

September <>, 2003

Victor Mendez, Director
Arizona Department of Transportation
206 South 17th Avenue, MD 100A
Phoenix, AZ 85007

Dear Mr. Mendez:

The following is a comprehensive summary of transportation-related legislation before the First Regular Session of the 46th Legislature. The 2003 Regular Legislative Session lasted 158 calendar days, producing 268 enactments out of the 998 bills, memorials and resolutions introduced. Of the 285 bills sent to the Governor, Governor Napolitano signed 259 bills, 5 became law without the Governor's signature, 17 bills were vetoed, and 4 bills received line-item vetoes. The Legislature additionally passed and filed 24 memorials and resolutions.

Official copies of all 2003 Chapter Laws and complete files of action for public review (for both the Regular and Special Sessions) are available upon request by contacting the Arizona Department of Transportation Legislative Services Office at (602) 712-7412, or visiting us at the ADOT Administration Building located at 206 S. 17th Avenue, Room 157, Phoenix, AZ 85007. For large quantity copy requests, we ask that you contact the Secretary of State's Office of Publications at (602) 542-4086, or visit their Customer Service Center at 14 N. 18th Ave, Phoenix, AZ 85007.

For those with Internet access, *The 1998-2003 Final Summaries* can also be found online by visiting our agency web site at www.dot.state.az.us. Additionally, full legislative bill and chapter law text, fact sheets and other legislative information and links are available online at www.azleg.state.az.us.

Unless otherwise specified, the general effective date of First Regular Session enactments is September 18, 2003.

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Sincerely,

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2003 ADOT LEGISLATIVE TEAM

Legislative Services Offices

**Kevin Biesty
Eileen Colleran
Kiesha Anderson**

Aeronautics Division

Doris Acosta

Financial Management Services

Brad Steen

Intermodal Transportation Division

Bob Gustafson

Motor Vehicle Division

**Jackie Allgood
Lorraine Brown**

Transportation Planning Division

Lisa Pendrick

Audit & Analysis

Michael Schwartz

Human Resources

Rob Waddell

Information Technology Group

Karen Strickland

Members of the 46th Legislature

2002-2003

District	Senator	Representatives
1	Ken Bennett (R)	Lucy Mason (R) Tom O'Halleran (R)
2	Jack Jackson Sr. (D)	Sylvia Laughter (I) Jack Jackson Jr. (D)
3	Linda Binder (R)	Bill Wagner (R) Joe Hart (R)
4	Jack Harper (R)	Carole Hubbs (R) Tom Boone (R)
5	Jack Brown (D)	Jake Flake (R) William Konopnicki (R)
6	Dean Martin (R)	Clancy Jayne (R) Ted Carpenter (R)
7	Jim Waring (R)	John Allen (R) Ray Barnes (R)
8	Carolyn Allen (R)	Colette Rosati (R) Michele Reagan (R)
9	Robert Burns (R)	Bob Stump (R) Phil Hanson (R)
10	Jim Weiers (R)	Doug Quelland (R) Linda Gray (R)
11	Barbara Leff (R)	Deb Gullett (R) Steve Tully (R)

Members of the 46th Legislature

2002-2003

District

Senator

Representatives

12	Robert Blendu (R)	Bill Arnold (R) John Nelson (R)
13	Richard Miranda (D)	John Loreda (D) Steve Gallardo (D)
14	William Brotherton (D)	Debbie McCune-Davis (D) Robert Meza (D)
15	Ken Chevront (D)	Ken Clark (D) Wally Straughn (D)
16	Linda Aguirre (D)	Ben Miranda (D) Leah Landrum Taylor (D)
17	Harry Mitchell (D)	Mark Thompson (R) Meg Burton Cahill (D)
18	Mark Anderson (R)	Karen Johnson (R) Russell Pearce (R)
19	Marilyn Jarrett (R)	Chuck Gray (R) Gary Pierce (R)
20	Slade Mead (R)	John Huppenthal (R) Robert Robson (R)
21	Jay Tibshraeny (R)	Steve Yarbrough (R) Warde Nichols (R)
22	Thayer Verschoor (R)	Andy Biggs (R) Eddie Farnsworth (R)

Members of the 46th Legislature

2002-2003

District

Senator

Representatives

23	Pete Rios (D)	Cheryl Chase (D) Ernest Bustamante (D)
24	Robert Cannell (D)	Amanda Aguirre (D) Jim Carruthers (R)
25	Marsha Arzberger (D)	Jennifer Burns (R) Manuel Alvarez (D)
26	Toni Hellon (R)	Pete Hershberger (R) Steve Huffman (R)
27	Jorge Luis Garcia (D)	Olivia Cajero Bedford (D) Phil Lopes (D)
28	Gabrielle Giffords (D)	David Bradley (D) Ted Downing (D)
29	Victor Soltero (D)	Linda Lopez (D) Tom Prezelski (D)
30	Tim Bee (R)	Marian McClure (R) Randy Graf (R)

Transportation Related Legislation

Enacted into Law – Sorted by Short Title

Short Title of Legislation	Bill #	Chapter Law #
Accident Reports; Records Retention	HB 2388	Chapter 97
ADOT; Omnibus	SB 1063	Chapter 201
Air Pollution; Jurisdiction; Indian Lands	SB 1177	Chapter 238
Appropriations; Border Transportation	HB 2287	Chapter 231
Auto Theft; Manipulation Keys	SB 1057	Chapter 39
County Highway Construction Bids	HB 2335	Chapter 154
Disability Parking; Dismissal of Complaint	SB 1206	Chapter 228
Eminent Domain	HB 2308	Chapter 246
Help America Vote Act; Elections	SB 1075	Chapter 260
Logo Signs Program	HB 2282	Chapter 126
Military Airport Preservation Committee; Members	SB 1194	Chapter 93
Notice; Certified Ignition Interlock Devices	HB 2002	Chapter 213
Outdoor Lighting Standards	SB 1218	Chapter 204
Population Estimates; Cities; Towns; Counties	SB 1209	Chapter 119
Public Horizontal Construction Projects	SB 1236	Chapter 50
Purple Heart Trail	HJR 2001	
Sales Tax Increase; Preexisting Contracts	SB 1066/HB 2056	Chapter 3

