REFERENCE TITLE: transportation revisions

State of Arizona Senate Fifty-third Legislature Second Regular Session 2018

SB 1200

Introduced by Senators Worsley: Bowie, Fann, Pratt

AN ACT

AMENDING SECTIONS 28-305 AND 28-363, ARIZONA REVISED STATUTES; REPEALING TITLE 28, CHAPTER 2, ARTICLE 6, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-755, 28-871, 28-960, 28-961 AND 28-1385, ARIZONA REVISED STATUTES: REPEALING TITLE 28. CHAPTER 6. ARTICLE 2. ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-2059, 28-2261 AND 28-2293, ARIZONA REVISED STATUTES; AMENDING SECTION 28-2294, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 1996, CHAPTER 76, SECTION 93; AMENDING SECTION 28-2294, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1996, CHAPTER 76, SECTION 94; AMENDING SECTIONS 28-2295, 28-2356 AND 28-2513, ARIZONA REVISED STATUTES: REPEALING SECTIONS 28-3051 AND 28-3052, ARIZONA REVISED STATUTES; AMENDING SECTIONS 28-3153, 28-3158, 28-3166 AND 28-3171, ARIZONA REVISED STATUTES; REPEALING SECTION 28-3172. ARIZONA REVISED STATUTES: AMENDING SECTION 28-4145, ARIZONA REVISED STATUTES; REPEALING SECTION 28-4543, ARIZONA REVISED STATUTES: AMENDING SECTIONS 28-5615. 28-5639. 28-5648. 28-5703. 28-5721, 28-5724, 28-5952, 28-6922, 28-7009, 28-7058, 28-7059 AND 28-8242, ARIZONA REVISED STATUTES; REPEALING TITLE 41, CHAPTER 3, ARTICLE 1.3, ARIZONA REVISED STATUTES: AMENDING SECTIONS 41-835.01 AND 41-835.03. ARIZONA REVISED STATUTES; RELATING TO TRANSPORTATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 28-305, Arizona Revised Statutes, is amended to read:

28-305. Powers and duties of the board: rules

The board may prescribe rules for the effective administration of its powers, duties and responsibilities, including rules relating to:

- 1. Priority programs.
- 2. Establishing, altering or vacating highways.
- 3. Construction contracts.
- 4. Revenue bonds.
- 5. Local government airport grants.
- 6. Designating or establishing scenic or historic highways.
- 7. 6. Prohibiting bid rigging.

Sec. 2. Section 28-363, Arizona Revised Statutes, is amended to read:

28-363. <u>Duties of the director; administration</u>

- A. The director shall:
- 1. Supervise and administer the overall activities of the department and its divisions and employees.
 - 2. Appoint assistant directors for each of the divisions.
- 3. Provide for the assembly and distribution of information to the public concerning department activities.
- 4. Delegate functions, duties or powers as the director deems necessary to carry out the efficient operation of the department.
- 5. Exercise complete and exclusive operational control and jurisdiction over the use of state highways and routes.
- 6. Coordinate the design, right-of-way purchase and construction of controlled access highways that are either state routes or state highways and related grade separations of controlled access highways.
- 7. Coordinate the design, right-of-way purchase, construction, standard and reduced clearance grade separation, extension and widening of arterial streets and highways under chapters 17 and 18 of this title.
- 8. Assist regional transportation planning agencies, councils of government, tribal governments, counties, cities and towns in the development of their regional and local transportation plans to ensure that the streets, highways and other regionally significant modes of transportation within each county form an integrated and efficient regional system.
- 9. On or before December 1, present an annual report to the speaker of the house of representatives and the president of the senate documenting the expenditures of monies under chapters 17 and 18 of this title during the previous fiscal year relating to the design, right-of-way purchase or construction of controlled access highways that are accepted in the state highway system as state routes or state highways or related

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grade separations of controlled access highways that are included in the regional transportation plans of the counties.

 $\frac{10.}{10.}$ 9. Designate the necessary agencies for enforcing the provisions of the laws the director administers or enforces.

11. 10. Exercise other duties or powers as the director deems necessary to carry out the efficient operation of the department.

12. 11. Cooperate with the Arizona-Mexico commission in the governor's office and with researchers at universities in this state to collect data and conduct projects in the United States and Mexico on issues that are within the scope of the department's duties and that relate to quality of life, trade and economic development in this state in a manner that will help the Arizona-Mexico commission to assess and enhance the economic competitiveness of this state and of the Arizona-Mexico region.

13. 12. Develop a plan to increase use of bypass routes by vehicles on days of poor visibility in the Phoenix metropolitan area.

- B. The assistant directors appointed pursuant to subsection A of this section are subject to title 41, chapter 4, article 4.
- C. The director shall not spend any monies, adopt any rules or implement any policies or programs to convert signs to the metric system or to require the use of the metric system with respect to designing or preparing plans, specifications, estimates or other documents for any highway project before the conversion or use is required by federal law, except that the director may:
- 1. Spend monies and require the use of the metric system with respect to designing or preparing plans, specifications, estimates or other documents for a highway project that is awarded before October 1, 1997 and that is exclusively metric from its inception.
- 2. Prepare for conversion to and use of the metric system not more than six months before the conversion or use is required by federal law.

Sec. 3. Repeal

Title 28, chapter 2, article 6, Arizona Revised Statutes, is repealed.

Sec. 4. Section 28-755, Arizona Revised Statutes, is amended to read:

28-755. Hand or arm signals or mechanical signal

A person shall give a stop or turn signal if required by this article by means of the hand and arm or by a signal lamp or lamps or mechanical signal device of a type approved by the department. If a vehicle is constructed or loaded so that a hand and arm signal would not be visible both to the front and rear of the vehicle, the signals must be given by a lamp or lamps or signal device.

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 Sec. 5. Section 28-871, Arizona Revised Statutes, is amended to read:

28-871. <u>Stopping, standing or parking outside business or residence district</u>

- A. On a highway outside of a business or residence district, a person shall not stop, park or leave standing a vehicle, whether attended or unattended, on the paved or main traveled part of the highway if it is practicable to stop, park or leave the vehicle off that part of the highway. If a person stops, parks or leaves standing a vehicle, the person shall leave an unobstructed width of the highway opposite the standing vehicle for the free passage of other vehicles and a clear view of the standing vehicle shall be available from a distance of two hundred feet in each direction on the highway.
 - B. This section does not apply to:
- 1. The driver of a vehicle that is disabled while on the paved or main traveled portion of a highway in a manner and to an extent that it is impossible to avoid stopping and temporarily leaving the disabled vehicle in that position.
- 2. A vehicle or the driver of a vehicle engaged in the official delivery of the United States mail that stops on the right-hand side of the highway for the purpose of picking up or delivering mail if the following conditions are met:
- (a) A clear view of the vehicle is available from a distance of three hundred feet in each direction on the highway or a flashing amber light at least four inches in diameter with the letters "stop" printed on the light is attached to the rear of the vehicle.
 - (b) The vehicle has a uniform sign that:
 - (i) Is at least fourteen inches in diameter.

(ii) Is approved by the department.

(iii) Has the words "U.S. mail" printed on the sign.

(iv) (iii) Is attached to the rear of the vehicle.

Sec. 6. Section 28-960, Arizona Revised Statutes, is amended to read:

28-960. Flares: warning devices: requirements

- A. Except as provided in subsection B OF THIS SECTION, a person shall not operate a motor truck, passenger bus or truck tractor on a highway outside the corporate limits of a city or town from a half hour after sunset to a half hour before sunrise unless the following equipment is carried in the vehicle:
- (a) Each flare or lantern is capable of being seen and distinguished at a distance of five hundred feet under normal atmospheric conditions at nighttime.

