



ARIZONA STATE SENATE
Fifty-Fifth Legislature, First Regular Session

FACT SHEET FOR S.B. 1460

ADOT; state motor vehicle fleet

Purpose

Transfers operational and financial responsibilities of the State Motor Vehicle Fleet from the Arizona Department of Administration (ADOA) to the Arizona Department of Transportation (ADOT).

Background

The Director of ADOA is currently required to operate a motor vehicle fleet for all state-owned vehicles for the purpose of providing transportation for state officers and employees, except for employees of any agency that is excluded from the State Motor Vehicle Fleet. On or before August 1 of each year, all state agencies and departments, including those excluded from the State Motor Vehicle Fleet, shall make information available to the Director of ADOA regarding vehicle cost, operation, maintenance and mileage. Agencies excluded from the State Motor Vehicle Fleet include: 1) the Department of Public Safety; 2) ADOT; 3) the Department of Economic Security; 4) the Arizona Department of Corrections, Rehabilitation and Reentry; 5) universities and community colleges; 6) Arizona State Schools for the Deaf and the Blind; 7) the Cotton Research and Protection Council; 8) the Arizona Commerce Authority; and 9) the Department of Child Safety ([A.R.S. § 41-803](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Requires ADOT, rather than ADOA, to operate the State Motor Vehicle Fleet for all motor vehicles that are owned, leased or rented by Arizona agencies and departments.
2. Specifies that this act does not affect any actions, administrative rules or judicial proceedings related to State Motor Vehicle Fleet operations by ADOA before the effective date of this act.
3. Transfers all of the following from ADOA to ADOT:
 - a) all equipment, records, furnishings, data and appropriated monies related to the State Motor Vehicle Fleet;
 - b) all personnel who are in positions directly related to State Motor Vehicle Fleet operations to comparable positions and pay classifications; and
 - c) all motor vehicles owned by state agencies or departments other than those owned by excluded agencies.
4. Repeals the Motor Vehicle Pool Revolving Fund (Revolving Fund) and the Motor Vehicle Pool Consolidation Fund (Consolidation Fund).

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5. Establishes the State Motor Vehicle Fleet Operations Fund (Operations Fund) and the State Motor Vehicle Fleet Recapitalization Fund (Recapitalization Fund), both to be administered by ADOT.
6. Specifies that all unexpended and unencumbered monies in the Revolving Fund and the Consolidation Fund are to be transferred to the Recapitalization Fund.
7. Specifies that all unexpended and unencumbered monies in the ADOT Interagency Service Agreement Fund and Interagency Governmental Agreement Fund relating to State Motor Vehicle Fleet activities are transferred to the Operations Fund.
8. States that monies in both the Operations Fund and Recapitalization Fund are:
 - a) subject to legislative appropriation and exempt from lapsing; and
 - b) required to be invested and divested by the State Treasurer on notice from ADOT.
9. Specifies that the Recapitalization Fund consists of monies from the sale of surplus motor vehicles.
10. Requires ADOT to maintain separate subaccounts in the Recapitalization Fund for each agency.
11. Requires agencies to pay ADOT for the cost of fleet operation services received from ADOT.
12. Requires the Director of ADOT (Director) to determine the rate necessary for ADOT to recover the costs of operating the State Motor Vehicle Fleet, including a separate recapitalization rate for vehicle replacement.
13. Requires the Director to deposit monies received in the Operations Fund or Recapitalization Fund as appropriate.
14. Prohibits an agency from purchasing, leasing or renting a motor vehicle unless the agency is excluded from the State Motor Vehicle Fleet.
15. Allows ADOT to withhold registration of any motor vehicle purchased or leased in violation of this act.
16. Prohibits ADOT from registering a vehicle from an excluded agency if the vehicle does not meet outlined environmental protection standards.
17. Allows an excluded agency to participate in the State Motor Vehicle Fleet by executing an interagency service agreement between the agency and ADOT.
18. Allows an agency, including excluded agencies, to accept compensation for placing public service announcements on state-owned vehicles and requires any compensation to be deposited into the state General Fund.
19. Requires the Director to determine the appropriateness of the public service announcements and whether a vehicle is not suitable for advertising.

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20. Allows the Director to contract with private parties for the design and placement of public service announcements.
21. Allows the Director to organize ADOT into divisions as necessary, rather than outlining specific divisions in statute.
22. Exempts ADOT from rulemaking requirements for one year after the effective date for the purposes of this act.
23. Defines terms.
24. Makes technical and conforming changes.
25. Becomes effective on the general effective date, retroactive to July 1, 2021.

Prepared by Senate Research

February 4, 2021

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