

ARIZONA HOUSE OF REPRESENTATIVES
Fiftieth Legislature – First Regular Session

COMMITTEE ON TRANSPORTATION

Minutes of Meeting
Thursday, February 17, 2011
House Hearing Room 3 -- 9:00 a.m.

Chairman Williams called the meeting to order at 9:00 a.m. and attendance was noted by the secretary.

Members Present

Mrs. Burges
Ms. Fann
Mr. Farley

Ms. Hobbs
Mrs. McLain
Mr. Meyer

Mr. Weiers, JP
Mr. Gray, Vice-Chairman
Mr. Williams, Chairman

Members Absent

None

Committee Action

HB2050 - DISCUSSED & HELD
HB2246 - DPA S/E (6-3-0-0)
HB2359 - DPA (6-2-0-1)
HB2450 - DPA S/E (8-0-0-1)
HB2451 - DISCUSSED & HELD
HB2452 - DPA S/E (8-0-1-0)

HB2454 - DPA S/E (9-0-0-0)
HB2575 - DPA (4-1-4-0)
HB2608 - DPA (8-0-0-1)
HB2622 - DP (9-0-0-0)
HB2656 - DP (5-4-0-0)
HB2659 - DPA (8-0-0-1)

CONSIDERATION OF BILLS

HB2656 - women veteran special plate - DO PASS

Vice-Chairman Gray moved that HB2656 do pass.

Justin Riches, Majority Research Analyst, explained that HB2656 requires the Arizona Department of Transportation (ADOT) to produce and make available personalized license plates for women veterans and to establish a fund with a portion of the proceeds to help women veterans through the Department of Veterans' Services (DVS) (Attachment 1).

Representative Terri Proud, sponsor, stated that American women have answered the call to serve in the armed forces with the same honor and integrity as their male counterparts. She asked the Members to support the bill to honor women veterans.

Mr. Farley remarked that women veterans should be honored; but many Members of the Committee do not support special license plates in general. The major purpose of license plates is for identification of vehicles by law enforcement and witnesses of crimes. If there are too many, it is much more difficult to identify license plates. He suggested selling bumper stickers for \$25, so the total amount can be kept instead of only \$17, and the bumper stickers can be placed next to the license plate. Another option is having custom front license plates made.

Mr. Weiers asked who will take care of the \$35,000 he was told that ADOT needs to implement the bill, how much will be charged per plate, and if enough plates will be sold because sometimes not enough people buy the plates.

David Hampton, Public Information Officer/Legislative Liaison, Arizona Department of Veterans' Services (DVS), in support of HB2656, stated that DVS will provide the upfront funding amount of \$32,000 from the Arizona Veterans' Donation Fund, which contains proceeds from the sale of Arizona veterans' plates and Arizona freedom plates. There are about 50,000 known women veterans in Arizona. The increasing number of homeless women veterans is very disturbing, so it is comforting that revenue from these plates will go into a special earmarked fund for homeless women veterans.

Mr. Weiers opined that there are currently too many license plates; however, there is a solution, which is to allow a specialized plate to be mounted on the front of the vehicle and a standard Arizona plate on the rear of the vehicle, which would make it easier for law enforcement to determine where the plate is from.

Question was called on the motion that HB2656 do pass. The motion carried by a roll call vote of 5-4-0-0 (Attachment 2).

HB2622 - recreational off-highway vehicles - DO PASS

Vice-Chairman Gray moved that HB2622 do pass.

Jonathon Bates, Majority Intern, explained that HB2622 adds recreational off-highway vehicle (OHV) under the definition of *all-terrain vehicle* (Attachment 3).

Representative Amanda Reeve, sponsor, stated that this bill changes the definition to expand OHVs, which are now safer, heavier and wider to accommodate a passenger and driver. She said she worked with stakeholders on the bill.

Mr. Weiers remarked that he worked almost three years on OHV legislation, and none of the groups involved have any issues with this bill. He asked for the Members' support.