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- (b) Each flare or liquid-burning pot torch is capable of burning for at least twelve hours in five miles per hour wind velocity and capable of burning in any air velocity from zero to forty miles per hour.
- (c) Each flare is substantially constructed to withstand reasonable shocks without leaking.
 - (d) Each flare is carried in the vehicle in a metal rack or box.
- (e) Each red electric lantern is capable of operating continuously for at least twelve hours and is substantially constructed to withstand reasonable shock without breakage.
- 2. At least three red-burning fusees, unless red electric lanterns are carried, that are:
- (a) Made in accordance with specifications of the bureau of explosives, 30 Vesey Street, New York City and so marked.
 - (b) Capable of burning at least fifteen minutes.
- 3. At least two red cloth flags that are at least twelve inches square and have standards to support the flags.
- B. At the time and under the conditions stated in subsection A OF THIS SECTION a person shall not operate a motor vehicle used in transporting flammable liquids in bulk or transporting compressed flammable gases, unless three red electric lanterns meeting the requirements stated in subsection A OF THIS SECTION are carried in the vehicle. A flare, fusee or signal produced by a flame shall not be carried in a vehicle described in this subsection.
- C. A person is in compliance with this section if the person operates a motor vehicle described in this section and carries in the vehicle three portable reflector units on standards and of a type approved by the department. The department shall not approve a portable reflector unit unless it is THAT ARE designed and constructed to meet the requirements of 49 Code of Federal Regulations section 571.125.
- Sec. 7. Section 28-961, Arizona Revised Statutes, is amended to read:

28-961. <u>Display of warning devices: disabled vehicle</u>

- A. Except as provided in subsection B of this section, if a motor truck, passenger bus, truck tractor, trailer, semitrailer or pole trailer is disabled on the traveled portion of a highway or the shoulder of a highway outside of a city or town at a time when lighted lamps are required on vehicles, the driver of the vehicle shall display the following warning devices on the highway during the time the vehicle is disabled on the highway:
- 1. A lighted fusee immediately placed on the roadway at the traffic side of the motor vehicle unless electric lanterns are displayed.
- 2. Within the burning period of the fusee and as promptly as possible, three lighted flares or pot torches or three electric lanterns placed on the roadway as follows:

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- (a) One at a distance of approximately one hundred feet in advance of the vehicle and one at a distance of approximately one hundred feet to the rear of the vehicle, each in the center of the lane of traffic occupied by the disabled vehicle.
- (b) One at the traffic side of the vehicle approximately ten feet rearward or forward of the vehicle.
- B. If a vehicle that is used in transporting flammable liquids in bulk or compressed flammable gases is disabled on a highway at a time or place provided in subsection A of this section, the driver of the vehicle shall display on the roadway the following lighted warning devices:
- 1. One red electric lantern immediately placed on the roadway at the traffic side of the vehicle.
- 2. Two other red electric lanterns placed to the front and rear of the vehicle in the same manner prescribed for flares in subsection A of this section.
- C. If a vehicle of a type provided in subsection B of this section is disabled, the use of flares, fusees or any signal produced by flame as warning signals is prohibited.
- D. If a vehicle referred to in this section is disabled on the traveled portion of a highway or the shoulder of a highway outside of a city or town at a time when the display of fusees, flares or electric lanterns is not required, the driver of the vehicle shall display two red flags on the roadway in the lane of traffic occupied by the disabled vehicle, one at a distance of approximately one hundred feet in advance of the vehicle and one at a distance of approximately one hundred feet to the rear of the vehicle.
- E. A person is in compliance with this section if three portable reflector units on standards and approved by the department are both:
- 1. Displayed at the times and under the conditions provided in this section either during the daytime or at nighttime.
- 2. Placed on the roadway in the locations prescribed by this section for the placing of electric lanterns and lighted flares.
- F. The flares, fusees, lanterns and flags required in this section shall conform with the requirements of section 28-960 applicable to the flares, fusees, lanterns and flags.
- Sec. 8. Section 28–1385, Arizona Revised Statutes, is amended to read:
 - 28-1385. Administrative license suspension for driving under the influence or for homicide or assault involving a motor vehicle: report: hearing: summary review: ignition interlock device requirement
- A. A law enforcement officer shall forward to the department a certified report as prescribed in subsection B of this section, subject to the penalty for perjury prescribed by section 28-1561, if both of the following occur:

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- 1. The officer arrests a person for a violation of section 4-244, paragraph 34, section 28-1381, section 28-1382 or section 28-1383 or for a violation of title 13, chapter 11 or section 13-1201 or 13-1204 involving a motor vehicle.
- 2. The person submits to a blood or breath alcohol test permitted by section 28-1321 or any other law or a sample of blood is obtained pursuant to section 28-1388 and the results are either not available or the results indicate any of the following:
- (a) 0.08 or more alcohol concentration in the person's blood or breath.
- (b) 0.04 or more alcohol concentration in the person's blood or breath if the person was driving or in actual physical control of a commercial motor vehicle.
- (c) Any drug defined in section 13-3401 or its metabolite is in the person's body except if the person possesses a valid prescription for the drug.
- B. The officer shall make the certified report required by subsection A of this section on forms supplied or approved by the department. The report shall state information that is relevant to the enforcement action, including:
 - 1. Information that adequately identifies the arrested person.
- 2. A statement of the officer's grounds for belief that the person was driving or in actual physical control of a motor vehicle in violation of section 4-244, paragraph 34, section 28-1381, section 28-1382 or section 28-1383 or committed a violation of title 13, chapter 11 or section 13-1201 or 13-1204 involving a motor vehicle.
- 3. A statement that the person was arrested for a violation of section 4-244, paragraph 34, section 28-1381, section 28-1382 or section 28-1383 or for a violation of title 13, chapter 11 or section 13-1201 or 13-1204 involving a motor vehicle.
- 4. A report of the results of the blood or breath alcohol test that was administered, if the results are available.
- C. The officer shall also serve an order of suspension on the person on behalf of the department. The order of suspension:
 - 1. Is effective fifteen days after the date it is served.
- 2. Shall require the immediate surrender of any license or permit to drive that is issued by this state and that is in the possession or control of the person.
- 3. Shall contain information concerning the right to a summary review and hearing, including information concerning the hearing as required by section 28-1321, subsections G and H.
- 4. Shall be accompanied by printed forms that are ready to mail to the department, that the person may fill out and sign to indicate the person's desire for a hearing and that advise the person that the person may alternatively submit an online request for a hearing.

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- 5. Shall be entered on the department's records on receipt of the report by the officer and a copy of the order of suspension.
- 6. Shall inform the person that the person's driving privilege, license, permit, right to apply for a license or permit or nonresident operating privilege may be issued or reinstated following the period of suspension only if the person completes alcohol or other drug screening.
- 7. Shall contain information on alcohol or other drug education and treatment programs that are provided by a facility approved by the department of health services.
- D. If the blood test result is unavailable at the time the test is administered, the result shall be forwarded to the department before the hearing held pursuant to this section in a form prescribed by the director.
- E. If the license or permit is not surrendered pursuant to subsection C of this section, the officer shall state the reason for the nonsurrender. If a valid license or permit is surrendered, the officer shall issue a temporary driving permit that is valid for fifteen days. The officer shall forward a copy of the completed order of suspension, a copy of any completed temporary permit and any driver license or permit taken into possession under this section to the department within five days after the issuance of the order of suspension along with the report.
- F. The department shall suspend the affected person's license or permit to drive or right to apply for a license or permit or any nonresident operating privilege for not less than ninety consecutive days from that date. If the person is otherwise qualified, the department may reinstate the person's driving privilege, license, permit, right to apply for a license or permit or nonresident operating privilege following the period of suspension only if the violator completes alcohol or other drug screening.
- G. Notwithstanding subsections A through F of this section, the department shall suspend the driving privileges of the person described in subsection A of this section for not less than thirty consecutive days and shall restrict the driving privileges of the person for not less than sixty consecutive additional days to travel between the person's place of employment and residence and during specified periods of time while at employment, to travel between the person's place of residence and the person's secondary or postsecondary school, according to the person's employment or educational schedule, to travel between the person's place of residence and the office of the person's probation officer for scheduled appointments or to travel between the person's place of residence and a screening, education or treatment facility for scheduled appointments if the person:
- 1. Did not cause death or serious physical injury as defined in section 13–105 to another person during the course of conduct out of which the current action arose.

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- 2. Has not been convicted of a violation of section 4-244, paragraph 34, section 28-1381, section 28-1382 or section 28-1383 within eighty-four months of the date of commission of the acts out of which the current action arose. The dates of commission of the acts are the determining factor in applying the eighty-four month provision.
- 3. Has not had the person's privilege to drive suspended pursuant to this section or section 28-1321 within eighty-four months of the date of commission of the acts out of which the current action arose.
- 4. Provides satisfactory evidence to the department of the person's completion of alcohol or other drug screening that is ordered by the department. If the person does not complete alcohol or other drug screening, the department may impose a ninety day suspension pursuant to this section.
- H. If the officer does not serve an order of suspension pursuant to subsection C of this section and if the department does not receive the report of the results of the blood or breath alcohol test pursuant to subsection B, paragraph 4 of this section, but subsequently receives the results and the results indicate 0.08 or more alcohol concentration in the person's blood or breath, a blood or breath alcohol concentration of 0.04 or more and the person was driving or in actual physical control of a commercial motor vehicle or any drug defined in section 13-3401 or its metabolite in the person's body and the person does not possess a valid prescription for the drug, the department shall notify the person named in the report in writing sent by mail that fifteen days after the date of issuance of the notice the department will suspend the person's license or permit, driving privilege or nonresident driving privilege. The notice shall also state that the department will provide an opportunity for a hearing and administrative review if the person requests a hearing or review in writing and the request is received by the department within fifteen days after the notice is sent.
- I. A timely request for a hearing stays the suspension until a hearing is held, except that the department shall not return any surrendered license or permit to the person but may issue temporary permits to drive that expire no later than when the department has made its final decision. If the person is a resident without a license or permit or has an expired license or permit, the department may allow the person to apply for a restricted license or permit. If the department determines the person is otherwise entitled to the restricted license or permit, the department shall issue, but retain, the license or permit, subject to this section. All hearings requested under this section shall be conducted in the same manner and under the same conditions as provided in section 28-3306.

