

REFERENCE TITLE: ADOT revisions

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
First Regular Session  
2021

# HB 2143

Introduced by  
Representative Pratt

## AN ACT

AMENDING SECTIONS 28-364, 28-365, 28-413, 28-455, 28-456, 28-1150, 28-2055, 28-2058, 28-2091, 28-2095, 28-2098, 28-3225, 28-3312, 28-4805, 28-7143, 28-7314, 28-7315 AND 32-2351, ARIZONA REVISED STATUTES; RELATING TO TRANSPORTATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 28-364, Arizona Revised Statutes, is amended to  
3 read:

4 **28-364. Powers of the director**

5 A. The director may provide technical transportation planning  
6 expertise to local governments when requested, coordinate local government  
7 transportation planning with regional and state transportation planning  
8 and guide local transportation planning to ~~assure~~ **ENSURE** compliance with  
9 federal requirements. The planning authority granted by this subsection  
10 does not preempt planning responsibilities and decisions of local  
11 governments.

12 B. If the governor declares a state of emergency, the director may  
13 contract and do all things necessary to provide emergency transportation  
14 services for the residents in the affected areas whether the emergency  
15 transportation is by street, rail or air.

16 C. On a determination that it is in this state's best interest, the  
17 director may authorize payment for necessary relocation costs in advance  
18 of work being performed if an existing facility owned by the United States  
19 must be relocated or adjusted due to construction, modification or  
20 improvement of a state highway. The director shall base each advance  
21 payment on an estimate of cost of the proposed relocation or adjustment  
22 prepared by the federal government and acceptable to the director and  
23 shall base the final compensation on the actual agreed cost.

24 D. The director of the department of transportation in consultation  
25 with the director of the department of public safety shall develop  
26 procedures to exchange information for any purpose related to sections  
27 28-1324, 28-1325, 28-1326, 28-1462 and 28-3318.

28 E. The director may establish a system or process that does all of  
29 the following:

30 1. Allows for mailing notices of service or other legal documents  
31 or records of the department electronically or digitally to a person who  
32 consents to receiving these notices, documents or records through a secure  
33 electronic or digital system.

34 2. Enables a person to establish a financial account in the  
35 department's database. The account shall be accessible by the person or  
36 the person's authorized representative to review statements of all  
37 transactions associated with the person's account and to make prepayments  
38 or payments for authorized transactions with the department.  
39 Notwithstanding any other law, monies in financial accounts established  
40 pursuant to this section that remain unexpended for a period of five years  
41 or more revert to the Arizona highway user revenue fund and shall be  
42 distributed pursuant to section 28-6538.

43 3. Allows a person to comply with the photograph update and proof  
44 of vision test requirements prescribed by section 28-3173 through  
45 electronic or digital means that meet the department's standards.

1       4. ENABLES THE DEPARTMENT TO ACCEPT CERTIFICATE OF TITLE BRANDS  
2 FROM OTHER STATES OR JURISDICTIONS AND TO RECORD THESE BRANDS ON THE  
3 APPROPRIATE VEHICLE RECORDS.

4       F. The director, in consultation with the Arizona medical board or  
5 the state board of optometry, may do all of the following:

6       1. Establish medical and vision standards for driver license  
7 applicants and examinations.

8       2. Establish courses of training, training facilities and  
9 qualifications and methods of training for driver license examining  
10 personnel.

11       3. Establish procedures for the certification of driver license  
12 examining personnel and driver license instructors personnel.

13       4. Direct research in the field of licensing drivers. The director  
14 may accept public or private grants for the research.

15       5. Conduct research in the field of examination or reexamination of  
16 licensing individual drivers with medical or vision problems.

17       6. Set minimum vision standards for the operation of a motor  
18 vehicle in this state.

19       G. The director may implement electronic or digital versions of  
20 driver licenses, nonoperating identification licenses, vehicle  
21 registration cards, license plates or ~~any~~ other official ~~RECORD~~ RECORDS of  
22 the department.

23       Sec. 2. Section 28-365, Arizona Revised Statutes, is amended to  
24 read:

25       28-365. Disposition of fees

26       Except as otherwise provided by statute, the director shall  
27 immediately deposit, pursuant to sections 35-146 and 35-147, fees  
28 collected under this ~~chapter~~ TITLE in the Arizona highway user revenue  
29 fund.

