

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 308
HOUSE BILL 2510

AN ACT

AMENDING SECTION 28-4501, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 10, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 28-4504 AND 28-4505; AMENDING SECTION 28-6991, ARIZONA REVISED STATUTES; RELATING TO MOTOR VEHICLE DEALERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 28-4501, Arizona Revised Statutes, is amended to
3 read:

4 28-4501. Licensed or unlicensed dealer and automotive
5 recycler; civil penalty; transaction privilege
6 taxes

7 A. Notwithstanding the suspension authorized by section 28-4500, if
8 the director finds that a person is in violation of the licensing
9 provisions of this chapter, after a hearing conducted pursuant to section
10 28-4496, 28-4498, 28-4499 or 28-4500, the director:

11 1. May impose a civil penalty of at least one thousand dollars but
12 not more than three thousand dollars per violation.

13 2. Shall require that the person pay all transaction privilege
14 taxes on motor vehicle sales that were conducted in violation of this
15 chapter.

16 B. The person shall pay the civil penalty imposed pursuant to this
17 section to the department no later than thirty days after the order is
18 final. If the person fails to pay the civil penalty within thirty days
19 after the order is final, the director shall file an action in the
20 superior court in the county in which the hearing is held to collect the
21 civil penalty.

22 C. THE DIRECTOR SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND
23 35-147, ALL CIVIL PENALTIES COLLECTED PURSUANT TO THIS SECTION THAT RESULT
24 FROM LICENSED OR UNLICENSED MOTOR VEHICLE DEALER ACTIVITY IN THE MOTOR
25 VEHICLE DEALER ENFORCEMENT FUND ESTABLISHED BY SECTION 28-4504.

26 Sec. 2. Title 28, chapter 10, article 6, Arizona Revised Statutes,
27 is amended by adding sections 28-4504 and 28-4505, to read:

28 28-4504. Motor vehicle dealer enforcement fund

29 THE MOTOR VEHICLE DEALER ENFORCEMENT FUND IS ESTABLISHED CONSISTING
30 OF CIVIL PENALTIES COLLECTED PURSUANT TO SECTION 28-4501 THAT RESULT FROM
31 LICENSED OR UNLICENSED MOTOR VEHICLE DEALER ACTIVITY. THE DEPARTMENT
32 SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE
33 APPROPRIATIONS. THE DIRECTOR SHALL DEPOSIT ALL UNEXPENDED AND
34 UNENCUMBERED MONIES IN THE FUND EXCEEDING TWO HUNDRED FIFTY THOUSAND
35 DOLLARS AT THE END OF EACH FISCAL YEAR IN THE STATE HIGHWAY FUND
36 ESTABLISHED BY SECTION 28-6991.

37 28-4505. Unlicensed motor vehicle dealer enforcement task
38 force; report; task force termination

39 A. THE UNLICENSED MOTOR VEHICLE DEALER ENFORCEMENT TASK FORCE IS
40 ESTABLISHED IN THE DEPARTMENT OF TRANSPORTATION AND CONSISTS OF THE
41 FOLLOWING MEMBERS:

42 1. THREE MEMBERS FROM THE DEPARTMENT OF TRANSPORTATION WHO ARE
43 APPOINTED BY THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION.

1 2. THREE MEMBERS FROM THE DEPARTMENT OF REVENUE WHO ARE APPOINTED
2 BY THE DIRECTOR OF THE DEPARTMENT OF REVENUE.

3 3. THREE MEMBERS WHO REPRESENT AN INDEPENDENT AUTOMOBILE DEALERS'
4 ASSOCIATION IN THIS STATE AND WHO ARE APPOINTED BY THE DIRECTOR OF THE
5 DEPARTMENT OF TRANSPORTATION.

6 B. THE UNLICENSED MOTOR VEHICLE DEALER ENFORCEMENT TASK FORCE
7 SHALL:

8 1. MEET AT LEAST QUARTERLY TO REVIEW UNLICENSED MOTOR VEHICLE
9 DEALER ENFORCEMENT ACTIVITIES IN THIS STATE.

10 2. SUBMIT A REPORT TO THE DIRECTOR OF THE DEPARTMENT OF
11 TRANSPORTATION AT LEAST QUARTERLY THAT CONTAINS THE STATUS OF THE TASK
12 FORCE'S FINDINGS AND PROVIDE A COPY OF THIS REPORT TO THE SECRETARY OF
13 STATE.

14 C. THE TASK FORCE ESTABLISHED BY THIS SECTION ENDS ON JULY 1, 2026
15 PURSUANT TO SECTION 41-3103.

16 Sec. 3. Section 28-6991, Arizona Revised Statutes, is amended to
17 read:

18 28-6991. State highway fund; sources

19 A state highway fund is established that consists of:

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

22 2. Monies appropriated by the legislature.

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

27 4. Monies received from counties under cooperative agreements,
28 including proceeds from bond issues. The state treasurer shall deposit
29 these monies to the credit of the fund in a special account on delivery to
30 the treasurer of a concise written agreement between the department and
31 the county stating the purposes for which the monies are surrendered by
32 the county, and these monies shall be spent only as stated in the
33 agreement.

34 5. Monies received from the United States under an act of Congress
35 to provide aid for the construction of rural post roads, but monies
36 received on projects for which the monies necessary to be provided by this
37 state are wholly derived from sources mentioned in paragraphs 2 and 3 of
38 this section shall be allotted by the department and deposited by the
39 state treasurer in the special account within the fund established for
40 each project. On completion of the project, on the satisfaction and
41 discharge in full of all obligations of any kind created and on request of
42 the department, the treasurer shall transfer the unexpended balance in the
43 special account for the project into the state highway fund, and the
44 unexpended balance and any further federal aid thereafter received on

1 account of the project may be spent under the general provisions of this
2 title.

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

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

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

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

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

13 11. Monies deposited pursuant to sections 28-1143, 28-2353 and
14 28-3003.

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

16 (a) Monies deposited pursuant to section 28-2206 and section
17 28-5808, subsection B, paragraph 2, subdivision (e).

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

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

22 (d) The air quality compliance fee collected pursuant to section
23 49-542.

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

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

29 13. Monies deposited pursuant to chapter 5, article 5 of this
30 title.

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

32 15. Dealer and registration monies collected pursuant to section
33 28-4304.

34 16. Abandoned vehicle administration monies deposited pursuant to
35 section 28-4804.

36 17. Monies deposited pursuant to section 28-710, subsection D,
37 paragraph 2.

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

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

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

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

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

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

- 1 24. Monies deposited pursuant to section 28-3002, subsection A,
- 2 paragraph 14.
- 3 25. Monies deposited pursuant to section 28-7316.
- 4 26. Monies deposited pursuant to section 28-4302.
- 5 27. MONIES DEPOSITED PURSUANT TO SECTION 28-4504.

APPROVED BY THE GOVERNOR MAY 16, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 16, 2018.