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- J. For the purposes of this section, the scope of the hearing shall include only the following issues:
- 1. Whether the officer had reasonable grounds to believe the person was driving or was in actual physical control of a motor vehicle while under the influence of intoxicating liquor or drugs.
- 2. Whether the person was placed under arrest for a violation of section 4-244, paragraph 34, section 28-1381, section 28-1382 or section 28-1383 or for a violation of title 13, chapter 11 or section 13-1201 or 13-1204 involving a motor vehicle.
- 3. Whether a test was taken, the results of which indicated any of the following:
- (a) An alcohol concentration in the person's blood or breath at the time the test was administered of either:
 - (i) 0.08 or more.
- (ii) 0.04 or more if the person was driving or in actual physical control of a commercial motor vehicle.
- (b) Any drug defined in section 13-3401 or its metabolite in the person's body except if the person possesses a valid prescription for the drug.
 - 4. Whether the testing method used was valid and reliable.
 - 5. Whether the test results were accurately evaluated.
- K. The results of the blood or breath alcohol test shall be admitted on establishing the requirements in section 28-1323 or 28-1326.
- L. If the department determines at the hearing to suspend the affected person's privilege to operate a motor vehicle, the suspension provided in this section is effective fifteen days after giving written notice of the suspension, except that the department may issue or extend a temporary license that expires on the effective date of the suspension. If the person is a resident without a license or permit or has an expired license or permit to operate a motor vehicle in this state, the department shall deny the issuance of a license or permit to the person for not less than ninety consecutive days. The department may reinstate the person's driving privilege, license, permit, right to apply for a license or permit or nonresident operating privilege following the period of suspension only if the violator completes alcohol or other drug screening.
- M. A person may apply for a summary review of an order issued pursuant to this section instead of a hearing at any time before the effective date of the order. A TIMELY REQUEST FOR SUMMARY REVIEW STAYS THE SUSPENSION UNTIL A DECISION IS ISSUED. The person shall submit the application in writing to any department driver license examining office together with any written explanation as to why the department should not suspend the driving privilege. The agent of the department receiving the notice shall issue to the person an additional driving permit that expires twenty days from the date the request is received. The department shall review all reports submitted by the officer and any written explanation

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 submitted by the person and shall determine if the order of suspension should be sustained or cancelled. The department shall not hold a hearing, and the review is not subject to title 41, chapter 6. The department shall notify the person of its decision before the temporary driving permit expires.

- N. If the suspension or determination that there should be a denial of issuance is not sustained after a hearing or review, the ruling is not admissible in and does not have any effect on any civil or criminal court proceeding.
- O. If it has been determined under the procedures of this section that a nonresident's privilege to operate a motor vehicle in this state has been suspended, the department shall give information either in writing or by electronic means of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which the person has a license.

Sec. 9. Repeal

Title 28, chapter 6, article 2, Arizona Revised Statutes, is repealed.

Sec. 10. Section 28-2059, Arizona Revised Statutes, is amended to read:

28-2059. Obtaining a certificate of title: refusal: revocation

- A. If satisfactory proof of ownership is furnished to the director, the director may issue a certificate of title for a motor vehicle, trailer or semitrailer whether or not a certificate of title has ever been issued for that motor vehicle, trailer or semitrailer.
- B. If the director determines that an applicant for a certificate of title to a motor vehicle, trailer or semitrailer is not entitled to a certificate of title, the director may refuse to issue a certificate of title or to register the vehicle. After notice and a hearing, The director may revoke a registration already acquired or an outstanding certificate of title. The director shall serve the A notice OF REFUSAL TO ISSUE A CERTIFICATE OF TITLE OR VEHICLE REGISTRATION OR A NOTICE OF REVOCATION OF A CERTIFICATE OF TITLE OR REGISTRATION in person or by first class mail. Within fifteen days after the date the notice is delivered or mailed OR SERVED, the applicant A PERSON WHO IS AGGRIEVED BY THE REFUSAL OR REVOCATION may request a hearing.

Sec. 11. Section 28-2261, Arizona Revised Statutes, is amended to read:

28-2261. <u>Alternative proportional registration agreements</u>; authority

A. In lieu of the registration required by section 28-2153, in lieu of international proportional registration pursuant to article 7 of this chapter and notwithstanding section 28-2321, the director may provide for the apportionment of registration and other fees for resident or nonresident fleets of apportionable commercial vehicles that are engaged

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in interstate and intrastate commerce between this state and another state or states in which fleets operate in accordance with a proportional registration agreement pursuant to this article.

- B. The director may enter into proportional registration agreements with another state or states providing that residents of the other state or states who operate a commercial vehicle may allocate and apportion the registration and other fees and taxes for the commercial vehicle prescribed in sections 28-2003, 28-5433, 28-5471 and 28-5801 pursuant to a formula agreed on by the director and the other state or states.
- C. The director may enter into an agreement pursuant to this article if residents of this state are granted the same allocation and apportionment privileges for commercial motor vehicles registered in the other state or states. An agreement, arrangement, declaration or amendment entered into pursuant to this article shall be in writing and is not effective until filed with the department.
- D. The director shall adopt rules necessary to administer and enforce this article.
- Sec. 12. Section 28-2293, Arizona Revised Statutes, is amended to read:

28-2293. Application

- A. A nonresident daily commuter may apply for external vehicle identification indicia and an identification card by filing an application with the department.
- B. The department shall prescribe a form to be completed by the applicant that includes all of the following information:
- 1. The vehicle license plate number and the vehicle identification number of the motor vehicle that will display the nonresident daily commuter indicia.
- 2. The name of the registered owner of the motor vehicle that will display the indicia.
 - 3. A statement that the applicant is a nonresident daily commuter.
- 4. A statement that the indicia will be displayed on a qualified NONRESIDENT DAILY COMMUTER WILL ALWAYS CARRY THE NONRESIDENT IDENTIFICATION CARD IN THE motor vehicle FOR WHICH THE CARD IS ASSIGNED AND WILL PRESENT THE CARD TO ANY PEACE OFFICER OF THIS STATE ON DEMAND as prescribed by section 28-2295.
- 5. A statement that the place of employment of the nonresident daily commuter is within the corridor prescribed by section 28-2294.
- Sec. 13. Section 28-2294, Arizona Revised Statutes, as added by Laws 1996, chapter 76, section 93, is amended to read:

28-2294. Nonresident daily commuter; identification card; fee

A. On application and completion of the form prescribed by section 28-2293, the department shall provide a nonresident daily commuter with external vehicle identification indicia and a corresponding AN identification card that are IS valid for two years.

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- B. A motor vehicle is exempt from registration by this state if the following conditions are met:
- 1. The motor vehicle is operated with the indicia provided pursuant to subsection A of this section and otherwise in accordance with this article.
 - 2. The motor vehicle is a passenger vehicle or an unladen truck.
- 3. The motor vehicle is licensed in a contiguous state and is used to commute into this state to a destination within a corridor in this state that parallels the border between this state and the contiguous state and that extends not more than thirty-five air miles into this state from the border at any point.
- C. The privilege accorded by subsection A of this section is revoked if the motor vehicle is operated for commuter purposes beyond the thirty-five mile corridor.
- D. The department may charge a fee of not more than eight dollars for each motor vehicle exempt from registration pursuant to this section, as necessary, to recover the costs of administering this article.
- Sec. 14. Section 28-2294, Arizona Revised Statutes, as amended by Laws 1996, chapter 76, section 94, is amended to read:
 - 28-2294. Nonresident daily commuter; identification card; fee
- A. On application and completion of the form prescribed by section 28-2293, the department shall provide a nonresident daily commuter with external vehicle identification indicia and a corresponding AN identification card that are IS valid for two years.
- B. A motor vehicle is exempt from registration by this state if the following conditions are met:
- 1. The motor vehicle is operated with the indicia provided pursuant to subsection A of this section and otherwise in accordance with this article.
 - 2. The motor vehicle is a passenger vehicle or an unladen truck.
- 3. The motor vehicle is licensed in a contiguous state and is used to commute into this state to a destination within a corridor in this state that parallels the border between this state and the contiguous state and that extends not more than seventy air miles into this state from the border at any point.
- C. The privilege accorded by subsection A of this section is revoked if the motor vehicle is operated for commuter purposes beyond the air mileage limitation provided in subsection B of this section.
- D. The department may charge a fee of not more than eight dollars for each motor vehicle exempt from registration pursuant to this section, as necessary, to recover the costs of administering this article.