Stuart Goodman, Lobbyist, Polaris Industries, in favor of HB2622, offered to answer questions.

Vice-Chairman Gray announced the names of those who signed up in support of HB2622 but did not speak:

Nick Simonetta, Government Affairs Consultant, Arizona Off-Highway Vehicle Coalition

Question was called on the motion that HB2622 do pass. The motion carried by a roll call vote of 9-0-0-0 (Attachment 4).

HB2246 - education; meetings; technical correction - DO PASS AMENDED S/E
S/E: ADOT; emergency vehicle access plan

Vice-Chairman Gray moved that HB2246 do pass.

Vice-Chairman Gray moved that the Carter two-page strike-everything amendment to HB2246 dated 02/15/2011 (Attachment 5) be adopted.

Joe DeMenna, Majority Assistant Research Analyst, explained that the strike-everything amendment to HB2246 (Attachment 5) establishes an emergency vehicle access plan as part of an overall management plan to be put in place by the Arizona Department of Transportation (ADOT) (Attachment 6).

Representative Heather Carter, sponsor, related that this measure is extremely important for public safety, and she has a mutual understanding with Kevin Biesty from ADOT to continue to work on it. She asked the Members to support this effort to codify the need for an emergency plan in state statute. In response to a query as to the reason for the bill, Representative Carter indicated that during the summer, she tragically lost a nephew in a car explosion in Tucson. One problem was that there were concrete barriers for a long distance so that once his car caught on fire, he was not able to exit the freeway. Fire trucks arrived by way of the traffic and the closest they could get to her nephew was one-half mile down the road, so they grabbed their equipment and ran to him.

Kevin Biesty, Arizona Department of Transportation (ADOT), pledged to continue to work with Representative Carter on this legislation to incorporate what is already done in situations like this according to federal requirements and state policies. He said even as early as the planning stage, ADOT meets with emergency responders, affected community members, businesses and even first responders outside the immediate area. There are some construction projects where it is not possible to have an additional lane, such as I-60 through the Salt River Canyon or bridgework. He added that he wants to make sure there are no unforeseen consequences that will require ADOT or an emergency responder to do something that may not work in every situation.

Mr. Biesty responded to questions, noting that there is no absolutely safe road. There will always be risk and danger, which is taken very seriously by ADOT personnel whose families and loved ones travel the roads, too. He has been with ADOT for 10 years, and this is the first incident he is aware of in which the emergency team could not get to the accident scene; it was a horrible, tragic event.

Mr. Weiers stressed the need to do something to make sure people slow down when traveling through construction zones.

Jon Altmann, representing self, in favor of the strike-everything amendment to HB2246, advised that he is a public safety consultant who designs emergency medical service (EMS) response systems. He submitted that the key word in this bill is *may*, so it is an option. This is a thoughtful addition to Title 28 that will make the job of first responders easier. It will motivate

people in the planning stages to determine if there is an option for additional room since there is nothing worse than a freeway accident. He responded to a question about the potential for lawsuits.

Jack Moraine, representing self, spoke in favor of the strike-everything amendment to HB2246. He introduced his wife, Brenda, and stated that their son, Brandon Schultz, is the individual who died in the accident. He opined that it makes sense, in the planning and implementation of construction zones, to include an emergency vehicle access plan and attempt to have at least one clear path for emergency responders to take during various stages of construction. In Brandon's situation, the emergency responders faced tremendous challenges in reaching him. He said he and his wife would like to see the bill pass so even further thought is given to making construction zones as safe as possible. He read statistics from ADOT's website about people killed or injured in work zones.

Question was called on the motion that the Carter two-page strike-everything amendment to HB2246 dated 02/15/2011 (Attachment 5) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2246 as amended do pass. The motion carried by a roll call vote of 6-3-0-0 (Attachment 7).

HB2575 - vehicle; sale; disclosure of lien - DO PASS AMENDED

Vice-Chairman Gray moved that HB2575 do pass.

