
32 capital letters in sans serif font and be three-fourths of an inch in  
33 height.

34 D. Notwithstanding any other law, the department shall not contract  
35 with a nongovernmental entity to purchase or secure reflective material  
36 for the plates issued by the department unless the department has made a  
37 reasonable effort to secure qualified bids or proposals from as many  
38 individual responsible respondents as possible.

39 E. The department shall determine the color and design of the  
40 license plate subject to the requirements prescribed by subsections B and  
41 C of this section. All plates issued by the department, except the plates  
42 that are issued pursuant to sections 28-2404, 28-2412, 28-2413, 28-2414,  
43 28-2416, 28-2416.01, 28-2417 through ~~28-2470.39~~ 28-2470.40, 28-2472,  
44 28-2473, 28-2474, 28-2475, 28-2476 and 28-4533 and article 14 of this  
45 chapter, shall be the same color as and similar in design to the license  
46 plate as determined by the department.

1 F. A passenger motor vehicle that is rented without a driver shall  
2 receive the same type of license plate as is issued for a private  
3 passenger motor vehicle.

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

6 28-2403. Special plates; transfers; violation; classification

7 A. Except as otherwise provided in this article, the department  
8 shall issue or renew special plates in lieu of the regular license plates  
9 pursuant to the following conditions and procedures and only if the  
10 requirements prescribed by this article for the requested special plates  
11 are met:

12 1. Except as provided in sections 28-2416 and 28-2416.01, a person  
13 who is the registered owner of a vehicle registered with the department or  
14 who applies for an original or renewal registration of a vehicle may  
15 submit to the department a completed application form as prescribed by the  
16 department with the fee prescribed by section 28-2402 for special plates  
17 in addition to the registration fee prescribed by section 28-2003.

18 2. Except for plates issued pursuant to sections 28-2404, 28-2412,  
19 28-2413, 28-2414, 28-2416, 28-2416.01, 28-2417 through ~~28-2470.39~~  
20 28-2470.40, 28-2472, 28-2473, 28-2474, 28-2475 and 28-2476 and article 14  
21 of this chapter, the special plates shall be the same color as and similar  
22 to the design of the regular license plates that is determined by the  
23 department.

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

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

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

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

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

4 1. Violates subsection B of this section.

5 2. Fraudulently gives false or fictitious information in the  
6 application for or renewal of special plates or placards issued pursuant  
7 to this article.

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

11 Sec. 3. Title 28, chapter 7, article 12, Arizona Revised Statutes,  
12 is amended by adding section 28-2470.40, to read:

13 28-2470.40. Youth education charity special plates; fund

14 A. IF, BY DECEMBER 31, 2026, A PERSON PAYS \$32,000 TO THE  
15 DEPARTMENT FOR THE IMPLEMENTATION OF THIS SECTION, THE DEPARTMENT SHALL  
16 ISSUE YOUTH EDUCATION CHARITY SPECIAL PLATES. THE PERSON THAT PROVIDES  
17 THE \$32,000 SHALL DESIGN THE YOUTH EDUCATION CHARITY SPECIAL PLATES. THE  
18 DESIGN AND COLOR OF THE YOUTH EDUCATION CHARITY SPECIAL PLATES ARE SUBJECT  
19 TO APPROVAL OF THE DEPARTMENT. THE DIRECTOR MAY ALLOW A REQUEST FOR YOUTH  
20 EDUCATION CHARITY SPECIAL PLATES TO BE COMBINED WITH A REQUEST FOR  
21 PERSONALIZED SPECIAL PLATES. IF THE DIRECTOR ALLOWS SUCH A COMBINATION,  
22 THE REQUEST SHALL BE IN A FORM PRESCRIBED BY THE DIRECTOR AND IS SUBJECT  
23 TO THE FEES FOR THE PERSONALIZED SPECIAL PLATES IN ADDITION TO THE FEES  
24 REQUIRED FOR THE YOUTH EDUCATION CHARITY SPECIAL PLATES.

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

28 C. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND  
29 35-147, ALL SPECIAL PLATE ADMINISTRATION FEES IN THE STATE HIGHWAY FUND  
30 ESTABLISHED BY SECTION 28-6991 AND SHALL TRANSMIT ALL DONATIONS COLLECTED  
31 PURSUANT TO THIS SECTION TO THE YOUTH EDUCATION CHARITY SPECIAL PLATE FUND  
32 ESTABLISHED BY THIS SECTION.

33 D. THE YOUTH EDUCATION CHARITY SPECIAL PLATE FUND IS ESTABLISHED  
34 CONSISTING OF MONIES DEPOSITED PURSUANT TO THIS SECTION. THE DIRECTOR  
35 SHALL ADMINISTER THE FUND. THE FIRST \$32,000 IN THE FUND SHALL BE  
36 REIMBURSED TO THE PERSON THAT PAID THE IMPLEMENTATION FEE TO THE  
37 DEPARTMENT PURSUANT TO SUBSECTION A OF THIS SECTION. NOT MORE THAN TEN  
38 PERCENT OF THE MONIES DEPOSITED IN THE FUND ANNUALLY SHALL BE USED FOR THE  
39 COST OF ADMINISTERING THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY  
40 APPROPRIATED.

