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**Jane Dee Hull
Secretary of State**

CHAPTER 345

HOUSE BILL 2498

AN ACT

AMENDING SECTIONS 28-225.01, 28-301.03, 28-501 AND 28-501.01, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-504; AMENDING SECTIONS 28-1559 AND 28-1599.05, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 9, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-1598.02; MAKING AN APPROPRIATION; RELATING TO TRANSPORTATION.

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

2 Section 1. Section 28-225.01, Arizona Revised Statutes, is amended to
3 read:

4 28-225.01. Proportional registration or alternative procedure
5 agreements; transfer of number plates

6 A. Notwithstanding section 28-225, subsection E, beginning NO LATER
7 THAN January 1, ~~1997 if the legislature appropriates monies for the~~
8 ~~implementation of this section~~ 1998 a registrant may transfer number plates
9 issued pursuant to section 28-225 to another vehicle registered in the
10 registrant's name if the vehicle requires number plates of the same format
11 and if all of the following conditions are met:

12 1. The registrant makes proper application to the director, the
13 director's agent pursuant to section 28-301 or a third party authorized
14 pursuant to chapter 8, article 9 of this title.

15 2. The registrant pays any fees and taxes required to register the
16 vehicle less any amount credited pursuant to subsection C of this section.

17 B. If the other vehicle requires number plates of a different format
18 than the number plates that the registrant wishes to transfer, the registrant
19 shall either surrender the number plates to the department or an authorized

1 third party or submit an affidavit of number plate destruction as prescribed
2 by the director. On surrender of the number plates or submission of an
3 affidavit of number plate destruction, the department shall furnish new
4 number plates of the proper format to the registrant under the same
5 conditions set forth in subsection A of this section.

6 C. A registrant who transfers number plates pursuant to subsection A
7 of this section or who surrenders number plates or submits an affidavit of
8 number plate destruction pursuant to subsection B of this section is entitled
9 to a credit in accordance with the following conditions:

10 1. The credit is equal to the unexpended vehicle license tax, gross
11 weight fees, commercial registration fees, special plate fees and lightweight
12 motor vehicle motor carrier taxes for the current registration year of the
13 vehicle to which the plates were last assigned.

14 2. The unexpended portion of the fees and taxes is equal to
15 one-twelfth of the annual fees and taxes for the current registration year
16 of the vehicle to which the plates were last assigned multiplied by the
17 number of full months left in the registration year on the effective date of
18 the replacement vehicle's registration period.

19 3. The credit for each fee or tax shall be applied only to the similar
20 fee or tax owed on the vehicle to which number plates are transferred or
21 assigned pursuant to this section.

22 D. It is unlawful for a registrant to knowingly permit number plates
23 to be displayed on a vehicle except as authorized by the department.

24 ~~E. The director shall adopt rules as necessary to administer this~~
25 ~~section.~~

26 E. THE DIRECTOR MAY ACCEPT DONATIONS FROM AFFECTED REGISTRANTS TO
27 DEFRAY THE COST OF IMPLEMENTATION OF THIS SECTION. THE DIRECTOR SHALL
28 DEPOSIT ANY DONATIONS RECEIVED PURSUANT TO THIS SUBSECTION IN THE SPECIAL
29 FUND ESTABLISHED PURSUANT TO SECTION 28-301.03.

30 Sec. 2. Section 28-301.03, Arizona Revised Statutes, is amended to
31 read:

32 28-301.03. Special fund; reversion

33 A. The department is entitled to establish a special fund composed of
34 the following:

35 1. Monies retained pursuant to section 28-331 and section 28-1591,
36 subsection E.

37 2. One dollar of each registration fee.

38 3. One dollar of each title fee.

39 4. Two dollars of each late registration penalty collected by the
40 director as the registering officer.

41 5. The air quality compliance fee collected pursuant to section
42 49-542.

43 6. The eight dollar special plate administration fees collected
44 pursuant to sections 28-373, 28-381, 28-382, 28-383 and 28-384.

1 7. The windshield sticker fee collected pursuant to section 28-310,
2 subsection C.

3 8. DONATIONS RECEIVED PURSUANT TO SECTION 28-225.01, SUBSECTION E.

4 B. The department may use the monies to carry out the duties imposed
5 by this title for registration or titling of vehicles, to operate joint
6 title, registration and driver licensing offices, to cover the administrative
7 costs of issuing the air quality compliance sticker, modifying the year
8 validating tab and issuing the windshield sticker and to cover expenses and
9 costs in issuing special plates that are issued pursuant to sections 28-373,
10 28-381, 28-382, 28-383 and 28-384. Monies deposited in the fund pursuant to
11 section 28-331 shall be used only as prescribed by that section. MONIES
12 DEPOSITED IN THE FUND PURSUANT TO SECTION 28-225.01 SHALL BE USED ONLY AS
13 PRESCRIBED BY THAT SECTION.