Vice-Chairman Gray moved that the Williams two-line amendment to HB2575 dated 2/15/11 (Attachment 8) be adopted.

George Khalaf, Majority Leadership Intern, explained that HB2575 requires a person to disclose a restitution lien on a motor vehicle before a sale or transfer (Attachment 9). The amendment to HB2575 stipulates that a person cannot knowingly sell or transfer a motor vehicle without disclosing a restitution lien (Attachment 8).

Question was called on the motion that the Williams two-line amendment to HB2575 dated 2/15/11 (Attachment 8) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2575 as amended do pass. The motion carried by a roll call vote of 4-1-4-0 (Attachment 10).

HB2359 - transportation contracts; indemnity agreements; void - DO PASS AMENDED

Vice-Chairman Gray moved that HB2359 do pass.

Vice-Chairman Gray moved that the Weiers 15-line amendment to HB2359 dated 02/14/2011 (Attachment 11) be adopted.

Joe DeMenna, Majority Assistant Research Analyst, explained that HB2359 prohibits indemnity agreements between motor vehicle purchasers and sellers with exceptions (Attachment 12). The amendment to HB2359 contains the following provisions (Attachment 11):

- Exempts railroads.
- States that no contracts, subcontracts or agreements that concern or affect railroad operations, property or facilities can apply.
- Prohibits this section from applying to contracts to which this state or a political subdivision of this state is a party, including intergovernmental agreements.
- Allows an indemnity provision contract with a regulated public utility, energy utility or an affiliate utility, if the contract relates to a utility product, service or business operation involving an activity necessary for or ancillary to the production or delivery of heat, power, light or other energy or a product or service under the jurisdiction of the Arizona Corporation Commission (ACC).

Kyle Wilkes, Empire Transport, in favor of HB2359, opined that this is a commonsense approach that holds the responsible party responsible for their actions. He added that he heard it said that shippers pay a premium for services that cover this type of action, which is a ridiculous statement.

Karen Rasmussen, President, Arizona Trucking Association, spoke in favor of HB2359. She stated that truckers are only asking for fairness. Motor carriers have no standing to negotiate these negligence clauses out of contracts (Attachment 13), but are told to sign them or lose the business. She said 25 states have enacted this legislation, most in the last three years, because these onerous negligence clauses in which the trucker is being asked to assume liability for the shipper's negligence are appearing in virtually every contract. She added that she has been and will continue to work with opponents of the bill to address concerns. In response to a question, she indicated that the statutes from 25 other states were reviewed, and the language in this bill is the most balanced approach in which truckers will be responsible for their negligence and shippers are being asked to be responsible for their negligence.

Discussion followed about the possibility of a premium being paid to the trucker to indemnify the shipper for the shipper's negligence, which Ms. Rasmussen indicated is a myth that is going around, and that does not happen.

Collin Stewart, President, Stewart Transport; Arizona Trucking Association, spoke in favor of HB2359. He stated that his company is a small operation that runs about 60 trucks all over the country. The shipper provides the contract and is probably doing business with several hundred carriers that he competes with. The contracts are in favor of the large shipper and he signs them to get the business and provide jobs for his employees, even though he understands the risk and liability to which the company is exposed, over which he has no control. He carries a \$1 million liability policy, which is standard in the industry, and if that amount is reached, he would have to shut down his business.

Mr. Weiers asked how much business the company would have if he decided not to sign the contracts. Mr. Stewart answered that he would probably have zero contracts. Regarding extra insurance, he stated that he never had a customer offer to pay him more money to provide extra insurance to indemnify them from any negligence. In response to a question, he indicated that he

signs contracts with about five large customers that include the indemnity clause. To date, he has not had a claim, but he is testifying for the bill to try to prevent that from occurring in the future.

