

REFERENCE TITLE: **transportation; 2022-2023**

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
Second Regular Session  
2022

## **HB 2872**

Introduced by  
Representative Cobb (with permission of Committee on Rules)

### **AN ACT**

AMENDING TITLE 12, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 12-102.04; AMENDING TITLE 17, CHAPTER 2, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 17-274 AND 17-275; AMENDING TITLE 28, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-339; AMENDING SECTIONS 28-472, 28-6951 AND 28-7006, ARIZONA REVISED STATUTES; RELATING TO TRANSPORTATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 12, chapter 1, article 1, Arizona Revised  
3 Statutes, is amended by adding section 12-102.04, to read:

4 12-102.04. Fleet management; vehicle replacement rate; state  
5 court fleet operations and replacement fund;  
6 exemption

7 A. THE SUPREME COURT MAY LEASE OR PURCHASE MOTOR VEHICLES FOR USE  
8 BY COURT PERSONNEL IN CONDUCTING BUSINESS ACTIVITIES IN FURTHERANCE OF THE  
9 SUPREME COURT'S ADMINISTRATIVE SUPERVISION OVER ALL COURTS OF THIS STATE,  
10 INCLUDING THE PROVISION OF ADULT AND JUVENILE PROBATION SERVICES. THE  
11 SUPREME COURT IS EXEMPT FROM TITLE 38, CHAPTER 3, ARTICLE 10 RELATING TO  
12 VEHICLE MARKINGS.

13 B. THE SUPREME COURT SHALL RECOVER ALL COSTS FOR FLEET OPERATION  
14 SERVICES. THE SUPREME COURT SHALL PAY FROM AVAILABLE MONIES THE COST OF  
15 FLEET OPERATION SERVICES AND REPLACEMENTS AT A RATE THAT IS SIMILAR TO THE  
16 RATE ESTABLISHED BY THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION  
17 PURSUANT TO SECTION 28-472, SUBSECTION E, INCLUDING A SEPARATE VEHICLE  
18 REPLACEMENT RATE FOR MOTOR VEHICLE REPLACEMENTS. THE SUPREME COURT SHALL  
19 DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, MONIES RECEIVED FOR FLEET  
20 OPERATION SERVICES AND VEHICLE REPLACEMENT IN THE STATE COURT FLEET  
21 OPERATIONS AND REPLACEMENT FUND ESTABLISHED BY SUBSECTION C OF THIS  
22 SECTION.

23 C. THE STATE COURT FLEET OPERATIONS AND REPLACEMENT FUND IS  
24 ESTABLISHED CONSISTING OF THE PROCEEDS FROM SALES OF THE SUPREME COURT'S  
25 SURPLUS MOTOR VEHICLES, MONIES RECEIVED PURSUANT TO SUBSECTION B OF THIS  
26 SECTION AND LEGISLATIVE APPROPRIATIONS. THE FUND IS A SPECIAL STATE FUND  
27 PURSUANT TO SECTION 35-142, SUBSECTION A, PARAGRAPH 8. THE SUPREME COURT  
28 SHALL ADMINISTER THE FUND. MONIES IN THE FUND DO NOT REVERT TO THE STATE  
29 GENERAL FUND, ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE  
30 PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

31 Sec. 2. Title 17, chapter 2, article 4, Arizona Revised Statutes,  
32 is amended by adding sections 17-274 and 17-275, to read:

33 17-274. Arizona game and fish department fleet vehicle  
34 replacement fund

35 A. THE ARIZONA GAME AND FISH DEPARTMENT FLEET VEHICLE REPLACEMENT  
36 FUND IS ESTABLISHED CONSISTING OF REVENUES RECEIVED FROM THE FEES CHARGED  
37 TO THE DEPARTMENT FOR HAVING VEHICLES IN THE STATE MOTOR VEHICLE FLEET.

38 B. THE PURPOSE OF THE FUND IS TO ACQUIRE AND REPLACE DEPARTMENT  
39 VEHICLES AND EQUIPMENT. THE DEPARTMENT SHALL ADMINISTER THE FUND. MONIES  
40 IN THE FUND ARE CONTINUOUSLY APPROPRIATED.