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Sec. 15. Section 28-2295, Arizona Revised Statutes, is amended to read:

28-2295. <u>Identification card</u>

- A. A nonresident daily commuter shall display nonresident daily commuter indicia in a location on the motor vehicle that is clearly visible and adjacent to the rear license plate.
- B. A nonresident daily commuter shall carry the corresponding nonresident daily commuter identification card at all times in the motor vehicle for which the card is assigned and shall present the card to any peace officer of this state on demand.
- Sec. 16. Section 28-2356, Arizona Revised Statutes, is amended to read:

28-2356. <u>Transfer of license plates to another vehicle;</u> <u>credit; refund</u>

- A. Except as otherwise provided in this chapter, the owner of a vehicle for which the department provided license plates pursuant to section 28-2351 shall retain those license plates when the owner transfers the vehicle to another person.
- B. The owner may apply for a refund or a credit of the unexpired portion of the fees and taxes as prescribed in this section if both of the following apply:
- 1. The owner makes proper application to the director or to an authorized third party pursuant to chapter 13 of this title.
- 2. The owner agrees to allow the department to deduct a twelve dollar processing fee from the amount of the refund or credit.
- C. If the owner applies for a credit as prescribed in this section, the department may assign the license plates retained pursuant to subsection A of this section to another vehicle that belongs to the owner if all of the following apply:
 - 1. The other vehicle is of the same vehicle type.
- 2. The owner is applying the available credit for the fees and taxes to one other vehicle the owner owns or acquires.
- 3. If the available credit exceeds the amount required to pay the fees and taxes, the department shall issue ISSUES a refund for the remaining amount of credit as prescribed in this section. The department shall not charge an additional twelve dollar fee pursuant to subsection B of this section for issuing a refund under this paragraph.
- 4. If the vehicle license tax, gross weight fees, commercial registration fees, special plate fees and motor carrier fees are more than the similar fees and taxes required to register the vehicle to which the license plates were previously assigned, the owner pays any additional fees and taxes required after subtracting any credit allowed under this section.

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- D. If the other vehicle is not of the same vehicle type as the vehicle for which the license plates were provided by the department pursuant to section 28-2351, the owner shall either surrender the license plates to the department or an authorized third party or submit an affidavit of license plate destruction as prescribed by the director. On surrender of the license plates or submission of an affidavit of license plate destruction, the department shall provide new license plates of the proper vehicle type to the owner and credit the owner with an amount equal to the unexpended portion of the fees and taxes originally paid by the owner for registration and license plates toward fees and taxes charged for the registration and license plates of the appropriate new vehicle type.
- E. The owner of a registered vehicle who transfers license plates to another vehicle or who claims a refund pursuant to this section is entitled to a credit or a refund for the unexpired portion of the fees and taxes paid as required by law in accordance with the following conditions:
- 1. The fees and taxes are prorated on a monthly basis beginning on the first day of the registration month following the date of acquisition of the vehicle.
 - 2. The credit or refund shall be an amount computed as follows:
- (a) If the vehicle is registered on an annual basis, one-twelfth for each full month of the registration period not yet expired.
- (b) If the vehicle is registered on a biennial basis pursuant to section 28-2159, one-twenty-fourth for each full month of the registration period not yet expired.
- (c) If the vehicle is permanently registered, one-twenty-fourth for each full month after acquisition of the vehicle to the twenty-fourth month after the date of initial permanent registration of the vehicle.
- F. If the owner of a registered vehicle transfers the vehicle to another person but does not transfer the license plates to another vehicle, surrender the license plates to the department or an authorized third party or submit an affidavit of license plate destruction within thirty days of the transfer as required by section 28-2058, the unexpired portion of the fees and taxes shall decrement DECREASE pursuant to subsection $\frac{1}{1}$ E of this section until the owner either surrenders the license plates to the department or an authorized third party or submits an affidavit of license plate destruction.
- G. Except as provided in subsection C of this section, an owner of a registered vehicle who transfers the vehicle to another person and either surrenders the license plates to the department or an authorized third party or submits an affidavit of license plate destruction may apply to the department for a refund of the unexpired portion of the fees and taxes paid if the owner does not claim a credit pursuant to this section and the refundable amount calculated pursuant to subsection D of this section exceeds the twelve dollar fee prescribed in subsection B of this

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section. If the department determines that the owner is entitled to a refund, the department shall send the refund by first class mail to the address provided by the owner claiming the refund or, if no address is provided, to the latest address listed on the department's records for the owner claiming the refund.

- H. An owner who transfers license plates to another vehicle pursuant to this section is subject to the same penalties for the use of the license plates on another vehicle or for improper use of the license plates as the owner would have been subject to for use of the license plates on the vehicle to which the plates were previously assigned.
- I. The owner of a vehicle registered in this state is not entitled to a credit or a refund pursuant to this section if the vehicle is registered in another state unless the owner is applying the credit pursuant to this section to another vehicle the owner owns or acquires for registration in this state.
- J. The director shall adopt rules necessary to administer this section.
- Sec. 17. Section 28-2513, Arizona Revised Statutes, is amended to read:

28-2513. Mopeds

Notwithstanding any other provision of this title:

- 1. A certificate of title is not required for a moped that is registered pursuant to this chapter.
- 2. A number permanently affixed to the frame of the moped identifies the moped for registration purposes.
- 3. The director shall adopt necessary rules to provide for any tag, decal, plate or other device in lieu of a license plate otherwise required pursuant to this chapter to be attached to a moped to indicate that the moped is properly registered.
- 4. 3. The license tax imposed by article IX, section 11, Constitution of Arizona, is four dollars fifty cents for each moped registered each year.
- $\frac{5.}{1.0}$ 4. A moped is exempt from the provisions of section 28-964 relating to required equipment on motorcycles and $\frac{1}{1.0}$ motor-driven MOTOR DRIVEN cycles and from the provisions of title 49, chapter 3, article 5 relating to vehicle emissions inspections.
- 6. 5. The motor vehicle fee for registration or reregistration of a moped is five dollars. All other fees applicable to motor vehicles also apply to a moped.
 - 7. 6. Any class of driver license is valid for operating a moped.
- 8. 7. A moped is restricted from rights-of-way designated for exclusive use by bicycles.

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44 45 Sec. 18. Repeal

Sections 28-3051 and 28-3052, Arizona Revised Statutes, are repealed.

Sec. 19. Section 28-3153, Arizona Revised Statutes, is amended to read:

28-3153. <u>Driver license issuance; prohibitions</u>

- A. The department shall not issue the following:
- 1. A driver license to a person who is under eighteen years of age, except that the department may issue:
- (a) A restricted instruction permit for a class D or G license to a person who is at least fifteen years of age.
- (b) An instruction permit for a class D, G or M license as provided by this chapter to a person who is at least fifteen years and six months of age.
- (c) A class G or M license as provided by this chapter to a person who is at least sixteen years of age.
- 2. A class D, G or M license or instruction permit to a person who is under eighteen years of age and who has been tried in adult court and convicted of a second or subsequent violation of criminal damage to property pursuant to section 13–1602, subsection A, paragraph 1 or convicted of a felony offense in the commission of which a motor vehicle is used, including theft of a motor vehicle pursuant to section 13-1802, unlawful use of means of transportation pursuant to section 13-1803 or theft of means of transportation pursuant to section 13-1814, or who has been adjudicated delinquent for a second or subsequent act that would constitute criminal damage to property pursuant to section 13-1602, subsection A, paragraph 1 or adjudicated delinquent for an act that would constitute a felony offense in the commission of which a motor vehicle is used, including theft of a motor vehicle pursuant to section 13-1802, unlawful use of means of transportation pursuant to section 13-1803 or theft of means of transportation pursuant to section 13-1814, if committed by an adult.
- 3. A class A, B or C license to a person who is under twenty-one years of age, except that the department may issue a class A, B or C license that is restricted to only intrastate driving to a person who is at least eighteen years of age.
- 4. A license to a person whose license or driving privilege has been suspended, during the suspension period.
- 5. Except as provided in section 28-3315, a license to a person whose license or driving privilege has been revoked.
- 6. A class A, B or C license to a person who has been disqualified from obtaining a commercial driver license.
- 7. A license to a person who on application notifies the department that the person is an alcoholic as defined in section 36-2021 or a drug dependent person as defined in section 36-2501, unless the person

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 successfully completes the medical screening process pursuant to section 28-3052 or submits a medical examination report that includes a current evaluation from a substance abuse counselor indicating that, in the opinion of the counselor, the condition does not affect or impair the person's ability to safely operate a motor vehicle.

- 8. A license to a person who has been adjudged to be incapacitated pursuant to section 14-5304 and who at the time of application has not obtained either a court order that allows the person to drive or a termination of incapacity as provided by law.
- 9. A license to a person who is required by this chapter to take an examination unless the person successfully passes the examination.
- 10. A license to a person who is required under the motor vehicle financial responsibility laws of this state to deposit proof of financial responsibility and who has not deposited the proof.
- 11. A license to a person if the department has good cause to believe that the operation of a motor vehicle on the highways by the person would threaten the public safety or welfare.
- 12. A license to a person whose driver license has been ordered to be suspended for failure to pay child support, except that a noncommercial restricted license may be issued pursuant to section 25-518.
- 13. A class A, B or C license to a person whose license or driving privilege has been canceled until the cause for the cancellation has been removed.
- 14. A class A, B or C license or instruction permit to a person whose state of domicile is not this state.
- 15. A class A, B or C license to a person who fails to demonstrate proficiency in the English language as determined by the department.
- B. The department shall not issue a driver license to or renew the driver license of the following persons:
- 1. A person about whom the court notifies the department that the person violated the person's written promise to appear in court when charged with a violation of the motor vehicle laws of this state until the department receives notification in a manner approved by the department that the person appeared either voluntarily or involuntarily or that the case has been adjudicated, that the case is being appealed or that the case has otherwise been disposed of as provided by law.
- 2. If notified pursuant to section 28-1601, a person who fails to pay a civil penalty as provided in section 28-1601, except for a parking violation, until the department receives notification in a manner approved by the department that the person paid the civil penalty, that the case is being appealed or that the case has otherwise been disposed of as provided by law.
- C. The magistrate or the clerk of the court shall provide the notification to the department prescribed by subsection B of this section.