Transportation Related Legislation

Enacted into Law – Sorted by Short Title

Short Title of Legislation	Bill #	Chapter Law #
Selective Service Registration; Driver License	HB 2293	Chapter 90
Taxis, Limousines and Sedans; Regulation	HB 2283	Chapter 168
Towed Vehicle Retrieval; Insurance Companies	HB 2267	Chapter 153
Traffic Survival School; Notification	SB 1118	Chapter 236
Transportation Policy Committee; Regional Planning	HB 2292	Chapter 217
Transportation; Arizona; Mexico; Committee Extension	HB 2286	Chapter 35
Vehicle Claims; Lienholders; Notice	HB2156	Chapter 243
Vehicle Dealers; Definitions; Mailing Notices	HB 2296	Chapter 191
Vehicle Impoundment; Storage Charges	HB 2299	Chapter 218
Vehicle Title and Registration	HB 2294	Chapter 258
Vehicles' Services Department; Duties	HB 2151	Chapter 86
Veterans' Services Department; Duties	HB 2118	Chapter 108
Watercraft; Boating While Intoxicated	SB 1283	Chapter 207
Wheels to Work Program; Repeal	SB 1019	Chapter 61

Transportation Related Budget Legislation

Enacted into Law – Sorted by Short Title

Short Title of Legislation	Bill #	Chapter Law #
Appropriations Adjustments; Fiscal Year 2002-2003	SB 1001 / HB 2001	Chapter 1
Appropriations Adjustments; Fiscal Year 2002-2003	SB 1002 / HB 2002	Chapter 2
Appropriations Reductions; Fiscal Year 2002-2003	SB 1001 / HB 2004	Chapter 1
Capital Outlay Appropriations; 2003-2004	HB 2532	Chapter 261
General Appropriations; 2003-2004 & 2004-2005	HB 2531	Chapter 262

Transportation Related Agency/Retirement/Personnel Legislation
 Enacted into Law – Sorted by Short Title

Short Title of Legislation	Bill #	Chapter Law #
ASRS; Service Purchase; Calculations	HB 2024	Chapter 164
ASRS; Termination Option	HB 2455	Chapter 196
ASRS; Unpaid Contributions	HB 2023	Chapter 132
Jury Service; Peace Officers Excused	HB 2124	Chapter 150
Law Enforcement Officers; Representation	SB 1338	Chapter 175
Liability Limitations; State Purchases	SB 1328	Chapter 210
Public Retirees; Rural Areas; Insurance	HB 2349	Chapter 247
State Agency Reports; Repeal	HB 2049	Chapter 104
State Buildings; Energy Conservation Standards	HB 2324	Chapter 114
State Employee Self-Insurance; Repeal Mandates	HB 2025	Chapter 2
State Employees; Internet Access	HB 2498	Chapter 80
Supplemental Defined Contribution Plan; Procedures	SB 1224	Chapter 250

Transportation Related Legislation

Enacted into Law – Bill Summary

- (SB 1019) WHEELS TO WORK PROGRAM; REPEAL**
(Sen. Anderson) (Laws 2003; Chapter 61)
Eliminates the wheels to work program and the tax credit for donating a motor vehicle to the program.
- (SB 1057) AUTO THEFT; MANIPULATION KEYS**
(Sen. Jarrett) (Laws 2003, Chapter 39)
Provides that buying selling, transferring, possessing or using a motor vehicle manipulation key is a crime, unless used in the course of lawful business or occupation, such as vehicle dealers, dealer manufacturers, key manufacturers, locksmiths, loan institutions that finance vehicles and law enforcement.
- (SB 1063) ADOT; OMNIBUS**
(Sen. Brown) (Laws 2003, Chapter 201)
Amends current statute to clarify that ADOT can pass federal transportation grants to Native American tribes. Clarifies that MVD can issue special/honored military plates with the international symbol of access (handicap insignia) to qualified individuals at no extra charge. Requires MVD to redesign and issue all special plates with the international symbol of access. Allows a qualified non-profit organ transplant awareness organization to, at their expense, design a special license plate to promote transplant awareness. Expands the authority to designate a primitive road to the governing body of a city or town. Allows the ADOT Director to license the name of the "Arizona Highways" magazine to a private entity for commercial purposes. Reallocates \$111,000 from a \$2,750,400 non-lapsing appropriation to MVD in Laws 2001, second special session, chapter 5, section 64 for security enhancement issues and the replacement and upgrade of computer equipment. This money will be used for necessary programming to implement provisions of this bill. Contains emergency clause.
- (SB 1066 / H.B. 2056) SALES TAX INCREASE; PREEXISTING CONTRACTS**
(Sen. Martin) (Laws 2003; Chapter 3)
Stipulates how an increase in the transaction privilege tax (TPT) rate is applied to prime contracting activities. Specifically, a contract or written bid that was entered into before the effective date of legislation increasing the TPT rate or before the date of an election to increase the rate is exempt from the rate increase.