14 C. The special fund established in this section is exempt from section
15 35-190 relating to lapsing of appropriations. Any amounts in excess of one
16 hundred thousand dollars for each county which enters into a contract
17 pursuant to section 28-301.02 remaining in the fund at the close of each
18 fiscal year revert to the state highway fund.

19 D. At the direction of the department, the state treasurer may invest
20 inactive monies in the special fund. The state treasurer shall credit all
21 interest earned on the special fund monies to the special fund.

22 Sec. 3. Section 28-501, Arizona Revised Statutes, is amended to read:
23 28-501. Registration of vehicles of nonresidents

24 A. Except as provided in this article, every foreign motor vehicle
25 owned by a nonresident and operated in this state for the transportation of
26 passengers or property for compensation or in the business of a nonresident
27 carried on in this state, or for the transportation of property, or in the
28 case of a passenger-carrying motor vehicle designed to seat twelve or more
29 persons used in the furtherance of a commercial enterprise, shall be
30 registered and licensed in the same manner as motor vehicles not theretofore
31 registered or licensed. This section does not apply to those foreign motor
32 vehicles owned by a nonresident which would be exempt from payment of weight
33 fees under section 28-207 if owned by a resident of this state.

34 B. If it is desired to operate such a motor vehicle in this state for
35 a period less than the full registration year and such motor vehicle is duly
36 registered and licensed under the laws of any other state or country, the
37 owner may make application to the motor vehicle division in the manner and
38 form prescribed for the registration and licensing of such motor vehicle for
39 periods of one, two or three months. A thirty-day registration and license
40 application shall be accompanied by an amount equal to twenty per cent of the
41 full annual registration, use and weight fees. A sixty-day registration and
42 license application shall be accompanied by an amount equal to thirty-five
43 per cent of the full annual registration, use and weight fees. A ninety-day
44 registration and license application shall be accompanied by an amount equal

1 to fifty per cent of the full annual registration, use and weight fees. The
2 full annual registration, use and weight fees shall be those applicable to
3 the applicant's motor vehicle prescribed by sections 28-205, 28-206 and
4 28-226. The minimum fee for such licensing and registration is twelve
5 dollars. No application shall be accepted for a fraction of any of the
6 periods set forth above, but such licenses may be issued without restriction
7 as to number or sequence. THE DIRECTOR SHALL TRANSMIT FEES COLLECTED
8 PURSUANT TO THIS SUBSECTION AT PORTS OF ENTRY ON THE BORDER BETWEEN ARIZONA
9 AND MEXICO TO THE STATE TREASURER FOR DEPOSIT IN THE SAFETY ENFORCEMENT AND
10 TRANSPORTATION INFRASTRUCTURE FUND ESTABLISHED BY SECTION 28-1598.02.

11 C. The motor vehicle division, if satisfied as to the facts stated in
12 the application, shall register and license the motor vehicle for the period
13 named and assign an appropriate certificate or license, which shall at all
14 times be displayed upon the motor vehicle in the manner prescribed by the
15 division, while the motor vehicle is being operated or driven upon any
16 highway of the state.

17 D. If a nonresident owner of a foreign motor vehicle is apprehended
18 while operating such vehicle in this state beyond the period specified in his
19 certificate or license, without application for renewal thereof, no further
20 thirty, sixty or ninety-day certificate or license shall be issued to such
21 person during the registration year in which the violation took place, and
22 the nonresident owner shall apply for and obtain the registration of the
23 motor vehicle and pay the fees for the registration year.

24 E. An owner of a foreign motor vehicle registered and licensed in a
25 state adjoining this state, which is used in this state within twenty-five
26 miles of the border, shall not be required to pay the weight fees prescribed
27 in section 28-206, if the owner and motor vehicle are domiciled within
28 twenty-five miles of the border of this state, and if the state in which the
29 owner has his residence and in which the motor vehicle is registered exempts
30 from payment of weight fees like motor vehicles from this state.

31 F. An owner of a foreign motor vehicle registered and licensed in a
32 state adjoining this state, who is exempt from total or partial payment of
33 lieu taxes or use fees and total or partial payment of registration fees by
34 virtue of an agreement entered into by the assistant director for the motor
35 vehicle division under authority of section 28-202, subsection C, need not
36 pay that portion of the registration fees and lieu taxes exempted by such
37 agreement.