Phillip Stanfield, Attorney, Great West Casualty Company; Arizona Trucking Association, provided written testimony in favor of HB2359 (Attachment 14). He related that this “over-reaching” by shippers to require motor carriers to “insure” the shipper’s own negligence is a recent development encouraged by advocates in the shipping community. If the trend continues and substantial claims materialize, the insurance industry will have to consider excluding such coverage or setting higher premiums. The latter will adversely impact small local motor carriers in favor of large carriers with the ability to absorb the consequences of the provisions or negotiate alternative language in shipping contracts. He asked the Committee to give HB2359 a favorable recommendation.

In response to a query, he indicated that these clauses have become more pervasive among the large shippers since September 11, 2001, so these are risks that insurance companies are starting to be faced with now. He said he has defended about five cases in which shippers asked for indemnification from the trucking companies.

Mike Kunde, Vice President, Doudell Trucking; Arizona Trucking Association, spoke in favor of HB2359. He stated that Doudell is a family business, and he has had a lot of experience over the years with these indemnification clauses. In many cases, it is the shipper, and in other cases, they hire a third party; if he does not sign the agreement, they are not able to service the customer. He said when claims are made, the cost of insurance premiums increase, but if there are favorable claims, the cost decreases. Catastrophic claims are one thing, but there are also day-to-day issues, for example, forklift operators loading heavy equipment onto trailers and damaging the roof of the trailer. Shippers say they are not responsible for that type of damage either, even though their operators do the damage.

Yvonne Hunter, Arizona Public Service, opposed HB2359. She noted that the amendment exempts utilities, but APS has affiliates and subsidiaries that are also engaged in shipping of goods, so there is concern that the exemption does not go far enough. The current system is not flawed and there is adequate protection for shippers and transporters.

Mr. Weiers, sponsor, stated that he met with the trucking industry and Ms. Hunter attended one of the meetings, so attempts were made to work this out.

A brief discussion ensued, with Ms. Hunter commenting that this issue is so expansive and has such broad consequences, it should be resolved outside of the Legislative Session with stakeholders. She responded to questions concerning APS contracts, insurance requirements and the amendment.

Vice-Chairman Gray assumed the Chair.

Wendy Briggs, Arizona Trucking Association, spoke in favor of HB2359. She testified that the bill places the responsibility for one’s negligence with the party that actually has control. It is true that while the goods are in transit, shippers have no control over what route is taken and what the trucker does. Truckers will continue to be responsible for decisions in that regard, but

if the shipment is not packed properly, for example, and there is an accident because of that and people are hurt, the responsibility should not fall completely on the trucker. Also, there have been accidents in which truckers were run over by forklift drivers while picking up loads, which she does not believe the trucking company should be responsible for because they signed a contract with an indemnification provision.

Chairman Williams resumed the Chair.

Vice-Chairman Gray announced the names of those who signed up in support of HB2359 but did not speak:

Darryl Hampton, Operations Manager, Groendyke Transport
Micheal Jimenez, President, J & L Transportation; Arizona Trucking Association
Brett Sant, Vice President, Safety and Risk Management, Knight Transportation; Arizona Trucking Association
Chuck Riser, President, Central Arizona Freight; Arizona Trucking Association
Ida Stewart, representing self
Scott Barnett, Operations Manager, Diamondback Systems
Robert Beard, Vice President. Sales West, representing self
David Berry, Vice President, Swift Transportation
David Williams, Vice President, Knight Transportation; Arizona Trucking Association
Robert Pearce, representing self
Jess Miller, representing self
Dean Cooley, President/Chief Executive Officer, Dynamic Transload; Arizona Trucking Association
Larry Woolson, Regional Manager, Gibson McKay; Arizona Trucking Association

Vice-Chairman Gray announced the names of those who signed up in opposition to HB2359 but did not speak:

Susie Stevens, Lobbyist, Western States Petroleum Association
Adam Hawkins, Government Affairs, Resolution Copper - Rio Tinto

Vice-Chairman Gray announced the names of those who signed up as neutral on HB2359 but did not speak:

Mark Bolton, Attorney, Northern Santa Fe Railway

Question was called on the motion that the Weiers 15-line amendment to HB2359 dated 02/14/2011 (Attachment 11) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2359 as amended do pass. The motion carried by a roll call vote of 6-2-0-1 (Attachment 15).