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- D. Notwithstanding any other law, the department shall not issue to or renew a driver license or nonoperating identification license for a person who does not submit proof satisfactory to the department that the applicant's presence in the United States is authorized under federal law. For an application for a driver license or a nonoperating identification license, the department shall not accept as a primary source of identification a driver license issued by a state if the state does not require that a driver licensed in that state be lawfully present in the United States under federal law. The director shall adopt rules necessary to carry out the purposes of this subsection. The rules shall include procedures for:
- 1. Verification that the applicant's presence in the United States is authorized under federal law.
- 2. Issuance of a temporary driver permit pursuant to section 28-3157 pending verification of the applicant's status in the United States.
- Sec. 20. Section 28-3158, Arizona Revised Statutes, is amended to read:

28-3158. <u>Driver license or instruction permit application</u>

- A. A person who applies for an instruction permit or for a driver license shall use a form furnished by the department.
- B. An applicant shall pay the fee prescribed by section 28-3002 for a driver license or for an instruction permit issued under section 28-3154, 28-3155, 28-3156 or 28-3225. FOR A CLASS A, B OR C LICENSE APPLICATION, payment of the fee required by this section entitles the applicant to not more than three attempts to pass the written examination or road test within twelve months from the date of the application. The department shall refund an application fee pursuant to section 28-373.
- C. An applicant for an instruction permit or a driver license shall give the department satisfactory proof of the applicant's full legal name, date of birth, sex and DOMICILE residence address IN THIS STATE and that the applicant's presence in the United States is authorized under federal law.
- D. The application for an instruction permit or a driver license shall state the following:
- 1. A brief description of the applicant and any other identifying information required by the department.
- 2. Whether the applicant has been licensed, and if so, the type of license issued, when the license was issued and what state or country issued the license.
- 3. Whether the license was suspended or revoked or whether an application was ever refused, and if so, the date of and reason for the suspension, revocation or refusal.
- 4. 3. If the applicant was never licensed, the applicant's last previous state or country of residence.

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- 5. 4. The social security number of the applicant.
- E. The department shall:
- 1. Verify that a social security number provided by an applicant is a valid number assigned to that applicant.
 - 2. Retain the social security number in its records.
- F. The social security number provided to the department pursuant to subsection D of this section for an applicant's driver license or instruction permit shall not appear on an applicant's driver license or instruction permit unless the applicant requests that the social security number appear on the applicant's driver license or instruction permit as the driver license or instruction permit number. Except as provided in sections 28-455 and 41-1954, the department shall not release the social security number to any person unless the applicant requests that the social security number appear on the applicant's driver license or instruction permit as the driver license or instruction permit number. The provisions of this subsection shall be included in each application.
- G. The department may adopt and implement procedures to deny a driver license or instruction permit to a person who has been deported. The department may adopt and implement procedures to reinstate a person's privilege to apply for a driver license or permit if the person's legal presence status is restored.
- H. On request of an applicant, the department shall allow the applicant to provide on the license or permit a post office box address that is regularly used by the applicant.
- I. The department may request an applicant who appears in person for a license, a duplicate license or reinstatement of a driving privilege to complete satisfactorily the vision screening prescribed by the department.
- J. If a driver license applicant submits satisfactory proof to the department that the applicant is a veteran, on request of the applicant, the department shall allow a distinguishing mark to appear on the license that identifies the person as a veteran.
- Sec. 21. Section 28-3166, Arizona Revised Statutes, is amended to read:

28-3166. <u>Driver license content and application; marked</u> licenses; emancipated minors

A. The department shall issue a driver license to a qualified applicant. The driver license shall contain a distinguishing number assigned to the licensee, the license class, any endorsements, the licensee's full name, date of birth and residence address, a brief description of the licensee and either a facsimile of the signature of the licensee or a space on which the licensee is required to write the licensee's usual signature with pen and ink. A driver license is not valid until it is signed by the licensee. On request of an applicant:

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- 1. The department shall allow the applicant to provide on the driver license a post office box address that is regularly used by the applicant and that is located in the county in which the applicant resides.
- 2. If the applicant submits satisfactory proof to the department that the applicant is a veteran, the department shall allow a distinguishing mark to appear on the license that identifies the person as a veteran.
- B. An application for a driver license and the driver license issued shall contain the photo image of the applicant or licensee. The department shall use a process in the issuance of driver licenses that prohibits as nearly as possible the ability to alter or reproduce the license or that prohibits the ability to superimpose a photo image on the license without ready detection. The department shall process driver licenses and photo images in color. This subsection does not apply to a driver license that is renewed by mail pursuant to section 28-3172.
- C. An applicant who is AT LEAST sixteen or older but under twenty-four years of age shall provide the department with satisfactory proof of the applicant's legal name and date of birth.
- D. If a person is qualified for a driver license and is under the legal drinking age, the department shall issue a license that is marked by color, code or design to immediately distinguish it from a license issued to a person of legal drinking age. The department shall indicate on the driver license issued pursuant to this subsection the year in which the person will attain the legal drinking age.
- E. The department shall mark a special ignition interlock restricted driver license issued pursuant to chapter 4, article 3.1 of this title by color, code or design to immediately distinguish it from other licenses issued by the department.
- F. If a person is qualified for a driver license but is subject to the certified ignition interlock device limitations prescribed in section 28-1381, 28-1382, 28-1383 or 28-3319, the department shall issue a license that is marked by color, code or design to immediately distinguish it from other licenses issued by the department.
- G. The department shall not include information in the magnetic stripe and bar code of a driver license other than information that the department is authorized to obtain and place on a driver license pursuant to this article.
- H. If a minor has been emancipated pursuant to title 12, chapter 15, on application and proof of emancipation, the department shall issue a driver license that contains the words "emancipated minor".

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 Sec. 22. Section 28-3171, Arizona Revised Statutes, is amended to read:

28-3171. <u>Driver license expiration and renewal; exception; extension</u>

- A. Except as provided in subsection B, D or E of this section and unless medical restrictions require a shorter expiration period, a driver license:
 - 1. Is valid until the applicant's sixty-fifth birthday.
- 2. Is renewable for successive periods of five years after the applicant's sixty-fifth birthday.
- 3. Expires on the applicant's birthday if the license was issued pursuant to subsection B of this section.
 - B. Notwithstanding subsection A of this section:
- 1. The department shall issue to an applicant a driver license that is valid for not more than five years and six months if the applicant applies within six months of the applicant's next birthday and if the applicant is sixty-four years of age or older, unless medical restrictions require a shorter expiration period.
- 2. On presentation of satisfactory proof of qualification, the director may issue a class D, G or M license or permit for a period of up to five years to:
- (a) A person who is an out-of-state student or who is the spouse of an out-of-state student. For the purposes of this subdivision, "out-of-state student" has the same meaning prescribed in section 28-2001.
- (b) An immediate family member of any active duty military personnel temporarily stationed in this state.
- (c) Any other person for whom the director determines other circumstances justify the issuance.
- C. An applicant shall apply for renewal of a driver license before the expiration of a current license. The department may require an examination of a renewal applicant for a class D, G or M license as required of an original applicant.
- D. A veteran, as defined in section 41-601, whose driver license expires is not required to renew the veteran's driver license for six months from the date of the veteran's discharge from military service.
- E. The department may extend the expiration date of a class D or M license by mail for a resident if the applicant is not in this state at the time the license expires and will not be in this state for at least thirty consecutive days after the expiration of the driver license. On payment by the applicant of the fee prescribed in section 28-3002, the department shall issue a certificate of extension that is valid only if accompanied by the applicant's previous license. An applicant for extension of a license by mail shall comply with the following:
 - 1. The application requirements of section 28-3158.
 - 2. The licensing requirements of section 28-3153.

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3. Medical requirements applicable to all license applicants, except that the applicant is not required to obtain an eyesight examination.

Sec. 23. Repeal

Section 28-3172, Arizona Revised Statutes, is repealed.

