



STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY  
GOVERNOR

EXECUTIVE OFFICE

May 7, 2019

The Honorable Katie Hobbs  
Secretary of State  
1700 W. Washington, 7<sup>th</sup> Floor  
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 1st Regular Session, which I signed on May 7th, 2019:

H.B. 2059 independent oversight committees; report; website (Barto)  
H.B. 2060 pharmacists; providers; drug therapy; refills (Barto)  
H.B. 2083 kindergarten; survey; report. (Biasiucci)  
H.B. 2113 public restrooms; changing stations (Griffin)  
H.B. 2119 school safety; reporting (Barto)  
H.B. 2589 distinguished flying cross license plates (Kavanagh)  
H.B. 2602 multiple sentences for imprisonment (Finchem)  
S.B. 1007 insurance; corporate governance; disclosure (Livingston)  
S.B. 1018 ASRS; compensation; definition (Livingston)  
S.B. 1029 qualifying physicians; opiate-dependent patients (Carter)  
S.B. 1035 insurance; small employers; continuation coverage (Brophy-McGee)  
S.B. 1039 pain management clinics; regulation (Brophy-McGee)  
S.B. 1094 planned communities; applicability; recreational center (Borrelli)  
S.B. 1186 municipalities; pension fund; transfer (Pratt)  
S.B. 1304 mechanics liens; notice; applicability (Livingston)

Sincerely,

Douglas A. Ducey  
Governor  
State of Arizona

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

House Engrossed

**FILED**  
**KATIE HOBBS**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-fourth Legislature  
First Regular Session  
2019

**CHAPTER 178**  
**HOUSE BILL 2589**

AN ACT

AMENDING SECTIONS 28-2351, 28-2403 AND 28-2449, ARIZONA REVISED STATUTES;  
AMENDING TITLE 28, CHAPTER 7, ARTICLE 13, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 28-2476; AMENDING SECTIONS 28-6501 AND 41-608, ARIZONA  
REVISED STATUTES; RELATING TO SPECIAL LICENSE 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 28-2462, 28-2472, 28-2473, 28-2474,  
34 28-2475, 28-2476 and 28-4533 and article 14 of this chapter, shall be the  
35 same color as and similar in design to the license plate as determined by  
36 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 28-2462, 28-2472,  
11 28-2473, 28-2474, ~~and~~ 28-2475 AND 28-2476 and article 14 of this chapter,  
12 the special plates shall be the same color as and similar to the design of  
13 the regular license plates that is determined by the department.

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

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

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

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

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

40 1. Violates subsection B of this section.

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

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

1           Sec. 3. Section 28-2449, Arizona Revised Statutes, is amended to  
2 read:

3           28-2449. All in for Arizona schools special plates; fund

4           A. If, by December 31, 2016, an entity pays ~~thirty-two thousand~~  
5 ~~dollars~~ \$32,000 to the department for the implementation of this section,  
6 the department shall issue ~~extraordinary educators~~ ALL IN FOR ARIZONA  
7 SCHOOLS special plates for motor vehicles. The entity that provides the  
8 ~~thirty-two thousand dollars~~ \$32,000 shall design the ~~extraordinary~~  
9 ~~educators~~ ALL IN FOR ARIZONA SCHOOLS special plates. The design and color  
10 of the ~~extraordinary educators~~ ALL IN FOR ARIZONA SCHOOLS special plates  
11 are subject to the approval of the department. The director may allow a  
12 request for ~~extraordinary educators~~ ALL IN FOR ARIZONA SCHOOLS special  
13 plates to be combined with a request for personalized special plates. If  
14 the director allows such a combination, the request shall be in a form  
15 prescribed by the director and is subject to the fees for the personalized  
16 special plates in addition to the fees required for the ~~extraordinary~~  
17 ~~educators~~ ALL IN FOR ARIZONA SCHOOLS special plates.