HB2050 - technical correction; statute of limitations - DISCUSSED & HELD
S/E: third party authorization; title; registration

Chairman Williams noted that HB2050 will be discussed and held.

Representative Carl Seel, sponsor, advised that President Russell Pearce has an identical bill in the Senate that will be forwarded to the House. He related his experience at a local Motor

Vehicle Division (MVD) facility where he was not able to obtain help with registration and titling because he arrived at 4:30 p.m. and was told that information only assistance could be provided until 5:00 p.m. when the facility closed. He asked for information about third-party vendors, which was somewhat rudely provided by the clerk. That led to the idea of enhancing a public-private partnership with third-party vendors to serve the public after 5:00 p.m. He found a third-party vendor around the corner from MVD and he was served that day, but in talking to them, one of the things suggested was updating the website to include all third-party vendors to better serve consumers.

Representative Seel also suggested a sign in front of MVD showing where third-party vendors are located, so people who arrive too late to be served will know where to go. He requested that the bill be held.

HB2450 - state highways; technical correction - DO PASS AMENDED S/E
S/E: escort vehicle operation; exemption

Vice-Chairman Gray moved that HB2450 do pass.

Vice-Chairman Gray moved that the Williams two-page strike-everything amendment to HB2450 dated 2/15/11 (Attachment 16) be adopted.

Justin Riches, Majority Research Analyst, explained that the strike-everything amendment to HB2450 allows the Arizona Department of Transportation (ADOT) to establish rules regarding escort vehicle certifications from other states (Attachment 17).

Wendy Briggs, Arizona Trucking Association, in favor of the strike-everything amendment to HB2450, advised that the rules are exempt from the current rule-making moratorium, so they will be worked on. This bill is a follow-up to bills in the past dealing with escort vehicles that are required for moving an over-dimensional load through the state. A private pilot car operator or Department of Public Safety (DPS) officer is required, although attempts are made to rely more on pilot car operators because DPS is stretched fairly thin. This measure will permit an out-of-state certified pilot car operator to facilitate traffic control per the rules that ADOT will be working on and adopting.

Karen Rasmussen, President, Arizona Trucking Association, spoke in favor of the strike-everything amendment to HB2450. She conveyed that in 2009, Arizona enacted a statute that permits pilot car operators who are properly trained and certified in traffic control to provide that service for over-dimensional loads under guidelines prescribed by ADOT and DPS. During the last few days of the Session, there was supposed to be an amendment to allow out-of-state properly trained and certified pilot car operators to do the same thing when escorting loads through Arizona, which did not occur, so no matter how well trained and certified someone is, they can do this in Utah, but not in Arizona, which is not fair. This is a reciprocity issue. These people have to go through training and certification every four years.

Question was called on the motion that the Williams two-page strike-everything amendment to HB2450 dated 2/15/11 (Attachment 16) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2450 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 18).

HB2608 - public consignment auction dealers; definition - DO PASS AMENDED

Chairman Ash stated that the Committee will have to suspend Rule 7 of the Committee Rules in order to hear HB2608 because of a late amendment.

Without objection, Vice-Chairman Gray moved that the Committee suspend Rule 7 of the Committee Rules.

Vice-Chairman Gray moved that HB2608 do pass.

Vice-Chairman Gray moved that the Weiers two-page amendment to HB2608 dated 02/16/2011 (Attachment 19) be adopted.

Jonathon Bates, Majority Intern, explained that HB2608 adds a definition of public consignment auction dealer and establishes exemptions for public consignment auction dealers (Attachment 20). The amendment to HB2608 contains the following provisions (Attachment 19):

- Adds *public consignment dealer* under the definition of *motor vehicle dealer*.
- Requires a public consignment auction dealer to provide live, in-person auction services to the public on a consignment basis and does not include a person who is in the business of providing Internet-based auction services to the public on a consignment basis.
- Excludes a public consignment auction dealer from a used motor vehicle dealer.
- Exempts a public consignment auction dealer from motor vehicle title requirements, implied warranty of merchantability and emissions inspections.
- Requires public consignment auction dealers to adhere to the consignment contract in A.R.S. §28-4410.