30       Sec. 3. Section 28-413, Arizona Revised Statutes, is amended to  
31 read:

32       28-413. Reciprocal driver license agreement: foreign  
33       countries

34       A. The department may waive the requirements for a written  
35 examination and the driving examination required pursuant to section  
36 28-3164 for an operator of a motor vehicle ~~holding WHO HOLDS~~ a valid  
37 driver license issued by a foreign country in which the operator  
38 previously resided and who applies for an initial driver license in this  
39 state as an original applicant, if all of the following conditions are  
40 met:

41       1. The director determines that the standards of the foreign  
42 country for licensing operators of motor vehicles are substantially  
43 similar to those of this state.

44       2. The foreign country extends the same reciprocal driver license  
45 application privileges to persons licensed in this state.

1       3. The director and the foreign country have exchanged letters or  
2 other documentation to confirm the reciprocal extension of privileges to  
3 operate motor vehicles.

4       4. The original applicant under this section complies with the  
5 mandatory motor vehicle insurance provisions of chapter 9, articles 1 and  
6 4 of this title.

7       B. A person who holds a valid driver license that meets the  
8 requirements of subsection A, ~~OF THIS SECTION~~ may apply to the department  
9 for a class D, G or M license. The person applying for the original  
10 license shall ~~surrender~~ ~~PRESENT~~ the foreign country driver license to the  
11 department ~~UPON~~ ~~ON~~ successful application.

12       C. The department shall publish on its public ~~internet site~~ ~~WEBSITE~~  
13 a current list of foreign countries for which reciprocal operating  
14 privileges have been extended and withdrawn.

15       D. This section ~~SHALL~~ ~~DOES~~ not apply to commercial driver  
16 licensing.

17       E. ~~The director may adopt rules to implement this section.~~

18       Sec. 4. Section 28-455, Arizona Revised Statutes, is amended to  
19 read:

20       28-455. Release of personal information; fees

21       A. In accordance with section 28-458 and the driver's privacy  
22 protection act of 1994 (18 United States Code sections 2721 through 2725)  
23 and notwithstanding section 28-447, the department shall not knowingly  
24 disclose or otherwise make available to any person:

25       1. Personal information obtained by the department in connection  
26 with a motor vehicle record except as otherwise provided in this section.

27       2. Highly restricted personal information obtained by the  
28 department in connection with a motor vehicle record without the express  
29 consent of the person to whom the information applies except for uses  
30 allowed in subsection C, paragraphs 1, 4, 6 and 9 of this section. This  
31 paragraph does not affect the use of organ donation information on an  
32 individual's driver license or affect the administration of organ donation  
33 in this state.

34       B. The department shall disclose personal information for use in  
35 connection with the following matters:

36       1. Motor vehicle or driver safety and theft.

37       2. Motor vehicle emissions.

38       3. Motor vehicle product alterations, recalls or advisories.

39       4. Performance monitoring of motor vehicles and dealers by motor  
40 vehicle manufacturers.

41       5. Removal of nonowner records from the original owner records of  
42 motor vehicle manufacturers to carry out the purposes of titles I and IV  
43 of the anti car theft act of 1992 (18 United States Code sections 2311  
44 through 2322), the automobile information disclosure act (15 United States  
45 Code sections 1231, 1232 and 1233), the clean air act of 1963 (42 United

1 States Code sections 7401 through 7671q) and 49 United States Code  
2 chapters 301, 305 and 321 through 331.

3 C. Subject to subsection A of this section, the department may  
4 disclose personal information as follows:

5 1. For use by any government agency, including any court or law  
6 enforcement agency, in carrying out its functions or any private person or  
7 entity acting on behalf of a government agency in carrying out its  
8 functions.

9 2. For use in connection with matters of:

10 (a) Performance monitoring of motor vehicles, motor vehicle parts  
11 and dealers.

12 (b) Motor vehicle market research activities, including survey  
13 research.

14 (c) Removal of nonowner records from the original owner records of  
15 motor vehicle manufacturers.

16 3. For use in the normal course of business by a legitimate  
17 business or its agents, employees or contractors, but only:

18 (a) To verify the accuracy of personal information submitted by the  
19 individual to the business or its agents, employees or contractors.

20 (b) If the information submitted is not correct or is no longer  
21 correct, to obtain the correct information for the purpose of preventing  
22 fraud by, pursuing legal remedies against or recovering on a debt or  
23 security interest against the individual.

