

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

HOUSE BILL 2307

AN ACT

AMENDING SECTIONS 13-1802, 13-3728, 28-101 AND 28-2097, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 7, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-2098, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-4301, 28-6991, 41-3451, 44-1321 AND 44-1641, ARIZONA REVISED STATUTES; AMENDING TITLE 44, CHAPTER 11, ARTICLE 3.1, ARIZONA REVISED STATUTES, BY ADDING SECTION 44-1642.02; RELATING TO SCRAP VEHICLES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 13-1802, Arizona Revised Statutes, is amended to
3 read:
4 13-1802. Theft; classification; definitions
5 A. A person commits theft if, without lawful authority, the person
6 knowingly:
7 1. Controls property of another with the intent to deprive the
8 other person of such property; or
9 2. Converts for an unauthorized term or use services or property of
10 another entrusted to the defendant or placed in the defendant's possession
11 for a limited, authorized term or use; or
12 3. Obtains services or property of another by means of any material
13 misrepresentation with intent to deprive the other person of such property
14 or services; or
15 4. Comes into control of lost, mislaid or misdelivered property of
16 another under circumstances providing means of inquiry as to the true
17 owner and appropriates such property to the person's own or another's use
18 without reasonable efforts to notify the true owner; or
19 5. Controls property of another knowing or having reason to know
20 that the property was stolen; or
21 6. Obtains services known to the defendant to be available only for
22 compensation without paying or an agreement to pay the compensation or
23 diverts another's services to the person's own or another's benefit
24 without authority to do so; or
25 7. Controls the ferrous metal or nonferrous metal of another with
26 the intent to deprive the other person of the metal; or
27 8. Controls the ferrous metal or nonferrous metal of another
28 knowing or having reason to know that the metal was stolen; or
29 9. Purchases within the scope of the ordinary course of business
30 the ferrous metal or nonferrous metal of another person knowing that the
31 metal was stolen.
32 B. A person commits theft if, without lawful authority, the person
33 knowingly takes control, title, use or management of a vulnerable adult's
34 property while acting in a position of trust and confidence and with the
35 intent to deprive the vulnerable adult of the property. Proof that a
36 person took control, title, use or management of a vulnerable adult's
37 property without adequate consideration to the vulnerable adult may give
38 rise to an inference that the person intended to deprive the vulnerable
39 adult of the property.
40 C. It is an affirmative defense to any prosecution under subsection
41 B of this section that either:
42 1. The property was given as a gift consistent with a pattern of
43 gift giving to the person that existed before the adult became vulnerable.

1 2. The property was given as a gift consistent with a pattern of
2 gift giving to a class of individuals that existed before the adult became
3 vulnerable.

4 3. The superior court approved the transaction before the
5 transaction occurred.

6 D. The inferences set forth in section 13-2305 apply to any
7 prosecution under subsection A, paragraph 5 of this section.

8 E. At the conclusion of any grand jury proceeding, hearing or
9 trial, the court shall preserve any trade secret that is admitted in
10 evidence or any portion of a transcript that contains information relating
11 to the trade secret pursuant to section 44-405.

12 F. Subsection B of this section does not apply to an agent who is
13 acting within the scope of the agent's duties as or on behalf of a health
14 care institution that is licensed pursuant to title 36, chapter 4 and that
15 provides services to the vulnerable adult.

16 G. Theft of property or services with a value of twenty-five
17 thousand dollars or more is a class 2 felony. Theft of property or
18 services with a value of four thousand dollars or more but less than
19 twenty-five thousand dollars is a class 3 felony. Theft of property or
20 services with a value of three thousand dollars or more but less than four
21 thousand dollars is a class 4 felony, except that theft of any vehicle
22 engine or transmission is a class 4 felony regardless of value. Theft of
23 property or services with a value of two thousand dollars or more but less
24 than three thousand dollars is a class 5 felony. Theft of property or
25 services with a value of one thousand dollars or more but less than two
26 thousand dollars is a class 6 felony. Theft of any property or services
27 valued at less than one thousand dollars is a class 1 misdemeanor, unless
28 the property is taken from the person of another, is a firearm or is an
29 animal taken for the purpose of animal fighting in violation of section
30 13-2910.01, in which case the theft is a class 6 felony.

31 H. A person who is convicted of a violation of subsection A,
32 paragraph 1 or 3 of this section that involved property with a value of
33 one hundred thousand dollars or more is not eligible for suspension of
34 sentence, probation, pardon or release from confinement on any basis
35 except pursuant to section 31-233, subsection A or B until the sentence
36 imposed by the court has been served, the person is eligible for release
37 pursuant to section 41-1604.07 or the sentence is commuted.

38 I. For the purposes of this section, the value of ferrous metal or
39 nonferrous metal includes the amount of any damage to the property of
40 another caused as a result of the theft of the metal.

41 J. In an action for theft of ferrous metal or nonferrous metal:

42 1. Unless satisfactorily explained or acquired in the ordinary
43 course of business by an automotive recycler ~~as defined and~~ **THAT IS**
44 licensed pursuant to title 28, chapter 10 or by a scrap metal dealer as
45 defined in section 44-1641, proof of possession of scrap metal that was

1 recently stolen may give rise to an inference that the person in
2 possession of the scrap metal was aware of the risk that it had been
3 stolen or in some way participated in its theft.

4 2. Unless satisfactorily explained or sold in the ordinary course
5 of business by an automotive recycler ~~as defined and~~ THAT IS licensed
6 pursuant to title 28, chapter 10 or by a scrap metal dealer as defined in
7 section 44-1641, proof of the sale of stolen scrap metal at a price
8 substantially below its fair market value may give rise to an inference
9 that the person selling the scrap metal was aware of the risk that it had
10 been stolen.

11 K. For the purposes of this section:

12 1. "Adequate consideration" means the property was given to the
13 person as payment for bona fide goods or services provided by the person
14 and the payment was at a rate that was customary for similar goods or
15 services in the community that the vulnerable adult resided in at the time
16 of the transaction.

17 2. "Ferrous metal" ~~and "nonferrous metal" have~~ HAS the same
18 meanings MEANING prescribed in section 44-1641.

19 3. "Pattern of gift giving" means two or more gifts that are the
20 same or similar in type and monetary value.

21 4. "Position of trust and confidence" has the same meaning
22 prescribed in section 46-456.

23 5. "Property" includes all forms of real property and personal
24 property.

25 6. "Vulnerable adult" has the same meaning prescribed in section
26 46-451.

27 Sec. 2. Section 13-3728, Arizona Revised Statutes, is amended to
28 read:

29 13-3728. Unlawful purchase or sale of used catalytic
30 converter; classification

31 A. It is unlawful for a person to purchase or sell a used catalytic
32 converter unless the purchase or sale is in the ordinary course of
33 business by a commercial motor vehicle parts or repair business in
34 connection with the sale or installation of a new catalytic converter.

35 B. This section does not apply to:

36 1. An automotive recycler ~~as defined and~~ THAT IS licensed pursuant
37 to title 28, chapter 10.

38 2. The purchase or sale of a used catalytic converter as prescribed
39 by section 44-1642.01 that is acquired in a transaction with an industrial
40 account, with another scrap metal dealer or after the used catalytic
41 converter is authorized for release by a peace officer of the jurisdiction
42 in which the transaction occurs.

43 C. A violation of this section is a class 1 misdemeanor.

1 Sec. 3. Section 28-101, Arizona Revised Statutes, is amended to
2 read:

3 28-101. Definitions

4 In this title, unless the context otherwise requires:

5 1. "Alcohol" means any substance containing any form of alcohol,
6 including ethanol, methanol, propynol and isopropynol.

7 2. "Alcohol concentration" if expressed as a percentage means
8 either:

9 (a) The number of grams of alcohol per one hundred milliliters of
10 blood.

11 (b) The number of grams of alcohol per two hundred ten liters of
12 breath.

13 3. "All-terrain vehicle" means either of the following:

14 (a) A motor vehicle that satisfies all of the following:

15 (i) Is designed primarily for recreational nonhighway all-terrain
16 travel.

17 (ii) Is fifty or fewer inches in width.

18 (iii) Has an unladen weight of one thousand two hundred pounds or
19 less.

20 (iv) Travels on three or more nonhighway tires.

21 (v) Is operated on a public highway.

22 (b) A recreational off-highway vehicle that satisfies all of the
23 following:

24 (i) Is designed primarily for recreational nonhighway all-terrain
25 travel.

26 (ii) Is sixty-five or fewer inches in width.

27 (iii) Has an unladen weight of one thousand eight hundred pounds or
28 less.

29 (iv) Travels on four or more nonhighway tires.

30 4. "Authorized emergency vehicle" means any of the following:

31 (a) A fire department vehicle.

32 (b) A police vehicle.

33 (c) An ambulance or emergency vehicle of a municipal department or
34 public service corporation that is designated or authorized by the
35 department or a local authority.

36 (d) Any other ambulance, fire truck or rescue vehicle that is
37 authorized by the department in its sole discretion and that meets
38 liability insurance requirements prescribed by the department.

39 5. "Autocycle" means a three-wheeled motorcycle on which the driver
40 and passengers ride in a fully or partially enclosed seating area that is
41 equipped with a roll cage, safety belts for each occupant and antilock
42 brakes and that is designed to be controlled with a steering wheel and
43 pedals.