Sec. 24. Section 28-4145, Arizona Revised Statutes, is amended to read:

28-4145. Restricted license and registration

- A. A person whose driver license, registration and license plate have been suspended pursuant to section 28-4143 or 28-4144 may apply to the department for a restricted license and registration. The license and registration are restricted to travel during the course of employment or between the person's place of employment and residence and their use is limited to specified periods of the day or night according to the person's employment schedule. The director shall prescribe by rule the criteria necessary for issuing a restricted license and registration. The department shall not grant an application for a restricted license and registration until the person meets the requirements of section 28-4144, subsection C.
- B. Notwithstanding section 28-4141, a person whose driver license, vehicle registration and license plate have been suspended on imposition of a civil penalty for a violation of this article or have been suspended by the department may apply to the department for a restricted license and registration. The license and registration are restricted to travel during the course of employment, between the person's place of employment and residence or between the person's place of residence and school, and are limited in use to specified periods of the day or night according to the requirements of the person's employment or school schedule. The department shall not grant the application for a restricted license and registration until the applicant files and maintains proof of financial responsibility with the department.

Sec. 25. Repeal

Section 28-4543, Arizona Revised Statutes, is repealed.

Sec. 26. Section 28-5615, Arizona Revised Statutes, is amended to read:

28-5615. Presumption of use

- A. For the proper administration of this article and to prevent evasion of the use fuel tax, it is presumed, until the contrary is established by competent proof under rules and procedures the director adopts, that all use fuel received into any receptacle on a motor vehicle from which fuel is supplied to propel the vehicle is consumed in propelling the vehicle on the highways in this state.
- B. If a vendor's dealings in use fuel primarily involve delivery of use fuel into the fuel tanks of motor vehicles it is presumed, until the contrary is established by competent proof under rules and procedures the

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 director adopts, that the vendor's total use fuel acquisitions have been delivered into the fuel tanks of motor vehicles for the propulsion of the vehicles on the public highways.

Sec. 27. Section 28-5639, Arizona Revised Statutes, is amended to read:

28-5639. Uncollectible tax credit

- A. In computing the amount of motor fuel tax due, the supplier is entitled to a credit against the tax payable in the amount of tax paid by the supplier that has become uncollectible from an eligible purchaser.
- B. The supplier shall provide notice to the department of a failure to collect the tax within thirty days after the earliest date on which the supplier was entitled to collect the tax from the eligible purchaser under section 28-5637.
- C. The department shall adopt rules establishing the evidence a supplier must provide to receive the credit.
- D. C. The credit shall be claimed on the first return after the expiration of the thirty day period if the payment remains unpaid as of the filing date of that return or the credit is disallowed.
- E. D. The claim for credit shall identify the defaulting eligible purchaser and any tax liability that remains unpaid.
- F. E. If an eligible purchaser fails to make a timely payment of the amount of tax due, the credit of the supplier is limited to the amount due from the purchaser, plus any tax that accrues from that purchaser for a period of thirty days after the date of failure to pay.
- G. F. An additional credit shall not be allowed to a supplier under this section until the department authorizes the purchaser under section 28-5638 to make a new election.
- Sec. 28. Section 28-5648, Arizona Revised Statutes, is amended to read:

28-5648. <u>Inspection of fuel and shipping papers</u>

A. The department, or its appointees, including federal government employees or persons operating under contract with this state, on presenting appropriate credentials may conduct inspections and remove samples of fuel to determine coloration of diesel fuel, or to identify shipping paper violations at any place where taxable fuel is or may be produced, stored or loaded into transport vehicles. Inspections shall be performed in a reasonable manner consistent with the circumstances, but in no event is prior notice required. Inspectors may physically inspect, examine or otherwise search any tank, reservoir or other container that can or might be used for the production, storage or transportation of fuel. Inspection may be made of any equipment used for, or in connection with, the production, storage or transportation of fuel. Inspectors may demand that shipping papers, documents and records required to be kept by a person transporting fuel be produced for immediate inspection. The places that may be inspected pursuant to this section include:

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- 1. A terminal.
- 2. A fuel storage facility that is not a terminal.
- 3. A retail fuel facility.
- 4. Highway rest stops.
- 5. A designated inspection site. For THE purposes of this paragraph, "designated inspection site" means any state highway or waterway inspection station, weigh station, agricultural inspection station, mobile station or other location designated by the department that is either fixed or mobile.
- B. Inspectors may reasonably detain any person or equipment transporting fuel in or through this state for the purpose of determining whether the person is operating in compliance with this article and any rules adopted pursuant to this article. Inspectors may detain a person or equipment only for such time as is necessary to determine whether the person is in compliance.
- Sec. 29. Section 28-5703, Arizona Revised Statutes, is amended to read:

28-5703. <u>Cooperative agreements: definitions</u>

- A. To comply with the intermodal surface transportation efficiency act of 1991, the director may enter into a cooperative agreement with other jurisdictions for the administration of motor fuel taxes imposed by article 1 of this chapter or section 28-8344. An agreement is not effective until signed by the director and filed with the department.
 - B. The agreement shall include:
- 1. The base jurisdiction concept. This concept allows a licensee to report and pay motor fuel use taxes to a base jurisdiction for distribution to other member jurisdictions in which the licensee traveled and incurred motor fuel use tax liability.
- 2. Retention of each jurisdiction's sovereign authority to determine tax rates and exemptions and exercise other substantive tax authority.
- 3. A uniform definition of the vehicles to which the agreement applies. $\ensuremath{\text{applies}}$
 - C. The agreement may provide for:
 - 1. Determining the base jurisdiction for users.
 - 2. Users records requirements.
 - 3. Audit procedures.
 - 4. Exchange of information.
 - 5. Persons eligible for tax licensing.
 - 6. Defining qualified motor vehicles.
 - 7. Determining if bonding is required.
- 8. Specifying reporting requirements and periods, including defining uniform penalty and interest rates for late reporting.
- 9. Determining methods for collecting and forwarding motor fuel taxes and penalties to another jurisdiction.

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- 10. Other provisions to facilitate the administration of the agreement.
- 11. Each jurisdiction to audit the records of persons based in the jurisdiction to determine if the motor fuel taxes due each jurisdiction are properly reported and paid.
- D. Each jurisdiction shall forward the findings of the audits performed on persons based in the jurisdiction to each jurisdiction in which the person has taxable use of motor fuels. As required by the agreement, the director may forward to officers of another member jurisdiction any information in the director's possession relative to the manufacture, receipt, sale, use, transportation or shipment of motor fuels by any person. The director may disclose to officers of another member jurisdiction the location of offices, motor vehicles and other real and personal property of users of motor fuels.
- E. Member jurisdictions may enforce this chapter against persons who are not based in this state and who have taxable use of motor fuel in this state.
- F. An agreement entered into under this section does not preclude the director or the director's appointed representatives from auditing the records of a person covered by this article and article 1 of this chapter.
- G. The legal remedies for a person served with an order or assessment under this section are as prescribed in article 5 of this chapter.
- H. If the director enters into an agreement under this section, the director may adopt rules the director deems necessary to implement the agreement.
 - H. For the purposes of this section:
- 1. "Jurisdiction" means a state of the United States, the District of Columbia or a province or territory of the Dominion of Canada.
- 2. "Motor fuels" includes motor vehicle fuel, aviation fuel and use fuel.
 - 3. "Qualified motor vehicle" means a use class motor vehicle.
- Sec. 30. Section 28-5721, Arizona Revised Statutes, is amended to read:

28-5721. Additional assessment

- A. If the director is not satisfied with a report filed or the amount of use fuel tax paid by a licensee, the director may make an additional assessment of use fuel taxes due from the licensee based on any information available to the director.
- B. A penalty of twenty-five per cent of the additional use fuel tax assessed shall be added to the tax with interest at the rate of one per cent per month or portion of a month on the unpaid tax from the twenty-seventh day after the end of the month for which the additional assessment is made until paid.

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 ${\mathfrak C}_{{\mathfrak C}_{{\mathfrak C}}}$ B. The director shall give written notice to the licensee of the additional assessment served personally or by mail addressed to the licensee at the licensee's address of record in the office of the director.

Sec. 31. Section 28-5724, Arizona Revised Statutes, is amended to read:

28-5724. <u>Failure to file report: assessment: license</u> revocation or suspension

- A. If a person fails, neglects or refuses to make a report required by this article, the director shall:
- 1. make an estimate for the month for which the licensee failed to make the report based on any information available to the director.
- 2. On the basis of the estimate, assess the use fuel tax due from the person and add to the amount determined a penalty equal to twenty-five per cent of the use fuel tax due.
- B. The assessment bears interest at the rate of one per cent per month or portion of a month from the twenty-seventh day after the end of the month for which the assessment is made until paid.
- \mathbb{C} . B. The director shall give the person written notice of the assessment served personally or by mail addressed to the person at the person's address of record in the office of the director.
- D. C. If a person fails, neglects or refuses to make a report required by this article with full payment of the tax due, the director may revoke or suspend the person's license.
- Sec. 32. Section 28-5952, Arizona Revised Statutes, is amended to read:

28-5952. <u>Levy release; property return</u>

- A. Pursuant to rules, The director may release the levy on all or part of the property or rights to property levied on if the director determines the release will facilitate the collection of the liability. The release does not prevent a subsequent levy.
- B. If the director determines that property has been wrongfully levied on, the director may return:
 - 1. The specific property levied on.
 - 2. An amount of money equal to the amount of money levied on.
- 3. An amount of money equal to the amount of money received by this state from a sale of the property.
- C. Property may be returned at any time. An amount equal to the amount of money levied on or received from the sale may be returned at any time before the expiration of nine months from the date of the levy.