38 G. An owner seeking partial or total exemption as provided in
39 subsection E of this section shall apply to the motor vehicle division for
40 a special registration permit, setting forth that the motor vehicle is to be
41 used within this state within the prescribed border zone and supplying such
42 other information as the division requires, and shall make an affidavit
43 thereto. If satisfied that the applicant is entitled to exemption, the motor
44 vehicle division shall upon payment of that portion of fees not exempted, if

1 partial payment is required, issue a special permit to operate, which shall
2 be distinctive in form, show the date issued, give a brief description of the
3 motor vehicle and contain a statement that the owner has procured
4 registration of the motor vehicle.

5 H. ~~From and after December 31, 1992 the provisions of~~ This section ~~do~~
6 DOES not apply to foreign motor vehicles commonly referred to as passenger
7 cars or station wagons or to foreign motor vehicles commonly known and
8 referred to by manufacturer's ratings as three-quarter ton or less pickup
9 trucks or three-quarter ton or less vans that are owned by a nonresident and
10 operated in this state for the transportation of property in the furtherance
11 of a commercial enterprise.

12 I. It is unlawful for a person to operate a foreign vehicle owned by
13 a nonresident on the highways of this state or for the nonresident owner to
14 knowingly permit the foreign vehicle to be operated on the highways of this
15 state unless there is displayed on the vehicle the registration number plates
16 assigned to the vehicle for the current registration year by the state or
17 country of which the owner is a resident.

18 Sec. 4. Section 28-501.01, Arizona Revised Statutes, is amended to
19 read:

20 28-501.01. Single-trip permit; fees

21 A. If it is desired to operate any commercial vehicle referred to in
22 section 28-501, subsection A for a single trip whether laden or unladen, the
23 owner or operator may make application to the motor vehicle division for a
24 single-trip permit authorizing the interstate operation of such vehicle:

- 25 1. For a single trip through this state.
- 26 2. From any point on the Arizona border to a point within this state
27 and return to the border.
- 28 3. From a railhead within this state and return to a railhead.
- 29 4. From a point within this state to the border of this state.

30 B. ~~From and after December 17, 1995,~~ In order to obtain a single-trip
31 permit pursuant to this section, the owner or operator shall provide evidence
32 of each of the following to the motor vehicle division:

- 33 1. An insurance policy that satisfies all of the following:
34 (a) Meets the financial responsibility requirements prescribed in
35 chapter 7 of this title.
36 (b) Is issued by an insurer that has been issued a certificate of
37 authority or that has been permitted to transact surplus lines insurance by
38 the public official that supervises insurance in a state of the United States
39 or the District of Columbia.

40 (c) Provides valid insurance coverage in this state.
41 2. A current driver license of a class and type recognized by the
42 motor vehicle division as valid in the United States.

43 3. Current compliance with vehicle safety inspection requirements
44 prescribed in 49 Code of Federal Regulations sections 396.17 through 396.23.

1 C. The vehicle division, if satisfied as to the facts stated in the
2 application and the evidence provided pursuant to subsection B of this
3 section, shall register and license the vehicle by issuance of an appropriate
4 permit upon payment by the owner or operator of the proper fees as set forth
5 in the following schedule of fees:

6 1. One or two-axle vehicles, laden or unladen, one dollar fifty cents
7 for each fifty miles or fraction thereof to be traveled on the highways of
8 this state in any one trip.

9 2. For three-axle vehicles or combinations of vehicles not having more
10 than three axles, laden or unladen, two dollars twenty-five cents for each
11 fifty miles or fraction thereof to be traveled on the highways of this state
12 in any one trip.

13 3. For any vehicle or combination of vehicles having four axles, laden
14 or unladen, three dollars for each fifty miles or fraction thereof to be
15 traveled on the highways of this state in any one trip.

16 4. For any vehicle or combination of vehicles having five axles, laden
17 or unladen, three dollars seventy-five cents for each fifty miles or fraction
18 thereof to be traveled on the highways of this state in any one trip.

19 5. For any vehicle or combination of vehicles having six axles, laden
20 or unladen, four dollars fifty cents for each fifty miles or fraction thereof
21 to be traveled on the highways of this state in any one trip.

22 6. For any vehicle or combination of vehicles having more than six
23 axles, laden or unladen, five dollars twenty-five cents for each fifty miles
24 or fraction thereof to be traveled on the highways of this state in any one
25 trip.