Kevin DeMenna, Arizona Independent Automobile Dealers Association, spoke in favor of HB2608. He stated that the Motor Vehicle Division has taken a more active role in enforcing the laws that govern public auctions, and his clients have found it difficult to fit their business into the existing categories in statute. This bill creates a separate, narrower and more restrictive license category dealing only with the process of auctioning. The recourse the buyer has to the seller of the vehicle will remain in place. It is a work in progress.

In response to a query, he indicated that a memo to his clients from MVD in December 2010 said MVD is going to start enforcing aspects of the used car dealer licensing statute, which many clients were not following, so this is an attempt to create a category that fits them. There has been one enforcement action in southern Arizona. He responded to questions, indicating that some changes still need to be made to make sure the license is not abused and ensure compliance with laws in other states.

Bobbi Sparrow, Government Relations Director, Arizona Automobile Dealers Association, neutral on HB2608, stated that at first she did not understand the intent and wanted to make sure the taxing entities will be the same. She will meet with Mr. DeMenna to try to address the problem without adding a large category under which anyone can obtain a license. In response

to a question, she related that with the present language, it will be possible to hold an auction to get rid of vehicles without implied warranty, etc., which she does not believe is the intent.

Chairman Williams opined that this will be a good bill to work on over the summer.

John Mangum, Barrett-Jackson Auto Auctions, testified in opposition to HB2608. He stated that the Barrett-Jackson Auto Auction is included in this bill, as well as other auctions. It is not that they do not want to be included, but the bill needs to be narrowed. He said he talked to Mr. Weiers about his concerns who agreed to have a stakeholder meeting before the bill goes to the Floor. He urged the Members' support and responded to questions about Barrett-Jackson.

Vice-Chairman Gray announced the names of those who signed up in support of HB2608 but did not speak:

John Cadzow, WSM Auctioneers

Bob Glovitz, Sierra Auctions

Charity Crawford, Executive Director, Arizona Independent Automobile Dealers Association, spoke in favor of HB2608. She related that she spoke with Mr. Mangum and Ms. Sparrow who have concerns. A major issue is the possibility that a used car dealer will use this license for vehicles that do not fit requirements in the law. She added that there is no allowable way that a licensed car dealer can consign to a different license according to statute. For example, if she has a used car dealer license, she would not be able to consign the car to her public auction license. Statute specifies that it is specifically from the public to the consignment dealer who is simply providing an auctioneer service.

Question was called on the motion that the Weiers two-page amendment to HB2608 dated 02/16/2011 (Attachment 19) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2608 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 21).

HB2659 - rental motor vehicles; surcharge - DO PASS AMENDED

Vice-Chairman Gray moved that HB2659 do pass.

Vice-Chairman Gray moved that the Williams two-line amendment to HB2659 dated 2/15/11 (Attachment 22) be adopted.

Joe DeMenna, Majority Assistant Research Analyst, explained that HB2659 requires the surcharge on a rental vehicle to be used solely for reimbursement of the amount of the vehicle license tax imposed on the rental vehicle whether it was rented in this state or in another jurisdiction (Attachment 23). The amendment to HB2659 makes the surcharge not subject to the taxes imposed by Title 42, Chapter 5, Article 1, and Title 48, Chapter 26, Article 2, and stipulates that the surcharge does not need to be noted on the rental contract and collected pursuant to the contract (Attachment 22).

