

State of Arizona
House of Representatives
Forty-fifth Legislature
Second Regular Session
2002

CHAPTER 151

HOUSE BILL 2645

AN ACT

AMENDING SECTION 28-6540, ARIZONA REVISED STATUTES; AMENDING SECTION 28-6540, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; REPEALING SECTIONS 28-6543 AND 28-6544, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 18, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING NEW SECTIONS 28-6543 AND 28-6544; RELATING TO HIGHWAY USER REVENUE FUND DISTRIBUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 28-6540, Arizona Revised Statutes, is amended to
3 read:

4 28-6540. Arizona highway user revenue fund distribution; state
5 highway fund; county, city and town proportions

6 Each month the state treasurer shall distribute all revenues credited
7 to the Arizona highway user revenue fund pursuant to the proportions
8 prescribed in section 28-6538, subsection A as follows:

9 1. Revenues allocated to the counties shall be further distributed to
10 each individual county, ~~the distribution to which was not restricted pursuant~~
11 ~~to section 28-6543, subsection A,~~ as follows:

12 (a) Seventy-two per cent based on the proportion that all reported
13 sales of motor vehicle fuel subject to sections 28-5619 and 28-5620 and the
14 estimated consumption of use fuel in the county bear to the total sales of
15 motor vehicle fuel and the estimated consumption of use fuel throughout this
16 state during the preceding calendar month.

17 (b) Twenty-eight per cent based on the proportion that the population
18 of the unincorporated area of each county bears to the population of the
19 unincorporated areas of all counties in this state.

20 2. Revenues allocated to the incorporated cities and towns pursuant
21 to section 28-6538, subsection A, paragraph 3 shall be distributed on the
22 basis of the following apportionments:

23 (a) ~~One-half shall be apportioned to each city or town, the~~
24 ~~distribution to which was not restricted pursuant to section 28-6543,~~
25 ~~subsection A,~~ on the basis that the population of each bears to the
26 population of all cities and towns in this state.

27 (b) ~~Subject to section 28-6543, subsection A,~~ The remaining one-half
28 shall be apportioned first on the basis of the county origin of all reported
29 sales of motor vehicle fuels in this state subject to sections 28-5619 and
30 28-5620, which amount shall be further apportioned among the several
31 incorporated cities and towns in each county in the proportion that the
32 population of each city or town bears to the total population of all cities
33 and towns in the county.

34 3. Revenues allocated to incorporated cities with a population of
35 three hundred thousand or more persons shall be apportioned among the cities,
36 ~~the distribution to which was not restricted pursuant to section 28-6543,~~
37 ~~subsection A,~~ for the acquisition of rights-of-way or construction of streets
38 or highways based on population.

39 Sec. 2. Section 28-6540, Arizona Revised Statutes, as amended by
40 section 1 of this act, is amended effective from and after June 30, 2005, to
41 read:

1 28-6540. Arizona highway user revenue fund distribution; state
2 highway fund; county, city and town proportions

3 Each month the state treasurer shall distribute all revenues credited
4 to the Arizona highway user revenue fund pursuant to the proportions
5 prescribed in section 28-6538, subsection A as follows:

6 1. Revenues allocated to the counties shall be further distributed to
7 each individual county, THE DISTRIBUTION TO WHICH WAS NOT RESTRICTED PURSUANT
8 TO SECTION 28-6543, SUBSECTION A, as follows:

9 (a) Seventy-two per cent based on the proportion that all reported
10 sales of motor vehicle fuel subject to sections 28-5619 and 28-5620 and the
11 estimated consumption of use fuel in the county bear to the total sales of
12 motor vehicle fuel and the estimated consumption of use fuel throughout this
13 state during the preceding calendar month.

14 (b) Twenty-eight per cent based on the proportion that the population
15 of the unincorporated area of each county bears to the population of the
16 unincorporated areas of all counties in this state.

17 2. Revenues allocated to the incorporated cities and towns pursuant
18 to section 28-6538, subsection A, paragraph 3 shall be distributed on the
19 basis of the following apportionments:

20 (a) One-half shall be apportioned to each city or town, THE
21 DISTRIBUTION TO WHICH WAS NOT RESTRICTED PURSUANT TO SECTION 28-6543,
22 SUBSECTION A, on the basis that the population of each bears to the
23 population of all cities and towns in this state.

24 (b) SUBJECT TO SECTION 28-6543, SUBSECTION A, the remaining one-half
25 shall be apportioned first on the basis of the county origin of all reported
26 sales of motor vehicle fuels in this state subject to sections 28-5619 and
27 28-5620, which amount shall be further apportioned among the several
28 incorporated cities and towns in each county in the proportion that the
29 population of each city or town bears to the total population of all cities
30 and towns in the county.

31 3. Revenues allocated to incorporated cities with a population of
32 three hundred thousand or more persons shall be apportioned among the cities,
33 THE DISTRIBUTION TO WHICH WAS NOT RESTRICTED PURSUANT TO SECTION 28-6543,
34 SUBSECTION A, for the acquisition of rights-of-way or construction of streets
35 or highways based on population.