44 6. "AUTOMOTIVE RECYCLER" MEANS A PERSON THAT IS ENGAGED IN THE
45 BUSINESS OF BUYING OR ACQUIRING A MOTOR VEHICLE SOLELY FOR THE PURPOSE OF

1 DISMANTLING, SELLING OR OTHERWISE DISPOSING OF THE PARTS OR ACCESSORIES
2 AND THAT REMOVES PARTS FOR RESALE FROM SIX OR MORE VEHICLES IN A CALENDAR
3 YEAR.

4 ~~6.~~ 7. "Aviation fuel" means all flammable liquids composed of a
5 mixture of selected hydrocarbons expressly manufactured and blended for
6 the purpose of effectively and efficiently operating an internal
7 combustion engine for use in an aircraft but does not include fuel for jet
8 or turbine powered aircraft.

9 ~~7.~~ 8. "Bicycle" means a device, including a racing wheelchair,
10 that is propelled by human power and on which a person may ride and that
11 has either:

12 (a) Two tandem wheels, either of which is more than sixteen inches
13 in diameter.

14 (b) Three wheels in contact with the ground, any of which is more
15 than sixteen inches in diameter.

16 ~~8.~~ 9. "Board" means the transportation board.

17 ~~9.~~ 10. "Bus" means a motor vehicle designed for carrying sixteen
18 or more passengers, including the driver.

19 ~~10.~~ 11. "Business district" means the territory contiguous to and
20 including a highway if there are buildings in use for business or
21 industrial purposes within any six hundred feet along the highway,
22 including hotels, banks or office buildings, railroad stations and public
23 buildings that occupy at least three hundred feet of frontage on one side
24 or three hundred feet collectively on both sides of the highway.

25 ~~11.~~ 12. "Certificate of ownership" means a paper or an electronic
26 record that is issued in another state or a foreign jurisdiction and that
27 indicates ownership of a vehicle.

28 ~~12.~~ 13. "Certificate of title" means a paper document or an
29 electronic record that is issued by the department and that indicates
30 ownership of a vehicle.

31 ~~13.~~ 14. "Combination of vehicles" means a truck or truck tractor
32 and semitrailer and any trailer that it tows but does not include a
33 forklift designed for the purpose of loading or unloading the truck,
34 trailer or semitrailer.

35 ~~14.~~ 15. "Controlled substance" means a substance so classified
36 under section 102(6) of the controlled substances act (21 United States
37 Code section 802(6)) and includes all substances listed in schedules I
38 through V of 21 Code of Federal Regulations part 1308.

39 ~~15.~~ 16. "Conviction" means:

40 (a) An unvacated adjudication of guilt or a determination that a
41 person violated or failed to comply with the law in a court of original
42 jurisdiction or by an authorized administrative tribunal.

43 (b) An unvacated forfeiture of bail or collateral deposited to
44 secure the person's appearance in court.

45 (c) A plea of guilty or no contest accepted by the court.

1 (d) The payment of a fine or court costs.
2 ~~16.~~ 17. "County highway" means a public road that is constructed
3 and maintained by a county.
4 ~~17.~~ 18. "Dealer" means a person who is engaged in the business of
5 buying, selling or exchanging motor vehicles, trailers or semitrailers and
6 who has an established place of business and has paid fees pursuant to
7 section 28-4302.
8 ~~18.~~ 19. "Department" means the department of transportation acting
9 directly or through its duly authorized officers and agents.
10 ~~19.~~ 20. "Digital network or software application" has the same
11 meaning prescribed in section 28-9551.
12 ~~20.~~ 21. "Director" means the director of the department of
13 transportation.
14 ~~21.~~ 22. "Drive" means to operate or be in actual physical control
15 of a motor vehicle.
16 ~~22.~~ 23. "Driver" means a person who drives or is in actual
17 physical control of a vehicle.
18 ~~23.~~ 24. "Driver license" means a license that is issued by a state
19 to an individual and that authorizes the individual to drive a motor
20 vehicle.
21 ~~24.~~ 25. "Electric personal assistive mobility device" means a
22 self-balancing device with one wheel or two nontandem wheels and an
23 electric propulsion system that limits the maximum speed of the device to
24 fifteen miles per hour or less and that is designed to transport only one
25 person.
26 ~~25.~~ 26. "Farm" means any lands primarily used for agriculture
27 production.
28 ~~26.~~ 27. "Farm tractor" means a motor vehicle designed and used
29 primarily as a farm implement for drawing implements of husbandry.
30 ~~27.~~ 28. "Foreign vehicle" means a motor vehicle, trailer or
31 semitrailer that is brought into this state other than in the ordinary
32 course of business by or through a manufacturer or dealer and that has not
33 been registered in this state.
34 ~~28.~~ 29. "Golf cart" means a motor vehicle that has not less than
35 three wheels in contact with the ground, that has an unladen weight of
36 less than one thousand eight hundred pounds, that is designed to be and is
37 operated at not more than twenty-five miles per hour and that is designed
38 to carry not more than four persons including the driver.
39 ~~29.~~ 30. "Hazardous material" means a material, and its mixtures or
40 solutions, that the United States department of transportation determines
41 under 49 Code of Federal Regulations is, or any quantity of a material
42 listed as a select agent or toxin under 42 Code of Federal Regulations
43 part 73 that is, capable of posing an unreasonable risk to health, safety
44 and property if transported in commerce and that is required to be

1 placarded or marked as required by the department's safety rules
2 prescribed pursuant to chapter 14 of this title.

3 ~~30.~~ 31. "Implement of husbandry" means a vehicle that is designed
4 primarily for agricultural purposes and that is used exclusively in the
5 conduct of agricultural operations, including an implement or vehicle
6 whether self-propelled or otherwise that meets both of the following
7 conditions:

8 (a) Is used solely for agricultural purposes including the
9 preparation or harvesting of cotton, alfalfa, grains and other farm crops.

10 (b) Is only incidentally operated or moved on a highway whether as
11 a trailer or self-propelled unit. For the purposes of this subdivision,
12 "incidentally operated or moved on a highway" means travel between a farm
13 and another part of the same farm, from one farm to another farm or
14 between a farm and a place of repair, supply or storage.

15 ~~31.~~ 32. "Limousine" means a motor vehicle providing prearranged
16 ground transportation service for an individual passenger, or a group of
17 passengers, that is arranged in advance or is operated on a regular route
18 or between specified points and includes ground transportation under a
19 contract or agreement for services that includes a fixed rate or time and
20 is provided in a motor vehicle with a seating capacity not exceeding
21 fifteen passengers including the driver.

22 ~~32.~~ 33. "Livery vehicle" means a motor vehicle that:

23 (a) Has a seating capacity not exceeding fifteen passengers
24 including the driver.

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

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

29 (d) May do any of the following:

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

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

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

35 ~~33.~~ 34. "Local authority" means any county, municipal or other
36 local board or body exercising jurisdiction over highways under the
37 constitution and laws of this state.

38 ~~34.~~ 35. "Manufacturer" means a person engaged in the business of
39 manufacturing motor vehicles, trailers or semitrailers.

40 ~~35.~~ 36. "Moped" means a bicycle that is equipped with a helper
41 motor if the vehicle has a maximum piston displacement of fifty cubic
42 centimeters or less, a brake horsepower of one and one-half or less and a
43 maximum speed of twenty-five miles per hour or less on a flat surface with
44 less than a one percent grade.

1 ~~39.~~ 37. "Motorcycle" means a motor vehicle that has a seat or
2 saddle for the use of the rider and that is designed to travel on not more
3 than three wheels in contact with the ground but excludes a tractor and a
4 moped.

5 ~~36.~~ 38. "Motor driven cycle" means a motorcycle, including every
6 motor scooter, with a motor that produces not more than five horsepower.

7 ~~40.~~ 39. "Motorized quadricycle" means a self-propelled motor
8 vehicle to which all of the following apply:

9 (a) The vehicle is self-propelled by an emission-free electric
10 motor and may include pedals operated by the passengers.

11 (b) The vehicle has at least four wheels in contact with the
12 ground.

13 (c) The vehicle seats at least eight passengers, including the
14 driver.

15 (d) The vehicle is operable on a flat surface using solely the
16 electric motor without assistance from the pedals or passengers.

17 (e) The vehicle is a commercial motor vehicle as defined in section
18 28-5201.

19 (f) The vehicle is a limousine operating under a vehicle for hire
20 company permit issued pursuant to section 28-9503.

21 (g) The vehicle is manufactured by a motor vehicle manufacturer
22 that is licensed pursuant to chapter 10 of this title.

23 (h) The vehicle complies with the definition and standards for
24 low-speed vehicles set forth in federal motor vehicle safety standard 500
25 and 49 Code of Federal Regulations sections 571.3(b) and 571.500,
26 respectively.

27 ~~37.~~ 40. "Motor vehicle":

28 (a) Means either:

29 (i) A self-propelled vehicle.

30 (ii) For the purposes of the laws relating to the imposition of a
31 tax on motor vehicle fuel, a vehicle that is operated on the highways of
32 this state and that is propelled by the use of motor vehicle fuel.

33 (b) Does not include a **SCRAP VEHICLE**, **A** motorized wheelchair, an
34 electric personal assistive mobility device or a motorized skateboard.
35 For the purposes of this subdivision:

36 (i) "Motorized skateboard" means a self-propelled device that has a
37 motor, a deck on which a person may ride and at least two tandem wheels in
38 contact with the ground.