26 D. THE DIRECTOR SHALL TRANSMIT FEES COLLECTED PURSUANT TO SUBSECTION
27 C OF THIS SECTION AT PORTS OF ENTRY ON THE BORDER BETWEEN ARIZONA AND MEXICO
28 TO THE STATE TREASURER FOR DEPOSIT IN THE SAFETY ENFORCEMENT AND
29 TRANSPORTATION INFRASTRUCTURE FUND ESTABLISHED BY SECTION 28-1598.02.

30 ~~θ~~ E. The application for a single-trip permit to the motor vehicle
31 division does not qualify the applicant for eligibility in an assigned risk
32 plan approved pursuant to section 28-1223.

33 ~~ε~~ F. The single-trip permit shall contain such information, shall
34 be in such form and shall be issued and displayed in or on the vehicle, under
35 such rules as may be prescribed by the assistant director for the motor
36 vehicle division. The permits expire upon completion of the specific trip
37 for which issued and shall not exceed a period of ninety-six hours from time
38 of issuance unless an extension of time is authorized in writing by the
39 assistant director.

40 ~~φ~~ G. If a vehicle for which a single-trip permit has been issued is
41 operated otherwise than authorized in the permit, the owner or operator shall
42 apply for and obtain annual registration of the vehicle and pay the fees
43 applicable at the time the terms of the permit are violated.

1 Sec. 5. Title 28, chapter 5, article 1, Arizona Revised Statutes, is
2 amended by adding section 28-504, to read:

3 28-504. Joint legislative review committee on transportation
4 between Sonora, Mexico and Arizona

5 A. THE JOINT LEGISLATIVE REVIEW COMMITTEE ON TRANSPORTATION BETWEEN
6 SONORA, MEXICO AND ARIZONA IS ESTABLISHED. THE COMMITTEE CONSISTS OF:

7 1. TWO MEMBERS OF THE SENATE WHO ARE APPOINTED BY THE PRESIDENT OF THE
8 SENATE, NO MORE THAN ONE OF WHOM SHALL BE FROM THE SAME POLITICAL PARTY.

9 2. TWO MEMBERS OF THE HOUSE OF REPRESENTATIVES WHO ARE APPOINTED BY
10 THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, NO MORE THAN ONE OF WHOM SHALL
11 BE FROM THE SAME POLITICAL PARTY.

12 3. THE CHAIRPERSON OF THE COMMITTEE IN THE HOUSE OF REPRESENTATIVES
13 THAT CONSIDERS TRANSPORTATION ISSUES WHO SHALL SERVE AS COCHAIRPERSON.

14 4. THE CHAIRPERSON OF THE COMMITTEE IN THE SENATE THAT CONSIDERS
15 TRANSPORTATION ISSUES WHO SHALL SERVE AS COCHAIRPERSON.

16 5. THE DIRECTOR OF THE DEPARTMENT OF COMMERCE.

17 6. TWO MEMBERS FROM THE DEPARTMENT OF TRANSPORTATION WITH EXPERTISE
18 IN INTERMODAL TRANSPORTATION SYSTEMS WHO ARE APPOINTED BY THE DIRECTOR OF THE
19 DEPARTMENT OF TRANSPORTATION.

20 7. THREE MEMBERS OF THE PUBLIC, ONE OF WHOM HAS EXPERTISE IN
21 INTERMODAL TRANSPORTATION SYSTEMS, WHO ARE APPOINTED BY THE GOVERNOR.

22 B. THE COMMITTEE SHALL:

23 1. COORDINATE EFFORTS OF THE COMMITTEE AS REASONABLY PRACTICABLE WITH
24 A LIKE COMMITTEE ESTABLISHED BY SONORA, MEXICO.

25 2. STUDY ISSUES AND PROBLEMS CONCERNING TRANSPORTATION BETWEEN SONORA,
26 MEXICO AND ARIZONA, INCLUDING THE FOLLOWING:

27 (a) THE NEED TO MODIFY AND IMPROVE BORDER CROSSING PROCEDURES AND
28 FACILITIES.

29 (b) THE ADVANTAGES AND DISADVANTAGES OF ISSUING TEMPORARY TRAVEL
30 PERMITS TO MEXICAN COMMERCIAL VEHICLES ENTERING ARIZONA.

31 (c) THE COMMERCIAL IMPACT OF A DEEP SEA PORT IN GUAYMAS, MEXICO.

32 (d) THE POTENTIAL IMPACT OF TRANSPORTING HAZARDOUS MATERIALS BETWEEN
33 THE TWO STATES.

34 (e) THE CURRENT AND ANY ANTICIPATED CHANGES IN THE TYPE AND VOLUME OF
35 TRAFFIC ON HIGHWAYS THAT CARRY COMMERCIAL VEHICLES TO THE BORDER BETWEEN
36 ARIZONA AND SONORA, MEXICO.

