

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-first Legislature – Second Regular Session

COMMITTEE ON TRANSPORTATION

Minutes of Meeting
Thursday, February 6, 2014
House Hearing Room 3 -- 9:00 a.m.

Chairman Fann called the meeting to order at 9:03 a.m. and roll call was taken by the secretary.

Members Present

Mrs. Barton
Mr. Escamilla

Mr. Gray
Ms. Steele

Mr. Borrelli, Vice-Chairman
Ms. Fann, Chairman

Members Absent

None

Committee Action

HB2109 – DP (6-0-0-0)
HB2111 – DP (6-0-0-0)
HB2114 – DPA (6-0-0-0)
HB2120 – DPA (6-0-0-0)

HB2199 – DPA (6-0-0-0)
HB2204 – DPA (6-0-0-0)
HB2505 – DP (6-0-0-0)

Chairman Fann recognized and welcomed a group of community leaders from the Scottsdale Leadership Program, a nine-month interactive community leadership program designed to give participants the knowledge, connections, skills and confidence to take leadership roles in communities.

CONSIDERATION OF BILLS

HB2109 – certificates of title; vehicles; transfer – DO PASS

Vice-Chairman Borrelli moved that HB2109 do pass.

Justin Riches, Majority Research Analyst, advised that HB2109 requires a licensed motor vehicle dealer to submit an application for a certificate of title to a motor vehicle within 30 days after the purchase or transfer (Attachment 1).

Bobbi Sparrow, President, Arizona Auto Dealers Association, in support of HB2109, stated that the intent of the bill is to change the requirement for a licensed motor vehicle dealer to submit an

application for a certificate of title to a motor vehicle from 15 to 30 days to align statutes with previous changes.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2109 but did not speak:

Don Isaacson, Arizona Automobile Dealers Association

Tony Bradley, President and CEO, Arizona Trucking Association

Norman Moore, Attorney, Arizona Automobile Dealers Association

Vice-Chairman Borrelli announced the names of those who signed up as neutral on HB2109 but did not speak:

Kevin Biesty, Lobbyist, Arizona Department of Transportation

Question was called on the motion that HB2109 do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 2).

HB2111 – commercial driver licenses – DO PASS

Vice-Chairman Borrelli moved that HB2111 do pass.

Justin Riches, Majority Research Analyst, explained that current law allows for a permittee to be accompanied by a person with the same class or higher class of license issued by only this state. HB2111 changes the law related to commercial driver instruction permits to allow a person with the same class or higher class of license from any other qualifying state to accompany a permittee, in accordance with federal law (Attachment 3).

Chairman Fann, sponsor, stated that HB2111 is a straightforward bill as explained by staff.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2111 but did not speak:

Kevin Biesty, Lobbyist, Arizona Department of Transportation

Tony Bradley, President and CEO, Arizona Trucking Association

Question was called on the motion that HB2111 do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 4).

HB2114 – ADOT; land acquisition; conveyances; relocation – DO PASS AMENDED

Vice-Chairman Borrelli moved that HB2114 do pass.

Neil Fowler, Majority Research Intern, explained that HB2114 updates the Arizona Department of Transportation (ADOT) criteria to meet the Federal Housing Relocation standards set forth by Moving Ahead for Progress in the 21st Century (MAP-21) (Attachment 5). MAP-21 was signed into law in July 2012 and is the newest federal transportation reauthorization bill. By updating Arizona law to conform to MAP-21 the state will be eligible for federal reimbursements. Currently, Arizona's relocation benefits are in line with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. This bill increases the amount of money a renter, homeowner, farmer or business can receive when displaced due to a transportation project

and changes the requirements the landowner or renter must satisfy in order to be eligible for the reimbursement. Finally, HB2114 will allow for ADOT to purchase property that has been landlocked due to a transportation project.

Vice-Chairman Borrelli moved that the Fann 10-line amendment to HB2114 dated 02/04/14 (Attachment 6) be adopted.

Mr. Fowler advised that the Fann 10-line amendment to HB2114 dated 02/04/14 (Attachment 6) changes the language to include “decent, safe and sanitary” with regard to replacement housing for homeowners and tenants and clarifies the amount of time a displaced homeowner must have had a lien on the home prior to negotiations for the property from 90 days to “not fewer than 180 days.”

Chairman Fann inquired the reason for the lien requirements.

Jeff Gray, City of Phoenix, appeared as neutral on HB2114 and introduced Elizabeth Barstack.

Elizabeth Barstack, Attorney, City of Phoenix, testified as neutral on HB2114 and stated that the amendment changes the time frames of the lien requirements to make it consistent with federal law.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2114 but did not speak:

Ryan Peters, League of Arizona Cities and Towns

Kevin Biesty, Lobbyist, Arizona Department of Transportation

Question was called on the motion that Fann 10-line amendment to HB2114 dated 02/04/14 (Attachment 6) be adopted. The motion carried.