39 (ii) "Motorized wheelchair" means a self-propelled wheelchair that
40 is used by a person for mobility.

41 ~~38.~~ 41. "Motor vehicle fuel" includes all products that are
42 commonly or commercially known or sold as gasoline, including casinghead
43 gasoline, natural gasoline and all flammable liquids, and that are
44 composed of a mixture of selected hydrocarbons expressly manufactured and
45 blended for the purpose of effectively and efficiently operating internal

1 combustion engines. Motor vehicle fuel does not include inflammable
2 liquids that are specifically manufactured for racing motor vehicles and
3 that are distributed for and used by racing motor vehicles at a racetrack,
4 use fuel as defined in section 28-5601, aviation fuel, fuel for jet or
5 turbine powered aircraft or the mixture created at the interface of two
6 different substances being transported through a pipeline, commonly known
7 as transmix.

8 ~~41.~~ 42. "Neighborhood electric vehicle" means a self-propelled
9 electrically powered motor vehicle to which all of the following apply:

10 (a) The vehicle is emission free.

11 (b) The vehicle has at least four wheels in contact with the
12 ground.

13 (c) The vehicle complies with the definition and standards for
14 low-speed vehicles set forth in federal motor vehicle safety standard 500
15 and 49 Code of Federal Regulations sections 571.3(b) and 571.500,
16 respectively.

17 ~~42.~~ 43. "Nonresident" means a person who is not a resident of this
18 state as defined in section 28-2001.

19 ~~43.~~ 44. "Off-road recreational motor vehicle" means a motor
20 vehicle that is designed primarily for recreational nonhighway all-terrain
21 travel and that is not operated on a public highway. Off-road
22 recreational motor vehicle does not mean a motor vehicle used for
23 construction, building trade, mining or agricultural purposes.

24 ~~44.~~ 45. "Operator" means a person who drives a motor vehicle on a
25 highway, who is in actual physical control of a motor vehicle on a highway
26 or who is exercising control over or steering a vehicle being towed by a
27 motor vehicle.

28 ~~45.~~ 46. "Owner" means:

29 (a) A person who holds the legal title of a vehicle.

30 (b) If a vehicle is the subject of an agreement for the conditional
31 sale or lease with the right of purchase on performance of the conditions
32 stated in the agreement and with an immediate right of possession vested
33 in the conditional vendee or lessee, the conditional vendee or lessee.

34 (c) If a mortgagor of a vehicle is entitled to possession of the
35 vehicle, the mortgagor.

36 ~~46.~~ 47. "Pedestrian" means any person afoot. A person who uses an
37 electric personal assistive mobility device or a manual or motorized
38 wheelchair is considered a pedestrian unless the manual wheelchair
39 qualifies as a bicycle. For the purposes of this paragraph, "motorized
40 wheelchair" means a self-propelled wheelchair that is used by a person for
41 mobility.

42 ~~47.~~ 48. "Power sweeper" means an implement, with or without motive
43 power, that is only incidentally operated or moved on a street or highway
44 and that is designed for the removal of debris, dirt, gravel, litter or
45 sand whether by broom, vacuum or regenerative air system from asphaltic

1 concrete or cement concrete surfaces, including parking lots, highways,
2 streets and warehouses, and a vehicle on which the implement is
3 permanently mounted.

4 ~~48.~~ 49. "Public transit" means the transportation of passengers on
5 scheduled routes by means of a conveyance on an individual passenger
6 fare-paying basis excluding transportation by a sightseeing bus, school
7 bus or taxi or a vehicle not operated on a scheduled route basis.

8 ~~49.~~ 50. "Reconstructed vehicle" means a vehicle that has been
9 assembled or constructed largely by means of essential parts, new or used,
10 derived from vehicles or makes of vehicles of various names, models and
11 types or that, if originally otherwise constructed, has been materially
12 altered by the removal of essential parts or by the addition or
13 substitution of essential parts, new or used, derived from other vehicles
14 or makes of vehicles. For the purposes of this paragraph, "essential
15 parts" means integral and body parts, the removal, alteration or
16 substitution of which will tend to conceal the identity or substantially
17 alter the appearance of the vehicle.

18 ~~50.~~ 51. "Residence district" means the territory contiguous to and
19 including a highway not comprising a business district if the property on
20 the highway for a distance of three hundred feet or more is in the main
21 improved with residences or residences and buildings in use for business.

22 ~~51.~~ 52. "Right-of-way" when used within the context of the
23 regulation of the movement of traffic on a highway means the privilege of
24 the immediate use of the highway. Right-of-way when used within the
25 context of the real property on which transportation facilities and
26 appurtenances to the facilities are constructed or maintained means the
27 lands or interest in lands within the right-of-way boundaries.

28 ~~52.~~ 53. "School bus" means a motor vehicle that is designed for
29 carrying more than ten passengers and that is either:

30 (a) Owned by any public or governmental agency or other institution
31 and operated for the transportation of children to or from home or school
32 on a regularly scheduled basis.

33 (b) Privately owned and operated for compensation for the
34 transportation of children to or from home or school on a regularly
35 scheduled basis.

36 54. "SCRAP METAL DEALER" HAS THE SAME MEANING PRESCRIBED IN SECTION
37 44-1641.

38 55. "SCRAP VEHICLE" HAS THE SAME MEANING PRESCRIBED IN SECTION
39 44-1641.

40 ~~53.~~ 56. "Semitrailer" means a vehicle that is with or without
41 motive power, other than a pole trailer, that is designed for carrying
42 persons or property and for being drawn by a motor vehicle and that is
43 constructed so that some part of its weight and that of its load rests on
44 or is carried by another vehicle. For the purposes of this paragraph,
45 "pole trailer" has the same meaning prescribed in section 28-601.

1 ~~54.~~ 57. "State" means a state of the United States and the
2 District of Columbia.

3 ~~55.~~ 58. "State highway" means a state route or portion of a state
4 route that is accepted and designated by the board as a state highway and
5 that is maintained by the state.

6 ~~56.~~ 59. "State route" means a right-of-way whether actually used
7 as a highway or not that is designated by the board as a location for the
8 construction of a state highway.

9 ~~57.~~ 60. "Street" or "highway" means the entire width between the
10 boundary lines of every way if a part of the way is open to the use of the
11 public for purposes of vehicular travel.

12 ~~58.~~ 61. "Taxi" means a motor vehicle that has a seating capacity
13 not exceeding fifteen passengers, including the driver, that provides
14 passenger services and that:

15 (a) Does not primarily operate on a regular route or between
16 specified places.

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

20 ~~59.~~ 62. "Title transfer form" means a paper or an electronic form
21 that is prescribed by the department for the purpose of transferring a
22 certificate of title from one owner to another owner.

23 ~~60.~~ 63. "Traffic survival school" means a school that offers
24 educational sessions to drivers who are required to attend and
25 successfully complete educational sessions pursuant to this title that are
26 designed to improve the safety and habits of drivers and that are approved
27 by the department.

28 ~~61.~~ 64. "Trailer" means a vehicle that is with or without motive
29 power, other than a pole trailer, that is designed for carrying persons or
30 property and for being drawn by a motor vehicle and that is constructed so
31 that no part of its weight rests on the towing vehicle. A semitrailer
32 equipped with an auxiliary front axle commonly known as a dolly is deemed
33 to be a trailer. For the purposes of this paragraph, "pole trailer" has
34 the same meaning prescribed in section 28-601.

35 ~~62.~~ 65. "Transportation network company" has the same meaning
36 prescribed in section 28-9551.

37 ~~63.~~ 66. "Transportation network company vehicle" has the same
38 meaning prescribed in section 28-9551.

39 ~~64.~~ 67. "Transportation network service" has the same meaning
40 prescribed in section 28-9551.

41 ~~65.~~ 68. "Truck" means a motor vehicle designed or used primarily
42 for the carrying of property other than the effects of the driver or
43 passengers and includes a motor vehicle to which has been added a box, a
44 platform or other equipment for such carrying.

1 ~~66.~~ 69. "Truck tractor" means a motor vehicle that is designed and
2 used primarily for drawing other vehicles and that is not constructed to
3 carry a load other than a part of the weight of the vehicle and load
4 drawn.

5 ~~67.~~ 70. "Vehicle":

6 (a) Means a device in, on or by which a person or property is or
7 may be transported or drawn on a public highway, excluding devices moved
8 by human power or used exclusively on stationary rails or tracks.

9 (b) DOES NOT INCLUDE A SCRAP VEHICLE.

10 ~~68.~~ 71. "Vehicle transporter" means either:

11 (a) A truck tractor capable of carrying a load and drawing a
12 semitrailer.

13 (b) A truck tractor with a stinger-steered fifth wheel capable of
14 carrying a load and drawing a semitrailer or a truck tractor with a dolly
15 mounted fifth wheel that is securely fastened to the truck tractor at two
16 or more points and that is capable of carrying a load and drawing a
17 semitrailer.

18 Sec. 4. Section 28-2097, Arizona Revised Statutes, is amended to
19 read:

20 28-2097. Modular motor homes; definition

21 A. Notwithstanding any other provision of this title:

22 1. If a refurbished coach or body component is remounted to a new
23 cab and chassis power unit of a modular motor home, the department shall
24 issue a certificate of title for the modular motor home according to the
25 make of the refurbished coach. The manufacturer's cab and chassis vehicle
26 identification number determines the model year. The department shall
27 conduct a level one inspection of the vehicle and shall brand the
28 certificate of title refurbished.

