

State of Arizona  
Senate  
Fifty-second Legislature  
First Regular Session  
2015

# SENATE BILL 1118

AN ACT

AMENDING SECTIONS 20-1112, 20-1631, 28-142, 41-2051 AND 41-2052, ARIZONA  
REVISED STATUTES; RELATING TO \_\_\_\_\_.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 20-1112, Arizona Revised Statutes, is amended to  
3 read:

4 20-1112. Standard provisions

5 A. Insurance contracts shall contain such standard provisions as are  
6 required by the applicable provisions of this title pertaining to contracts  
7 of particular kinds of insurance. The director ~~may~~ SHALL waive the required  
8 use of a particular standard provision in a particular insurance policy form  
9 if he finds such provision unnecessary for the protection of the insured and  
10 inconsistent with the purposes of the policy and the policy is otherwise  
11 approved by him.

12 B. No policy shall contain any provision inconsistent with or  
13 contradictory to any standard provision used or required to be used, but the  
14 director may approve any substitute policy or provision which, when viewed in  
15 its entirety, is substantially equivalent to or more favorable to the insured  
16 or beneficiary than the standard provisions or optional standard provisions  
17 otherwise required.

18 C. In lieu of the standard provisions required by the provisions of  
19 this title for contracts for particular kinds of insurance, substantially  
20 similar standard provisions required by the law of the domicile of a foreign  
21 or alien insurer may be used when approved by the director.

22 Sec. 2. Section 20-1631, Arizona Revised Statutes, is amended to read:

23 20-1631. Definition of motor vehicle; cancellation of or  
24 failure to renew coverage; limitations; limitation  
25 of liability; exceptions; insurance producers

26 A. In this article, unless the context otherwise requires, "motor  
27 vehicle" means a licensed land, motor-driven vehicle but does not mean:

28 1. A private passenger or station wagon type vehicle used as a public  
29 or livery conveyance or rented to others.

30 2. Any other four-wheel motor vehicle of a load capacity of fifteen  
31 hundred pounds or less that is used in the business of transporting  
32 passengers for hire, used in business primarily to transport property or  
33 equipment, used as a public or livery conveyance or rented to others.

34 3. Any motor vehicle with a load capacity of more than fifteen hundred  
35 pounds.

36 B. A motor vehicle used as a public or livery conveyance or rented to  
37 others does not include a motor vehicle used in the course of volunteer work  
38 for a tax-exempt organization as described in section 43-1201, subsection A,  
39 paragraph 4.

40 C. An insurer shall not cancel or refuse to renew a motor vehicle  
41 insurance policy solely because of the location of residence, age, race,  
42 color, religion, sex, national origin or ancestry of anyone who is an  
43 insured.

44 D. An insurer shall not issue a motor vehicle insurance policy in this  
45 state unless the cancellation and renewal conditions of the policy or the

1 endorsement on the policy includes the limitations required by this  
2 section. After a policy issued in this state has been in effect for sixty  
3 days, or if the policy is a renewal, effective immediately, the company shall  
4 not exercise its right to cancel or fail to renew the insurance afforded  
5 under the policy unless:

6 1. The named insured fails to discharge when due any of the  
7 obligations of the named insured in connection with the payment of premium  
8 for this policy or any installment of the premium.

9 2. The insurance was obtained through fraudulent misrepresentation.

10 3. The named insured, any person who resides in the same household as  
11 the named insured and customarily operates a motor vehicle insured under the  
12 policy or any other person who regularly and frequently operates a motor  
13 vehicle insured under the policy:

14 (a) Has had the person's driver license suspended or revoked during  
15 the policy period.

16 (b) Develops a permanent disability, either physically or mentally,  
17 and such individual does not produce a certificate from a physician or a  
18 registered nurse practitioner testifying to such person's ability to operate  
19 a motor vehicle.

20 (c) Is or has been convicted during the thirty-six months immediately  
21 preceding the effective date of the policy or during the policy period of:

22 (i) Criminal negligence resulting in death, homicide or assault and  
23 arising out of the operation of a motor vehicle.

24 (ii) Operating a motor vehicle while in an intoxicated condition or  
25 while under the influence of drugs.