18           B. Of the ~~twenty-five dollar~~ \$25 fee required by section 28-2402  
19 for the original special plates and for renewal of special plates, ~~eight~~  
20 ~~dollars~~ \$8 is a special plate administration fee and ~~seventeen dollars~~ \$17  
21 is an annual donation.

22           C. The department shall deposit, pursuant to sections 35-146 and  
23 35-147, all special plate administration fees in the state highway fund  
24 established by section 28-6991 and all donations collected pursuant to  
25 this section in the ~~extraordinary educators~~ ALL IN FOR ARIZONA SCHOOLS  
26 special plate fund established by this section.

27           D. The ~~extraordinary educators~~ ALL IN FOR ARIZONA SCHOOLS special  
28 plate fund is established consisting of monies deposited pursuant to this  
29 section. The director shall administer the fund. Not more than five ~~per~~  
30 ~~cent~~ PERCENT of monies deposited in the fund annually shall be used for  
31 the cost of administering the fund. Monies in the fund are continuously  
32 appropriated. The director shall annually allocate all monies from the  
33 fund, excluding administrative fees, to the entity that provides the  
34 ~~thirty-two thousand dollars~~ \$32,000 to the department pursuant to  
35 subsection A of this section. The entity receiving the monies shall  
36 establish a process, including working with county school superintendents,  
37 to distribute the monies to public educators who propose extraordinary  
38 activities, projects or lessons for students in kindergarten programs and  
39 grades one through eight.

40           E. On notice from the director, the state treasurer shall invest  
41 and divest monies in the fund as provided by section 35-313, and monies  
42 earned from investment shall be credited to the fund.

43           Sec. 4. Title 28, chapter 7, article 13, Arizona Revised Statutes,  
44 is amended by adding section 28-2476, to read:

45           28-2476. Distinguished flying cross license plates; fees

46           A. THE DEPARTMENT SHALL ISSUE DISTINCTIVE LICENSE PLATES TO:

1           1. A PERSON WHO SUBMITS SATISFACTORY PROOF TO THE DEPARTMENT THAT  
2 THE PERSON IS A VETERAN AND A BONA FIDE DISTINGUISHED FLYING CROSS  
3 RECIPIENT.

4           2. AN IMMEDIATE FAMILY MEMBER OF A PERSON WHO HAS BEEN ISSUED A  
5 LICENSE PLATE PURSUANT TO THIS SECTION.

6           B. FOR EACH PAIR OF ORIGINAL LICENSE PLATES ISSUED PURSUANT TO THIS  
7 SECTION, THE DEPARTMENT SHALL COLLECT A FEE OF \$25 IN ADDITION TO THE  
8 REGISTRATION FEE REQUIRED BY SECTION 28-2003. FOR EACH ANNUAL RENEWAL OF  
9 LICENSE PLATES ISSUED PURSUANT TO THIS SECTION, THE DEPARTMENT SHALL  
10 CHARGE A FEE OF \$5 IN ADDITION TO THE REGISTRATION FEE REQUIRED BY SECTION  
11 28-2003. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND  
12 35-147, THE \$25 FEE AS A DONATION IN THE VETERANS' DONATION FUND  
13 ESTABLISHED BY SECTION 41-608.

14           Sec. 5. Section 28-6501, Arizona Revised Statutes, is amended to  
15 read:

16           28-6501. Definition of highway user revenues

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

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

22           (a) The special plate administration fees prescribed in sections  
23 28-2404, 28-2407, 28-2412 through 28-2462 and 28-2514.

24           (b) The donations prescribed in sections 28-2404, 28-2407, 28-2412  
25 through 28-2415, 28-2417 through 28-2462, 28-2473, 28-2474, ~~and~~ 28-2475  
26 AND 28-2476.

27           2. Section 28-1177.

28           3. Chapters 10 and 11 of this title.