41 17-275. Arizona game and fish department fleet operations  
42 fund

43 A. THE ARIZONA GAME AND FISH DEPARTMENT FLEET OPERATIONS FUND IS  
44 ESTABLISHED CONSISTING OF REVENUES RECEIVED FROM THE FEES CHARGED TO THE  
45 DEPARTMENT FOR HAVING VEHICLES IN THE STATE MOTOR VEHICLE FLEET.

1 B. THE PURPOSE OF THE FUND IS TO MAINTAIN AND OPERATE THE STATE  
2 MOTOR VEHICLE FLEET. THE DEPARTMENT SHALL ADMINISTER THE FUND. MONIES IN  
3 THE FUND ARE CONTINUOUSLY APPROPRIATED.

4 Sec. 3. Title 28, chapter 2, article 2, Arizona Revised Statutes,  
5 is amended by adding section 28-339, to read:

6 28-339. State match advantage for rural transportation fund;  
7 allocation of monies; definitions

8 A. THE STATE MATCH ADVANTAGE FOR RURAL TRANSPORTATION FUND IS  
9 ESTABLISHED. THE DEPARTMENT SHALL ADMINISTER THE FUND. MONIES IN THE  
10 FUND ARE CONTINUOUSLY APPROPRIATED. THE FUND CONSISTS OF THE FOLLOWING:

11 1. MONIES APPROPRIATED BY THE LEGISLATURE.

12 2. ANY NONFEDERAL GIFTS, GRANTS, DONATIONS OR OTHER AMOUNTS  
13 RECEIVED FROM ANY PUBLIC OR PRIVATE SOURCE FOR TRANSPORTATION PROJECTS.

14 B. ON NOTICE FROM THE DEPARTMENT, THE STATE TREASURER SHALL INVEST  
15 AND DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES  
16 EARNED FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

17 C. THE DEPARTMENT MAY ESTABLISH ANY SUBACCOUNT IN THE FUND THAT THE  
18 DEPARTMENT DETERMINES IS NECESSARY TO CARRY OUT THE PURPOSES OF THIS  
19 SECTION.

20 D. THE BOARD MAY NOT APPROVE ANY EXPENDITURES FROM THE FUND UNLESS  
21 THE EXPENDITURE IS MADE IN ACCORDANCE WITH THIS SECTION.

22 E. MONIES IN THE FUND SHALL BE USED ONLY FOR THE FOLLOWING:

23 1. TO REIMBURSE UP TO FIFTY PERCENT OF THE COSTS ASSOCIATED WITH  
24 DEVELOPING AND SUBMITTING AN APPLICATION FOR A FEDERAL GRANT.

25 2. AS A MATCH FOR A FEDERAL GRANT.

26 3. TO REIMBURSE DESIGN AND OTHER ENGINEERING SERVICES EXPENDITURES  
27 THAT MEET FEDERAL STANDARDS FOR PROJECTS ELIGIBLE FOR A FEDERAL GRANT.

28 F. EXCEPT AS PROVIDED IN SUBSECTION G OF THIS SECTION, MONIES IN  
29 THE FUND SHALL BE ALLOCATED AS FOLLOWS:

30 1. TWENTY PERCENT TO COUNTIES WITH A POPULATION OF ONE HUNDRED  
31 THOUSAND PERSONS OR MORE FOR USES DESCRIBED IN SUBSECTION E, PARAGRAPHS 2  
32 AND 3 OF THIS SECTION.

33 2. TWENTY PERCENT TO COUNTIES WITH A POPULATION OF LESS THAN ONE  
34 HUNDRED THOUSAND PERSONS FOR USES DESCRIBED IN SUBSECTION E OF THIS  
35 SECTION.

36 3. TWENTY PERCENT TO MUNICIPALITIES WITH A POPULATION OF TEN  
37 THOUSAND PERSONS OR MORE FOR USES DESCRIBED IN SUBSECTION E, PARAGRAPHS 2  
38 AND 3 OF THIS SECTION.

39 4. TWENTY PERCENT TO MUNICIPALITIES WITH A POPULATION OF LESS THAN  
40 TEN THOUSAND PERSONS FOR USES DESCRIBED IN SUBSECTION E OF THIS SECTION.

41 5. EXCEPT AS PROVIDED IN SUBSECTION L OF THIS SECTION, TWENTY  
42 PERCENT TO THE DEPARTMENT FOR USES DESCRIBED IN SUBSECTION E, PARAGRAPHS 2  
43 AND 3 OF THIS SECTION.