26 (iii) Leaving the scene of an accident.

27 (iv) Making false statements in an application for a driver license.

28 (v) Reckless driving.

29 4. The insurer is placed in rehabilitation or receivership by the  
30 insurance supervisory official in its state of domicile or by a court of  
31 competent jurisdiction or the director has suspended the insurer's  
32 certificate of authority based on its financially hazardous condition.

33 5. The named insured, any person who resides in the same household as  
34 the named insured and customarily operates a motor vehicle insured under the  
35 policy or any other person who regularly and frequently operates a motor  
36 vehicle insured under the policy uses a motor vehicle rated or insured under  
37 the policy as a private passenger motor vehicle regularly and frequently for  
38 commercial purposes.

39 6. The director determines that the continuation of the policy would  
40 place the insurer in violation of the laws of this state or would jeopardize  
41 the solvency of the insurer.

42 7. If the insured and the insured's family members are eligible for  
43 insurance based solely on the insured's employment with the insurer,  
44 employment of the insured with that insurer is terminated and the insurer

1 exercises its right to nonrenew the policy within twelve months following the  
2 insured's termination of employment.

3 8. IF THE NAMED INSURED USES THE MOTOR VEHICLE TO PROVIDE  
4 TRANSPORTATION NETWORK SERVICES AS DEFINED IN SECTION 41-2051, UNLESS THE  
5 POLICY SPECIFICALLY PROVIDES COVERAGE FOR THE PROVISION OF TRANSPORTATION  
6 NETWORK SERVICES.

7 E. In addition to the authorization to fail to renew insurance  
8 provided by subsection D of this section, an insurer may exercise its right  
9 to fail to renew a motor vehicle insurance policy pursuant to this  
10 subsection. An insurer shall provide notice of the nonrenewal to the named  
11 insured as prescribed by section 20-1632 at least forty-five days before the  
12 nonrenewal. A named insured who disputes the nonrenewal of the named  
13 insured's policy may file an objection with the director pursuant to section  
14 20-1633. An insurer shall not fail to renew more than one-half of one per  
15 cent of its policies annually pursuant to this subsection. An insurer may  
16 fail to renew a motor vehicle insurance policy if the named insured, any  
17 person who resides in the same household as the named insured and who  
18 customarily operates a motor vehicle insured under the policy or any other  
19 person who regularly and frequently operates a motor vehicle insured under  
20 the policy has had at any time during the thirty-six months immediately  
21 before the notice of nonrenewal three or more at-fault accidents under any  
22 motor vehicle insurance policy issued by this insurer in which the property  
23 damage paid by the insurer for each accident that occurred prior to January  
24 1, 2000 is more than one thousand eight hundred dollars. For accidents  
25 occurring on or after January 1, 2000, the department of insurance shall  
26 annually adjust and publish, to the nearest ten dollars, the threshold amount  
27 of property damages in this subsection by the percentage change in the all  
28 items component of the consumer price index for all urban consumers of the  
29 United States department of labor, bureau of labor statistics. The insurer  
30 shall not exercise its right to fail to renew the insurance under this  
31 subsection unless the same individual has had all the accidents that make the  
32 policy subject to nonrenewal under this subsection. The insurer shall not  
33 exercise its right to fail to renew a motor vehicle insurance policy pursuant  
34 to this subsection due to the accident record of the named insured if the  
35 named insured has been insured for standard automobile bodily injury coverage  
36 for at least ten consecutive years with the same insurer prior to the most  
37 recent accident that makes the policy subject to nonrenewal under this  
38 subsection. For the purposes of this subsection, "at-fault" means the  
39 insured is at least fifty per cent responsible for the accident.

40 F. The company shall not cancel or fail to renew the insurance when a  
41 person other than the named insured has violated subsection D, paragraph 3 of  
42 this section, or fail to renew the insurance pursuant to subsection E of this  
43 section due to the driving record of an individual other than the named  
44 insured, if the named insured in writing agrees to exclude as insured the  
45 person by name when operating a motor vehicle and further agrees to exclude

1 coverage to the named insured for any negligence that may be imputed by law  
2 to the named insured arising out of the maintenance, operation or use of a  
3 motor vehicle by the excluded person. The written agreement that excludes  
4 coverage under a policy for a named individual is effective for each renewal  
5 of the policy by the insurer and remains in effect until the insurer agrees  
6 in writing to provide coverage for the named individual who was previously  
7 excluded from coverage.