24 4. For use by an attorney licensed to practice law or by a licensed  
25 private investigator in connection with any civil, criminal,  
26 administrative or arbitration proceeding in any court or government agency  
27 or before any self-regulatory body, including the service of process,  
28 investigation in anticipation of litigation and the execution or  
29 enforcement of judgments and orders, or pursuant to a court order.

30 5. For use in research activities and for use in producing  
31 statistical reports if the personal information is not published,  
32 redislosed or used to contact individuals.

33 6. For use by any insurer that writes automobile liability or motor  
34 vehicle liability policies and that is under the jurisdiction of the  
35 department of insurance and financial institutions or insurance support  
36 organization or by a self-insured entity or its agents, employees or  
37 contractors in connection with claims investigation activities, antifraud  
38 activities, rating or underwriting.

39 7. For use in providing notice to the owners of towed or impounded  
40 vehicles.

41 8. For use by any licensed private investigative agency or licensed  
42 security service for any purpose allowed under this section.

43 9. For use by an employer or its agent or insurer to obtain or  
44 verify information relating to a holder of a commercial driver license  
45 that is required under 49 United States Code sections 31301 through 31317.

1       10. For use by a toll operator as defined in section 28-7751 in  
2 connection with the operation of a toll facility or the enforcement of  
3 tolls, administrative charges and penalties as defined in section 28-7751.

4       11. For any other use in response to requests for individual motor  
5 vehicle records if the state has obtained the express consent of the  
6 person to whom the personal information pertains.

7       ~~12. For bulk distribution for surveys, marketing or solicitations  
8 if the department has obtained the express consent of the person to whom  
9 the personal information pertains.~~

10       ~~13.~~ 12. For use by any requester if the requester demonstrates it  
11 has obtained the written consent of the individual to whom the information  
12 pertains.

13       ~~14.~~ 13. For any other use that is specifically authorized by law  
14 and that is related to the operation of a motor vehicle or public safety,  
15 including the following:

16       (a) Use by a financial institution or enterprise under the  
17 jurisdiction of the department of insurance and financial institutions or  
18 a federal monetary authority.

19       (b) Use by a motor vehicle dealer who is licensed and bonded by the  
20 department or a state organization of licensed and bonded motor vehicle  
21 dealers.

22       (c) Use by a person who is involved in an accident or the owner of  
23 a vehicle involved in an accident if the person who requests the  
24 information submits proof to the department of involvement in the  
25 accident.

26       (d) Use by a person applying for a bonded title if all of the  
27 following conditions exist:

28           (i) The requester verifies to the satisfaction of the director that  
29 the vehicle on which the requester is requesting the record is in the  
30 requester's possession.

31           (ii) The record is requested in order for the requester to notify  
32 the registered owner of the requester's intent to apply to the department  
33 for a bonded title.

34           (iii) The requester provides a verification of a vehicle inspection  
35 that was performed by an authorized department employee or agent.

36       (e) Use by an operator of a self-service storage facility who  
37 alleges both of the following:

38           (i) That the vehicle on which the operator is requesting the record  
39 is in the operator's possession.

40           (ii) That the record is requested to allow the operator to notify  
41 the registered owner and any lienholders of record of the operator's  
42 intent to foreclose its lien and to sell the vehicle.

43       (f) For any other use as determined by the director and established  
44 by rule.

1       D. The department may establish and carry out procedures under  
2 which the department, on receiving a request for personal information that  
3 does not fall within one of the exceptions prescribed in subsection B or C  
4 of this section, may mail a copy of the request to the individual about  
5 whom the information was requested. The mailing shall inform the  
6 individual of the request and contain a statement that the information  
7 will not be released unless the individual waives the individual's right  
8 to privacy under this section.

9       E. In addition to the permissible uses prescribed in subsection C  
10 of this section, the department may disclose its motor vehicle records  
11 information, including personal information, as a bulk record only under  
12 any of the following conditions:

13       1. If the director determines either of the following:  
14           (a) The sale or release of the record is necessary for the public  
15 health or safety.  
16           (b) The use is for general research or general statistical purposes  
17 that do not provide specific factors from a record.

18       2. ~~For surveys, marketing or solicitations if the department has  
19 obtained the express consent of the person to whom the personal  
20 information pertains.~~

21       3. 2. For the release of motor vehicle title and motor vehicle  
22 registration information, vehicle identification numbers, title brands,  
23 odometer readings and brands and title lien information to a requester if  
24 the requester is in the business of preparing vehicle history reports and  
25 the information is used to develop a vehicle history report.