37 (f) ENVIRONMENTAL AND SAFETY PROBLEMS CAUSED BY THE TYPE AND VOLUME
38 OF TRAFFIC ON HIGHWAYS THAT CARRY COMMERCIAL VEHICLES TO THE BORDER BETWEEN
39 ARIZONA AND SONORA, MEXICO.

40 (g) POTENTIAL FINANCING OF ANY HIGHWAY CONSTRUCTION OR PLANNING, OR
41 BOTH, THAT MAY BE RECOMMENDED BY THE COMMITTEE.

42 (h) THE IMPACT OF FOREIGN COMMERCIAL VEHICLES ON THE TRANSPORTATION
43 INFRASTRUCTURE OF THIS STATE.

1 (i) THE BALANCE BETWEEN REVENUES COLLECTED AT PORTS OF ENTRY ON THE
2 BORDER BETWEEN ARIZONA AND SONORA, MEXICO AND THE COSTS ASSOCIATED WITH
3 MAINTAINING THE TRANSPORTATION INFRASTRUCTURE WITHIN TWENTY-FIVE MILES OF THE
4 BORDER BETWEEN ARIZONA AND SONORA, MEXICO.

5 3. PROVIDE RECOMMENDATIONS TO THE LEGISLATURE THAT WILL HELP ALLEVIATE
6 THE CURRENT ENVIRONMENTAL, TRANSPORTATION INFRASTRUCTURE AND SAFETY PROBLEMS
7 CAUSED BY THE TYPE AND VOLUME OF TRAFFIC ON HIGHWAYS THAT CARRY COMMERCIAL
8 VEHICLES TO THE BORDER BETWEEN ARIZONA AND SONORA, MEXICO AND TRANSPORTATION
9 PROBLEMS EXPERIENCED BY BUSINESSES LOCATED ON BOTH SIDES OF THE BORDER
10 BETWEEN ARIZONA AND SONORA, MEXICO, THAT WILL IMPROVE ROAD, AIR AND RAIL
11 TRANSPORTATION BETWEEN ARIZONA AND SONORA, MEXICO AND REGARDING HIGHWAY
12 CONSTRUCTION AND PLANNING OF HIGHWAYS THAT CARRY COMMERCIAL VEHICLES TO THE
13 BORDER BETWEEN ARIZONA AND SONORA, MEXICO.

14 4. SUBMIT A REPORT WITH ITS RECOMMENDATIONS ON OR BEFORE DECEMBER 1
15 OF EACH YEAR TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
16 REPRESENTATIVES, THE GOVERNOR, THE CHAIRMAN OF THE STATE TRANSPORTATION BOARD
17 AND THE COMMITTEE ESTABLISHED BY SONORA, MEXICO.

18 C. THE MEMBERS OF THE COMMITTEE ARE NOT ELIGIBLE TO RECEIVE
19 COMPENSATION, BUT THE MEMBERS WHO ARE APPOINTED PURSUANT TO SUBSECTION A,
20 PARAGRAPH 7 ARE ELIGIBLE TO RECEIVE REIMBURSEMENT FOR EXPENSES PURSUANT TO
21 TITLE 38, CHAPTER 4, ARTICLE 2.

22 D. THE ARIZONA MEXICO COMMISSION SHALL FACILITATE THE MEETINGS OF THE
23 COMMITTEE. THE COMMITTEE SHALL USE THE SERVICES OF THE ARIZONA MEXICO
24 COMMISSION, LEGISLATIVE STAFF AND THE STAFF OF THE DEPARTMENT OF
25 TRANSPORTATION.

26 Sec. 6. Section 28-1559, Arizona Revised Statutes, is amended to read:
27 28-1559. Use fuel license; special permit; fees

28 A. It is unlawful for any person to act as a distributor, vendor,
29 restricted vendor or user without being licensed as such. All licenses
30 issued in connection with this article are valid until cancelled, surrendered
31 or revoked. However, as to a use class motor vehicle propelled by use fuel
32 and operated in this state in the course of interstate traffic by an
33 unlicensed user, a special single trip use fuel tax permit authorizing
34 operation of such vehicle for a single trip through the state, or from a
35 point on the Arizona border to a point within the state and return to the
36 border, may be issued in lieu of a use fuel license for a fee based on the
37 excise tax due at the rate of forty-nine dollars for over fifty miles
38 traveled on the highways of this state and twelve dollars for fifty miles or
39 less traveled on the highways of this state. In addition to the fee based
40 on miles traveled within the state, a fee of one dollar shall be paid for
41 each single trip use fuel tax permit issued, which is valid for a period of
42 ninety-six hours. The director shall issue a single trip use fuel tax permit
43 in duplicate to an unlicensed user which allows purchase of use fuel as
44 provided by section 28-1555.