8 G. This article does not apply to any policy that has been in effect  
9 less than sixty days at the time notice of cancellation is mailed or  
10 delivered by the insurer unless the policy is a renewal policy, or to  
11 policies:

12 1. Insuring any motor vehicle other than a private passenger motor  
13 vehicle as defined in section 20-117.

14 2. Insuring the motor vehicle hazard of garages, motor vehicle sales  
15 agencies, repair shops, service stations or public parking places.

16 3. Providing insurance only on an excess basis.

17 H. If a consumer purchases motor vehicle insurance coverage from an  
18 insurance producer licensed in this state, the insurance producer that owns  
19 the policy expiration shall remain the insurance producer of record for that  
20 insured. In the event the insurer terminates the insurance producer's  
21 contract, the insurance producer shall continue to provide customary services  
22 to the insured. The insurer shall provide the insurance producer with a  
23 minimum degree of authority necessary to provide customary services to the  
24 insured and shall provide the same level of compensation for these services  
25 that were in effect prior to the termination of the insurance producer  
26 contract.

27 I. Subsection H of this section shall not apply if one or more of the  
28 following conditions exist:

29 1. The insurance producer of record has had its license suspended or  
30 revoked by the department.

31 2. The insurance producer of record is indebted to the insurer.

32 3. The insured has supplied the insurer with a written request that  
33 its insurance producer of record be changed to another insurance producer of  
34 the insurer.

35 4. The insurance producer of record has authorized transfer of this  
36 account to another licensed insurance producer of the insurer.

37 5. The director has determined after a public hearing that  
38 continuation of this relationship is not in the best interest of the public.

39 6. The insurance producer of record is under an exclusive contract or  
40 contract requiring the insurance producer to submit all eligible business to  
41 an insurer or group of insurers under a common management.

42 J. Subsection H of this section shall not apply to any transaction in  
43 which the expiration of the policies is owned by the insurer.

44 K. Notwithstanding any law to the contrary, the issuance at renewal of  
45 revised policy provisions to modify an existing policy by adding coverages or

1 policy provisions, modifying coverages or policy provisions, or eliminating  
2 coverages or policy provisions is not a nonrenewal or cancellation of the  
3 policy if the modification of a basic coverage does not eliminate the  
4 essential benefit of that basic coverage. If the modification of the basic  
5 coverage eliminates the essential benefit of the basic coverage, the director  
6 shall order the insurer to remove the modification from the policy. This  
7 subsection does not allow the insurer, without the written consent of the  
8 insured, to eliminate the basic coverages of the policy or to reduce the  
9 monetary limits of any of the basic coverages of the policy that were  
10 selected and agreed on. This subsection does not limit a policyholder from  
11 continuing to renew uninsured or underinsured motorist coverage pursuant to  
12 section 20-259.01. For the purposes of this subsection, "basic coverage"  
13 means any of the following:

- 14 1. Bodily injury coverage.
- 15 2. Property damage coverage.
- 16 3. Uninsured motorist coverage.
- 17 4. Underinsured motorist coverage.
- 18 5. Medical payments coverage.
- 19 6. Comprehensive coverage.
- 20 7. Collision coverage.