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 Sec. 33. Section 28-6922, Arizona Revised Statutes, is amended to read:

28-6922. <u>Director; powers and duties</u>

- A. The director of the department of transportation or the director's authorized and bonded agent shall administer all highway and maintenance work and has the following powers and duties:
- 1. Direct the preparation of all plans and specifications for work on state highways or state routes.
- 2. Advertise for competitive bids for work on state highways or state routes and, on authorization of the transportation board, award and enter into contracts for the work.
- 3. Direct the supervision of all construction work on state highways and state routes and is in charge of maintenance and upkeep of these highways and routes.
- 4. Approve payment for work done by the state on or in connection with state highways or state routes, except that the director of the department of administration shall not allow a claim for work without the approval of the director of the department of transportation or the director's authorized and bonded agent.
- 5. Negotiate and award contracts to private consulting engineers or consulting engineering firms if deemed in the public interest by the director and the transportation board for the performance of engineering work that is required to formulate and complete highway construction contracts.
 - B. The director shall:
 - 1. Direct the organization of the division.
 - 2. Appoint, suspend, discharge and fix the duties of employees.
 - 3. Adopt rules for the conduct of employees.
- 4. 3. Make monthly reports to the transportation board of all expenditures of the division, of the work accomplished and other applicable information.
- 5. 4. On request of the transportation board, assign clerks or other employees to the board.
- 6. 5. Prescribe procedures for the use of division personnel, facilities, equipment, supplies and other resources in assisting search or rescue operations.
- 7. 6. Exercise other powers necessary to carry out the work of the division and perform other duties prescribed by law for the division.
- Sec. 34. Section 28-7009, Arizona Revised Statutes, is amended to read:

28-7009. <u>Statewide transportation acceleration needs account; establishment; definition</u>

A. The statewide transportation acceleration needs account is established as a separate account in the state highway fund. The account consists of all of the following, except that the source of monies in the

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fund shall not be a consent agreement or any type of negotiated settlement by any state or local agency or any donation made in place of a consent agreement or any type of settlement:

- 1. Monies appropriated by the legislature.
- 2. Monies designated for deposit in the account by the transportation board, a state agency or a political subdivision.
- 3. Monies received from the United States government for the purpose of accelerating transportation projects.
- 4. Monies received from political subdivisions, Indian tribes or this state or its agencies for the purpose of accelerating transportation projects.
- 5. Interest and other income received from investing monies in the account.
- 6. Gifts, grants, donations or other amounts received from any public or private source for deposit in the account for the purpose of accelerating transportation projects.
- B. On notice from the transportation board, the state treasurer shall invest and divest monies in the statewide transportation acceleration needs account as provided by section 35-313, and monies earned from investment shall be credited to the account.
- C. The transportation board may establish any subaccount in the statewide transportation acceleration needs account that the board determines is necessary or appropriate to carry out the purposes of this section
- D. If a governmental entity or a private person deposits monies in the statewide transportation acceleration needs account for acceleration of a specific project and the appropriate regional planning agency or council of governments in cooperation with the transportation board approves the project, the board shall designate the monies deposited by the governmental entity or private person solely for the project for which the monies are deposited.
- E. Notwithstanding section 28-6993, and any other agreements entered into by the department of transportation for the distribution and expenditure of monies from the state highway fund, the transportation board shall not approve any expenditures from the statewide transportation acceleration needs account unless the expenditure is made in accordance with this section and is for the construction or reconstruction of freeways, state highways, bridges and interchanges that are contained in the regional transportation plan of a county or the department's long-range statewide transportation plan pursuant to section 28-506. For the purposes of this subsection, a regional transportation plan is a twenty year comprehensive, performance based, multimodal and coordinated regional transportation plan that is approved for the county as provided by law and as amended or otherwise modified.

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- F. Monies in the statewide transportation acceleration needs account shall be used only to pay for the following costs of a transportation project approved pursuant to this section:
 - 1. Except as provided in sections 28-7010 and 28-7011:
 - (a) Materials and labor.
 - (b) Acquisition of rights-of-way for highway needs.
- (c) Design and other engineering services that are within the scope of engineering practice as provided in title 32, chapter 1.
- (d) Other directly related costs approved by the transportation board.
- 2. Beginning in fiscal year 2006-2007, interest costs resulting from bonds, loans, notes or other obligations issued or incurred or advances made by or on behalf of a city, town or county.
- G. Monies in the statewide transportation acceleration needs account that are appropriated by the legislature and any interest earnings shall be allocated as follows:
- 1. For a county with a population of at least one million two hundred thousand persons for the area included in the regional planning agency's transportation improvement plan, sixty per cent PERCENT.
- 2. For a county with a population of more than five hundred thousand persons but less than one million two hundred thousand persons for the area included in the regional planning agency's transportation improvement plan, sixteen per cent PERCENT.
 - 3. For all other counties, twenty-four per cent PERCENT.
- The regional planning agency in a county designated as a transportation management area shall establish a process for the review and approval of transportation projects eligible to receive monies from the statewide transportation acceleration needs account. As part of its request to the transportation board for monies, the regional planning agency shall ensure and submit evidence satisfactory to the board that any project costs not eligible for monies from the statewide transportation acceleration needs account are available and dedicated to the project. In all other counties, the department, in cooperation with the metropolitan planning organization or the council of governments that has the authority to approve transportation projects for the county, shall develop requests for expenditure of monies from the statewide transportation acceleration needs account. As part of the request to the transportation board for monies, the metropolitan planning organization or the council governments for the department shall submit evidence satisfactory to the board that any project costs not eligible for monies from the statewide transportation acceleration needs account are available and dedicated to the project.
- I. On receipt of a request for monies from the statewide transportation acceleration needs account, the transportation board shall place the request on the agenda for the next regular business meeting of

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the board. The board shall review the request and, in cooperation with the regional planning agency, the metropolitan planning organization or the council of governments, approve the request or further modify the request before approval.

- J. The transportation board shall not approve the release of any monies from the statewide transportation acceleration needs account for a transportation project unless the board verifies that all costs related to construction of the project are covered.
- K. A city, town or county may use monies that are in the statewide transportation acceleration needs account or any subaccount of the statewide transportation acceleration needs account, including monies that were previously approved by the board for a project and that were not specifically designated for interest costs for that project, for interest costs only if all of the following occur:
- 1. The regional planning agency in a county designated as a transportation management area recommends that the monies be spent for interest costs.
- 2. The board approves the regional planning agency's recommendation described in paragraph 1 of this subsection.
 - 3. The city, town or county complies with this section.
- t. Monies in the statewide transportation acceleration needs account shall be used to supplement, not supplant, funding that would otherwise be made available for projects.
- M. L. A regional planning agency that receives monies from the statewide transportation acceleration needs account shall report on or before December 15 of each year to the senate and house of representatives transportation committees on approved projects and amounts expended for those projects.
- N. M. For the purposes of this section, "project" means the construction or reconstruction of a specific portion of a freeway or state highway or a bridge or interchange or a portion of a bridge or interchange that is constructed at a single location.
- Sec. 35. Section 28-7058, Arizona Revised Statutes, is amended to read:

28-7058. <u>Privatization of rest areas: state certified rest area program; program termination; definitions</u>

- A. The department may:
- 1. Privatize any rest area constructed on or adjacent to state highways in this state on or after September 26, 2008. Any agreement between the department and a person for privatization under this section shall include a provision that:
- (a) Prohibits the person from charging any fees for the use of a lavatory.

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- (b) Requires the person to provide an adequate outdoor picnic area to be available to the public at no charge.
- 2. Establish a state certified rest area program that meets the requirements established by the federal highway administration pursuant to Public Law 109-59, section 1310.
- 3. Contract with a third party or other government entity to certify and recertify rest areas for the state certified rest area program.
- 8. The department shall adopt rules to implement and operate the state certified rest area program.
- \mathbb{C} . B. The state certified rest area program established pursuant to this section ends on July 1, 2019 pursuant to section 41-3102.
 - D. C. For the purposes of this section:
- 1. "Population" means the population determined in the most recent United States decennial census or in the most recent special census as provided in section 28-6532.
- 2. "State certified rest area" means a privately owned facility that is both of the following:
- (a) Certified by this state or a third party to meet the requirements established by the federal highway administration pursuant to Public Law 109-59, section 1310 and at a minimum offers all of the following:
 - (i) Fuel and food to the public.
 - (ii) Twenty-four hour access to restrooms.
 - (iii) Parking for automobiles and heavy trucks.
- (b) Located outside of the public right-of-way and outside of an urbanized area with a population of one hundred thousand or more persons.
- 3. "Urbanized area" means an urbanized area as defined in the decennial census by the United States bureau of the census.
- Sec. 36. Section 28-7059, Arizona Revised Statutes, is amended to read:

28-7059. Rest area sponsorship sign program: revenue sharing agreement; program termination

- A. The department may establish a rest area sponsorship sign program. Notwithstanding sections 28-648, 28-7048 and 28-7053, the department may contract with a third party to install, maintain and replace rest area sponsorship signs at rest areas located in the public right-of-way of the interstate or state highway system. The third party shall agree in the contract to lease sponsor recognition space and to furnish, install, maintain and replace signs for the benefit of business or organizational sponsors.
- B. The department shall adopt rules to implement and operate the rest area sponsorship sign program. Costs incurred under the program shall be paid under agreements negotiated between the third party and the business or organizational sponsors.