44 G. A COUNTY WITH A POPULATION OF MORE THAN ONE MILLION PERSONS IS  
45 NOT ELIGIBLE FOR FUNDING PURSUANT TO SUBSECTION F, PARAGRAPH 1 OF THIS

1 SECTION. A MUNICIPALITY ENTIRELY LOCATED IN AN URBANIZED AREA OF A COUNTY  
2 WITH A POPULATION OF MORE THAN ONE MILLION PERSONS IS NOT ELIGIBLE FOR  
3 FUNDING PURSUANT TO SUBSECTION F, PARAGRAPH 3 OR 4 OF THIS SECTION. THE  
4 DEPARTMENT MAY NOT USE MONIES PURSUANT TO SUBSECTION F, PARAGRAPH 5 OF  
5 THIS SECTION FOR PROJECTS THAT ARE LOCATED IN AN URBANIZED AREA OF A  
6 COUNTY WITH A POPULATION OF MORE THAN ONE MILLION PERSONS.

7 H. A POLITICAL SUBDIVISION OF THIS STATE SHALL SUBMIT AN  
8 APPLICATION TO THE DEPARTMENT TO BE ELIGIBLE FOR AN AWARD FROM THE FUND.  
9 A POLITICAL SUBDIVISION OF THIS STATE MUST FIRST OBTAIN THE APPROVAL OF  
10 THE APPLICABLE METROPOLITAN PLANNING ORGANIZATION OR COUNCIL OF  
11 GOVERNMENTS BEFORE SUBMITTING AN APPLICATION TO THE DEPARTMENT. THE  
12 DEPARTMENT MAY ESTABLISH AN APPLICATION DEADLINE FOR EACH FEDERAL GRANT  
13 MATCH.

14 I. ON RECEIPT OF AN APPLICATION, THE DEPARTMENT SHALL DETERMINE IF  
15 THE REQUIREMENTS OF THE NOTICE OF FUNDING OPPORTUNITY ARE MET AND IF THE  
16 APPROVAL REQUIRED UNDER SUBSECTION H OF THIS SECTION IS GRANTED. IF THE  
17 DEPARTMENT DETERMINES THAT THE APPLICATION MEETS THE REQUIREMENTS AND IS  
18 COMPLETE, THE DEPARTMENT SHALL FORWARD THE APPLICATION TO THE DEPARTMENTAL  
19 COMMITTEE ESTABLISHED PURSUANT TO SECTION 28-6951 FOR A RECOMMENDATION.  
20 IF A RECOMMENDATION IS MADE, THE DEPARTMENT SHALL NOTIFY THE CHAIRPERSON  
21 OF THE BOARD THAT THE APPLICATION IS READY FOR CONSIDERATION AND ACTION BY  
22 THE BOARD.

23 J. ONCE NOTIFIED PURSUANT TO SUBSECTION I OF THIS SECTION, THE  
24 CHAIRPERSON OF THE BOARD SHALL PLACE THE APPLICATION ON AN AGENDA FOR  
25 ACTION WITHIN FORTY-FIVE DAYS AFTER ORIGINAL RECEIPT OF THE NOTIFICATION.  
26 THE BOARD MAY GIVE PREFERENCE TO APPLICANTS THAT CAN DEMONSTRATE EITHER OR  
27 BOTH OF THE FOLLOWING:

- 28 1. THE PERCENTAGE OF MATCHING MONIES PROVIDED BY THE APPLICANT.
- 29 2. THE EXTENT THAT THE APPLICANT WILL PARTNER WITH OTHER ENTITIES  
30 TO DELIVER THE PROJECT.

31 K. THE BOARD MAY APPROVE, DENY, MODIFY OR REQUEST MORE INFORMATION  
32 ON THE APPLICATION. IF THE BOARD APPROVES AN AWARD, THE DEPARTMENT SHALL  
33 EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE APPLICANT REGARDING  
34 REIMBURSEMENT AND EXPENDITURES PURSUANT TO SUBSECTION E OF THIS SECTION.

35 L. ON THE DEPARTMENT'S REQUEST, THE BOARD SHALL APPROVE THE USE OF  
36 MONIES AS DESCRIBED IN SUBSECTION F, PARAGRAPH 5 OF THIS SECTION. THE  
37 DEPARTMENT MAY USE UP TO ONE PERCENT OF THE MONIES ALLOCATED UNDER  
38 SUBSECTION F, PARAGRAPH 5 OF THIS SECTION TO ADMINISTER THE FUND.