Vice-Chairman Borrelli moved that HB2114 as amended do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 7).

HB2120 – motor vehicle sales – DO PASS AMENDED

Vice-Chairman Borrelli moved that HB2120 do pass.

Neil Fowler, Majority Research Intern, advised that HB2120 requires a vehicle that is for sale to be towed if the vehicle has a damaged or altered vehicle identification number (VIN). The bill also prohibits motor vehicle dealers from displaying a vehicle for sale on any public street or private property that the public can legally access and allows the Director of the Arizona Department of Transportation to suspend or cancel the license or sales permit of any licensee if they are found to be offering the private sale of a motor vehicle in the licensee’s inventory (Attachment 8).

Vice-Chairman Borrelli moved that the Fann two-line amendment to HB2120 dated 01/31/14 (Attachment 9) be adopted.

Mr. Fowler explained that the Fann two-line amendment to HB2120 dated 01/31/14 (Attachment 9) specifies that a second violation of offering the private sale of a motor vehicle in the licensee's inventory will cause the suspension or cancellation of their license.

Mr. Escamilla asked for clarification on the section of the bill that prohibits the sale of a motor vehicle on private land that the public can access. Mr. Fowler responded that the bill forbids the sale of a licensee's motor vehicle on public property or on private property that the public can access, i.e., grocery store or retail parking lots.

Bobbi Sparrow, Arizona Auto Dealers Association, testified in support of HB2120 and said that this bill was worked on last summer and supported by all of the vehicle sales industry, including ADOT and special investigations. In Arizona, a dealer with a license must collect the transaction privilege tax (TPT); however, if you are not a dealer, the transaction is considered to be a person-to-person sale and TPT is not collected. Georgia and Arizona are the only two states that have a system put together this way; the rest of the states either collect the tax or not.

Ms. Sparrow explained that people with a vehicle dealer license are placing motor vehicles on public corners such as at Walmart or a grocery store so that they can flip the title and not have to pay the TPT. The practice is known as "curbstoning" and is bad for consumers, dealers and communities. HB2120 deters curbstoning by penalizing licensed vehicle dealers and persons acting as licensed dealers. A person acting as a licensed dealer is selling more than a specific amount of vehicles annually.

Mr. Escamilla asked if the bill will affect car dealers that have tent sales at a mall or other establishment. Ms. Sparrow responded in the negative and related that a licensed dealer can get a special offsite permit for a cost of \$25. This bill addresses those entities going outside of the laws and acting as though they are not licensed.

Vice-Chairman Borrelli asked if the bill is an attempt to prevent licensed dealers from purchasing vehicles from an auction and then selling them outside of the dealership to avoid paying the TPT. Ms. Sparrow answered in the affirmative.

Chairman Fann queried the number of vehicles a person can sell annually before they are considered a licensed dealer. Ms. Sparrow responded that a person can sell up to four cars per year.

Chairman Fann remarked that 99 percent of licensed dealers abide by state rules and regulations. She explained that HB2120 is directed toward people buying cars on Craigslist, etc., then immediately turning around and selling the vehicle at a vacant lot to avoid paying the TPT, which costs the state \$48 million in lost revenues annually.

Ms. Sparrow related that she saw 120 vehicles for sale at the same time with one telephone number.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2120 but did not speak:

Don Isaacson, Arizona Automobile Dealers Association

Dave Warkentin, Lobbyist, Arizona Independent Automobile Dealers Association

Ryan Peters, League of Arizona Cities and Towns
Norman Moore, Attorney, Arizona Automobile Dealers Association

Vice-Chairman Borrelli announced the names of those who signed up as neutral on HB2120 but did not speak:

Kevin Biesty, Lobbyist, Arizona Department of Transportation

Question was called on the motion that the Fann two-line amendment to HB2120 dated 01/31/14 (Attachment 9) be adopted. The motion carried.

Vice-Chairman Borrelli moved that HB2120 as amended do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 10).

HB2199 – vehicle equipment; lighting – DO PASS AMENDED

Vice-Chairman Borrelli moved that HB2199 do pass.

Neil Fowler, Majority Research Intern, advised that HB2199 clarifies statute with regard to tail lamps and requires both lamps on a motor vehicle to be functional and in good working condition (Attachment 11).

Vice-Chairman Borrelli moved that the Borrelli 28-line amendment to HB2199 dated 02/05/14 (Attachment 12) be adopted.