29 2. If a modular motor home is separated by removal of the coach or
30 body component from the cab and chassis power unit and a cargo box,
31 container or structure, if any, other than a motor home coach, is fitted
32 to the cab and chassis unit, it ceases to be a modular motor home. The
33 department shall conduct a level one inspection and shall issue a
34 certificate of title for the vehicle according to the body style
35 determined by the inspection. The department shall use the make and model
36 year of the cab and chassis for the purpose of issuing a certificate of
37 title and shall brand the certificate of title refurbished.

38 B. If a vehicle covered by this section is offered for sale, a
39 person who sells the vehicle shall keep full and complete disclosure
40 statements and present those statements to any person or entity that
41 requests them at the time of a sale or purchase. For the purposes of this
42 subsection, full and complete disclosure statements are documents that
43 accurately reflect the history of the original manufacturer's cab and
44 chassis, including vehicle identification numbers, dates of required

1 inspections, odometer readings and other information prescribed by the
2 director in rules.

3 C. For the purposes of this section, "modular motor home" means:

4 1. A type of motor home that is primarily designed as temporary
5 living quarters, that satisfies the requirements prescribed in section
6 28-4301, paragraph ~~20~~ 19, subdivision (b) and that is intended from
7 inception through final assembly to consist of an incomplete cab and
8 chassis power unit component and a coach or body component that are
9 designed and engineered to be joined or separated without sheet metal
10 modifications to the cab and chassis power unit component.

11 2. A vehicle that if joined to form a single unit consists of both:

12 (a) A cab and chassis power unit component that is purchased or
13 acquired new from an original manufacturer.

14 (b) A coach or body component that is either purchased or acquired
15 new from an original manufacturer or that is refurbished.

16 Sec. 5. Title 28, chapter 7, article 3, Arizona Revised Statutes,
17 is amended by adding section 28-2098, to read:

18 28-2098. Vehicle sales; no certificate of title; violation;
19 classification; civil penalty

20 A. NOTWITHSTANDING ANY OTHER LAW, A REGISTERED SCRAP METAL DEALER
21 OR A LICENSED AUTOMOTIVE RECYCLER MAY PURCHASE A VEHICLE WITHOUT OBTAINING
22 A CERTIFICATE OF TITLE IF THE SCRAP METAL DEALER OR AUTOMOTIVE RECYCLER
23 COMPLIES WITH SUBSECTION B OF THIS SECTION, THE TRANSACTIONAL VALUE OF THE
24 VEHICLE DOES NOT EXCEED TWELVE HUNDRED DOLLARS, THE VEHICLE IS AT LEAST
25 TWELVE MODEL YEARS OLD AND THE OWNER DOES NOT HAVE THE PAPER CERTIFICATE
26 OF TITLE TO THE VEHICLE FOR ANY OF THE FOLLOWING REASONS:

27 1. THE OWNER OR THE OWNER'S AUTHORIZED AGENT HAS NOT OBTAINED A
28 TITLE IN THE OWNER'S OR AGENT'S NAME FOR THE VEHICLE.

29 2. THE OWNER HAS LOST THE PAPER CERTIFICATE OF TITLE FOR THE
30 VEHICLE.

31 3. THE OWNER HAS RETURNED THE TITLE TO THE DEPARTMENT. IF THIS
32 PARAGRAPH APPLIES, A VEHICLE MAY BE TRANSFERRED TO ONLY A SCRAP METAL
33 DEALER OR AN AUTOMOTIVE RECYCLER.

34 B. FOR PURCHASES UNDER THIS SECTION, THE REGISTERED SCRAP METAL
35 DEALER OR LICENSED AUTOMOTIVE RECYCLER SHALL DO ALL OF THE FOLLOWING:

36 1. TAKE A PICTURE AT THE TIME OF THE TRANSACTION OF ALL OF THE
37 FOLLOWING:

38 (a) THE SELLER.

39 (b) THE VEHICLE.

40 (c) THE VEHICLE'S VEHICLE IDENTIFICATION NUMBER OR FEDERAL
41 IDENTIFICATION STICKER.

42 2. PAY FOR THE VEHICLE WITH A CHECK AND NOT WITH CASH.

43 3. OBTAIN A STATEMENT THAT CONTAINS ALL OF THE INFORMATION REQUIRED
44 BY SUBSECTION C OF THIS SECTION, THAT IS SIGNED BY THE SELLER AND THAT
45 AFFIRMS THE CONDITIONS PRESCRIBED IN SUBSECTION A OF THIS SECTION.

1 C. WHEN THE DEPARTMENT IS ABLE TO ACCEPT AN ELECTRONIC FORM, THE
2 STATEMENT PRESCRIBED BY SUBSECTION B OF THIS SECTION SHALL BE SUBMITTED
3 ELECTRONICALLY IN A FORM THAT IS PRESCRIBED BY THE DEPARTMENT AND SHALL
4 CONTAIN ALL OF THE FOLLOWING:
5 1. A STATEMENT THAT THE VEHICLE WILL NOT BE TITLED AGAIN AND WILL
6 BE DISMANTLED OR SCRAPPED.
7 2. A DESCRIPTION OF THE VEHICLE, INCLUDING THE YEAR, MAKE, MODEL
8 AND VEHICLE IDENTIFICATION NUMBER.
9 3. THE OWNER'S NAME AND ADDRESS AND THE NUMBER FROM THE OWNER'S
10 DRIVER LICENSE, NONOPERATING IDENTIFICATION LICENSE ISSUED PURSUANT TO
11 SECTION 28-3165 OR PHOTO IDENTIFICATION CARD ISSUED BY A TRIBAL GOVERNMENT
12 OR THE UNITED STATES MILITARY.
13 4. A CERTIFICATION THAT THE OWNER EITHER:
14 (a) NEVER OBTAINED A TITLE TO THE VEHICLE IN THE OWNER'S NAME.
15 (b) WAS ISSUED A TITLE FOR THE VEHICLE AND THE TITLE WAS LOST OR
16 STOLEN.
17 (c) HAS RETURNED THE TITLE TO THE DEPARTMENT.
18 5. A CERTIFICATION THAT THE VEHICLE IS BOTH OF THE FOLLOWING:
19 (a) AT LEAST TWELVE MODEL YEARS OLD.
20 (b) NOT SUBJECT TO A SECURITY INTEREST OR LIEN.
21 6. AN ACKNOWLEDGMENT THAT THE OWNER AND THE SCRAP METAL DEALER OR
22 AUTOMOTIVE RECYCLER UNDERSTAND THAT THE STATEMENT REQUIRED BY THIS
23 SUBSECTION WILL BE FILED WITH THE DEPARTMENT AND THAT IT IS A CLASS 1
24 MISDEMEANOR TO KNOWINGLY FALSIFY ANY INFORMATION ON THE STATEMENT.
25 7. THE OWNER'S SIGNATURE AND THE DATE OF THE TRANSACTION.
26 8. THE NAME AND ADDRESS OF THE BUSINESS ACQUIRING THE VEHICLE.
27 9. THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM
28 IDENTIFICATION NUMBER.
29 10. A BUSINESS AGENT'S SIGNATURE AND DATE, INCLUDING THE AGENT'S
30 PRINTED NAME AND TITLE IF THE AGENT IS SIGNING ON BEHALF OF A CORPORATION.
31 D. A REGISTERED SCRAP METAL DEALER OR LICENSED AUTOMOTIVE RECYCLER
32 THAT PURCHASES A VEHICLE UNDER THIS SECTION:
33 1. SHALL MAINTAIN A PHOTOCOPY OR ELECTRONIC SCAN OF THE OWNER'S
34 DRIVER LICENSE, NONOPERATING IDENTIFICATION LICENSE ISSUED PURSUANT TO
35 SECTION 28-3165 OR PHOTO IDENTIFICATION CARD ISSUED BY A TRIBAL GOVERNMENT
36 OR THE UNITED STATES MILITARY.
37 2. MAY MAINTAIN A COPY OF THE SELLER'S PHOTO IDENTIFICATION AND
38 REFERENCE THAT PHOTO IDENTIFICATION WITHOUT MAKING A SEPARATE PHOTOCOPY
39 FOR EACH TRANSACTION FOR SUBSEQUENT PURCHASES.
40 3. SHALL HOLD THE VEHICLE AT LEAST THREE BUSINESS DAYS AFTER THE
41 DATE THAT THE REGISTERED SCRAP METAL DEALER OR LICENSED AUTOMOTIVE
42 RECYCLER REPORTS THE PURCHASE PURSUANT TO SUBSECTION I OF THIS SECTION
43 BEFORE THE REGISTERED SCRAP METAL DEALER OR LICENSED AUTOMOTIVE RECYCLER
44 MAY CRUSH, DISMANTLE OR SHRED THE VEHICLE.

1 E. THE DEPARTMENT MAY DEVELOP AN ELECTRONIC SYSTEM FOR A REGISTERED
2 SCRAP METAL DEALER OR A LICENSED AUTOMOTIVE RECYCLER TO VERIFY AT THE TIME
3 OF A TRANSACTION THAT A MOTOR VEHICLE OFFERED FOR SALE HAS NOT BEEN
4 REPORTED STOLEN.