1 SUBSECTION J AND SECTION 28-1599.05, SUBSECTION D. THE DEPARTMENT SHALL
2 ADMINISTER THE FUND.

3 B. SUBJECT TO LEGISLATIVE APPROPRIATION, MONIES IN THE FUND SHALL BE
4 SPENT ON THE FOLLOWING IN THE FOLLOWING PRIORITY:

5 1. ENFORCEMENT OF VEHICLE SAFETY REQUIREMENTS BY THE DEPARTMENT OF
6 PUBLIC SAFETY AND THE DEPARTMENT OF TRANSPORTATION WITHIN TWENTY-FIVE MILES
7 OF THE BORDER BETWEEN ARIZONA AND MEXICO.

8 2. MAINTENANCE OF TRANSPORTATION FACILITIES AND UPGRADES OF
9 TRANSPORTATION FACILITIES, INCLUDING ROADS, STREETS AND HIGHWAYS, APPROVED
10 BY THE BOARD WITHIN TWENTY-FIVE MILES OF THE BORDER BETWEEN ARIZONA AND
11 MEXICO.

12 3. AS APPROVED BY THE BOARD, MAINTENANCE AND CONSTRUCTION OF
13 TRANSPORTATION FACILITIES INVOLVING INTERSTATE HIGHWAY 19, INTERSTATE HIGHWAY
14 17, UNITED STATES ROUTE 93 AND INTERSTATE HIGHWAY 15 WHICH COMPRISE THE STATE
15 DESIGNATED NORTH AMERICAN FREE TRADE HIGHWAY CORRIDOR.

16 Sec. 8. Section 28-1599.05, Arizona Revised Statutes, is amended to
17 read:

18 28-1599.05. Motor carrier tax; computation; exceptions

19 A. Except as provided in section 28-1599.13 and subsection K of this
20 section, there is imposed against each motor vehicle and each lightweight
21 motor vehicle a motor carrier tax for the use of the public highways for
22 highway and street purposes as provided in article IX, section 14,
23 Constitution of Arizona.

24 B. Except as provided in section 28-1599.14, subsection D, there is
25 imposed against each motor vehicle of a licensed motor carrier a motor
26 carrier tax based on its weight pursuant to section 28-206 and the miles
27 traveled on the public highways within this state. Except as provided in
28 subsection M of this section, the director shall determine the motor carrier
29 tax owed by multiplying the miles driven by the motor vehicle within this
30 state by the applicable motor carrier tax rate for that motor vehicle's
31 weight class according to the following table:

32 Vehicle weight	Tax rate
33 26,001 - 28,000	\$.01002
34 28,001 - 30,000	.01074
35 30,001 - 32,000	.01145
36 32,001 - 36,000	.01288
37 36,001 - 40,000	.01431
38 40,001 - 45,000	.01610
39 45,001 - 50,000	.01789
40 50,001 - 55,000	.01968
41 55,001 - 60,000	.02147
42 60,001 - 65,000	.03486
43 65,001 - 70,000	.03755

1	70,001 - 75,000	.05701
2	75,001 - 80,000	.06080

3 C. The director shall determine the annual motor carrier tax owed for
4 each lightweight motor vehicle registered in this state according to the
5 following table:

6	Vehicle weight	Tax rate
7	12,001 - 14,000	\$ 64.00
8	14,001 - 16,000	73.00
9	16,001 - 18,000	82.00
10	18,001 - 20,000	91.00
11	20,001 - 22,000	101.00
12	22,001 - 24,000	110.00
13	24,001 - 26,000	119.00

14 The motor carrier tax imposed by this subsection shall be added to the gross
15 weight fee imposed by section 28-206 and is payable at the time the
16 lightweight motor vehicle is registered. The director shall consolidate the
17 motor carrier tax imposed by this subsection with the gross weight fee
18 imposed by section 28-206 for the purpose of reducing administrative
19 activities of owners and operators of lightweight motor vehicles and the
20 department. The director shall prepare appropriate forms to perform the
21 consolidation.