21 L. For the purposes of this section, "fail to renew" or "nonrenewal"  
22 does not include the issuance and delivery of a new policy within the same  
23 insurer or an insurer under the same ownership or management as the original  
24 insurer as provided in this subsection. An insurer may transfer up to one  
25 per cent of its policies to an affiliated insurer within one calendar year if  
26 under a policy to be transferred one or more of the insureds that are insured  
27 under the policy have individually within the past thirty-six months had two  
28 or more at-fault accidents under any motor vehicle insurance policy issued by  
29 this insurer in which the property damage paid by the insurer for each  
30 accident exceeded one thousand five hundred dollars or individually have had  
31 three or more moving violations. Moving violations for which an insured  
32 completes an approved traffic school program shall not be considered as a  
33 moving violation under this section. A company shall not transfer a policy  
34 if a named insured agrees in writing to exclude as an insured a person or  
35 persons who each individually meet the criteria for transfer pursuant to this  
36 subsection and further agrees to exclude coverage for any negligence that may  
37 be imputed by law to the named insured arising out of the maintenance,  
38 operation or use of a motor vehicle by such excluded person or persons. An  
39 insurer shall transfer only those individuals responsible for the at-fault  
40 accidents or moving violations, and the excluded or transferred insured's  
41 driving record shall not be used in determining rates, surcharges or premiums  
42 for the nonexcluded or nontransferred insured. The one per cent limit set  
43 forth in this subsection shall not apply to transfers of policies from the  
44 original insurer to another insurer under the same ownership or management as  
45 the original insurer if the rates charged by the other insurer are the same

1 as or lower than the rates charged by the original insurer. No insurer shall  
2 transfer policyholders because of their location of residence, age, race,  
3 color, religion, sex, national origin or ancestry. Transfers by an insurer  
4 pursuant to this subsection shall not be construed to permit a new  
5 unrestricted sixty day period for cancellation or nonrenewal.

6 M. Except as provided in this subsection, an insurer shall not refuse  
7 to renew a policy until after August 31, 1998, based on an insured's failure  
8 to maintain membership in a bona fide association, until both the insurer and  
9 bona fide association have complied with this subsection and shall not refuse  
10 to renew any coverage continuously in effect before September 1, 1998,  
11 subject to all the following:

12 1. In addition to any other reason provided in this section, an  
13 insurer may refuse to renew an insurance policy issued pursuant to this  
14 article if all of the following conditions apply:

15 (a) The insurer clearly discloses to the applicant and the insured in  
16 the application for insurance and insurance policy that both the payment of  
17 dues and current membership in the bona fide association are prerequisites to  
18 obtaining or renewing the insurance.

19 (b) Any money paid to the bona fide association as a membership fee:

20 (i) Is not used by the insurer directly or indirectly to defray any  
21 costs or expenses in connection with the sale or purchase of the insurance.

22 (ii) Is set independently of any factor used by the insurer to make  
23 any judgment or determination about the eligibility of any individual,  
24 including the member, an employee of a member or a dependent of a member, to  
25 purchase or renew the insurance.

26 (c) The bona fide association has filed a certification with the  
27 director verifying the eligibility of the insurer to refuse to renew an  
28 insurance policy based on membership in the bona fide association.

29 2. To qualify as a bona fide association pursuant to this subsection,  
30 the association shall meet all of the requirements of this paragraph. The  
31 association shall file a statement with the director at least thirty days  
32 before the commencement of the offer or sale of insurance as provided by this  
33 subsection verifying that the association meets the requirements of this  
34 paragraph. The association shall update the filing required by this  
35 paragraph at least thirty days before the effective date of any material  
36 change in the information contained in the statement, and shall file a  
37 separate notice with the director if the insurance described in the statement  
38 is no longer available through the association. The statement shall include  
39 the following information:

40 (a) That the association has been in active existence for at least  
41 five consecutive years immediately before the filing of the statement.

42 (b) That the association has been formed and maintained in good faith  
43 for purposes other than obtaining or providing insurance and does not  
44 condition membership in the association on the purchase of insurance.

1 (c) That the association has articles of incorporation and bylaws or  
2 other similar governing documents.

3 (d) That the association does not condition membership in the  
4 association or set membership fees on the eligibility of any individual,  
5 including the member, an employee of the member or a dependent of the member,  
6 to purchase or renew the insurance, or on any factor that the insurer could  
7 not lawfully consider when setting rates.

8 (e) That the association has a relationship with a specific insurer or  
9 insurers and identifies the insurer or insurers.

10 3. Membership fees collected by the bona fide association are not  
11 premiums of the insurer that issued the coverage unless the bona fide  
12 association:

13 (a) Uses any portion of the membership fees directly or indirectly to  
14 defray any costs or expenses in connection with the sale or purchase of the  
15 insurance.