39 M. IF AN APPLICANT RECEIVES AN AWARD PURSUANT TO SUBSECTION E,  
40 PARAGRAPH 2 OF THIS SECTION BUT IS NOT ABLE TO SECURE THE FEDERAL GRANT,  
41 THE APPLICANT MUST NOTIFY THE DEPARTMENT WITHIN FIFTEEN DAYS AFTER  
42 RECEIVING NOTICE THAT THE APPLICANT HAS NOT SECURED THE FEDERAL GRANT.  
43 AFTER RECEIVING THE APPLICANT'S NOTICE PURSUANT TO THIS SUBSECTION, THE  
44 DEPARTMENT SHALL MAKE THE AWARD MONIES AVAILABLE FOR OTHER APPLICATIONS.

1 N. FOR THE PURPOSES OF THIS SECTION:

2 1. "FEDERAL GRANT" MEANS A FEDERAL DISCRETIONARY GRANT PROGRAM  
3 ADMINISTERED BY ANY FEDERAL AGENCY FOR SURFACE TRANSPORTATION PURPOSES.

4 2. "URBANIZED AREA" MEANS AN URBANIZED AREA AS DEFINED IN THE MOST  
5 RECENT DECENNIAL CENSUS CERTIFIED BY THE UNITED STATES BUREAU OF THE  
6 CENSUS.

7 Sec. 4. Section 28-472, Arizona Revised Statutes, is amended to  
8 read:

9 28-472. Fleet operation services; records; rules; vehicle  
10 replacement rate; participating agencies;  
11 coordinator; public service announcements; annual  
12 report

13 A. The director shall operate the state motor vehicle fleet for the  
14 purpose of providing fleet operation services to agencies. The director  
15 shall make fleet operation services available to an agency on the request  
16 of the chosen representative for that agency.

17 B. The director is responsible for administering the state motor  
18 vehicle fleet, including:

19 1. Procuring motor vehicles for the state motor vehicle fleet.

20 2. Notwithstanding title 41, chapter 23, article 8, administering  
21 the surplus and sale of motor vehicles in the state motor vehicle fleet.

22 C. The director shall provide for detailed cost, operation,  
23 maintenance, mileage and custody records for each state-owned motor  
24 vehicle.

25 D. The director may adopt rules necessary to administer this  
26 article.

27 E. The department shall recover all costs for fleet operation  
28 services that are provided to an agency. Each agency shall pay from  
29 available monies the cost of fleet operation services received from the  
30 department at a rate determined by the director, including a separate  
31 vehicle replacement rate for motor vehicle replacements. The director  
32 shall deposit, pursuant to sections 35-146 and 35-147, monies received for  
33 fleet operation services in the state fleet operations fund established by  
34 section 28-475. The director shall deposit, pursuant to sections 35-146  
35 and 35-147, monies received to pay the vehicle replacement rate in the  
36 state vehicle replacement fund established by section 28-476.

37 F. The following agencies are excluded from participation in the  
38 state motor vehicle fleet:

39 1. The department of public safety.

40 2. The department of economic security.

41 3. The state department of corrections.

42 4. Universities and community colleges.

43 5. The Arizona state schools for the deaf and the blind.

44 6. The cotton research and protection council.

45 7. The Arizona commerce authority.

1 8. The department of child safety.

2 9. THE DEPARTMENT OF TRANSPORTATION.

3 G. The director shall appoint a state motor vehicle fleet  
4 coordinator.

5 H. An agency may not purchase, lease or rent a motor vehicle unless  
6 the agency is excluded from participation in the state motor vehicle fleet  
7 by subsection F of this section. The director may withhold registration  
8 for any motor vehicle that is purchased, leased or rented in violation of  
9 this subsection.

10 I. Notwithstanding subsection H of this section, an agency that  
11 administers a separate account pursuant to section 28-476, subsection C  
12 shall control the purchase, lease or rental of motor vehicles. Vehicles  
13 purchased, leased or rented under this subsection shall be used by the  
14 agency only for the agency's purposes.

15 J. An agency listed in subsection F of this section may elect to  
16 participate in the state motor vehicle fleet by executing an interagency  
17 service agreement between the agency and the department.