41 E. THE DIRECTOR SHALL ANNUALLY ALLOCATE MONIES FROM THE FUND TO AN  
42 ENTITY THAT IS QUALIFIED UNDER SECTION 501(c)(3) OF THE UNITED STATES  
43 INTERNAL REVENUE CODE FOR FEDERAL INCOME TAX PURPOSES. THE ENTITY MUST:

44 1. BE HEADQUARTERED IN THE CITY OF SCOTTSDALE.

45 2. HAVE BEEN INCORPORATED IN 1986.

1           3. CONSIST OF MEMBERS WHO SUPPORT THE ORGANIZATION MONETARILY OR  
2 THROUGH REGULAR VOLUNTEER ACTIVITIES.

3           4. PROVIDE GRANTS TO NONPROFITS IN MARICOPA COUNTY AND PROVIDE  
4 SCHOLARSHIPS, GRANTS AND PROGRAMMING TO PUBLIC EDUCATION SCHOOL AND  
5 STUDENTS.

6           F. ON NOTICE FROM THE DIRECTOR, THE STATE TREASURER SHALL INVEST  
7 AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES  
8 EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

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

11           28-6501. Definition of highway user revenues

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

16           1. Chapters 2, 7, 8 and 15 of this title, except for:

17           (a) The special plate administration fees prescribed in sections  
18 28-2404, 28-2407, 28-2412 through ~~28-2470.39~~ 28-2470.40 and 28-2514.

19           (b) The donations prescribed in sections 28-2404, 28-2407, 28-2412  
20 through 28-2415, 28-2417 through ~~28-2470.39~~ 28-2470.40, 28-2473, 28-2474,  
21 28-2475 and 28-2476.

22           2. Section 28-1177.

23           3. Chapters 10 and 11 of this title.

24           4. Chapter 16, articles 1, 2 and 4 of this title, except as  
25 provided in sections 28-5926 and 28-5927.

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

28           28-6991. State highway fund; sources

29           The state highway fund is established that consists of:

30           1. Monies distributed from the Arizona highway user revenue fund  
31 pursuant to chapter 18 of this title.

32           2. Monies appropriated by the legislature.

33           3. Monies received from donations for the construction, improvement  
34 or maintenance of state highways or bridges. These monies shall be  
35 credited to a special account and shall be spent only for the purpose  
36 indicated by the donor.

37           4. Monies received from counties or cities under cooperative  
38 agreements, including proceeds from bond issues. The state treasurer  
39 shall deposit these monies to the credit of the fund in a special account  
40 on delivery to the treasurer of a concise written agreement between the  
41 department and the county or city stating the purposes for which the  
42 monies are surrendered by the county or city, and these monies shall be  
43 spent only as stated in the agreement.

44           5. Monies received from the United States under an act of Congress  
45 to provide aid for the construction of rural post roads, but monies  
46 received on projects for which the monies necessary to be provided by this

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

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

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

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

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

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

21 11. Monies deposited pursuant to sections 28-1143, 28-2353 and  
22 28-3003.

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

24 (a) Monies deposited pursuant to section 28-2206 and section  
25 28-5808, subsection B, paragraph 2, subdivision (e).

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

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

30 (d) The air quality compliance fee collected pursuant to section  
31 49-542.

32 (e) The special plate administration fees collected pursuant to  
33 sections 28-2404, 28-2407, 28-2412 through 28-2416, 28-2416.01, 28-2417  
34 through ~~28-2470.39~~ 28-2470.40 and 28-2514.

35 (f) Monies collected pursuant to sections 28-372, 28-2155 and  
36 28-2156 if the director is the registering officer.

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

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

40 15. Dealer and registration monies collected pursuant to section  
41 28-4304.

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

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

46 18. Monies deposited pursuant to section 28-2065.

- 1 19. Monies deposited pursuant to section 28-7311.
- 2 20. Monies deposited pursuant to section 28-7059.
- 3 21. Monies deposited pursuant to section 28-1105.
- 4 22. Monies deposited pursuant to section 28-2448, subsection D.
- 5 23. Monies deposited pursuant to section 28-3415.
- 6 24. Monies deposited pursuant to section 28-3002, subsection A,
- 7 paragraph 14.
- 8 25. Monies deposited pursuant to section 28-7316.
- 9 26. Monies deposited pursuant to section 28-4302.
- 10 27. Monies deposited pursuant to section 28-3416.
- 11 28. Monies deposited pursuant to section 28-4504.
- 12 29. Monies deposited pursuant to section 28-2098.
- 13 30. Monies deposited pursuant to sections 28-2321, 28-2324,
- 14 28-2325, 28-5474, 28-5739, 28-5863 and 28-5864.