Transportation Related Legislation

Enacted into Law – Bill Summary

- (SB 1075) HELP AMERICA VOTE ACT; ELECTIONS**
(Sen. Jarrett) (Laws 2003; Chapter 260)
Makes several changes to current election law to conform to the requirements of the Help America Vote Act passed by Congress in 2002. Including, requiring a completed voter registration form to include the applicant's Arizona driver license number, the nonoperating license number, the last four digits of the person's social security number or the identifying number assigned by the Secretary of State. Provides for the confidentiality of the driver license number, nonoperating identification license number and the unique identifying number as provided by the act.
- (SB 1118) TRAFFIC SURVIVAL SCHOOL; NOTIFICATION**
(Sen. Rios) (Laws 2003; Chapter 236)
Requires a law enforcement officer to provide written notice of the requirement to successfully complete Traffic Survival School (TSS) to the person being issued a citation for a red light violation. Provides that a person who is found responsible for a red light violation in a jurisdiction outside of Arizona must still complete Defensive Driving School, if eligible, or Traffic Survival School. Requires that the Arizona Department of Transportation Motor Vehicle Division send written notice to individuals who are required to attend Traffic Survival School.
- (SB 1177) AIR POLLUTION; JURISDICTION; INDIAN LANDS**
(Sen. Allen) (Laws 2003; Chapter 238)
Removes the state's authority to enforce state air quality laws on Indian tribal lands and allows the owner of an original equipment manufactured (OEM) alternative fuel vehicle (AFV) to pay an emissions fee for the first three years of registration in-lieu of emissions testing the vehicle.
- (SB 1194) MILITARY AIRPORT PRESERVATION COMMITTEE; MEMBERS**
(Sen. Bee) (Laws 2003; Chapter 93)
Adds five persons meeting specified qualifications to the Arizona Military Airport Preservation Committee.
- (SB 1206) DISABILITY PARKING; DISMISSAL OF COMPLAINT**
(Sen. Cannell) (Laws 2003; Chapter 228)
Allows a person who has been issued a complaint for a violation of a disabled windshield placard to produce evidence to the appropriate court at the hearing that on the date a complaint was issued the person had a valid placard. Permits the court to dismiss the complaint in such a situation.

Transportation Related Legislation

Enacted into Law – Bill Summary

- (SB 1209) POPULATION ESTIMATES; CITIES; TOWNS; COUNTIES**
(Sen. Tibshraeny) Laws 2003; Chapter 119)
Provides cities, towns and counties with the following three additional options to obtain populations estimates for distribution of state shared revenues: 1) use DES projections approved by the DES Director; 2) contract with the U.S. Census Bureau to conduct a sample survey; or 3) continue to use their 2000 census numbers. Allows the city, town or county, before May 1, 2006, to request the DOR Director, ADOT Director and the State Treasurer to continue to use the 2000 U.S. decennial census through June 30, 2011 for distribution of state shared tax revenues.
- (SB 1218) OUTDOOR LIGHTING STANDARDS**
(Sen. Gifford) (Laws 2003; Chapter 204)
Requires all outdoor lighting of new construction and major renovations of buildings, structures, facilities and areas owned by this state and municipalities over 50,000 persons to be fully shielded. All new buildings, structures, facilities and areas constructed by this state and municipalities over 50,000 persons and those entities' major renovations involving lighting systems must include efficient and effective lighting systems as determined by an evaluation based on the Illuminating Engineering Society of North America lighting handbook and recommended practices. Exempts construction programs by the State Transportation Board.
- (SB 1236) PUBLIC HORIZONTAL CONSTRUCTION PROJECTS**
(Sen. Tibshraeny) (Laws 2003; Chapter 50)
Eliminates the \$10 million minimum construction cost requirement for municipal, county or special district horizontal construction projects under design-build and construction manager-at-risk construction services contracts. The sunset date for the use of construction manager-at-risk, design-build or job-order-contracting by municipalities, counties and select special districts is delayed from 2007 to 2010. Allows a municipality, county or special district to consider the time of completion proposed by the bidder in determining the lowest responsible bidder for a horizontal project using design-bid-build, if the agent determines the procedure serves the public interest by providing a substantial fiscal benefit or the traditional awarding of contracts is not practicable for meeting desired construction standards or delivery schedules. The licensed contractor for each horizontal construction project under a design-build or construction-manager-at-risk service contract is required to perform construction work equal to no less than 45 percent of the total contract price.

Transportation Related Legislation

Enacted into Law – Bill Summary

- (SB 1283) WATERCRAFT; BOATING WHILE INTOXICATED**
(Sen. Cannell) (Laws 2003; Chapter 207)
Provides that refusal to take a blood alcohol test(s) while operating a motorized watercraft is a class 2 misdemeanor. Increases fine from \$300 to \$750, upon conviction.
- (HB 2002) NOTICE; CERTIFIED IGNITION INTERLOCK DEVICES**
(Laws 2003, Chapter 213) (Rep. Gray)
Codifies current MVD policy to mail notification to a person who is required to install a certified ignition interlock device in their vehicle. Transfers breath testing device responsibilities from the Department of Health Services to the Department of Public Safety. Requires the ADOT Director and the DPS Director to develop information sharing procedures related to breath, blood or other bodily substances test rules.
- (HB 2118) VETERANS' SERVICES DEPARTMENT; DUTIES**
(Rep. Carruthers) (Laws 2003, Chapter 108)
Requires that the Department of Veterans' Services (DVS) verify and provide written confirmation to a person who has requested and is eligible for a Pearl Harbor survivor special license plate.
- (HB 2151) VEHICLES; UNINSURED COVERAGE; LIMITS; NOTICE**
(Rep. Carpenter) (Laws 2003; Chapter 86)
Removes the requirement that insurers complete the uninsured and underinsured motorist (UM/UIM) selection of limits or rejection of coverage form when an insured purchases UM/UIM coverage that is equal to the liability limits contained in the insured's automobile liability policy.
- (HB 2156) VEHICLE CLAIMS; LIENHOLDERS; NOTICE**
(Rep. Carpenter) (Laws 2003; Chapter 243)
Requires an insured to provide information to an insurer regarding the existence of a lien or encumbrance on a vehicle when making a claim of at least \$2,500 for damages to the vehicle.
- (HB 2267) TOWED VEHICLE RETRIEVAL; INSURANCE COMPANIES**
(Rep. Carpenter) (Laws 2003, Chapter 153)
Requires a towing company to release a towed vehicle to a person designated in writing by an insurance company after payment of towing, storage and related fees during business hours on the same business day as the request for release is received by the towing company. Prohibits the towing company from charging additional storage fees for the vehicle if the towing company fails to release the requested vehicle. Allows the request for release of a

