



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

April 17, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

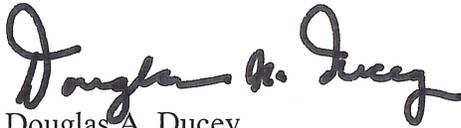
Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2nd Regular Session, which I signed on April 17, 2018:

HB 2040 pharmacy board; definitions; reporting (Carter)
HB 2041 pharmacy board; licenses; permits (Carter)
HB 2065 public meetings; definition; penalties (Leach)
HB 2125 task force; towing safety (Shope)
HB 2126 government property; abatement; slum; blight (Leach)
HB 2249 protective orders; filing requirements (Farnsworth, E.)
HB 2250 physician assistants; prescribing authority; delegation (Carter)
HB 2257 radiation regulatory boards; repeal; DHS (Carter)
HB 2262 condominiums; termination; appraisals (Toma)
HB 2306 towing companies; insurance companies; owners (Campbell)
HB 2313 sentencing; monetary obligations; fine mitigation (Farnsworth, E.)
HB 2322 health insurers; provider credentialing (Carter)
HB 2327 federal officers; personal information; confidentiality (Farnsworth, E.)
HB 2334 liquor omnibus (Weninger)
HB 2411 health professionals; licensure; report (Mosley)
HB 2521 vehicle size, weight and load (John)
HB 2549 controlled substances; dosage limit (Carter)
HB 2550 contractor qualifications; work experience (Toma)
HB 2558 drug disposal; education (Cobb)
HB 2588 misrepresentation; service animals (Cook)

HB 2604 limited liability company act; revisions
SB 1065 commercial vehicles; ports of entry (Brophy McGee)
SB 1120 tax exemption; special events; nonprofits (Kavanagh)
SB 1152 education; appropriation; noncustodial federal monies (Allen, S.)
SB 1218 developmental homes; licensure; investigations (Brophy McGee)
SB 1264 gift cards; dormancy fee; prohibition (Yarbrough)
SB 1274 public monies; recovery; illegal payments (Petersen)
SB 1291 schools; pupil assessment data (Brophy McGee)
SB 1295 producer fees; insurance (Kavanagh)
SB 1400 aggravated DUI; sentence; county jail (Smith)
SB 1450 independent oversight committees; appointment; duties (Barto)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive, flowing style.

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

House Engrossed Senate Bill

FILED

MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 248
SENATE BILL 1065

AN ACT

AMENDING SECTIONS 28-6991 AND 28-6993, ARIZONA REVISED STATUTES; RELATING
TO THE STATE HIGHWAY FUND AND BUDGET.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 28-6991, Arizona Revised Statutes, is amended to
3 read:

4 28-6991. State highway fund; sources

5 ~~A~~ THE state highway fund is established that consists of:

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

8 2. Monies appropriated by the legislature.

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

13 4. Monies received from counties OR CITIES under cooperative
14 agreements, including proceeds from bond issues. The state treasurer
15 shall deposit these monies to the credit of the fund in a special account
16 on delivery to the treasurer of a concise written agreement between the
17 department and the county OR CITY stating the purposes for which the
18 monies are surrendered by the county OR CITY, and these monies shall be
19 spent only as stated in the agreement.

20 5. Monies received from the United States under an act of Congress
21 to provide aid for the construction of rural post roads, but monies
22 received on projects for which the monies necessary to be provided by this
23 state are wholly derived from sources mentioned in paragraphs 2 and 3 of
24 this section shall be allotted by the department and deposited by the
25 state treasurer in the special account within the fund established for
26 each project. On completion of the project, on the satisfaction and
27 discharge in full of all obligations of any kind created and on request of
28 the department, the treasurer shall transfer the unexpended balance in the
29 special account for the project into the state highway fund, and the
30 unexpended balance and any further federal aid thereafter received on
31 account of the project may be spent under the general provisions of this
32 title.

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

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

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

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

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

43 11. Monies deposited pursuant to sections 28-1143, 28-2353 and
44 28-3003.

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

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

3 (b) One dollar of each registration fee and one dollar of each
4 title fee collected pursuant to section 28-2003.

5 (c) Two dollars of each late registration penalty collected by the
6 director pursuant to section 28-2162.

7 (d) The air quality compliance fee collected pursuant to section
8 49-542.

9 (e) The special plate administration fees collected pursuant to
10 sections 28-2404, 28-2407, 28-2412 through 28-2416, 28-2416.01, 28-2417
11 through 28-2462 and 28-2514.

12 (f) Monies collected pursuant to sections 28-372, 28-2155 and
13 28-2156 if the director is the registering officer.

14 13. Monies deposited pursuant to chapter 5, article 5 of this
15 title.

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

17 15. Dealer and registration monies collected pursuant to section
18 28-4304.

19 16. Abandoned vehicle administration monies deposited pursuant to
20 section 28-4804.

21 17. Monies deposited pursuant to section 28-710, subsection D,
22 paragraph 2.

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

24 19. Monies deposited pursuant to section 28-7311.

25 20. Monies deposited pursuant to section 28-7059.

26 21. Monies deposited pursuant to section 28-1105.

27 22. Monies deposited pursuant to section 28-2448, subsection D.

28 23. Monies deposited pursuant to section 28-3415.

29 24. Monies deposited pursuant to section 28-3002, subsection A,
30 paragraph 14.

31 25. Monies deposited pursuant to section 28-7316.

32 26. Monies deposited pursuant to section 28-4302.

33 Sec. 2. Section 28-6993, Arizona Revised Statutes, is amended to
34 read:

35 28-6993. State highway fund; authorized uses

36 A. Except as provided in subsection B of this section and section
37 28-6538, the state highway fund shall be used for any of the following
38 purposes in strict conformity with and subject to the budget as provided
39 by this section and by sections 28-6997 through 28-7003:

40 1. To pay salaries, wages, necessary travel expenses and other
41 expenses of officers and employees of the department and the incidental
42 office expenses, including telegraph, telephone, postal and express
43 charges and printing, stationery and advertising expenses.