16 (b) Sets or adjusts membership fees for any member of the bona fide  
17 association based on any factor used by the insurer that issues the insurance  
18 to make any judgment or determination about the eligibility of any  
19 individual, including the member, an employee of the member or a dependent of  
20 the member, to purchase or renew the insurance.

21 4. If the membership fees constitute premiums pursuant to paragraph 3  
22 of this subsection, an insurer shall not refuse to renew a policy as  
23 otherwise permitted by this subsection.

24 Sec. 3. Section 28-142, Arizona Revised Statutes, is amended to read:  
25 28-142. Livery vehicle, taxi and limousine regulation: state  
26 preemption

27 The regulation and use of livery vehicles, taxis, **TRANSPORTATION**  
28 **NETWORK COMPANIES, TRANSPORTATION NETWORK COMPANY VEHICLES** and limousines are  
29 of statewide concern. Livery vehicles, taxis, **TRANSPORTATION NETWORK**  
30 **COMPANIES, TRANSPORTATION NETWORK COMPANY VEHICLES** and limousines and their  
31 use that are regulated pursuant to this title are not subject to further  
32 regulation by a county, city, town or other political subdivision of this  
33 state, except that a public airport operator that operates a public airport  
34 pursuant to section 28-8421, 28-8423 or 28-8424 or a public body operating a  
35 public airport may establish the number of livery vehicles, taxis,  
36 **TRANSPORTATION NETWORK COMPANIES, TRANSPORTATION NETWORK COMPANY VEHICLES** or  
37 limousines that may conduct business at a public airport or may set  
38 additional or more restrictive requirements for the conduct of that business  
39 at a public airport.

40 Sec. 4. Section 41-2051, Arizona Revised Statutes, is amended to read:  
41 41-2051. Definitions

42 In this chapter, unless the context otherwise requires:

43 1. "Biodiesel" means a diesel fuel substitute that is produced from  
44 nonpetroleum renewable resources as defined by the United States  
45 environmental protection agency and that meets the registration requirements



1 for fuels and fuel additives established by the United States environmental  
2 protection agency pursuant to section 211 of the clean air act, as defined in  
3 section 49-401.01.

4 2. "Biodiesel blend" means a motor fuel that is comprised of biodiesel  
5 and diesel fuel and that is designated by the letter "B", followed by the  
6 numeric value of the volume percentage of biodiesel in the blend.

7 3. "Biofuel" means a solid, liquid or gaseous fuel that is derived  
8 from biomass and that can be used directly for heating or power or as a motor  
9 fuel.

10 4. "Biofuel blend" means a motor fuel that is comprised of a biofuel,  
11 that is combined with a petroleum based fuel and that is designated by the  
12 volume percentage of biofuel in the blend.

13 5. "Biomass" means biological material, such as plant or animal  
14 matter, excluding organic material that has been transformed by geological  
15 processes into substances such as coal or petroleum or derivatives thereof,  
16 that may be transformed into biofuel.

17 6. "Certification" means the process of determining the accuracy of a  
18 commercial device to the standards of this state by a registered service  
19 representative or the department.

20 7. "Commercial device" means any weighing, measuring, metering or  
21 counting device that is used to determine the direct cost of things sold or  
22 offered or exposed for sale, or used to establish a fee for service if the  
23 cost is based on weight, measure or count, except that it does not include  
24 those devices used for in-house packaging, inventory control or law  
25 enforcement purposes.

26 8. "Commodity" means any merchandise, product or substance produced or  
27 distributed for sale to or use by others.

28 9. "Correct" as used in connection with weights and measures means  
29 conformance to all applicable requirements of this chapter.

30 10. "Department" means the department of weights and measures.

31 11. "Diesel fuel" means a refined middle distillate that is used as a  
32 fuel in a compression-ignition internal combustion engine and that meets the  
33 specifications of ASTM D975.

34 12. "Director" means the director of the department of weights and  
35 measures.

36 13. "E85" means a fuel ethanol gasoline blend that meets the  
37 specifications of ASTM D5798.

38 14. "Inspector" means state officials of the department of weights and  
39 measures.