Transportation Related Legislation

Enacted into Law – Bill Summary

vehicle to be sent via fax, mail or hand delivered to the towing company. Declares that the release of a vehicle does not create a cause of action or a right to bring an action against a towing company.

(HB 2282) LOGO SIGNS PROGRAM

(Rep. G. Pierce) (Laws 2003, Chapter 126)

Authorizes expansion of the Arizona logo signs program to include *attraction* logos in accordance with federal law. Repeals the current September 30, 2005 sunset date for this program.

(HB 2283) TAXIS, LIMOUSINES AND SEDANS; REGULATION

(Rep. G. Pierce) (Laws 2003, Chapter 168)

Requires MVD and the Department of Weights and Measures establish information sharing procedures for vehicle registration and insurance compliance for taxis, limousines, sedans and executive sedans that are furnished for hire on an exclusive basis, have at least two doors for passenger ingress and egress and has a charge or fare based on a geographic area. Allows for driver and vehicle license suspension for noncompliance of financial responsibility insurance requirements. Requires owners of taxis, limousines, executive sedans and sedans pay a \$50 reinstatement if suspended. Prohibits taxis, limousines, sedans and executive sedan owners from self-insuring. Sets the minimum insurance limits at \$300,000 and uninsured motorist coverage at \$750,000. Requires taxis that have a fare or charge fees based on time or mileage to have a taxi meter. Increases seating capacity for the definition of taxis, limousines, sedans and executive sedans from less than 7 passengers to less than 16 passengers. Provides for a delayed effective date of July 1, 2004. Implementation costs associated with HB 2283 are estimated at \$68,300. This project will be established through the use of the Liability Insurance Enforcement Fund, which is derived from reinstatement fees and specifically designated to track insurance compliance.

(HB 2286) TRANSPORTATION; ARIZONA; MEXICO; COMMITTEE EXTENSION

(Rep. G. Pierce) (Laws 2003, Chapter 35)

Authorizes safety enforcement and transportation infrastructure fund (SETIF) monies be used for construction of transportation facilities within 25 miles of the Arizona-Mexico border and continues the Joint Legislative Review Committee on Transportation between Sonora, Mexico and Arizona for five years.

(HB 2287) APPROPRIATIONS; BORDER TRANSPORTATION

(Rep. G. Pierce) (Laws 2003, Chapter 231)

Transportation Related Legislation

Enacted into Law – Bill Summary

Appropriates \$1 million in FY 2003-2004 to ADOT from SETIF for the following transportation projects order of priority:

- \$300,000 for a comprehensive scoping and engineering study for the new cyber port at Nogales.
- \$178,000 for transportation infrastructure improvements to support the installation of a new strategic weigh and inspection station at Douglas.
- \$54,000 for site and facility improvements at the new state inspection annex at Nogales.
- \$18,000 for electric carts for commercial vehicle escorts, security checks and traffic management and control at Nogales.
- \$250,000 for a new City of Douglas Chino Road alternative truck route.
- \$200,000 to build a new connector road to link the new San Luis port of entry with the existing county highway.

**(HB 2292) TRANSPORTATION POLICY COMMITTEE; REGIONAL PLANNING
(Rep. G. Pierce) (Laws 2003, Chapter 217)**

Comprehensive legislation that codifies the Transportation Planning Committee (TPC) for the purpose of adopting an Regional Transportation Plan (RTP) for Maricopa County. Prescribes criteria for an election to extend the current one-half cent county transportation excise tax to fund the projects contained in the plan.

**(HB 2293) SELECTIVE SERVICE REGISTRATION; DRIVER LICENSE
(Rep. Pierce) (Laws 2003; Chapter 90)**

Effective January 1, 2004, MVD is required to register males who are at least 18 years of age and less than 26 years of age for the military selective service through the application of a driver license, non-operating identification license or driver license renewal. Stipulates that the application serves as an indication of the applicant's compliance with the Selective Service registration requirement or an authorization for ADOT to forward the applicant's information to the Selective Service System for registration purposes. Requires ADOT to forward information to the Selective Service System electronically. Prohibits ADOT from implementing the provisions of the bill until receiving adequate funding to cover the Department's costs from the Selective Service System.

**(HB 2294) VEHICLE TITLE AND REGISTRATION
(Rep. Pierce) (Laws 2003; Chapter 258)**

Unsecured Vehicle Loads:

Transportation Related Legislation

Enacted into Law – Bill Summary

- Establishes civil penalties for persons who operate a vehicle on the highway and fail to secure a load from leaking or dropping on the highway.

Plate and Fee to Owner

Allows creditable fees to be applied to one other vehicle which the owner owns or acquires before the expiration of the registration period.