26       F. ~~The director shall provide in a clear and conspicuous manner on  
27 forms for the issuance or renewal of driver licenses, nonoperating  
28 identification licenses and title and registration the opportunity for  
29 express consent so that each person who is the subject of a record of the  
30 department may opt in, for any purpose as prescribed by the director.  
31 Express consent shall be conveyed in a form prescribed by the director and  
32 shall include at least the following:~~

33       1. ~~Clear and conspicuous notice informing the person who is giving  
34 express consent that by giving express consent the person is allowing the  
35 department to disclose information contained in the person's motor vehicle  
36 record to any person requesting information for any purpose.~~

37       2. ~~A written signature or an electronic signature.~~  
38       3. ~~An explanation of the difference between a one-time  
39 authorization and general consent or opt in.~~

40       G. ~~Subject to the requirements of subsection F of this section,  
41 express consent may be conveyed as either of the following:~~

42       1. ~~A one-time authorization submitted by a requester on a consent  
43 to release form or by other written format as prescribed by the director.~~  
44       2. ~~General consent or opt in on certain department forms.~~

F. THE DEPARTMENT SHALL NOT SELL RECORDS WITH PERSONAL IDENTIFYING INFORMATION FOR A COMMERCIAL PURPOSE EXCEPT TO A PERSON AUTHORIZED TO RECEIVE THE RECORDS UNDER THE PERMISSIBLE USE PROVISIONS OF THIS SECTION AND THE DRIVER'S PRIVACY PROTECTION ACT OF 1994 (18 UNITED STATES CODE SECTIONS 2721 THROUGH 2725).

~~H.~~ G. Driver histories shall not be disclosed under subsection E of this section.

④ H. Except as provided in subsection ④ I of this section and section 28-446, subsection B, records provided pursuant to subsections B and C of this section are subject to the fees prescribed in section 28-446, subsections A and C.

~~4.~~ I. For records searched and provided for the purposes described in subsection E of this section, the director:

1. Shall charge a search fee that is a minimum of \$600 per million records searched.

2. Shall charge a records fee that is a minimum of \$30 per thousand records provided.

3. May prorate the charge for fractional quantities that are searched or provided.

4. May charge only the search fee if the request is in accordance with subsection E, paragraph 2 of this section.

→ J. Records requests that require a database search for specific criteria within a record are subject to a search fee. In addition to this search fee, each motor vehicle record provided to a records requester as a result of a criteria search incurs record fees in accordance with subsection → H of this section.

Sec. 5. Section 28-456, Arizona Revised Statutes, is amended to read:

28-456. Subsequent sale or disclosure of record information by authorized recipient

A. Except as provided in ~~subsections~~ SUBSECTION B ~~and C~~ of this section, an authorized recipient of personal information may resell or redisclose the information only for a use permitted under section 28-455, subsection B or C.

B. An authorized recipient under section 28-455, subsection C, paragraph 11 may resell or redisclose personal information for any lawful purpose.

c. An authorized recipient under section 28-455, subsection 6, paragraph 12 may resell or redistribute personal information pursuant to section 28-455, subsection 6, paragraph 12.

**D. C.** Any authorized recipient, except a recipient under section 28-455, subsection C, paragraph 11, that resells or rediscloses personal information covered by this section shall keep for a period of five years records identifying each person or entity that receives information and

1 the permitted purpose for which the information will be used and shall  
2 make the records available to the department on request.

3 Sec. 6. Section 28-1150, Arizona Revised Statutes, is amended to  
4 read:

5 **28-1150. Overdimensional permit council**

6 A. ~~AT THE~~ overdimensional permit council is established consisting  
7 of the following nine members who are appointed by the governor:

- 8 1. One member representing the department of public safety.
- 9 2. One member representing the department of transportation.
- 10 3. Four members representing motor carriers.
- 11 4. One member from a city or town with a population of more than  
one hundred thousand persons.

12 5. One member from a city or town with a population of one hundred  
thousand persons or less.

13 6. One member representing the governor's office of ~~community and~~  
highway safety.

14 B. The members serve staggered three year terms.

15 C. The overdimensional permit council shall:

- 16 1. Meet at least annually.
- 17 2. Select from its members a person to serve as chairperson.
- 18 3. Advise and assist the department of transportation in developing  
rules required to administer this article and article 18 of this chapter.
- 19 4. Advise and consult with the motor carrier industry, department  
of transportation and state and local law enforcement agencies concerning  
matters relating to overdimensional permits.