40 15. "Limousine" means a motor vehicle providing prearranged ground  
41 transportation service for an individual passenger, or a group of passengers,  
42 that is arranged in advance or is operated on a regular route or between  
43 specified points and includes ground transportation under a contract or  
44 agreement for services that includes a fixed rate or time and is provided in

1 a motor vehicle with a seating capacity not exceeding fifteen passengers,  
2 including the driver.

3 16. "Liquid fuel measuring device" means any meter, pump, tank, gauge  
4 or apparatus used for volumetrically determining the quantity of any internal  
5 combustion engine fuel, liquefied petroleum gas or low viscosity heating oil.

6 17. "Livery vehicle" means a motor vehicle that:

7 (a) Has a seating capacity not exceeding fifteen passengers, including  
8 the driver.

9 (b) Provides passenger services for a fare determined by a flat rate  
10 or flat hourly rate between geographic zones or within a geographic area.

11 (c) Is available for hire on an exclusive or shared ride basis.

12 (d) May do any of the following:

13 (i) Operate on a regular route or between specified places.

14 (ii) Offer prearranged ground transportation service as defined in  
15 section 28-141.

16 (iii) Offer on demand ground transportation service pursuant to a  
17 contract with a public airport, licensed business entity or organization.

18 18. "Misfuel" means the act of dispensing into the fuel tank of a motor  
19 vehicle a motor fuel that was not intended to be used in the engine of that  
20 motor vehicle.

21 19. "Motor fuel" means a petroleum or a petroleum based substance that  
22 is motor gasoline, aviation gasoline, number one or number two diesel fuel or  
23 any grade of oxygenated gasoline typically used in the operation of a motor  
24 engine, including biodiesel blends, biofuel blends and the ethanol blend E85  
25 as defined in ASTM D5798.

26 20. "Package" means any commodity enclosed in a container or wrapped in  
27 any manner in advance of sale in units suitable for either wholesale or  
28 retail trade.

29 21. "Person" means both the plural and the singular, as the case  
30 demands, and includes individuals, partnerships, corporations, companies,  
31 societies and associations.

32 22. "Public weighmaster" means any person who is engaged in any of the  
33 following:

34 (a) The business of weighing any object or thing for the public  
35 generally for hire or for internal use and issuing for that weighing a weight  
36 certificate intended to be accepted as an accurate weight upon which a  
37 purchase or sale is to be based or on which a service fee is to be charged.

38 (b) The business of weighing for hire motor vehicles, trailers or  
39 semitrailers and issuing weight certificates intended to be accepted as an  
40 accurate weight for the purpose of determining the amount of any tax, fee or  
41 other assessment on the vehicles.

42 23. "Reference standards" means the physical standards of the state  
43 that serve as the legal reference from which all other standards and weights  
44 and measures are derived.

1           24. "Registered service agency" means any agency, firm, company or  
2 corporation that for hire, award, commission or any other payment of any kind  
3 installs, services, repairs or reconditions a commercial device or tests or  
4 repairs vapor recovery systems or vapor recovery components and that has been  
5 issued a license by the department.

6           25. "Registered service representative" means any individual who for  
7 hire, award, commission or any other payment of any kind installs, services,  
8 repairs or reconditions a commercial device or tests or repairs vapor  
9 recovery systems or vapor recovery components and who has been issued a  
10 license by the department.

11           26. "Retail seller" means a person whose business purpose is to sell,  
12 expose or offer for sale or use any package or commodity by weight, measure  
13 or count.

14           27. "Sale from bulk" means the sale of commodities when the quantity is  
15 determined at the time of sale.

16           28. "Secondary standards" means the physical standards that are  
17 traceable to the reference standards through comparisons, using acceptable  
18 laboratory procedures, and that are used in the enforcement of weights and  
19 measures laws and rules.

20           29. "Taxi" means a motor vehicle that has a seating capacity not  
21 exceeding fifteen passengers, including the driver, that is registered as a  
22 taxi in this state or any other state, that provides passenger services and  
23 that:

24           (a) Does not primarily operate on a regular route or between specified  
25 places.

26           (b) Offers local transportation for a fare determined on the basis of  
27 the distance traveled or prearranged ground transportation service as defined  
28 in section 28-141 for a predetermined fare.

29           30. "Taxi meter" means a commercial device that meets the requirements  
30 of the national institute of standards and technology handbook 44 as  
31 prescribed by section 41-2064.