Eliminates current ability for MVD to refund fees over \$350.00.

Eliminates fee decrement upon notification to the department of vehicle transfer, surrender of license plate or submission of an affidavit of license plate destruction.

Taxi License Plates

- Subject to appropriation, requires MVD to issue a special license plate to every vehicle operating as a taxi.

License and Registration Suspension for Non-Payment of Judgment

Codifies MVD's current policy of considering a judgment for non-payment of damages arising from an accident to be satisfied beginning on the date the judgment expires.

Title and Registration:

Clarifies that MVD may release personal information contained in driver license and motor vehicle records to a federal, state or local governmental agency, political subdivision or a person or entity acting on behalf of the governmental agency if the entity is carrying out its normal functions.

Allows only one transferee to sign a certificate of title application if there is no ownership change and the person is transferring an out-of-state title to an Arizona title.

Expands the definition of "salvage vehicle" to allow an insurance company, other than the primary insurance company, to declare a vehicle uneconomical to repair. Clarifies that once a lien is satisfied the lien holder must release a certificate of title to the entity that owns the vehicle.

Allows the Motor Vehicle Division to issue a person more than two 90-day registration permits at the Director's discretion.

Miscellaneous:

- Conforms ARS §28-450 (A) to the federal Drivers Privacy Protection Act.
- Adds "vehicles 25 years or older" to the requirement that ADEQ contact EPA to request an emissions testing exemption from the SIP or maintenance plan.

The Plate and Fee to Owner section is conditional on a legislative appropriation of \$122,000, with a delayed effective date of June 30, 2004.

Transportation Related Legislation

Enacted into Law – Bill Summary

- (HB 2296) VEHICLE DEALERS; DEFINITIONS; MAILING NOTICES**
(Rep. Pierce) (Laws 2003, Chapter 191)
Amends ARS 28-4498 and 28-4499 changing verbiage referencing mailing from “certified” to “regular” delivery. Allows the Director to issue a cease and desist order to a professional driver training school when the school is in violation of regulations. Deletes the definition “mobile medical clinics” in 28-4301 (20). References to “mobile medical clinic” were removed from statute during the 2000 legislative session and this statute was inadvertently overlooked.
- (HB 2299) VEHICLE IMPOUNDMENT; STORAGE CHARGES**
(Rep. Pierce) (Laws 2003, Chapter 218)
Under current law, a peace officer is permitted to have a vehicle towed and impounded for 30 days if the person driving the vehicle has a suspended driver license due to a conviction of Driving Under the Influence; point accumulation; driving while privileges are suspended; or any revocation. Currently, MVD is required to hold a post storage hearing for vehicles that are ordered impounded for any of these circumstances. HB 2299 transfers the post storage hearing requirement from MVD to the impounding agency or a justice court. The bill also authorizes post storage hearings to be conducted telephonically or at a justice court or impounding agency in the jurisdiction where the owner resides.
- (HB 2308) EMINENT DOMAIN**
(Rep. Farnsworth) (Laws 2003; Chapter 246)
Renames “redevelopment” areas as “slum or blighted” areas. The designation of a slum or blighted area terminates ten years after the designation unless substantial action has been taken to remove the slum or blighted conditions. A municipality must make a separate determination by a two-thirds vote that the property is critical to the project and the existing use of the property is not compatible with the proposed use and cannot be incorporated into or excluded from the proposed redevelopment project. Requires a two-thirds vote by the governing body before a municipality adopts a resolution that finds a slum or blighted area exists and redevelopment is necessary, approves a redevelopment plan or initiates condemnation of real property. A municipality must notify the owner of real property that is within the boundaries of the proposed redevelopment area of: 1) public meetings concerning designation of the area as slum or blighted; 2) adoption of the redevelopment plan; and 3) proposed condemnation action.
- (HB 2335) COUNTY HIGHWAY CONSTRUCTION BIDS**

Transportation Related Legislation

Enacted into Law – Bill Summary

(Rep. Carruthers) (Laws 2003, Chapter 154)

Requires a county with a population greater than 250,000 to call for bids on highway construction or reconstruction projects exceeding a specified amount. The amount was originally specified at \$35,000 and is annually adjusted for inflation (currently \$53,000). Requires a county to make every effort to combine highway construction or reconstruction projects and items of equipment, supplies and materials.

**(HB 2388) ACCIDENT REPORTS; RECORDS RETENTION
(Laws 2003; Chapter 97)**

Eliminates the requirement that law enforcement agencies retain original reports of motor vehicle accident investigations and instead allows the law enforcement agencies to maintain either the original or electronic copies of the reports.

**(HJR 2001) Purple Heart Trail
(Rep. Carruthers)**

Designates the Arizona portion of I-40 as the "Purple Heart Trail." Requires the Military Order of the Purple Heart (MOPH) to reimburse ADOT for expenses relating to signage materials, installation and maintenance within 90 days of installation and clarifies that no state funds shall be used to upkeep or maintain the signage. Instructs the Secretary of State to transmit copies of the resolution to the ADOT Director, chairman of the State Transportation Board, and the chairman of the MOPH.

Transportation Related Budget Legislation

Enacted into Law – Sorted by Short Title

**(HB 2531) GENERAL APPROPRIATIONS; 2003-2004 AND 2004-2005
(Rep. Flake) (Laws 2003, Chapter 262 - Contains line-item
vetoes)**

Makes state general fund and other fund appropriations for FY 2003-2004 for the operations of state government. Small agencies and other funded agencies also receive appropriations for FY 2004-2005.