18 K. A governmental budget unit of this state that is not an agency  
19 may elect to participate in the state motor vehicle fleet by entering into  
20 an interagency service agreement with the department.

21 L. An agency, including an agency listed in subsection F of this  
22 section, may accept compensation for placing public service announcements  
23 on state-owned motor vehicles, and monies received shall be deposited,  
24 pursuant to sections 35-146 and 35-147, in the state general fund. The  
25 agency director shall determine the appropriateness of the announcements,  
26 may exempt any motor vehicles that are not suitable for advertising and  
27 may contract with private parties to design and place the announcements.

28 M. On or before October 1 of each year, the department shall submit  
29 to the joint legislative budget committee and the governor's office of  
30 strategic planning and budgeting a report that accounts for all monies  
31 deposited in the state fleet operations fund established by section 28-475  
32 and the state vehicle replacement fund established by section 28-476,  
33 including any monies allocated to separate agency accounts. The report  
34 shall also include the number of motor vehicles that were replaced in the  
35 prior fiscal year, the number of motor vehicles at each agency, the  
36 replacement life cycle for each motor vehicle and the number of motor  
37 vehicles the department identifies as not requiring replacement.

38 Sec. 5. Section 28-6951, Arizona Revised Statutes, is amended to  
39 read:

40 28-6951. Five year transportation facilities construction  
41 program: departmental committee

42 A. The director shall develop a five year transportation facilities  
43 construction program according to the policies established by the board.

44 B. To aid in the development of the five year transportation  
45 facilities construction program, the director shall appoint a departmental

1 committee that is responsible to the director. The departmental committee  
2 is subject to title 38, chapter 3, article 3.1.

3 C. The departmental committee shall:

4 1. Recommend priorities on transportation facilities construction  
5 projects to be constructed by this state that may include any relevant  
6 criteria for the development of priority recommendations for the  
7 construction and development of transportation facilities to be  
8 constructed by this state.

9 2. Update and prepare annually a long-range statewide  
10 transportation facilities construction program covering the following five  
11 fiscal years for submission to the board as follows:

12 (a) The first year of the five year program shall consist of the  
13 highest priority transportation facilities construction projects that with  
14 reasonable certainty can be advertised for public bidding.

15 (b) The committee shall group proposed projects for the four  
16 remaining years of the five year program by the year it is estimated  
17 construction will begin and in order of their priorities.

18 (c) The committee shall provide the estimated cost of the program  
19 for each year that is approximately equal to the revenues estimated to be  
20 available for transportation facilities construction purposes during that  
21 year.

22 3. Review priority changes in or introduction of new projects to a  
23 proposed or an adopted five year program that the board has requested and  
24 make recommendations in a written report to the board on the requested  
25 priority changes or introduction of new projects based on a study of the  
26 criteria and policy that establish the priorities of projects.

27 4. Review the adopted five year transportation facilities  
28 construction program from time to time during the fiscal year and make  
29 recommendations in a written report to the board for priority changes in  
30 or introduction of new projects to the program based on a study of the  
31 criteria and policy that establish the priorities of projects.

32 5. REVIEW AND MAKE RECOMMENDATIONS TO THE BOARD FOR APPLICATIONS  
33 SUBMITTED PURSUANT TO SECTION 28-339.

34 ~~5.~~ 6. Fully document its recommendations in the written reports  
35 required by this section.

36 Sec. 6. Section 28-7006, Arizona Revised Statutes, is amended to  
37 read:

38 28-7006. Department fleet operations fund; definitions

39 A. ~~A~~ The ~~transportation~~ department ~~equipment~~ FLEET OPERATIONS fund  
40 is established that consists of:

41 1. Monies appropriated by the legislature to the department for the  
42 purchase, maintenance, service or repair of equipment and consumable  
43 material, including monies appropriated to pay salaries, wages and  
44 benefits of department employees engaged in maintaining, servicing or  
45 repairing equipment or supervising these activities.