Wendy Briggs, Truck Renting and Leasing Association, spoke in favor of HB2659. She related that in 1992, the Legislature decided to provide a five percent vehicle license surcharge offset to

the vehicle license tax (VLT) to incentivize companies that rent trucks, trailers and cars to register those in Arizona. It is done by fleet, not by vehicle. An issue arose recently, which was resolved when the Arizona Department of Transportation indicated it does not want to apply that offset to vehicles not rented in Arizona regardless of the fact that they are registered in Arizona and pay the VLT. ADOT is neutral on the legislation with the amendment, which removes the retroactivity provision.

Vice-Chairman Gray announced the names of those who signed up in support of HB2659 but did not speak:

Karen Rasmussen, President, Arizona Trucking Association

Vice-Chairman Gray announced the names of those who signed up in opposition to HB2659 but did not speak:

David Childers, Lobbyist, Farmers; Liberty Mutual; Property Casualty Insurance

Question was called on the motion that the Williams two-line amendment to HB2659 dated 2/15/11 (Attachment 22) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2659 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 24).

HB2451 - technical correction; abandoned vehicles; monies - DISCUSSED & HELD S/E: applicability; motor homes

Vice-Chairman Gray moved that HB2451 do pass.

Vice-Chairman Gray moved that the Williams eight-line strike-everything amendment to HB2451 dated 2/15/11 (Attachment 25) be adopted.

Joe DeMenna, Majority Assistant Research Analyst, explained that the strike-everything amendment to HB2451 allows recreational vehicle (RV) and motor home sellers to be immune from certain automotive dealer franchise policies and rules (Attachment 26).

Jay Kaprosy, Senior Government Relations Advisor, Recreational Vehicle Industry Association (RVIA), stated that RVIA manufactures RVs. He expressed support for the strike-everything amendment to HB2451, which serves as a placeholder to allow conversations to occur between RV manufacturers and RV dealers in terms of what is appropriate language in agreements between the two.

Bobbi Sparrow, Government Relations Director, Arizona Auto Dealers Association, opposed the strike-everything amendment to HB2451. She indicated that a large franchise bill, SB1241, is currently going through the Senate that has ramifications for manufacturers and dealers, which she has been working on for months. The RV manufacturers called last Friday and wanted to change that bill, but she said it has already been heard in Committees and on the Floor, so their way of handling it is to have this strike-everything amendment as a placeholder. The dealers voted unanimously to oppose this because they like to work one bill with everyone at the table at the same time. She added that she is willing to work on other concerns over the summer.

Susie Stevens, Lobbyist, Arizona Recreational Vehicle Dealers Association, agreed that the dealers recently voted unanimously to work on the bill currently moving through the Senate. She said she is willing to discuss the RV manufacturers' recent proposal, but requested that the Members oppose the strike-everything amendment to HB2451.

Chairman Williams announced that HB2451 will be held.

Vice-Chairman Gray withdrew the motion that the Williams eight-line strike-everything amendment to HB2451 dated 2/15/11 (Attachment 25) be adopted.

Vice-Chairman Gray withdrew the motion that HB2451 do pass.

HB2452 - technical correction; certificate of title - DO PASS AMENDED S/E
S/E: child restraint systems

Vice-Chairman Gray moved that HB2452 do pass.

Vice-Chairman Gray moved that the Williams four-page strike-everything amendment to HB2452 dated 2/15/11 (Attachment 27) be adopted.

Justin Riches, Majority Research Analyst, explained that the strike-everything amendment to HB2452 requires each passenger in a motor vehicle between the ages of five and eight and who is not more than four feet nine inches tall to be restrained in a child restraint system (Attachment 28).

Stuart Goodman, AAA Arizona, introduced Dr. David Notrica.

David Notrica, President, Arizona Trauma and Acute Care Consortium (ATRAAC); Trauma Medical Director, Phoenix Children's Hospital, spoke in favor of the strike-everything amendment to HB2452, noting that 47 states already have booster seat laws. He said booster seats reduce the risk of injury to children by 49 percent. Arizona currently has a law requiring children to be restrained in the back seat, but it does not require them to be restrained appropriately; this bill updates that law to make children as safe as possible. He responded to a question about injuries to children involved in auto accidents.