ADOT related provisions:

- Provides an agency budget of \$360,818,400 (\$67,700 GF and \$360,750,700 OF) in FY 2004.
- Decreases state highway fund (SHF) and Highway User Revenue Fund (HURF) support by approximately \$3.5 million to eliminate funding for one-time equipment purchases and new program implementation costs.
- Continues the SHF and equipment fund lump sum reductions from the Forty-sixth Legislature, First Special Session, but caps the reduction applied to the Motor Vehicle Division at \$1.7 million.
- Increases HURF support by \$154,700 for abandoned vehicle and requires ADOT to report to JLBC by August 1, 2003 the total revenue generated by abandoned vehicle inspections.
- Increases HURF support for the following DPS programs: Highway Patrol Vehicle Replacement -- \$6.8 million; Health Insurance Premiums and Retirement Rate Increases -- \$1.6 million and Personal Services and ERE -- \$270,000.
- Transfers \$1 million from ADOT's Equipment Fund to the Arizona Highway Patrol Fund

The Governor line-item vetoed several provisions of this legislation. These include lump sum reductions for ADOA, Department of Agriculture, DES, DHS and State Land Department. Also vetoed were the heritage funding source for the Arts Commission, a receipts offset for DHS and a federal match rate savings offset for DES. A total of \$20 million in other fund transfers to the state general fund were also vetoed. The lottery fund appropriation for abstinence education and the pro rata allocation for Attorney General expenditures were vetoed. Finally, the Governor vetoed language reducing state funding for vaccines if specified federal monies for vaccinations were received.

**(HB 2532) CAPITAL OUTLAY APPROPRIATIONS; 2003-2004
(Rep. Flake) (Laws 2003, Chapter 261)**

Appropriates a total of \$6,651,800 in other funds (OF) for the maintenance of state buildings and \$100,557,100 OF for capital

Transportation Related Budget Legislation

Enacted into Law – Sorted by Short Title

projects including highway construction and airport planning and development.

ADOT Related Provisions:

- Appropriates \$1,560,500 from the State Highway Fund (SHF) and \$32,000 from the State Aviation Fund to ADOT for building renewal.
- Appropriates \$83,475,000 from the SHF for statewide highway construction.
- Appropriates \$15,232,000 from the State Aviation Fund for airport planning and development.
- Specifies that monies appropriated in this act shall not be spent for personal services or employee related expenditures for state employees and that these appropriates do not lapse until the project is completed, abandoned or the funds are not accessed for one fiscal year.

46TH LEGISLATURE FIRST SPECIAL SESSION (Convened and adjourned March 17, 2003)

**(SB 1001 / APPROPRIATIONS ADJUSTMENTS; FISCAL YEAR 2002-2003
HB 2001) (Rep. Flake) (46th Legislature, First Special Session, Chapter 1)**

Reduces state general fund operating expenses and transfers monies from various other funds to the state general fund in order to reconcile an anticipated FY 2002-2003 state general fund shortfall. Makes supplemental appropriations.

The FY 2002-2003 state general fund budget as enacted during the Forty-fifth Legislature, Second Regular Session, assumed an ending balance of approximately \$1 million for FY 2001-2002 and approximately \$6.2 billion in base revenues for FY 2002-2003. Due to continuing revenue declines, the Joint Legislative Budget Committee (JLBC) and the Office of Strategic Planning and Budgeting (OSPB) revised their revenue forecasts in the fall of 2002. An additional shortfall of approximately \$450 million to \$500 million relative to the budget enacted during the Second Regular Session was forecasted.

The Legislature returned to special session in December 2002 to address this shortfall. Approximately \$220 million of the shortfall was reconciled (Laws 2002, Sixth Special Session, Chapter 1). Since the enactment of the Sixth Special Session legislation, revenues and the need for supplemental appropriations have been reassessed, and JLBC and OSPB are anticipating a \$300 million shortfall for the remainder of FY 2002-2003. HB 2002 reconciles this shortfall.

Transportation Related Budget Legislation

Enacted into Law – Sorted by Short Title

ADOT RELATED PROVISIONS:

- Re-enacts ADOT's FY 2002-2003 operating budget. (Lump sum reductions made during the Forty-fifth Legislature, Sixth Special Session were line item vetoed.) Relative to the budget enacted during that session, the following changes are made for FY 2002-2003:
- Appropriates \$1.5 million from the state aviation fund for lawsuit settlement.
- Appropriates \$250,000 from the state highway fund for judicial fee programming.
- Reduces the agency-wide lump sum FTE reduction from 378 to 155.
- Adds a \$10 million lump sum reduction from the state highway fund and a \$2 million lump sum reduction from the equipment fund.
- Replaces \$10 million in state general fund support for DPS with \$10 million in support from the highway user revenue fund.

Transferred the following to the General Fund: \$4,500,000 from the State Aviation Fund, \$20,000,000 from the Highway Expansion and Extension Loan Program Fund, and \$2,000,000 from the Equipment Fund.

(SB 1002 / APPROPRIATIONS ADJUSTMENTS; FISCAL YEAR 2002-2003 HB 2002) (Rep. Flake) (Laws 2003, Chapter 2, First Special Session)

An emergency measure that makes statutory and session law changes necessary for implementation of a reduced FY 2002-2003 state general fund budget in order to reconcile an anticipated state general fund shortfall.

ADOT related provision: Requires the state highway fund to reimburse the state general fund in \$10 million in FY 2002-2003 for highway patrol expenditures incurred during FY 2000-2001.