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

31           Sec. 6. Section 41-608, Arizona Revised Statutes, is amended to  
32 read:

33           41-608. Veterans' donations fund; grants

34           A. The veterans' donations fund is established consisting of  
35 monies, gifts and contributions donated to the department and monies  
36 deposited pursuant to sections 28-2414, 28-2428, 28-2431, 28-2447,  
37 28-2454, 28-2473, 28-2474, 28-2475, 28-2476 and 43-620. The department  
38 shall administer the fund. Monies in the fund are continuously  
39 appropriated. The monies in the fund are exempt from the provisions of  
40 section 35-190 relating to lapsing of appropriations. The department  
41 shall adopt rules or policies for grants of less than five thousand  
42 dollars that encourage as much competition as practicable.

43           B. The director or the director's designee may solicit and receive  
44 donations, including in-kind donations, from the public for veterans. The  
45 director shall deposit, pursuant to sections 35-146 and 35-147, the  
46 monetary donations in the veterans' donations fund. Monies in the fund

1 are subject to state auditing procedures. Except for monies deposited  
2 pursuant to sections 28-2431 and 28-2447, the donations may be used for  
3 the benefit of the veterans within this state as grants, subject to  
4 chapter 24 of this title, if applicable.

5 C. The director shall establish a separate subaccount in the  
6 veterans' donations fund for the deposit of monies received pursuant to  
7 section 28-2431, subsection C. The monies in the subaccount shall be used  
8 for the construction and maintenance of the enduring freedom memorial  
9 authorized pursuant to section 41-1363 for placement in Wesley Bolin  
10 Plaza.

11 D. The director shall establish a separate subaccount in the  
12 veterans' donations fund for the deposit of monies received pursuant to  
13 section 28-2447, subsection C. The monies in the subaccount shall be used  
14 for the benefit of women veterans in this state, including providing  
15 shelter to homeless women veterans as grants, subject to chapter 24 of  
16 this title, if applicable.

17 E. The director shall establish a separate subaccount in the  
18 veterans' donations fund for the deposit of monies received pursuant to  
19 section 28-2454, subsection C. The first thirty-two thousand dollars in  
20 the subaccount shall be reimbursed to the person that provides the  
21 thirty-two thousand dollars pursuant to section 28-2454, subsection  
22 A. The director shall annually allocate monies from the subaccount to a  
23 foundation that is qualified under section 501(c)(3) of the United States  
24 internal revenue code for federal income tax purposes and that is the  
25 nation's oldest and largest provider of need-based scholarships to  
26 children of United States military members. The foundation must:

- 27 1. Have been in existence for at least fifty-two years.
- 28 2. Have provided more than thirty-three thousand scholarships that  
29 are valued at almost ninety million dollars.
- 30 3. Have a mission that includes honoring marines and educating  
31 their children.
- 32 4. Award scholarship monies to children of marines and navy  
33 corpsmen who were killed or wounded in combat or who have demonstrated  
34 financial need.

35 F. The director shall inventory and account for the use of any  
36 tangible personal property donated to the fund.

37 G. On notice from the director, the state treasurer shall invest  
38 and divest monies in the fund as provided by section 35-313, and monies  
39 earned from investment shall be credited to the fund.

40 Sec. 7. Effective date

41 This act is effective from and after September 30, 2019.

**APPROVED BY THE GOVERNOR MAY 7, 2019.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 7, 2019.**

Passed the House March 4, 20 19

Passed the Senate May 1, 20 19

by the following vote: 31 Ayes,

by the following vote: 21 Ayes,

27 Nays, 2 Not Voting

6 Nays, 3 Not Voting

W. R. Boyce  
Speaker of the House

Karen Fann  
President of the Senate

Pro Tempore

Jim Drake  
Chief Clerk of the House

Susan O'Connell  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

1st day of May, 20 19

at 2:01 o'clock P M.

Ryan Sabel  
Secretary to the Governor

Approved this 7th day of

May 2019

at 12:37 o'clock P M.

Douglas Ducey  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 7 day of May, 20 19

at 4:01 o'clock P. M.

[Signature]  
Secretary of State

H.B. 2589