Don Isaacson, State Farm Insurance, spoke in support of the strike-everything amendment to HB2452. He acknowledged that state law requires that children have to be restrained, but recent research showing the bad effect of where a seat belt hits a young child justifies the need to change the law to include the right equipment, based on scientific evidence. This is minimal government regulation that will protect and save children's lives.

Mr. Goodman showed the Members a booster seat that costs \$15. In response to questions, he indicated that the general effective date of the strike-everything amendment is 90 days after the Session adjourns. A public awareness campaign will be developed by AAA Arizona, physician associations and the Motor Vehicle Division. He said he is willing to look at creating more mechanisms to help in that transition.

Vice-Chairman Gray announced the names of those who signed up in support of HB2452 but did not speak:

Jason Bezozo, Senior Program Director, Government Relations, Banner Health

Lanny Hair, Executive Vice President, Independent Insurance Agents and Brokers of Arizona

Rita Anderson, RN CEN, Arizona Emergency Nurses Association

Kerry Hayden, Government Affairs Representative, Farmers Insurance Group of Companies

Michelle Pabis, Assistant Government Relations Director, Scottsdale Healthcare Level I Trauma Center

Richard Bitner, Legislative Counsel, Arizona College of Emergency Physicians

Linda Gorman, representing self

Question was called on the motion that the Williams four-page strike-everything amendment to HB2452 dated 2/15/11 (Attachment 27) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2452 as amended do pass.

In response to questions, Mr. Goodman conveyed that the current statute is primary enforcement; the bill simply raises the age, but retains the primary enforcement.

Mr. Weiers told about an accident he witnessed in which a child was killed when she was hit with a toolbox from the back of the vehicle. He suggested an amendment to also restrain projectiles inside vehicles.

Dr. Notrica remarked that there are a million different mechanisms that can harm children and all are tragedies. A tremendous amount of time was spent to refine this legislation, and although what Mr. Weiers is proposing is good, he asked that the strike-everything amendment pass as is.

Question was called on the motion that HB2452 as amended do pass. The motion carried by a roll call vote of 8-0-1-0 (Attachment 29).

HB2454 - technical correction; public roadways - DO PASS AMENDED S/E
S/E: tax deed land sales

Vice-Chairman Gray moved that HB2454 do pass.

Vice-Chairman Gray moved that the Williams two-page strike-everything amendment to HB2454 dated 2/15/11 (Attachment 30) be adopted.

Jonathon Bates, Majority Intern, explained that the strike-everything amendment to HB2454 (Attachment 30) allows a County Board of Supervisors to sell real property held by tax deed to the county, city, town or special taxing district for public purposes of transportation or flood control (Attachment 31).

Rory Hays, Maricopa County, spoke in support of the strike-everything amendment to HB2454. She said this measure allows cities, counties and flood irrigation districts to purchase orphan parcels for limited purposes of transportation and flood control projects. When a parcel is put up for bid for delinquent taxes, there are a few occasions where some are never purchased, usually

because they are very small or in an odd location, so they become orphan parcels and the tax lien is assigned to the state. Sometimes governments need a parcel for a road or flood control project, but there is no ability to acquire it.

In response to questions, she indicated that there are two or three orphan parcels in Maricopa County per year. The potential for abuse of this law was considered in framing the statute. She wanted to make it clear that the entities will not be competing against private people buying parcels at a tax forfeiture sale, so it is only past that point where there is the ability to acquire the parcel.

Question was called on the motion that the Williams two-page strike-everything amendment to HB2454 dated 2/15/11 (Attachment 30) be adopted. The motion carried.

Vice-Chairman Gray moved that HB2454 as amended do pass. The motion carried by a roll call vote of 9-0-0-0 (Attachment 32).

Without objection, the meeting adjourned at 12:28 p.m.

Linda Taylor, Committee Secretary
March 10, 2011

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at <http://www.azleg.gov>)