- 1           2. Monies received by the department from the sale of equipment and  
2 consumable material at public auction or by other disposal methods  
3 provided by law.
- 4           3. Monies credited and transferred to the fund pursuant to  
5 subsection C of this section for ~~the use of~~ USING consumable material and  
6 ~~for the use~~ USING or servicing of equipment.
- 7           4. Monies received from insurance recoveries for equipment and  
8 consumable material losses.
- 9           5. Monies received from donations.
- 10          6. Monies received from the United States as reimbursement to  
11 provide aid for the use of equipment and consumable materials in ~~the~~  
12 ~~construction, maintenance or repair~~ CONSTRUCTING, MAINTAINING AND  
13 REPAIRING of transportation improvements.
- 14          7. Earnings on any monies in the ~~transportation~~ department FLEET  
15 OPERATIONS fund that are invested pursuant to section 28-6996.
- 16          B. The director shall establish and from time to time modify or  
17 adjust the equipment rental schedule and the other fee schedule to reflect  
18 all current costs of ~~ownership, maintenance, operation and service of~~  
19 OWNING, MAINTAINING, OPERATING AND SERVICING equipment, including the  
20 costs of labor and supervision and consumable materials used in the  
21 equipment.
- 22          C. Department equipment shall not be used for any purpose and the  
23 department shall not incur an expense in ~~the maintenance, service or~~  
24 ~~repair of~~ MAINTAINING, SERVICING OR REPAIRING equipment unless within  
25 thirty days after the end of any month in which equipment is used or the  
26 expenses are incurred both:
- 27           1. The appropriate project, program, section, division, activity or  
28 budget unit is charged for the use pursuant to the equipment rental  
29 schedule or other fee schedule.
- 30           2. The ~~transportation~~ department ~~equipment~~ FLEET OPERATIONS fund is  
31 credited and the monies are transferred to that fund.
- 32          D. Monies in the ~~transportation~~ department ~~equipment~~ FLEET  
33 OPERATIONS fund are subject to legislative appropriation and shall be  
34 spent only to:
- 35           1. Purchase equipment and consumable materials.
- 36           2. Rent equipment.
- 37           3. Pay salaries, wages and employee related costs and benefits and  
38 operating expenses for employees engaged in repairing, maintaining or  
39 servicing equipment or ~~the administration of~~ ADMINISTERING these  
40 activities.
- 41           4. Pay salaries, wages, employee related costs and benefits and the  
42 operating expenses of the department motor pool.
- 43          E. Monies in the ~~transportation~~ department ~~equipment~~ FLEET  
44 OPERATIONS fund are subject to legislative appropriation and shall be  
45 spent in conformity with the laws governing state financial operations,



1 except that balances remaining at the end of the fiscal year do not revert  
2 to the state general fund or the state highway fund.

3 F. ~~in~~ FOR THE PURPOSES OF this section, ~~unless the context~~  
4 ~~otherwise requires:~~

5 1. "Consumable material" means motor vehicle fuel, lubricants,  
6 tires, batteries, replacement or repair parts, automotive accessories and  
7 any other necessary article of supply or material consumed in ~~the~~  
8 ~~operation, improvement, repair or maintenance of~~ OPERATING, IMPROVING,  
9 REPAIRING OR MAINTAINING equipment.

10 2. "Equipment" means any automobile, truck, tractor, trailer, motor  
11 driven vehicle, aircraft or other piece of equipment used by the  
12 department in ~~the enforcement of the~~ ENFORCING traffic laws and in ~~the~~  
13 ~~administration, maintenance, construction or repair of~~ ADMINISTERING,  
14 MAINTAINING, CONSTRUCTING OR REPAIRING the state transportation system and  
15 any necessary shop tool or device used in ~~the improvement, repair or~~  
16 ~~maintenance of this~~ IMPROVING, REPAIRING OR MAINTAINING equipment.

17 3. "Equipment rental schedule" means the list of rental rates for  
18 each piece of rental equipment owned or rented by the department and used  
19 as the basis of reimbursing the ~~transportation~~ department ~~equipment~~ FLEET  
20 OPERATIONS fund for ~~use of~~ USING any equipment owned by the department.

21 4. "Other fee schedule" means the list of all costs and expenses  
22 that is used as the basis of reimbursing the ~~transportation~~ department  
23 ~~equipment~~ FLEET OPERATIONS fund for an expenditure for labor or consumable  
24 material that is not reflected in the equipment rental schedule but which  
25 cost or expense is nevertheless incurred by the department in ~~the~~  
26 ~~maintenance, service or repair of~~ MAINTAINING, SERVICING OR REPAIRING  
27 equipment.

28 Sec. 7. Retroactivity

29 Section 12-102.04, Arizona Revised Statutes, as added by this act,  
30 applies retroactively to from and after June 30, 2021.