45th LEGISLATURE, SIXTH SPECIAL SESSION (Convened and adjourned November 25, 2002)

(SB 1001 / APPROPRIATIONS REDUCTIONS; FISCAL YEAR 2002-2003 HB 2004) (Sen. Gnant) (45th Legislature, Sixth Special Session, Chapter 1 - Contains line-item vetoes)

Reduces state general fund operating expenses and transfers monies from various other funds to the state general fund in order to reconcile an anticipated FY 2002-2003 state general fund shortfall.

The FY 2002-2003 state general fund budget as enacted during the Forty-fifth Legislature, First Regular Session, assumed an ending balance of approximately \$1 million for FY 2001-2002 and

Transportation Related Budget Legislation

Enacted into Law – Sorted by Short Title

approximately \$6.2 billion in base revenues for FY 2002-2003. Due to continuing revenue declines, the Joint Legislative Budget Committee (JLBC) and Office of Strategic Planning and Budgeting have revised their revenue forecasts and are anticipating a FY 2002-2003 revenue shortfall of approximately \$450 million to \$500 million relative to the enacted budget.

S.B. 1001 reduces state general fund support for the operations of state government and transfers money from other funds to the state general fund in an effort to address approximately \$220 million of the anticipated FY 2002-2003 shortfall.

ADOT related provisions: Reduced ADOT by 378 FTE's, \$27,704,100 in OF and \$6,700 in GF. These provisions were line item vetoed by Gov. Hull.

Transportation Related Agency/Retirement/Personnel Legislation

Enacted into Law – Bill Summary

- (SB 1224) SUPPLEMENTAL DEFINED CONTRIBUTION PLAN; PROCEDURES**
(Sen. Martin) (Laws 2003; Chapter 250)
Conforms the supplemental defined contribution plan managed by the Arizona State Retirement System (ASRS) to Internal Revenue Service (IRS) guidelines.
- (SB 1328) LIABILITY LIMITATIONS; STATE PURCHASES**
(Laws 2003; Chapter 210)
Permits the Arizona Department of Administration (ADOA) to limit the liability of a person who contracts with the state to provide goods, software or services. Permits ADOA to indemnify or hold harmless any party to the contract.
- (SB 1338) LAW ENFORCEMENT OFFICERS; REPRESENTATION**
(Sen. Weiers) (Laws 2003; Chapter 175)
Adds a new section of law to Title 38, granting law enforcement officers the right to representation in interviews that could lead to certain types of disciplinary action.
- (HB 2023) ASRS; UNPAID CONTRIBUTIONS**
(Rep. Huppenthal) (Laws 2003; Chapter 132)
Establishes a time frame by which employers and members of the Arizona State Retirement System (ASRS) must repay any unpaid contributions and interest due to ASRS. Beginning July 1, 2004, a member may purchase eligible verified service if contributions for that service are not made within 15 years.
- (HB 2024) ASRS; SERVICE PURCHASE; CALCULATION**
(Laws 2003; Chapter 164)
An emergency measure that requires members of the Arizona State Retirement System (ASRS) who want to purchase service credit for previous service with other government entities within the United States to pay an amount determined by the service purchase formula using a prescribed definition of "current annual compensation." Requires the recalculation of the cost of military service credit purchased by certain members of ASRS.
- (HB 2025) STATE EMPLOYEE SELF-INSURANCE; REPEAL MANDATES**
(Rep. R. Pearce) (Laws 2003, Chapter 2)
An emergency measure that removes the mandate upon the Department of Administration to implement a self-insurance program for health and dental care coverage for state employees by October 1, 2003.

Transportation Related Agency/Retirement/Personnel Legislation

Enacted into Law – Bill Summary

- (HB 2049) STATE AGENCY REPORTS; REPEAL**
(Rep. Huppenthal) (Laws 2003, Chapter 104)
Among other agency reports, changes the reporting requirement for the MVD wait times report from quarterly to annually.
- (HB 2124) JURY SERVICE; PEACE OFFICERS EXCUSED**
(Rep. Nelson) (Laws 2003, Chapter 150)
Provides that peace officers certified by the Arizona Peace Officer Standards and Training Board, and employed as a peace officer by the state, shall be excused from jury duty upon submission of an application to the court requesting to be excused. Prohibits an officer's employer from in any way influencing an officer not to serve on a jury.
- (HB 2324) STATE BUILDINGS; ENERGY CONSERVATION STANDARDS**
(Rep. Graff) (Laws 2003; Chapter 114)
Requires the Arizona Department of Administration, the Arizona Board of Regents and the Arizona Department of Transportation to reduce the energy use in the public buildings they administer by 10 percent per square foot by July 1, 2008 and by 15 percent per square foot by July 1, 2011, using July 1, 2001 through June 30, 2002 as the baseline year. The State Energy Office must provide technical assistance to the specified state agencies, measure compliance for reduced energy use and compile the results in a report to the Legislature by July 1 of each year.
- (HB 2349) PUBLIC RETIREES; RURAL AREAS; INSURANCE**
(Rep. Konopnicki) (Laws 2003; Chapter 247)
Retroactive to July 1, 2001, extends the temporary health care premium subsidy, for two additional years, through June 30, 2005, for members of the Arizona State Retirement System (ASRS), Public Safety Personnel Retirement System, Corrections Officer Retirement Plan and Elected Officials' Retirement Plan in areas where no managed care program is available. New restrictions based on geographic location, minimum monthly payments and years of service are added for certain retirees to receive benefits. Appropriates \$183,000 from the ASRS administration account for associated data processing services.
- (HB 2455) ASRS; TERMINATION OPTION**
(Laws 2003; Chapter 196)
Makes various changes to the Modified Deferred Retirement Option Plan (DROP) for the Arizona State Retirement System, including numerous restrictions on DROP agreements and a requirement that members and employers contribute to the long-term disability program.