5 F. BEFORE PURCHASING A MOTOR VEHICLE UNDER THIS SECTION, A
6 REGISTERED SCRAP METAL DEALER OR A LICENSED AUTOMOTIVE RECYCLER SHALL
7 VERIFY THAT THE MOTOR VEHICLE OFFERED FOR SALE HAS NOT BEEN REPORTED
8 STOLEN. IN ADDITION TO SUBMITTING INFORMATION TO THE DEPARTMENT PURSUANT
9 TO THIS SECTION AND THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM AS
10 REQUIRED BY 28 CODE OF FEDERAL REGULATIONS PART 25, SUBPART B, AFTER THE
11 DEPARTMENT DEVELOPS AN ELECTRONIC VERIFICATION SYSTEM PURSUANT TO THIS
12 SECTION, A REGISTERED SCRAP METAL DEALER OR A LICENSED AUTOMOTIVE RECYCLER
13 SHALL VERIFY THAT A VEHICLE IS NOT STOLEN BY USING THE ELECTRONIC
14 VERIFICATION SYSTEM BEFORE PURCHASING A VEHICLE WITHOUT A CERTIFICATE OF
15 TITLE. IF THE ELECTRONIC VERIFICATION SYSTEM INDICATES THAT THE VEHICLE
16 IS STOLEN, THE REGISTERED SCRAP METAL DEALER OR LICENSED AUTOMOTIVE
17 RECYCLER MAY NOT PURCHASE THE VEHICLE AND SHALL REPORT THE FINDINGS TO THE
18 DEPARTMENT. A REGISTERED SCRAP METAL DEALER OR A LICENSED AUTOMOTIVE
19 RECYCLER IS NOT REQUIRED TO APPREHEND A PERSON THAT ATTEMPTS TO SELL A
20 MOTOR VEHICLE THAT WAS REPORTED STOLEN.

21 G. A REGISTERED SCRAP METAL DEALER OR A LICENSED AUTOMOTIVE
22 RECYCLER MUST USE A DEPARTMENT VEHICLE LIEN OR ENCUMBRANCE DATABASE THAT
23 IS IN PLACE ON FEBRUARY 1, 2018 OR A COMPARABLE DATABASE TO CHECK FOR
24 LIENS OR ENCUMBRANCES ON VEHICLES PURCHASED UNDER THIS SECTION IF THE
25 DATABASE SUBSTANTIALLY COMPLIES WITH SECTION 28-2134 WHICH REQUIRES THE
26 RELEASE OF A SATISFIED LIEN.

27 H. A PERSON WHO KNOWINGLY GIVES FALSE, FRAUDULENT OR ERRONEOUS
28 INFORMATION IN CONNECTION WITH THE SIGNED STATEMENT PRESCRIBED IN
29 SUBSECTION B OF THIS SECTION, WHO FALSELY CERTIFIES THE TRUTHFULNESS AND
30 ACCURACY OF INFORMATION SUPPLIED IN CONNECTION WITH THE STATEMENT OR WHO
31 KNOWINGLY SELLS A VEHICLE THAT IS SUBJECT TO AN UNSATISFIED LIEN IS GUILTY
32 OF A CLASS 1 MISDEMEANOR AND SHALL PAY A FINE OF TWO THOUSAND FIVE HUNDRED
33 DOLLARS.

34 I. WITHIN FORTY-EIGHT HOURS AFTER THE CLOSE OF BUSINESS EACH DAY, A
35 REGISTERED SCRAP METAL DEALER OR LICENSED AUTOMOTIVE RECYCLER THAT
36 PURCHASES OR RECEIVES VEHICLES FOR SCRAP OR FOR PARTS SHALL REPORT TO THE
37 NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM AND MAINTAIN AND DELIVER
38 ELECTRONICALLY TO THE DEPARTMENT IN A FORMAT APPROVED BY THE DEPARTMENT A
39 LIST OF EACH VEHICLE PURCHASED THAT DAY FOR SCRAP OR FOR PARTS. THE LIST
40 SHALL CONTAIN ALL OF THE FOLLOWING:

- 41 1. THE NAME, ADDRESS AND CONTACT INFORMATION FOR THE REPORTING
42 ENTITY.
- 43 2. THE VEHICLE IDENTIFICATION NUMBER.
- 44 3. THE DATE THAT THE VEHICLE WAS OBTAINED.
- 45 4. THE NAME OF THE PERSON FROM WHOM THE VEHICLE WAS OBTAINED.

1 5. WHETHER THE VEHICLE WAS OR WILL BE CRUSHED, DISPOSED OF OR
2 OFFERED FOR SALE OR OTHER PURPOSES.

3 6. WHETHER THE VEHICLE WILL BE EXPORTED OUT OF THE UNITED STATES.

4 7. THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM
5 IDENTIFICATION NUMBER OF THE BUSINESS ACQUIRING THE VEHICLE.

6 J. THE DEPARTMENT SHALL DISCLOSE THE INFORMATION THAT THE
7 DEPARTMENT OBTAINS PURSUANT TO SUBSECTION I OF THIS SECTION ONLY TO LAW
8 ENFORCEMENT AGENCIES AND FOR THE PURPOSES OF CANCELING CERTIFICATES OF
9 TITLE. OTHERWISE THIS INFORMATION IS THE CONFIDENTIAL BUSINESS
10 INFORMATION OF THE RESPECTIVE REPORTING ENTITY.

11 K. EACH REPORTING ENTITY SHALL RETAIN ALL STATEMENTS AND RECORDS
12 REQUIRED UNDER SUBSECTION B OF THIS SECTION FOR A PERIOD OF TWO YEARS. A
13 REGISTERED SCRAP METAL DEALER AND A LICENSED AUTOMOTIVE RECYCLER SHALL
14 PRINT A FORM OR MAINTAIN AN ELECTRONIC RECORD TO SHOW THAT THE REGISTERED
15 SCRAP METAL DEALER OR LICENSED AUTOMOTIVE RECYCLER COMPLETED A SEARCH ON
16 THE DEPARTMENT'S ELECTRONIC SYSTEM TO VERIFY THAT A VEHICLE THAT THE
17 REGISTERED SCRAP METAL DEALER OR LICENSED AUTOMOTIVE RECYCLER PURCHASES
18 PURSUANT TO THIS SECTION IS NOT STOLEN. THE FORM MUST CONTAIN THE
19 VEHICLE'S VEHICLE IDENTIFICATION NUMBER AND THE DATE ON WHICH THE SEARCH
20 WAS CONDUCTED. THE REGISTERED SCRAP METAL DEALER AND LICENSED AUTOMOTIVE
21 RECYCLER MUST ELECTRONICALLY RETAIN THE FORM OR ELECTRONIC RECORD FOR AT
22 LEAST FIVE YEARS. THE DEPARTMENT MUST RETAIN RECORDS OF SEARCHES ON THE
23 DEPARTMENT'S ELECTRONIC SYSTEM PURSUANT TO THIS SECTION FOR AT LEAST TEN
24 YEARS.

25 L. A PERSON WHO ENGAGES IN THE ACTIVITIES OF A SCRAP METAL DEALER
26 OR AN AUTOMOTIVE RECYCLER, WHETHER OR NOT REGISTERED OR LICENSED AS SUCH,
27 AND WHO KNOWINGLY AND WILFULLY FAILS TO DELIVER A VEHICLE TITLE PURSUANT
28 TO SECTION 28-2094 OR THE STATEMENT REQUIRED UNDER SUBSECTION B OF THIS
29 SECTION TO THE DEPARTMENT OR TO REPORT VEHICLE INFORMATION DESCRIBED IN
30 SUBSECTION I OF THIS SECTION TO THE NATIONAL MOTOR VEHICLE TITLE
31 INFORMATION SYSTEM WITHIN FORTY-EIGHT HOURS AFTER THE COMPLETION OF A
32 TRANSACTION IS IN VIOLATION OF THIS SECTION AND IS SUBJECT TO A CIVIL
33 PENALTY OF UP TO ONE THOUSAND DOLLARS PER VIOLATION. A LOCAL OR STATE LAW
34 ENFORCEMENT AGENCY, A COUNTY ATTORNEY OR THE ATTORNEY GENERAL MAY BRING AN
35 ACTION IN ANY COURT OF COMPETENT JURISDICTION TO ENFORCE THIS SECTION.
36 ANY CIVIL PENALTIES ASSESSED SHALL BE DEPOSITED AS FOLLOWS:

37 1. FIFTY PERCENT SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146
38 AND 35-147, IN THE STATE HIGHWAY FUND ESTABLISHED BY SECTION 28-6991.

39 2. FIFTY PERCENT SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146
40 AND 35-147, IN THE AUTOMOBILE THEFT AUTHORITY FUND ESTABLISHED BY SECTION
41 41-3451.

42 M. THE DIRECTOR SHALL INCORPORATE BY REFERENCE THE NATIONAL MOTOR
43 VEHICLE TITLE INFORMATION SYSTEM PRESCRIBED IN 28 CODE OF FEDERAL
44 REGULATIONS, PART 25, SUBPART B, AND A PEACE OFFICER MAY ENFORCE ITS
45 PROVISIONS.

1 N. THE SELLER OF MATERIAL FROM SCRAP VEHICLES SHALL CERTIFY TO THE
2 PURCHASER THAT ALL SCRAP VEHICLES USED FOR THE MATERIAL IN THE SALE HAVE
3 BEEN PROPERLY REPORTED TO THE DEPARTMENT OR THE NATIONAL MOTOR VEHICLE
4 TITLE INFORMATION SYSTEM.

