

The Arizona State Legislature is in session for a year of hopefully correcting the errors of the last year's session. There quite a few new bills in the House and in the Senate that will deal with the Highway Safety Fee, the Highway Users Revenue Fund, Vehicle valuation fees tacked onto your registration fees for your vehicles. These bills offer the options of Repeal the Highway Safety Fee, repeal the Highway Safety Fee and replace it with a flat fee not to exceed \$ 18.00, new rules on the money transfers from the Highway Users Revenue Fund, the bill to have motorcycle riders pay a fee to be able to ride without a helmet, that bill has died quickly in the last 3 Legislature Sessions and the state wants to regulate the usage of single use straws, drinking cups and trays. The consumer would pay a fee for using these items and get a portion of the fee when the item is returned for recycling. The amount of record keeping for this sounds like a farce to be imposed on the public.

The Senate Committee on Appropriations held a hearing on SB 1001 Tuesday, 22 JAN 2019. We needed a good size crowd of people to show up to support SB 1001 and we got the job done. Senate Bill 1001 was passed by the Senate Appropriations Committee and will now move on the normal path at various other Committee hearings before the bill is ready to face a Senate vote.

**Special Note: the newly introduced Bills in the House and the Senate have listed the provisions for the success of the bills getting approved.**

A) This is a tax and to be approved, it must pass a Committee hearing with a 2/3 vote of either the House (HB 2319) and/or the Senate (SB 1001)

Bills of Interest:

**HB2319** Highway Users Revenue Fund, deals with money transfers from the fund to small cities and counties.

**HB2320** Reduction of the Highway Safety Fee to a flat rate not to exceed \$ 18.00

**HB2019** Repeal the Highway Safety Fee. Representative Jay Lawrence of Scottsdale, who voted for the HB2166 that gave us the \$32 fee, introduced this

bill and as of Tuesday, 15 JAN 2019, he changed his mind, said it was dead and closed the folder on his bill.

**HB2440** Highway Safety Fee repeal.

**HB2497** Single Use Plastic, fees paid to use these items, portion of the fee upon return for recycling. Bookkeeping on the fees and deposit returns would be a nightmare. Hello California?

**HB2504** Also will deal with the Highway Safety Fee that is based on your vehicle's value and that is to be determined by the Director annually for each fiscal year, will require a 2/3 vote in the House and in the Senate. Since your vehicle registration fee is based on your car's value and is a VLT (Vehicle License Tax) The Highway Safety Fee (it is another TAX) and it too will be based on the vehicle's value

**HB2246** The ever- present motorcycle helmet law that will allow you to pay \$500 to the state (\$200) to the HURF and \$300 to a Spinal Injury Fund, and then you can ride without a helmet. Also, of interest, the Director of the ADOT has direction over the use of the funds generated.

**SB1001** Repeal the Highway Safety Fee. This the first step to repeal the Highway Safety Fee so various new House Bills can start the process all over and establish a budget for DPS and the funds generated for DPS will be paid out of the Arizona State General fund. Make no mistake, we ARE going to pay more no matter what else happens.

**BWTM:** but wait there is more.....

**HB2536** will be a massive tax increase that will hurt everybody. In order to have the money to pay for DPS out of the Arizona General Fund, the state has to come up with more taxes. Here it is and you will not like it. The state gas excise tax, since 1991, has remained at \$0.18 per gallon. This bill will increase the gas excise tax for fiscal year 2019-2020 to \$.28 per gallon with another increase in fiscal year 2020-2021 to \$.38 per gallon with another increase in fiscal year 2021-2022 to \$.43 per gallon. And that is not the end of it. For fiscal year 2023 and each year thereafter, the gas excise tax will be adjusted to reflect the change in the Gross Domestic Product Implicit Price Deflator, cost of living price increase. This is the deal for gas excise taxes.

If you own a vehicle that uses natural gas, the excise tax by fiscal year will be \$.19, then \$.25 then \$.28 according to the fiscal year. Use propane? You will pay \$.23 then \$.30 and then \$.34 per gallon until the Cost of Living index kicks in for the year 2022-2023. There will be another charge for propane or natural gas users but that is quite long and complicated for inclusion in this article

### **ELECTRIC and HYBRID VEHICLES TAX**

For a vehicle that is propelled only by electricity, you will pay the following amounts:

- 1) Fiscal year 2019-2020, \$130 per year
- 2) Fiscal year 2020-2021, \$175 per year
- 3) Fiscal year 2021-2022, \$198 per year

Then the Cost of Living Index will kick in 2022-2023

**HYBRID VEHICLES TAX** a combination of gas, gasoline and electricity

- 1) Fiscal year 2019-2020, \$52 per year
- 2) Fiscal year 2020-2021, \$70 per year
- 3) Fiscal year 2021-2022, \$80 per year

For Fiscal year, 2022-2023, the Cost of living index will also get you too.

**SB1332** another Bill for raising the VLT for alternative fueled vehicles

Yes, this is a long report and I hope that you will read it and check out the Bills yourself at [azleg.gov](http://azleg.gov) website. I may be crazy, but I am publishing what the state has in mind for all of us. Perhaps we should ask for an audit of the state government to find out how hard they work to make our tax money last longer, like that is gonna happen?

Thank you for your time,

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