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- C. The department may enter into a revenue sharing agreement with the third party. The department shall deposit, pursuant to sections 35-146 and 35-147, all monies received from the revenue sharing agreement in a subaccount of the state highway fund for the purpose of rest area maintenance, operations and repairs.
- D. The rest area sponsorship sign program established pursuant to this section ends on July 1, 2019 pursuant to section 41-3102.
- Sec. 37. Section 28-8242, Arizona Revised Statutes, is amended to read:

28-8242. Powers and duties

- A. The department:
- 1. Shall cooperate with all state, local and federal organizations to encourage and advance the safe and orderly development of aviation in this state.
 - 2. May:
- (a) Assemble and distribute to the public information relating to aviation, landing fields, navigational aids and other matters pertaining to aviation.
- (b) Accept, in the name of this state, federal monies made available for the advancement of aviation.
- (c) Represent this state on issues of routing structures and rate schedules concerning commercial airline traffic.
- (d) Accept and receive federal and other public or private monies for the acquisition, construction, enlargement, improvement, maintenance, equipment or operation of airports and other air navigation facilities and sites for air navigation facilities or for any other purpose authorized by this section. The department shall deposit, pursuant to sections 35-146 and 35-147, these monies in the state aviation fund.
 - (e) Facilitate the development of a regional airport.
- (f) Loan monies from the state aviation fund to an airport authority that enters into an agreement with the United States for an airport development project if the airport authority designates in its agreement with the United States that payment of federal participating monies shall be made to the department acting as the agent of the airport authority and enters into an agreement with the department appointing the department as agent of the airport authority to receive all federal participating monies. The department shall deposit, pursuant to sections 35-146 and 35-147, all monies received pursuant to this subdivision in the state aviation fund. For the purposes of this subdivision, "airport authority" means the governing body of a public airport operating pursuant to sections 28-8423 and 28-8424 or a joint powers airport authority.
- B. Notwithstanding section 38-623, the director may authorize personnel of the department to use rental aircraft in the performance of their duties at the prevailing hourly rate. The rental fee is a charge against monies appropriated for in-state and out-of-state travel.

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 C. The director shall adopt rules as necessary to administer this article and articles 1, 3, 4 and 5 of this chapter and to promote public safety and the best interests of aviation in this state. The rules shall not supersede or conflict with rules of the United States government agencies having jurisdiction over aviation activities in this state.

D. C. The director shall:

- 1. Contract for the operation of state owned airports.
- 2. In conjunction with local authorities, plan, build and develop airports, airport terminals and other related navigational facilities.
- 3. Operate and maintain the Grand Canyon national park airport located in the Kaibab national forest, Coconino county.
- 4. Provide on the department's website information on resources for operating a model aircraft, including safety guidelines established by a nationwide aeronautics community-based organization.
- 5. Provide on the department's website pictures that show examples of critical facilities, as defined in section 13-3729, to provide unmanned aircraft operators with information on what is considered a critical facility. A picture or any written description on the website may not identify the owner or operator of the critical facility or the location of the critical facility.

Sec. 38. Repeal

Title 41, chapter 3, article 1.3, Arizona Revised Statutes, is repealed.

Sec. 39. Section 41-835.01, Arizona Revised Statutes, is amended to read:

41-835.01. Definitions

In this article, unless the context otherwise requires:

- 1. "Board" means the state board on geographic and historic names.
- 2. "Geographic features" means mountains, canyons, gulches, streams, streambeds or channels whether flowing or dry, natural bridges, natural lakes, natural monuments, mesas, deserts, forests, springs, water holes, cliffs, chasms and other similar natural objects, places or things.
- 3. "HISTORIC ROAD" MEANS A HIGHWAY, STREET, ROAD OR ROUTE THAT IS OF HISTORICAL OR CULTURAL SIGNIFICANCE IN THE SETTLEMENT AND DEVELOPMENT OF THIS STATE AND THAT IS ESTABLISHED OR DESIGNATED AS A HISTORIC ROAD BY THE BOARD.
- 4. "PARKWAY" MEANS AN AREA ALONG EITHER OR BOTH SIDES OF A HIGHWAY, STREET, ROAD OR ROUTE THAT IS ACQUIRED IN FEE OR BY EASEMENT BY THE GOVERNMENTAL BODY HAVING JURISDICTION OVER THE HIGHWAY, STREET, ROAD OR ROUTE FOR THE PROTECTION OF GEOGRAPHIC, NATURAL FLORA OR SCENIC VALUES AND THAT IS ESTABLISHED OR DESIGNATED AS A PARKWAY BY THE BOARD.
- 3. 5. "Places of historical significance" or "historic place" means objects, places or things that are associated with or named after people, places or events of historical significance, including HISTORIC ROADS, SCENIC ROADS, PARKWAYS, artificial bridges, dams, artificial lakes,

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parks, mining districts, artificial monuments, roads, trails or other similar artificial objects, places or things.

6. "SCENIC ROAD" MEANS A HIGHWAY, STREET, ROAD OR ROUTE THROUGH A SCENIC AREA THAT IS ESTABLISHED OR DESIGNATED AS A SCENIC ROAD BY THE BOARD.

Sec. 40. Section 41-835.03, Arizona Revised Statutes, is amended to read:

41-835.03. Powers and duties

- A. The board shall:
- 1. Receive and evaluate all proposals for changes in or additions to names of geographic features and places of historical significance in this state and after this evaluation designate the most appropriate and acceptable names and spelling of these names for use in maps and other official governmental documents.
- 2. Receive and evaluate all proposals for naming geographic features in this state for which no generally accepted name is or has been in use and after this evaluation designate a name for use in maps and other official governmental documents.
- 3. Cooperate with political subdivisions of this state to eliminate the duplication of the names of geographic features that are not of historical significance.
- 4. Assist and cooperate with the United States board of geographic names in matters relating to names of geographic features and places in this state
- 5. Maintain a list of advisers who have expertise in this state's history, geography or culture and consult with those advisers in evaluating proposals.
- 6. Designate one or more members to act as the state representative to the western states geographic names council.
- T. RECEIVE AND EVALUATE ALL PROPOSALS TO ESTABLISH OR DESIGNATE A HIGHWAY OR AREA AS A PARKWAY, HISTORIC ROAD OR SCENIC ROAD THAT IS OF GEOGRAPHIC OR HISTORICAL SIGNIFICANCE IN THIS STATE AND AFTER THIS EVALUATION DESIGNATE THE MOST APPROPRIATE AND ACCEPTABLE NAMES AND SPELLING OF THESE NAMES FOR USE IN MAPS AND OTHER OFFICIAL GOVERNMENTAL DOCUMENTS. IF THE PARKWAY, HISTORIC ROAD OR SCENIC ROAD TO BE ESTABLISHED OR DESIGNATED IS NOT A STATE HIGHWAY OR ROUTE, THE ESTABLISHMENT OR DESIGNATION IS NOT EFFECTIVE UNLESS THE STATE BOARD ON GEOGRAPHIC AND HISTORIC NAMES OR GOVERNMENTAL BODY HAVING JURISDICTION OVER THE PARKWAY, HISTORIC ROAD OR SCENIC ROAD AGREES TO THE ESTABLISHMENT OR DESIGNATION. THE STATE BOARD ON GEOGRAPHIC AND HISTORIC NAMES SHALL NOTIFY THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION AND THE STATE TRANSPORTATION BOARD WHEN A PARKWAY, HISTORIC ROAD OR SCENIC ROAD IS GIVEN A HISTORIC DESIGNATION PURSUANT TO THIS SECTION.

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- B. The board may:
- 1. Adopt rules for the orderly conduct of business.
- 2. Initiate proposals for changes in or additions to geographic or historic names in this state. Any proposal initiated by the board shall be evaluated in accordance with the procedures prescribed under section 41-835.04.
 - C. Notwithstanding any other law, the board shall not:
 - 1. Change street and road names for the purpose of uniformity.
 - 2. Name scenic or historical highways.
- 3. 2. Designate a name for a geographic feature that commemorates any person until that person has been deceased at least five years.

Sec. 41. <u>Conditional enactment</u>

Section 28-2294, Arizona Revised Statutes, as amended by Laws 1996, chapter 76, section 94 and this act, becomes effective on the date prescribed by Laws 1996, chapter 76, section 310 but only on the occurrence of the condition prescribed by Laws 1996, chapter 76, section 310.

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