5 O. NOTWITHSTANDING ANY OTHER LAW, ONLY THIS TITLE GOVERNS THE
6 PURCHASE BY A SCRAP METAL DEALER OF A VEHICLE SOLELY FOR THE PURPOSE OF
7 PROCESSING THE VEHICLE INTO A SCRAP VEHICLE OR INTO PREPARED GRADES OF
8 SCRAP METAL AS DEFINED IN SECTION 44-1641.

9 Sec. 6. Section 28-4301, Arizona Revised Statutes, is amended to
10 read:

11 ~~28-4301.~~ Definitions

12 In this chapter, unless the context otherwise requires:

13 1. "Area of responsibility" means the area surrounding an
14 individual dealer that the factory designates as that dealer's individual
15 primary geographic territory for the purpose of marketing, promoting,
16 selling and leasing new motor vehicles. In the absence of the factory
17 designated area, the area of responsibility is that geographical area
18 surrounding a dealer that lies closer to that dealer than to other dealers
19 of the same line-make.

20 ~~2. "Automotive recycler" means a person who is engaged in the~~
21 ~~business of buying or acquiring a motor vehicle solely for the purpose of~~
22 ~~dismantling, selling or otherwise disposing of the parts or accessories~~
23 ~~and who dismantles six or more vehicles in a calendar year.~~

24 ~~3.~~ 2. "Branch license" means a license that is issued by the
25 director to a licensed motor vehicle dealer and that permits the licensee
26 to sell motor vehicles from an established place of business within the
27 same county but other than the original or principal place of business for
28 which the license was issued.

29 ~~4.~~ 3. "Broker" means a person who for any fee, commission or other
30 valuable consideration offers to provide, provides or represents that the
31 person will provide a service of arranging or assisting in effecting the
32 purchase of a motor vehicle and who is not:

33 (a) A new motor vehicle dealer or an employee or agent of a new
34 motor vehicle dealer.

35 (b) A used motor vehicle dealer or an employee or agent of a used
36 motor vehicle dealer.

37 (c) A manufacturer or employee or agent of a manufacturer.

38 (d) An auctioneer or engaged in the auto auction business.

39 (e) A wholesale motor vehicle dealer.

40 ~~5.~~ 4. "Community" means the relevant market area. For the
41 purposes of this paragraph, "relevant market area" means the incorporated
42 city or town in which the franchise is located.

43 ~~6.~~ 5. "Distributor" means a person who either:

44 (a) Sells or distributes new motor vehicles to new motor vehicle
45 dealers in this state.

1 (b) Maintains distributor representatives in this state.

2 ~~7-~~ 6. "Distributor branch" means a branch office maintained or
3 availed of by a distributor for either:

4 (a) The sale of new motor vehicles to new motor vehicle dealers in
5 this state.

6 (b) Directing or supervising its representatives in this state.

7 ~~8-~~ 7. "Established place of business":

8 (a) Means a permanent enclosed building or structure that is owned
9 either in fee or leased with sufficient space to display two or more motor
10 vehicles of a kind and type that the dealer is licensed to sell and that
11 is devoted principally to the use of a motor vehicle dealer in the conduct
12 of the business of the dealer.

13 (b) In the case of a used motor vehicle dealer, trailer dealer or
14 semitrailer dealer:

15 (i) Need not be a permanent building or structure or part of a
16 permanent building or structure.

17 (ii) May be a vacant lot or part of a vacant lot.

18 (iii) Does not mean or include a residence, tent, temporary stand
19 or temporary quarters or permanent quarters occupied pursuant to a
20 temporary arrangement.

21 (c) In the case of an automotive recycler, means a permanent site
22 or location at which the business of an automotive recycler is or will be
23 conducted.

24 ~~9-~~ 8. "Exhibitor" means a manufacturer of new motor homes that
25 exhibits new motor homes at a special event.

26 ~~10-~~ 9. "Factory branch" means a branch office maintained or
27 availed of by a manufacturer for either:

28 (a) The sale of new motor vehicles to distributors or the sale of
29 new motor vehicles to new motor vehicle dealers in this state.

30 (b) Directing or supervising its representatives in this state.

31 ~~11-~~ 10. "Financial institution" means a bank, trust company,
32 savings and loan association, credit union, consumer lender, international
33 banking facility or holding company that is licensed, regulated or insured
34 by the department of financial institutions, the federal deposit insurance
35 corporation, the office of thrift supervision, the comptroller of the
36 currency, the national credit union share insurance fund or the national
37 credit union administration.

38 ~~12-~~ 11. "Franchise" means a contract between two or more persons
39 if all of the following conditions are included:

40 (a) A commercial relationship of definite duration or continuing
41 indefinite duration is involved.

42 (b) The franchisee is granted the right to offer, sell and service
43 in this state new motor vehicles manufactured or distributed by the
44 franchisor.

1 (c) The franchisee, as a separate business, constitutes a component
2 of the franchisor's distribution system.

3 (d) The operation of the franchisee's business is substantially
4 associated with the franchisor's trademark, service mark, trade name,
5 advertising or other commercial symbol designating the franchisor.

6 (e) The operation of the franchisee's business is substantially
7 reliant on the franchisor for the continued supply of new motor vehicles,
8 parts and accessories.

9 ~~13.~~ 12. "Franchisee" means a person who both:

10 (a) Receives new motor vehicles from the franchisor under a
11 franchise.

12 (b) Offers and sells to and services new motor vehicles for the
13 general public.

14 ~~14.~~ 13. "Franchisor" means a person who both:

15 (a) Manufactures or distributes new motor vehicles.

16 (b) May enter into a franchise.

17 ~~15.~~ 14. "Importer" means a person who transports or arranges for
18 the transportation of a foreign manufactured new motor vehicle into the
19 United States for sale in this state.

20 ~~16.~~ 15. "Lead" means any retail consumer who satisfies all of the
21 following:

22 (a) Responds to a factory-directed program that obtains consumer
23 contact information and that provides such information to one or more
24 dealers.

25 (b) Expresses an interest to the factory in purchasing, leasing or
26 acquiring any vehicle or product, service or financing available from the
27 dealers of that factory.

28 (c) Does not qualify for any reasonable factory sponsored employee,
29 retiree or vendor new vehicle purchase program or any other reasonable
30 similar factory new vehicle purchase program.

31 ~~17.~~ 16. "Line-make" means those motor vehicles that are offered
32 for sale, lease or distribution under a common name, trademark, service
33 mark or brand name of the manufacturer of those same motor vehicles.

34 ~~18.~~ 17. "Major component part" includes a motor vehicle or vehicle
35 part that the manufacturer has assigned any factory, motor, serial or
36 other identification number or mark.

37 ~~19.~~ 18. "Manufacturer" means any person who either:

38 (a) Manufactures or assembles new motor vehicles.

39 (b) Manufactures or installs on previously assembled truck chassis
40 special bodies or equipment that when installed forms an integral part of
41 the new motor vehicle and that constitutes a major manufacturing
42 alteration, excluding the installation of a camper on a pickup truck.

43 ~~20.~~ 19. "Motor home" means a motor vehicle that is primarily
44 designed as temporary living quarters and that:

1 (a) Is built onto as an integral part of, or is permanently
2 attached to, a motor vehicle chassis.

3 (b) Contains at least four of the following independent life
4 support systems if each is permanently installed and designed to be
5 removed only for purposes of repair or replacement:

6 (i) A cooking facility with an onboard fuel source.

7 (ii) A gas or electric refrigerator.

8 (iii) A toilet with exterior evacuation.

9 (iv) A heating or air conditioning system with an onboard power or
10 fuel source separate from the vehicle engine.

11 (v) A potable water supply system that includes at least a sink, a
12 faucet and a water tank with an exterior service supply connection.

13 (vi) A 110-125 volt electric power supply.

14 ~~21.~~ 20. "Motor vehicle" means an automobile, motor bus,
15 motorcycle, truck or truck tractor or any other self-propelled vehicle,
16 trailer or semitrailer.

17 ~~22.~~ 21. "Motor vehicle dealer" means a new motor vehicle dealer, a
18 used motor vehicle dealer, a public consignment auction dealer, a broker
19 or a wholesale motor vehicle auction dealer, excluding a person who comes
20 into possession of a motor vehicle as an incident to the person's regular
21 business and who sells, auctions or exchanges the motor vehicle.

22 ~~23.~~ 22. "New house trailer dealer" means a person who buys, sells,
23 exchanges or offers or attempts to negotiate a sale or exchange of an
24 interest in, or who is engaged in the business of selling, new house
25 trailers or used house trailers taken in trade on new house trailers. For
26 the purposes of this paragraph, "house trailer" means a vehicle, other
27 than a motor vehicle, that is built on a chassis designed for being drawn
28 on the highways by a motor vehicle and that is designed for human
29 habitation.

30 ~~24.~~ 23. "New motor vehicle" means a motor vehicle, other than a
31 used motor vehicle, that is held either for:

32 (a) Sale by the franchisee who first acquired the vehicle from the
33 manufacturer or distributor of the vehicle.

34 (b) Sale by another franchisee of the same line-make.

35 ~~25.~~ 24. "New motor vehicle dealer" means a person who buys, sells,
36 exchanges or offers or attempts to negotiate a sale or exchange of an
37 interest in, or who is engaged in the business of selling, new motor
38 vehicles or used motor vehicles taken in trade on new motor vehicles or
39 used vehicles purchased for resale.