Transportation Related Agency/Retirement/Personnel Legislation

Enacted into Law – Bill Summary

These changes will conform the DROP program to recently issued Internal Revenue Service regulations.

(HB 2498) STATE EMPLOYEES; INTERNET ACCESS
(Rep. Robson) (Laws 2003, Chapter 80)

Prohibits an employee of a state agency from knowingly using agency owned or leased computer equipment to access, download, print or store any information infrastructure files or services that depict nudity, sexual activity, sexual excitement, or ultimate sex acts (as defined in A.R.S. 13-3501). States that an employee who violates this section will be subject to discipline or dismissal as currently provided for in statute. Requires all agencies to provide employees with copies of this section and provide it to a new employee when the new employee is authorized to use an agency computer. Exempts bona fide agency research projects that have been approved in writing by agency heads.

Transportation Related Legislation

Enacted into Law – Sorted by Chapter

Chapter Law #	Short Title of Legislation	Bill #
Chapter 3	Sales Tax Increase; Preexisting Contracts	SB 1066 / HB 2056
Chapter 35	Transportation; Arizona; Mexico; Committee Extension	HB 2286
Chapter 39	Auto Theft; Manipulation Keys	SB 1057
Chapter 50	Public Horizontal Construction Projects	SB 1236
Chapter 61	Wheels to Work Program; Repeal	SB 1019
Chapter 86	Vehicles' Services Department; Duties	HB 2151
Chapter 90	Selective Service Registration; Driver License	HB 2293
Chapter 93	Military Airport Preservation Committee; Members	SB 1194
Chapter 97	Accident Reports; Records Retention	HB 2388
Chapter 108	Veterans' Services Department; Duties	HB 2118
Chapter 119	Population Estimates; Cities; Towns; Counties	SB 1209
Chapter 126	Logo Signs Program	HB 2282
Chapter 153	Towed Vehicle Retrieval; Insurance Companies	HB 2267
Chapter 154	County Highway Construction Bids	HB 2335
Chapter 168	Taxis, Limousines and Sedans; Regulation	HB 2283
Chapter 191	Vehicle Dealers; Definitions; Mailing Notices	HB 2296

Transportation Related Legislation

Enacted into Law – Sorted by Chapter

Chapter Law #	Short Title of Legislation	Bill #
Chapter 201	ADOT; Omnibus	SB 1063
Chapter 204	Outdoor Lighting Standards	SB 1218
Chapter 207	Watercraft; Boating While Intoxicated	SB 1283
Chapter 213	Notice; Certified Ignition Interlock Devices	HB 2002
Chapter 217	Transportation Policy Committee; Regional Planning	HB 2292
Chapter 218	Vehicle Impoundment; Storage Charges	HB 2299
Chapter 228	Disability Parking; Dismissal of Complaint	SB 1206
Chapter 231	Appropriations; Border Transportation	HB 2287
Chapter 236	Traffic Survival School; Notification	SB 1118
Chapter 238	Air Pollution; Jurisdiction; Indian Lands	SB 1177
Chapter 243	Vehicle Claims; Lienholders; Notice	HB2156
Chapter 246	Eminent Domain	HB 2308
Chapter 258	Vehicle Title and Registration	HB 2294
Chapter 260	Help America Vote Act; Elections	SB 1075
	Purple Heart Trail	HJR 2001

Transportation Related Budget Legislation

Enacted into Law – Sorted by Chapter

Chapter Law #	Short Title of Legislation	Bill #
Chapter 1	Appropriations Adjustments; Fiscal Year 2002-2003	SB 1001 / HB 2001
Chapter 1	Appropriations Reductions; Fiscal Year 2002-2003	SB 1001 / HB 2004
Chapter 2	Appropriations Adjustments; Fiscal Year 2002-2003	SB 1002 / HB 2002
Chapter 261	Capital Outlay Appropriations; 2003-2004	HB 2532
Chapter 262	General Appropriations; 2003-2004 & 2004-2005	HB 2531

Transportation Related Agency/Retirement/Personnel Legislation
Enacted into Law – Sorted by Chapter

Chapter Law #	Short Title of Legislation	Bill #
Chapter 2	State Employee Self-Insurance; Repeal Mandates	HB 2025
Chapter 80	State Employees; Internet Access	HB 2498
Chapter 104	State Agency Reports; Repeal	HB 2049
Chapter 114	State Buildings; Energy Conservation Standards	HB 2324
Chapter 132	ASRS; Unpaid Contributions	HB 2023
Chapter 150	Jury Service; Peace Officers Excused	HB 2124
Chapter 164	ASRS; Service Purchase; Calculations	HB 2024
Chapter 175	Law Enforcement Officers; Representation	SB 1338
Chapter 196	ASRS; Termination Option	HB 2455
Chapter 210	Liability Limitations; State Purchases	SB 1328
Chapter 247	Public Retirees; Rural Areas; Insurance	HB 2349
Chapter 250	Supplemental Defined Contribution Plan; Procedures	SB 1224

Transportation Related Legislation

Vetoed by the Governor

**(HB2245) Motor Vehicle Division; Peace Officers
(Rep. Pearce)**

Transfers the authority to designate peace officers from the Director of the Arizona Department of Transportation to the Assistant Director for the Motor Vehicle Division.

**(HB2248) Appropriation of Federal Monies
(Reps. Pearce, Farnsworth, Graf, Barnes, Hanson, Pierce, Biggs, Gray C: Jayne, Johnson, Konopnicki, Nichols, Thompson, and Sen. Harper)**

Authorizes the Legislature to appropriate noncustodial federal monies consistent with the purposes of federal law.