32           31. "TRANSPORTATION NETWORK COMPANY" MEANS AN ENTITY LICENSED PURSUANT  
33 TO THIS CHAPTER AND OPERATING IN THIS STATE THAT USES A DIGITAL NETWORK OR  
34 SOFTWARE APPLICATION SERVICE TO CONNECT PASSENGERS TO TRANSPORTATION NETWORK  
35 COMPANY SERVICES PROVIDED BY TRANSPORTATION NETWORK COMPANY DRIVERS. A  
36 TRANSPORTATION NETWORK COMPANY IS NOT DEEMED TO OWN, CONTROL, OPERATE OR  
37 MANAGE THE VEHICLES USED BY TRANSPORTATION NETWORK COMPANY DRIVERS AND IS NOT  
38 A TAXICAB ASSOCIATION OR A LIMOUSINE OR LIVERY VEHICLE OWNER. A  
39 TRANSPORTATION NETWORK COMPANY DOES NOT INCLUDE THE FOLLOWING:

40           (a) THIS STATE OR A COUNTY, A CITY, A TOWN OR A POLITICAL SUBDIVISION  
41 OF THIS STATE AND ANY RELATED ENTITY, A NONPROFIT AGENCY OR ANY OTHER PUBLIC  
42 BODY THAT COORDINATES, OPERATES, PROMOTES OR SPONSORS PUBLIC TRANSPORTATION,  
43 CARPOOL OR VANPOOL SERVICES.

44           (b) A PROGRAM THAT IS IN PLACE TO MEET FEDERAL AIR QUALITY STANDARDS  
45 PURSUANT TO SECTION 49-404.

1 (c) ANY INDIVIDUAL, COMPANY OR ACTIVITY THAT MEETS THE REQUIREMENTS OF  
2 A RENTAL CAR AGENT OR RENTAL COMPANY AS DEFINED IN SECTION 20-331 IF ALL OF  
3 THE FOLLOWING APPLY:

4 (i) TRANSPORTATION IS PROVIDED TO ANOTHER PERSON OR IS ARRANGED BY THE  
5 RENTAL CAR COMPANY BUT PROVIDED BY ANOTHER PERSON.

6 (ii) THE ROUTE IS PREDETERMINED.

7 (iii) ANY MONEY EXCHANGED BETWEEN THE PROVIDER OF THE TRANSPORTATION  
8 AND THE RECIPIENT DOES NOT EXCEED THE COST OF PROVIDING THE TRANSPORTATION.

9 ~~31-~~ 32. "Weight" as used in connection with any commodity means net  
10 weight.

11 ~~32-~~ 33. "Weights" or "measures", or both, means all weights, measures,  
12 meters or counters of every kind, instruments and devices for weighing,  
13 measuring, metering or counting and any appliance and accessories associated  
14 with any or all such instruments and devices.

15 Sec. 5. Section 41-2052, Arizona Revised Statutes, is amended to read:

16 41-2052. Livery vehicle, taxi and limousine regulation; state  
17 preemption

18 The regulation and use of livery vehicles, taxis, ~~and~~ limousines,  
19 TRANSPORTATION NETWORK COMPANIES, TRANSPORTATION NETWORK COMPANY VEHICLES AND  
20 TRANSPORTATION NETWORK COMPANY DRIVERS are of statewide concern. Livery  
21 vehicles, taxis and limousines and their use, AS WELL AS TRANSPORTATION  
22 NETWORK COMPANIES, TRANSPORTATION NETWORK COMPANY VEHICLES AND TRANSPORTATION  
23 NETWORK COMPANY DRIVERS that are regulated pursuant to this title are not  
24 subject to further regulation by a county, city, town or other political  
25 subdivision of this state, except that a public airport operator that  
26 operates a public airport pursuant to section 28-8421, 28-8423 or 28-8424 or  
27 a public body operating a public airport may establish the number of livery  
28 vehicles, taxis, ~~or~~ limousines OR TRANSPORTATION NETWORK COMPANY VEHICLES  
29 that may conduct business at a public airport or may set additional or more  
30 restrictive requirements for the conduct of that business at a public  
31 airport.