22 D. There is imposed against each motor vehicle and each lightweight
23 motor vehicle purchasing a single trip motor carrier tax trip permit a motor
24 carrier tax consisting of twelve dollars for fifty miles or less to be
25 traveled on the highways of this state or forty-eight dollars for more than
26 fifty miles to be traveled on the highways of this state. A single trip
27 motor carrier tax trip permit expires on the completion of the specific trip
28 for which issued and applies only for a period of ninety-six hours from the
29 time of issuance unless an extension of time is authorized by the director.
30 A single trip motor carrier tax trip permit is valid for a single trip for
31 vehicles entering this state at Black Rock and exiting at Teec Nos Pos or
32 entering this state at Teec Nos Pos and exiting at Black Rock even if the
33 vehicles exit and reenter this state during the trip. The department may
34 issue a special thirty day motor carrier tax trip permit for a motor vehicle
35 or lightweight motor vehicle if the vehicle is not in the commercial
36 transportation business, is in this state for a limited period of time and
37 will make limited use of this state's highways. The motor carrier tax for
38 such a special thirty day permit is ninety-six dollars. The director may
39 authorize third parties to issue motor carrier tax trip permits pursuant to
40 this subsection in accordance with rules adopted by the director. THE
41 DIRECTOR SHALL TRANSMIT FEES COLLECTED PURSUANT TO THIS SUBSECTION AT PORTS
42 OF ENTRY ON THE BORDER BETWEEN ARIZONA AND MEXICO TO THE STATE TREASURER FOR
43 DEPOSIT IN THE SAFETY ENFORCEMENT AND TRANSPORTATION INFRASTRUCTURE FUND
44 ESTABLISHED BY SECTION 28-1598.02.

1 E. The director shall compute a reduced motor carrier tax which is
2 seven-tenths of the full rate for a motor vehicle or fleet of motor vehicles
3 of the same weight registered class if:

4 1. The owner or operator of the motor vehicle has made an application
5 to the motor vehicle division to be classified under this subsection and has
6 given information required by the director to determine the eligibility of
7 the fleet to be classified under this subsection, including approval of the
8 proposed record keeping, and has received approval to be so classified.

9 2. Forty-five per cent or more of the mileage reported on the motor
10 vehicle or the fleet of motor vehicles of the same weight registered class
11 for a reporting period is mileage which is traveled without a load or with
12 any of the following:

13 (a) Equipment which makes a motor vehicle ready for the road.

14 (b) Restraining equipment which makes the load safe.

15 (c) Equipment normally carried with the motor vehicle and used for the
16 loading or unloading of the motor vehicle.

17 (d) Empty containers, empty returnable containers and empty boxes that
18 are being returned to the point of shipment.

19 (e) Goods or commodities that are being returned to the point of
20 shipment as a result of spoilage, damage, misfills, consignee rejection or
21 consignee return.

22 3. Records to substantiate eligibility for the reduced motor carrier
23 tax rate demonstrate the number of miles traveled by the motor vehicle during
24 the reporting period and the number of miles the motor vehicle traveled
25 without a load during the reporting period. The records may include the
26 following for each reporting period:

27 (a) A daily trip log for each vehicle to include the beginning and
28 ending odometer readings, the odometer reading at which time the vehicle was
29 loaded and unloaded, the total vehicle miles traveled, the vehicle
30 identification number, and the date of each trip.

31 (b) Bills of lading showing origin and destination.

32 (c) Routes of travel.

33 (d) A monthly summary of miles with and without the load.

34 (e) Any other records that will substantiate the reduced rate
35 qualification.

36 F. The director shall compute a reduced motor carrier tax which is
37 seven-tenths of the full rate for a lightweight motor vehicle if:

38 1. The owner or operator of the lightweight motor vehicle has
39 prequalified for the reduced motor carrier tax with the motor vehicle
40 division before registration of each lightweight motor vehicle by applying
41 for such status, signing an affidavit declaring information required by the
42 director to determine the eligibility of the vehicle to be classified as a
43 lightweight motor vehicle pursuant to this section, agreeing to the record

1 keeping requirements prescribed by the director and agreeing to be classified
2 as a lightweight motor vehicle.

3 2. Forty-five per cent or more of the mileage during the registration
4 year is traveled without a load or with any of the following:

5 (a) Equipment which makes a lightweight motor vehicle ready for the
6 road.

7 (b) Restraining equipment which makes the load safe.

8 (c) Equipment normally carried with the lightweight motor vehicle and
9 used for the loading or unloading of the lightweight motor vehicle.

10 (d) Empty containers, empty returnable containers and empty boxes that
11 are being returned to the point of shipment.

12 (e) Goods or commodities that are being returned to the point of
13 shipment as a result of spoilage, damage, misfills, consignee rejection or
14 consignee return.