40 ~~26.~~ 25. "Off-premises display and sales" means a promotion or sale
41 of motor vehicles for a period of time as specified by the director that
42 both:

43 (a) Is sponsored by a licensed motor vehicle dealer, the licensed
44 motor vehicle dealer's agents or the manufacturer.

1 (b) Takes place at a location within the same county but not at the
2 licensee's established place of business.

3 ~~27.~~ 26. "Off-premises exhibition" means the exhibition of a motor
4 vehicle for a period of time as specified by the director at a location
5 within the same county but not at the established place of business of a
6 licensed motor vehicle dealer and at which a solicitation or sale does not
7 occur.

8 ~~28.~~ 27. "Provisional automotive recycler's license" means a
9 license that both:

10 (a) Is issued by the department only in conjunction with an
11 application for an automotive recycler's license.

12 (b) Permits the applicant or applicants to conduct the business of
13 an automotive recycler regulated by this chapter pending completion of the
14 criminal records check pursuant to section 28-4361.

15 ~~29.~~ 28. "Provisional dealer's license" means a license that both:

16 (a) Is issued by the department only in conjunction with an
17 application for a dealer's license.

18 (b) Permits the applicant or applicants to conduct the business of
19 a motor vehicle dealer regulated by this chapter pending completion of the
20 criminal records check pursuant to section 28-4361.

21 ~~30.~~ 29. "Public consignment auction dealer" means a person who at
22 the public consignment auction dealer's established place of business or
23 at an authorized off-premises location pursuant to the requirements of
24 section 28-4401 is in the business of both of the following:

25 (a) Conducting live auctions with a licensed auctioneer verbally
26 calling for and accepting bids.

27 (b) Providing live auction services to the public on a consignment
28 contract basis.

29 ~~31.~~ 30. "Retail consumer" means any person purchasing, leasing or
30 acquiring or possibly purchasing, leasing or acquiring a vehicle or
31 product, service or financing not for resale.

32 ~~32.~~ 31. "Service" means any service that is sold, leased or
33 provided to retail consumers and that directly relates to the ownership or
34 leasing of a new or used motor vehicle, including extended service
35 contracts or motor vehicle warranty and nonwarranty repairs or
36 maintenance, including both parts and labor.

37 ~~33.~~ 32. "Special event" means an exhibition of new motor homes by
38 a motor vehicle dealer licensed to sell new motor homes or an exhibitor
39 for a period of time specified by the director at a location in this state
40 other than the licensee's or exhibitor's established place of business.

41 ~~34.~~ 33. "Used motor vehicle" means a motor vehicle that has been
42 sold, bargained, exchanged or given away or the title to the motor vehicle
43 has been transferred from the person who first acquired the vehicle from
44 the manufacturer, or importer, dealer or agent of the manufacturer or
45 importer, and that has been placed in bona fide consumer use. For the

1 purposes of this paragraph, "bona fide consumer use" means actual
2 operation by an owner who acquired a new motor vehicle both:

3 (a) For use in the owner's business or for pleasure or otherwise.

4 (b) For which a certificate of title has been issued or that has
5 been registered as provided by law.

6 ~~35.~~ 34. "Used motor vehicle dealer" means a person, other than a
7 new motor vehicle dealer, who buys, sells, auctions, exchanges or offers
8 or attempts to negotiate a sale or exchange of an interest in, or who is
9 engaged in the business of selling, seven or more used motor vehicles in a
10 continuous twelve month period. Used motor vehicle dealer does not
11 include a wholesale motor vehicle auction dealer or a public consignment
12 auction dealer.

13 ~~36.~~ 35. "Wholesale motor vehicle auction dealer" means a person
14 who both:

15 (a) Is in the business of providing auction services solely in
16 wholesale transactions to motor vehicle dealers licensed by this state or
17 any other jurisdiction.

18 (b) Does not buy, sell or own the motor vehicles the auction dealer
19 auctions in the ordinary course of business.

20 ~~37.~~ 36. "Wholesale motor vehicle dealer" means a person who sells
21 used motor vehicles only to licensed motor vehicle dealers.

22 Sec. 7. Section 28-6991, Arizona Revised Statutes, is amended to
23 read:

24 28-6991. State highway fund: sources

25 ~~A~~ THE state highway fund is established that consists of:

26 1. Monies distributed from the Arizona highway user revenue fund
27 pursuant to chapter 18 of this title.

28 2. Monies appropriated by the legislature.

29 3. Monies received from donations for the construction, improvement
30 or maintenance of state highways or bridges. These monies shall be
31 credited to a special account and shall be spent only for the purpose
32 indicated by the donor.

33 4. Monies received from counties under cooperative agreements,
34 including proceeds from bond issues. The state treasurer shall deposit
35 these monies to the credit of the fund in a special account on delivery to
36 the treasurer of a concise written agreement between the department and
37 the county stating the purposes for which the monies are surrendered by
38 the county, and these monies shall be spent only as stated in the
39 agreement.

40 5. Monies received from the United States under an act of Congress
41 to provide aid for the construction of rural post roads, but monies
42 received on projects for which the monies necessary to be provided by this
43 state are wholly derived from sources mentioned in paragraphs 2 and 3 of
44 this section shall be allotted by the department and deposited by the
45 state treasurer in the special account within the fund established for

1 each project. On completion of the project, on the satisfaction and
2 discharge in full of all obligations of any kind created and on request of
3 the department, the treasurer shall transfer the unexpended balance in the
4 special account for the project into the state highway fund, and the
5 unexpended balance and any further federal aid thereafter received on
6 account of the project may be spent under the general provisions of this
7 title.

8 6. Monies in the custody of an officer or agent of this state from
9 any source that is to be used for the construction, improvement or
10 maintenance of state highways or bridges.

11 7. Monies deposited in the state general fund and arising from the
12 disposal of state personal property belonging to the department.

13 8. Receipts from the sale or disposal of any or all other property
14 held by the department and purchased with state highway monies.

15 9. Monies generated pursuant to section 28-410.

16 10. Monies distributed pursuant to section 28-5808, subsection B,
17 paragraph 2, subdivision (d).

18 11. Monies deposited pursuant to sections 28-1143, 28-2353 and
19 28-3003.

20 12. Except as provided in section 28-5101, the following monies:

21 (a) Monies deposited pursuant to section 28-2206 and section
22 28-5808, subsection B, paragraph 2, subdivision (e).

23 (b) One dollar of each registration fee and one dollar of each
24 title fee collected pursuant to section 28-2003.

25 (c) Two dollars of each late registration penalty collected by the
26 director pursuant to section 28-2162.

27 (d) The air quality compliance fee collected pursuant to section
28 49-542.

29 (e) The special plate administration fees collected pursuant to
30 sections 28-2404, 28-2407, 28-2412 through 28-2416, 28-2416.01, 28-2417
31 through 28-2462 and 28-2514.

32 (f) Monies collected pursuant to sections 28-372, 28-2155 and
33 28-2156 if the director is the registering officer.

34 13. Monies deposited pursuant to chapter 5, article 5 of this
35 title.

36 14. Donations received pursuant to section 28-2269.

37 15. Dealer and registration monies collected pursuant to section
38 28-4304.

39 16. Abandoned vehicle administration monies deposited pursuant to
40 section 28-4804.

41 17. Monies deposited pursuant to section 28-710, subsection D,
42 paragraph 2.

43 18. Monies deposited pursuant to section 28-2065.

44 19. Monies deposited pursuant to section 28-7311.

45 20. Monies deposited pursuant to section 28-7059.

- 1 21. Monies deposited pursuant to section 28-1105.
- 2 22. Monies deposited pursuant to section 28-2448, subsection D.
- 3 23. Monies deposited pursuant to section 28-3415.
- 4 24. Monies deposited pursuant to section 28-3002, subsection A,
- 5 paragraph 14.
- 6 25. Monies deposited pursuant to section 28-7316.
- 7 26. Monies deposited pursuant to section 28-4302.
- 8 27. **MONIES DEPOSITED PURSUANT TO SECTION 28-2098.**

9 Sec. 8. Section 41-3451, Arizona Revised Statutes, is amended to
10 read:

11 41-3451. Automobile theft authority; powers and duties; fund;
12 audit

13 A. ~~At~~ THE automobile theft authority is established consisting of
14 the following members:

15 1. Two police chiefs who are appointed by the Arizona association
16 of chiefs of police, one of whom represents a city or town with a
17 population of one hundred thousand or more persons and one of whom
18 represents a city or town with a population of less than one hundred
19 thousand persons, or their designees.

20 2. Two sheriffs who are appointed by the Arizona sheriffs
21 association, one of whom represents a county with a population of five
22 hundred thousand or more persons and one of whom represents a county with
23 a population of less than five hundred thousand persons, or their
24 designees.

25 3. Two county attorneys who are appointed by the governor, one of
26 whom represents a county with a population of two million or more persons
27 and one of whom represents a county with a population of less than two
28 million persons, or their designees.

29 4. Two employees of insurers who are licensed to write motor
30 vehicle liability insurance in this state and who are appointed by the
31 governor.

32 5. Two members of the general public who are appointed by the
33 governor.

34 6. The assistant director for the motor vehicle division in the
35 department of transportation or the assistant director's designee.

36 7. The director of the department of public safety or the
37 director's designee.