15 Sec. 6. Section 28-6993, Arizona Revised Statutes, is amended to  
16 read:

17 28-6993. State highway fund; authorized uses

18 A. Except as provided in subsection B of this section and section  
19 28-6538, the state highway fund shall be used for any of the following  
20 purposes in strict conformity with and subject to the budget as provided  
21 by this section and by sections 28-6997 through 28-7003:

22 1. To pay salaries, wages, necessary travel expenses and other  
23 expenses of officers and employees of the department and the incidental  
24 office expenses, including telegraph, telephone, postal and express  
25 charges and printing, stationery and advertising expenses.

26 2. To pay for both:

27 (a) Equipment, supplies, machines, tools, department offices and  
28 laboratories established by the department.

29 (b) The construction and repair of buildings or yards of the  
30 department.

31 3. To pay the cost of both:

32 (a) Engineering, construction, improvement and maintenance of state  
33 highways and parts of highways forming state routes.

34 (b) Highways under cooperative agreements with the United States  
35 that are entered into pursuant to this chapter and an act of Congress  
36 providing for the construction of rural post roads.

37 4. To pay land damages incurred by reason of establishing, opening,  
38 altering, relocating, widening or abandoning portions of a state route or  
39 state highway.

40 5. To reimburse the department revolving account.

41 6. To pay premiums on authorized indemnity bonds and on  
42 compensation insurance under the workers' compensation act.

43 7. To defray lawful expenses and costs required to administer and  
44 carry out the intent, purposes and provisions of this title, including  
45 repayment of obligations entered into pursuant to this title, payment of  
46 interest on obligations entered into pursuant to this title, repayment of

1 loans and other financial assistance, including repayment of advances and  
2 interest on advances made to the department pursuant to section 28-7677,  
3 and payment of all other obligations and expenses of the board and  
4 department pursuant to chapter 21 of this title.

5 8. To pay lawful bills and charges incurred by the state engineer.

6 9. To acquire, construct or improve entry roads to state parks or  
7 roads within state parks.

8 10. To acquire, construct or improve entry roads to state prisons.

9 11. To pay the cost of relocating a utility facility pursuant to  
10 section 28-7156.

11 12. For the purposes provided in subsections C, D and E of this  
12 section and sections 28-1143, 28-2353 and 28-3003.

13 13. To pay the cost of issuing an Arizona centennial special plate  
14 pursuant to section 28-2448.

15 14. To pay for all of the following:

16 (a) The enforcement by the department of public safety and the  
17 department of transportation of vehicle safety requirements within  
18 twenty-five miles of the border between this state and Mexico.

19 (b) Costs related to procuring electronic equipment, automated  
20 systems or improvements to existing electronic equipment or automated  
21 systems for relieving vehicle congestion at ports of entry on the border  
22 between this state and Mexico.

23 (c) Constructing, maintaining and upgrading transportation  
24 facilities, including roads, streets and highways, approved by the board  
25 within twenty-five miles of the border between this state and Mexico.

26 (d) As approved by the board, constructing and maintaining  
27 transportation facilities in the CANAMEX high priority corridor as defined  
28 in section 332 of the national highway system designation act of 1995  
29 (P.L. 104-59; 109 Stat. 568).

30 (e) Activities of the department that include collecting  
31 transportation and trade data in the United States and Mexico for the  
32 purposes of constructing transportation facilities, improving public  
33 safety, improving truck processing time and relieving congestion at ports  
34 of entry on the border between this state and Mexico. The department may  
35 enter into an agreement with the Arizona-Mexico commission and provide  
36 funding to the commission for the purposes of this subdivision.

37 (f) A commitment or investment necessary for the department or  
38 another agency of this state to obtain federal monies that are designated  
39 for expenditure pursuant to this section.

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

1 C. Subject to legislative appropriation, the department may use the  
2 monies in the state highway fund as prescribed in section 28-6991,  
3 paragraph 12 to carry out the duties imposed by this title for  
4 registration or titling of vehicles, to operate joint title, registration  
5 and driver licensing offices, to cover the administrative costs of issuing  
6 the air quality compliance sticker, modifying the year validating tab and  
7 issuing the windshield sticker and to cover expenses and costs in issuing  
8 special plates pursuant to sections 28-2404, 28-2407, 28-2412 through  
9 ~~28-2470.39~~ 28-2470.40 and 28-2514.

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

13 E. Monies deposited in the state highway fund pursuant to section  
14 28-2269 shall be used only as prescribed by that section.

15 F. Monies deposited in the state highway fund pursuant to section  
16 28-710, subsection D, paragraph 2 shall only be used for state highway  
17 work zone traffic control devices.

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

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