44 2. To pay for both:

- 1 (a) Equipment, supplies, machines, tools, department offices and
2 laboratories established by the department.
- 3 (b) The construction and repair of buildings or yards of the
4 department.
- 5 3. To pay the cost of both:
- 6 (a) Engineering, construction, improvement and maintenance of state
7 highways and parts of highways forming state routes.
- 8 (b) Highways under cooperative agreements with the United States
9 that are entered into pursuant to this chapter and an act of Congress
10 providing for the construction of rural post roads.
- 11 4. To pay land damages incurred by reason of establishing, opening,
12 altering, relocating, widening or abandoning portions of a state route or
13 state highway.
- 14 5. To reimburse the department revolving account.
- 15 6. To pay premiums on authorized indemnity bonds and on
16 compensation insurance under the workers' compensation act.
- 17 7. To defray lawful expenses and costs required to administer and
18 carry out the intent, purposes and provisions of this title, including
19 repayment of obligations entered into pursuant to this title, payment of
20 interest on obligations entered into pursuant to this title, repayment of
21 loans and other financial assistance, including repayment of advances and
22 interest on advances made to the department pursuant to section 28-7677,
23 and payment of all other obligations and expenses of the board and
24 department pursuant to chapter 21 of this title.
- 25 8. To pay lawful bills and charges incurred by the state engineer.
- 26 9. To acquire, construct or improve entry roads to state parks or
27 roads within state parks.
- 28 10. To acquire, construct or improve entry roads to state prisons.
- 29 11. To pay the cost of relocating a utility facility pursuant to
30 section 28-7156.
- 31 12. For the purposes provided in subsections C, D and E of this
32 section and sections 28-1143, 28-2353 and 28-3003.
- 33 13. To pay the cost of issuing an Arizona centennial special plate
34 pursuant to section 28-2448.
- 35 B. For each fiscal year, the department of transportation shall
36 allocate and transfer monies in the state highway fund to the department
37 of public safety for funding a portion of highway patrol costs in eight
38 installments in each of the first eight months of a fiscal year that do
39 not exceed ten million dollars.
- 40 C. Subject to legislative appropriation, the department may use the
41 monies in the state highway fund as prescribed in section 28-6991,
42 paragraph 12 to carry out the duties imposed by this title for
43 registration or titling of vehicles, to operate joint title, registration
44 and driver licensing offices, to cover the administrative costs of issuing
45 the air quality compliance sticker, modifying the year validating tab and

1 issuing the windshield sticker and to cover expenses and costs in issuing
2 special plates pursuant to sections 28-2404, 28-2407, 28-2412 through
3 28-2462 and 28-2514.

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

7 E. Monies deposited in the state highway fund pursuant to section
8 28-2269 shall be used only as prescribed by that section.

9 F. Monies deposited in the state highway fund pursuant to section
10 28-710, subsection D, paragraph 2 shall only be used for state highway
11 work zone traffic control devices.

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

21 H. THE DEPARTMENT SHALL USE MONIES DEPOSITED IN THE STATE HIGHWAY
22 FUND PURSUANT TO SECTION 28-1105, SUBSECTION A, PARAGRAPH 2, SUBDIVISION
23 (a) ONLY FOR A TRANSPORTATION FACILITY THAT IS LOCATED WITHIN TWENTY
24 DRIVABLE MILES OF THE INTERNATIONAL PORT OF ENTRY AND SHALL SPEND THE
25 MONIES PROPORTIONALLY BASED ON THE AMOUNT OF TOTAL MONIES COLLECTED
26 PURSUANT TO SECTION 28-1105, SUBSECTION A, PARAGRAPH 2, SUBDIVISION
27 (a). FOR THE PURPOSES OF THIS SUBSECTION, "TRANSPORTATION FACILITY" MEANS
28 A HIGHWAY OR A STATE ROUTE OR A COUNTY, CITY OR TOWN ROAD THAT IS USED BY
29 A COMMERCIAL VEHICLE OR A COMMERCIAL VEHICLE COMBINATION FOR WHICH AN AXLE
30 FEE IS PAID PURSUANT TO SECTION 28-5474.

31 Sec. 3. Retroactivity

32 This act applies retroactively to from and after June 30, 2018.

APPROVED BY THE GOVERNOR APRIL 17, 2018

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 2018

Passed the House April 9, 20 18,

Passed the Senate March 5, 20 18,

by the following vote: 56 Ayes,

by the following vote: 20 Ayes,

0 Nays, 4 Not Voting

10 Nays, 0 Not Voting

[Signature]
Speaker of the House
Jim Drake
Chief Clerk of the House

[Signature]
President of the Senate
Susan Cooves
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

S.B. 1065

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 11, 20 18

by the following vote: 23 Ayes,

7 Nays, 0 Not Voting


President of the Senate


Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

11th day of April, 20 18

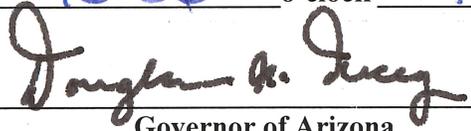
at 11:23 o'clock A. M.


Secretary to the Governor

Approved this 17th day of

April 2018

at 10:30 o'clock A. M.

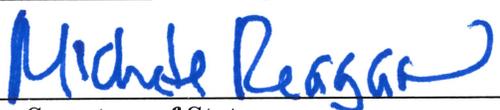

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 17 day of April, 20 18

at 5:21 o'clock P. M.


Secretary of State

S.B. 1065