38 B. Members serve staggered four-year terms beginning and ending on
39 the third Monday in January. At the first meeting each year, the members
40 shall select a chairman from among the members. The authority shall meet
41 at the call of the chairman or seven members.

42 C. The authority may:

43 1. Subject to chapter 4, article 4 of this title, hire staff
44 members as necessary, including an executive director. The executive

- 1 director's annual compensation shall not be more than one hundred thousand
2 dollars.
- 3 2. Provide work facilities and equipment as necessary.
- 4 3. Determine the scope of the problem of motor vehicle theft,
5 including particular areas of the state where the problem is greatest.
- 6 4. Analyze the various methods of combating the problem of motor
7 vehicle theft.
- 8 5. Develop and implement a plan of operation.
- 9 6. Develop and implement a financial plan.
- 10 7. Solicit and accept gifts and grants.
- 11 8. Report by December 31 of each year to the governor, the
12 president of the senate, the speaker of the house of representatives and
13 the secretary of state on its activities during the preceding fiscal year.
- 14 D. If the chairman of the authority knows that a potential ground
15 for the removal of a member of the authority exists under this subsection,
16 the chairman shall notify the governor. The governor shall remove the
17 member if the governor finds that any of the following applies:
- 18 1. The member was not qualified to serve at the time the member was
19 appointed.
- 20 2. The member does not maintain the member's qualifications to
21 serve.
- 22 3. The member cannot discharge the member's duties for a
23 substantial part of the term due to illness or other disability.
- 24 4. The member is absent from more than one-half of the regularly
25 scheduled meetings during a calendar year unless the member's absence is
26 excused by a majority vote of the authority.
- 27 E. The automobile theft authority fund is established consisting of
28 MONIES DEPOSITED PURSUANT TO SECTION 28-2098 AND any public or private
29 monies that the authority may receive. The automobile theft authority
30 shall administer the fund. Subject to legislative appropriation, monies
31 in the fund shall only be used to pay the expenses of the authority and to
32 carry out the purposes of this section. Monies in the fund are exempt
33 from the provisions of sections 35-143.01 and 35-190 relating to lapsing
34 of appropriations. On notice from the authority, the state treasurer
35 shall invest and divest monies in the fund as provided by section 35-313,
36 and monies earned from investment shall be credited to the fund.
- 37 F. The authority may accept nonmonetary contributions, including
38 the services of individuals, office and secretarial assistance, mailings,
39 printing, office equipment, facilities and supplies, that are necessary to
40 carry out its functions. The nonmonetary contributions shall not be
41 included in the costs of administration limitation prescribed by
42 subsection H of this section.
- 43 G. The automobile theft authority shall allocate monies in the fund
44 to public agencies for the purpose of establishing, maintaining and

1 supporting programs that are designed to prevent motor vehicle theft,
2 including:

3 1. Financial support to law enforcement and prosecution agencies
4 for programs that are designed to increase the effectiveness of motor
5 vehicle theft prosecution.

6 2. Financial support for programs that are designed to educate and
7 assist the public in the prevention of motor vehicle theft.

8 H. The costs of administration shall not exceed ten percent of the
9 monies in the fund in any one year so that the greatest possible portion
10 of the monies available to the authority is expended on combating motor
11 vehicle theft.

12 I. Monies expended from the automobile theft authority fund shall
13 be used to supplement, not supplant, other monies that are available for
14 motor vehicle theft prevention.

15 J. Each insurer issuing motor vehicle liability insurance policies
16 in this state shall pay a semiannual fee of fifty cents per vehicle
17 insured under a motor vehicle liability insurance policy issued by the
18 insurer. The fee shall be fully earned and nonrefundable at the time the
19 insurer collects the premium for the motor vehicle liability insurance
20 policy. Each insurer shall transmit the fee on or before January 31 and
21 on or before July 31 of each year to the automobile theft authority for
22 deposit in the automobile theft authority fund. The payment due on or
23 before January 31 shall cover vehicles insured under policies that are
24 issued during the period from July 1 through December 31 of the previous
25 year. The payment due on or before July 31 shall cover vehicles insured
26 under policies that are issued during the period from January 1 through
27 June 30 of the same year.

28 K. The authority shall cause an audit to be made of the automobile
29 theft authority fund. The audit shall be conducted by a certified public
30 accountant every two years. The authority shall file a certified copy of
31 the audit with the auditor general immediately. The auditor general may
32 make further audits and examinations as the auditor general deems
33 necessary and may take appropriate action relating to the audit pursuant
34 to chapter 7, article 10.1 of this title.

35 L. Authority members are not eligible to receive compensation but
36 are eligible for reimbursement of expenses pursuant to title 38, chapter
37 4, article 2.

38 M. This section does not apply to vehicles or vehicle combinations
39 with a declared gross weight of more than twenty-six thousand pounds.
40 Motor vehicle liability insurance policies issued in this state for
41 vehicles or vehicle combinations with a declared gross weight of more than
42 twenty-six thousand pounds are exempt from subsection J of this section.

1 Sec. 9. Section 44-1321, Arizona Revised Statutes, is amended to
2 read:

3 44-1321. Definitions

4 In this article, unless the context otherwise requires:

5 1. "Automotive recycler" has the same meaning prescribed in section
6 ~~28-4301~~ 28-101.

7 2. "Industrial account" means a person or business entity that
8 files or is required to file monthly returns for that person's or entity's
9 transaction privilege tax license or a governmental entity that sells lead
10 acid batteries to an automotive recycler.

11 3. "Lead acid battery" means a battery with a core of elemental
12 lead and a capacity of six or more volts that is suitable for use in a
13 vehicle or a boat.

14 4. "Peace officer" includes a law enforcement officer who is
15 employed by the department of transportation.

16 5. "Used automotive components dealer":

17 (a) Means any business that purchases used components of a motor
18 vehicle with the intent to resell.

19 (b) Does not include:

20 (i) An automotive recycler who is licensed pursuant to title 28,
21 chapter 10.

22 (ii) A lead acid battery seller who is required to accept lead acid
23 batteries pursuant to section 44-1323, subsection A.

24 Sec. 10. Section 44-1641, Arizona Revised Statutes, is amended to
25 read:

26 44-1641. Definitions

27 In this article, unless the context otherwise requires:

28 1. "Business records" means records of any purchase, trade, barter
29 or other transaction that involves the receipt of scrap metals and that is
30 made in the ordinary course of business at or near the time of the
31 purchase, trade, barter or transaction including receipts, books or
32 similar records as prescribed by section 44-1642, but does not include
33 correspondence, tax returns or financial statements.

34 2. "Department" means the department of public safety.

35 3. "Ferrous metals":

36 (a) Means those metals that will attract a magnet.

37 (b) **INCLUDES A SCRAP VEHICLE.**

38 4. "Industrial account" means a person or business entity that
39 files or is required to file monthly returns for that person's or entity's
40 transaction privilege tax licenses or a governmental entity that sells
41 scrap metal to a scrap metal dealer.

42 5. "Scrap metal dealers" means each person or business entity
43 including all employees of the person or business entity, except
44 automotive recyclers ~~as defined and~~ **THAT ARE** licensed pursuant to title
45 28, chapter 10, ~~and~~ whose primary business is the dismantling, selling or

1 disposing of parts or accessories of motor vehicles, engaged in the
2 business of purchasing, trading, bartering or otherwise receiving
3 secondhand or castoff material of any kind ~~which~~ THAT is commonly known as
4 scrap metal.

5 6. "Scrap metals" includes insulated and uninsulated metallic
6 cables AND SCRAP VEHICLES.

7 7. "SCRAP VEHICLE" MEANS A VEHICLE THAT HAS BEEN REPORTED TO THE
8 NATIONAL VEHICLE TITLE INFORMATION SYSTEM AND THAT HAS BEEN FLATTENED,
9 CRUSHED, BALED OR LOGGED SO THAT THE VEHICLE IS LESS THAN FIFTY PERCENT OF
10 ITS ORIGINAL VOLUME, IS NO LONGER THE VEHICLE THAT IS DESCRIBED BY THE
11 CERTIFICATE OF TITLE AND IS SOLD FOR PURPOSES OF SCRAP METAL ONLY.

12 Sec. 11. Title 44, chapter 11, article 3.1, Arizona Revised
13 Statutes, is amended by adding section 44-1642.02, to read:

14 44-1642.02. Scrap vehicle purchase; applicable law

15 NOTWITHSTANDING ANY OTHER LAW, ONLY TITLE 28 GOVERNS THE PURCHASE BY
16 A SCRAP METAL DEALER OF A VEHICLE AS DEFINED IN SECTION 28-101 SOLELY FOR
17 THE PURPOSE OF PROCESSING THE VEHICLE INTO A SCRAP VEHICLE OR INTO
18 PREPARED GRADES OF SCRAP METAL.

19 Sec. 12. Conditional enactment; notice

20 A. This act does not become effective unless on or before October
21 1, 2020 the department of transportation implements an electronic system
22 for a registered scrap metal dealer or a licensed automotive recycler to
23 report all vehicle acquisitions electronically within forty-eight hours
24 and verify at the time of a transaction that a motor vehicle offered for
25 sale has not been reported stolen.

26 B. The department of transportation shall notify in writing the
27 director of the Arizona legislative council on or before October 1, 2020
28 either:

29 1. Of the date on which the condition was met.

30 2. That the condition was not met.