15 G. The director shall compute a reduced motor carrier tax which is
16 seven-tenths of the full rate for a motor vehicle if all of the following
17 apply:

18 1. The owner or operator of the motor vehicle has made an application
19 to the motor vehicle division to be classified under this subsection and has
20 given information required by the director to determine the eligibility of
21 the fleet to be classified under this subsection, including approval of the
22 proposed record keeping, and has received approval.

23 2. The vehicle begins and ends a qualifying trip at the same point
24 without having added to its load any items other than those listed in
25 subsection E, paragraph 2 of this section.

26 3. At the midway point in a qualifying trip the load is less than
27 forty-five per cent of the full load capacity of the vehicle. For purposes
28 of this paragraph, "full load capacity" means the registered gross weight of
29 the vehicle minus the weight of the vehicle without a load.

30 H. A motor carrier declaring an increased or decreased gross vehicle
31 weight for a motor vehicle operated by the motor carrier pursuant to section
32 28-206, subsection E establishes a new gross vehicle weight for motor carrier
33 tax purposes. The effective date of the new weight for motor carrier tax
34 purposes is the first day of the next month immediately following the
35 effective date of the registration change. A reduced gross vehicle weight
36 is not allowed for motor carrier tax purposes unless the motor carrier makes
37 available to the director a copy of the new motor vehicle registration
38 showing the new reduced weight.

39 I. If the reregistration of a motor vehicle reregistered pursuant to
40 section 28-206, subsection E results in a higher motor carrier tax rate, the
41 director shall apply the new rate to all miles traveled by the motor vehicle
42 in this state since the effective date of the current registration.

43 J. Payment of the motor carrier tax by a motor carrier or a person who
44 operates a lightweight motor vehicle shall exempt the motor carrier or

1 lightweight motor vehicle operator from transaction privilege tax or any
2 similar tax imposed by any taxing authority within this state. Except as
3 provided in this article, no other taxing authority in this state may impose
4 a transaction privilege tax or any similar tax based on the gross proceeds
5 of sales or gross income from sales derived from any of the following:

6 1. A motor carrier's use on the public highways in this state under
7 section 42-1310.02, subsection A, paragraph 1.

8 2. A person's use of a lightweight motor vehicle on the public
9 highways in this state under section 42-1310.02, subsection A, paragraph 1.

10 3. Leasing of a motor vehicle or lightweight motor vehicle under
11 section 42-1310.11, subsection B, paragraph 4.

12 K. The tax imposed by this section does not apply to either:

13 1. A school bus.

14 2. A motor vehicle used in the production of motion pictures,
15 including films to be shown in theaters and on television, industrial,
16 training and educational films, commercials for television and video discs
17 and videotapes.

18 L. The department shall establish administrative procedures for
19 determining which motor vehicles are eligible for the exemption provided in
20 subsection K of this section.

21 M. The director shall compute a motor carrier tax that is one cent per
22 mile less than the tax rate prescribed in subsection B of this section for
23 a vehicle combination in the vehicle weight category of 75,001-80,000 pounds
24 if all of the following apply:

25 1. The owner or operator of the vehicle combination provides proof
26 satisfactory to the director that the vehicle combination has at least six
27 axles, not including a variable load axle.

28 2. The owner or operator of the vehicle combination provides proof
29 satisfactory to the director that if the vehicle combination has a set of
30 tridem axles, the set of tridem axles has at least ten wheels.

31 3. The owner or operator of the vehicle combination has established
32 use fuel and motor carrier tax accounts with the department.

33 4. The vehicle combination is not a triple trailer configuration.

34 5. The vehicle combination is not being operated or moved at a size
35 or weight exceeding the maximum specified in chapter 6, article 18 of this
36 title or otherwise not in conformity with chapter 6 of this title, with or
37 without a special permit.

38 Sec. 9. Appropriation; enforcement; maintenance; construction

39 The sum of \$2,500,000 is appropriated from the safety enforcement and
40 transportation infrastructure fund established by section 28-1598.02, Arizona
41 Revised Statutes, for fiscal year 1996-1997 to the department of
42 transportation for allocation to the following purposes up to the indicated
43 amounts:

CPNA 28 1598.02
CPM Appn

- 1 1. Enforcement of vehicle safety requirements as prescribed in section
- 2 28-1598.02, Arizona Revised Statutes: \$1,500,000.
- 3 2. Maintenance and upgrades of transportation facilities as prescribed
- 4 in section 28-1598.02, Arizona Revised Statutes: \$700,000.
- 5 3. Maintenance and construction of transportation facilities as
- 6 prescribed in section 28-1598.02, Arizona Revised Statutes: \$300,000.

APPROVED BY THE GOVERNOR MAY 1, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 1, 1996