36 Sec. 3. Repeal

37 Sections 28-6543 and 28-6544, Arizona Revised Statutes, are repealed.

38 Sec. 4. Title 28, chapter 18, article 2, Arizona Revised Statutes, is
39 amended by adding new sections 28-6543 and 28-6544 effective from and after
40 June 30, 2005, to read:

41 28-6543. Local revenues; requirements

42 A. EACH FISCAL YEAR A COUNTY WITH A POPULATION OF MORE THAN FOUR
43 HUNDRED THOUSAND PERSONS OR AN INCORPORATED CITY OR TOWN WITH A POPULATION
44 OF MORE THAN THIRTY THOUSAND PERSONS THAT IS LOCATED IN SUCH A COUNTY SHALL:

1 1. BUDGET AND SPEND LOCAL REVENUES AS DEFINED IN ARTICLE IX, SECTION
2 20, CONSTITUTION OF ARIZONA, FOR STREET AND HIGHWAY PURPOSES IN AN AMOUNT AT
3 LEAST EQUAL TO THE AVERAGE AMOUNT OF LOCAL REVENUES BUDGETED AND SPENT FOR
4 THESE PURPOSES IN ANY FOUR OF THE FIVE FISCAL YEARS DURING THE PERIOD
5 BEGINNING WITH FISCAL YEAR 1981-1982 AND ENDING WITH FISCAL YEAR 1985-1986.

6 2. THROUGH ITS CHIEF FINANCIAL OFFICER, CERTIFY IN WRITING TO THE
7 DEPARTMENT WHETHER OR NOT THE COUNTY, CITY OR TOWN HAS COMPLIED WITH THE
8 REQUIREMENTS OF PARAGRAPH 1 OF THIS SUBSECTION.

9 3. FILE THE CERTIFICATION ON OR BEFORE DECEMBER 31 AFTER THE
10 COMPLETION OF EACH FISCAL YEAR.

11 B. FAILURE TO CERTIFY AS REQUIRED BY SUBSECTION A, PARAGRAPH 2 OF THIS
12 SECTION IS A FAILURE TO COMPLY WITH SUBSECTION A, PARAGRAPH 1 OF THIS
13 SECTION.

14 C. IN DETERMINING THE AMOUNT OF LOCAL REVENUES BUDGETED AND SPENT FOR
15 STREET AND HIGHWAY PURPOSES DURING A FISCAL YEAR PURSUANT TO SUBSECTION A OF
16 THIS SECTION, A COUNTY OR INCORPORATED CITY OR TOWN SHALL NOT CONSIDER ANY
17 OF THE FOLLOWING:

18 1. MONIES DISTRIBUTED FROM THE ARIZONA HIGHWAY USER REVENUE FUND.

19 2. MONIES DISTRIBUTED FROM THE LOCAL TRANSPORTATION ASSISTANCE FUND
20 ESTABLISHED BY SECTION 28-8101.

21 3. MONIES SPENT BY THE COUNTY OR INCORPORATED CITY OR TOWN FOR STREET
22 AND HIGHWAY PURPOSES DIRECTLY NEEDED BY AN EMERGENCY DECLARED BY THE
23 GOVERNOR.

24 28-6544. County, city and town distribution reduction

25 A. IF A COUNTY OR INCORPORATED CITY OR TOWN THAT IS SUBJECT TO THE
26 REQUIREMENTS OF SECTION 28-6543, SUBSECTION A FAILS TO MEET THOSE
27 REQUIREMENTS, BEGINNING IN APRIL OF THE FISCAL YEAR FOLLOWING THE FISCAL YEAR
28 IN WHICH THE REQUIREMENTS WERE NOT MET, THE DEPARTMENT SHALL NOTIFY THE STATE
29 TREASURER WHO SHALL REDUCE THE NEXT TWELVE MONTHLY DISTRIBUTIONS COMPUTED
30 PURSUANT TO THIS ARTICLE BY ONE-TWELFTH OF THE AMOUNT COMPUTED IN SUBSECTION
31 C, PARAGRAPH 3 OF THIS SECTION.

32 B. THE REDUCTION SHALL BE DEPOSITED IN THE ARIZONA HIGHWAY USER
33 REVENUE FUND AND DISTRIBUTED IN THE FOLLOWING MONTH ACCORDING TO THIS
34 ARTICLE.

35 C. THE DEPARTMENT SHALL COMPUTE THE TOTAL AMOUNT OF THE REDUCTION AS
36 FOLLOWS:

37 1. DETERMINE THE AMOUNT DISTRIBUTED TO THE COUNTY, CITY OR TOWN IN THE
38 YEAR THE COUNTY, CITY OR TOWN FAILED TO MEET THE REQUIREMENTS OF SECTION
39 28-6543, SUBSECTION A.

40 2. DETERMINE THE AMOUNT DISTRIBUTED TO THE COUNTY, CITY OR TOWN IN
41 FISCAL YEAR 1969-1970.

42 3. SUBTRACT THE AMOUNT DETERMINED IN PARAGRAPH 2 FROM THE AMOUNT
43 DETERMINED IN PARAGRAPH 1.

1 D. THE DEPARTMENT SHALL NOTIFY THE STATE TREASURER WHO SHALL DEDUCT
2 THE AMOUNT DETERMINED IN SUBSECTION C, PARAGRAPH 3 OF THIS SECTION FROM
3 FUTURE DISTRIBUTIONS.

4 Sec. 5. Emergency

5 This act is an emergency measure that is necessary to preserve the
6 public peace, health or safety and is operative immediately as provided by
7 law.

APPROVED BY THE GOVERNOR MAY 6, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 7, 2002.

Passed the House April 8, 2002,

Passed the Senate April 30, 2002

by the following vote: 49 Ayes,

by the following vote: 27 Ayes,

1 Nays, 10 Not Voting
with emergency
[Signature]
Speaker of the House

0 Nays, 3 Not Voting
with Emergency
[Signature]
President of the Senate

[Signature]
Norman L. Moore
Chief Clerk of the House

[Signature]
Charmine Bellington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

30 day of April, 2002

at 2:56 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 6th day of

May, 2002,

at 3:51 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 7 day of May, 2002,

at 3:13 o'clock P M.

[Signature]
Secretary of State

H.B. 2645