Mr. Fowler explained that the Borrelli 28-line amendment to HB2199 dated 02/05/14 (Attachment 12) clarifies A.R.S. § 28-925, subsection A to add the word “each” with regard to tail lamps. The amendment also clarifies A.R.S. § 28-927 to add the sentence “and every stop lamp on the vehicle” to ensure it is clear that all stop lamps must be in good working order.

Jason Winsky, Lobbyist, Combined Law Enforcement Association of Arizona, testified in favor of HB2199 and the amendment. He related that a 2011 appellate court ruling found Arizona’s brake light statute unclear. The bill simply clarifies statute.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2199 but did not speak:

Jimmy Chavez, Lobbyist, Associated Highway Patrolmen of Arizona

Levi Bolton, Arizona Police Association; Phoenix Law Enforcement Association

Luis Ebratt, Combined Law Enforcement Association of Arizona

Question was called on the motion that the Borrelli 28-line amendment to HB2199 dated 02/05/14 (Attachment 12) be adopted. The motion carried.

Vice-Chairman Borrelli moved that HB2199 as amended do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 13).

HB2204 – military applicants; commercial driver licenses – DO PASS AMENDED

Vice-Chairman Borrelli moved that HB2204 do pass.

Justin Riches, Majority Research Analyst, advised that HB2204 modifies requirements for a commercial driver license (CDL) by waiving the driving test requirement so long as the person is active duty in the United States military or was honorably discharged within the last 12 months, as opposed to 90 days as currently prescribed by law (Attachment 14). The Borrelli eight-line amendment to HB2204 dated 01/27/14 (Attachment 15) specifies the time period the applicant was employed as prescribed in the United States Department of Transportation (USDOT) Commercial Driver License Standards for purposes of receiving a driving test waiver.

Vice-Chairman Borrelli moved that the Borrelli eight-line amendment to HB2204 dated 01/27/14 (Attachment 15) be adopted.

Vice-Chairman Borelli, sponsor, related that HB2204 is a technical correction conforming Arizona statute to USDOT standards. The bill allows an active duty person, honorably discharged from the military, 12 months instead of 90 days to obtain a waiver for the CDL driving test requirement.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2204 but did not speak:

Tony Bradley, President and CEO, Arizona Trucking Association
Gretchen Martinez, Lobbyist, Arizona Chamber of Commerce

Vice-Chairman Borrelli announced the names of those who signed up as neutral on HB2204 but did not speak:

Kevin Biesty, Lobbyist, Arizona Department of Transportation

Question was called on the motion that the Borrelli eight-line amendment to HB2204 dated 01/27/14 (Attachment 15) be adopted. The motion carried.

Vice-Chairman Borrelli moved that HB2204 as amended do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 16).

HB2505 – leaving accident scene; alcohol; penalty – DO PASS

Vice-Chairman Borrelli moved that HB2505 do pass.

Justin Riches, Majority Research Analyst, reviewed the provisions of HB2505 that require drug or alcohol screening if it is determined that the use of drugs or alcohol was a factor in an accident. The bill also changes the penalty for failing to provide assistance to a person injured in an accident from a Class 3 misdemeanor to a Class 6 felony (Attachment 17).

Mr. Gray, sponsor, deferred testimony to Jesse Romero.

Jesse Romero, Jr., representing self, in support of HB2505, related that his sixteen-year-old son Joey was killed in a hit and run accident on his way home from work. A driver drove onto the sidewalk, ran over Joey and left the scene of the accident. The driver did not even realize she hit a person because she had abused her medication that day. Mr. Romero stated that the driver pled to the incident, received the minimum punishment and did not receive any kind of help for her

drug problem. He said that he wants to bring awareness to the issue and stressed the importance of stopping and assisting an injured person regardless of the situation.

Chairman Fann asked if the bill is “Joey’s Law”. Mr. Gray responded that a previous bill went through as “Joey’s Law” and that this bill modifies the original.

Vice-Chairman Borrelli announced the names of those who signed up in support of HB2505 but did not speak:

Don Isaacson, Lobbyist, State Farm Insurance Companies

Steve Kemp, Attorney, City of Peoria

Kelley Dupps, Program Specialist, Mothers Against Drunk Driving

Mr. Gray commended the City of Peoria for the work it has done and continues to do on Joey’s Law. He said that current regulations incentivize people who are impaired to leave the scene of an accident because it is a misdemeanor for leaving but a felony to stay. This crime is no longer unusual or rare and, if a person has a drug or alcohol problem, it needs to be addressed.

Question was called on the motion that HB2505 do pass. The motion carried by a roll call vote of 6-0-0-0 (Attachment 18).

Without objection, the meeting adjourned at 9:53 a.m.

Abby Selvey, Committee Secretary
March 6, 2014

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