20 ~~5. Establish a mailing list that includes any party expressing an  
interest in the council's activities. The council shall provide the list  
to the department of transportation, and the department of transportation  
shall send notice by first class mail to each person on the list at least  
fifteen days before the date on which each meeting of the council is to be  
held.~~

21 ~~6.~~ 5. Review each proposed ordinance that a local authority  
22 submits pursuant to section 28-1103, subsection G to determine if the  
23 proposed ordinance is substantially identical, uniform and consistent with  
24 the rules adopted by the department for oversized or overweight vehicles  
25 pursuant to section 28-1103, subsection F.

26 D. Members of the overdimensional permit council are not eligible  
27 to receive compensation or reimbursement for expenses.

28 E. The overdimensional permit council is subject to title 38,  
29 chapter 3, article 3.1.

30 F. THE DEPARTMENT SHALL PROVIDE FOR ELECTRONIC NOTIFICATION OF  
31 OVERDIMENSIONAL PERMIT COUNCIL MEETINGS TO INTERESTED PARTIES.

1        Sec. 7. Section 28-2055, Arizona Revised Statutes, is amended to  
2 read:

3        28-2055. Certificate of title; content requirements; transfer  
4                on death provision

5        A. The department or an authorized third party shall do both of the  
6 following:

7                1. Create the certificate of title with space for notation of liens  
8 and encumbrances on the vehicle at the time of transfer.

9                2. Provide forms for assignment of title or interest and warranty  
10 by the owner that ~~contains~~ INCLUDE the odometer mileage disclosure  
11 statement pursuant to section 28-2058.

12                B. At the request of the owner ~~and on payment of a fee prescribed~~  
13 ~~by the department by rule~~, the certificate of title may contain, by  
14 attachment, a transfer on death provision where the owner may designate a  
15 beneficiary of the vehicle.

16                C. If a motor vehicle, trailer or semitrailer has been registered  
17 in any other state or country, the department shall retain in its records  
18 the name of the state or country in which the prior registration took  
19 place.

20        Sec. 8. Section 28-2058, Arizona Revised Statutes, is amended to  
21 read:

22        28-2058. Transfer of title; odometer mileage disclosure  
23                statement

24        A. When the owner of a registered or unregistered vehicle transfers  
25 or assigns the owner's title or interest to the vehicle:

26                1. If the vehicle is registered:

27                        (a) The owner shall endorse on the certificate of title or title  
28 transfer form an assignment with the warranty of title.

29                        (b) Except as provided in section 28-2094, the owner shall deliver  
30 the certificate of title or title transfer form to the purchaser or  
31 transferee at the time of delivery of the vehicle to the purchaser or  
32 transferee.

33                        (c) The registration of the vehicle expires and the owner shall  
34 transfer the license plates, surrender the license plates to the  
35 department or an authorized third party or submit an affidavit of license  
36 plate destruction within thirty days after the owner transfers or assigns  
37 the owner's title or interest in the vehicle.

38                        (d) Except as provided in section 28-2091, the acquiring owner  
39 shall apply for registration or a certificate of title, or both, within  
40 fifteen days after the relinquishing owner transfers or assigns the  
41 relinquishing owner's CERTIFICATE OF title or interest in the  
42 vehicle. The director may prorate the registration period as the director  
43 deems necessary to coincide with emissions inspection requirements.

44                        (e) Except if the acquiring owner is an insurer who acquires the  
45 vehicle pursuant to a claim settlement, the acquiring owner shall display

1 on the vehicle a temporary registration plate, another permit or a valid  
2 license plate as prescribed by the department until ownership of the  
3 vehicle is transferred in the department's records.

4       2. Regardless of whether or not the vehicle is registered:

5           (a) Except as provided in subsection B of this section, the owner  
6 shall deliver to the purchaser or transferee an odometer mileage  
7 disclosure statement in a form prescribed by the director.

8           (b) Except as provided in sections 28-2051, 28-2060 and 28-2091,  
9 the purchaser or transferee shall present the certificate of title or  
10 title transfer form to the department with the required fee within fifteen  
11 days after the transfer and:

12              (i) The department shall issue a new certificate of title.

13              (ii) If required, the purchaser or transferee shall apply for and  
14 obtain registration, and the department shall issue new license plates to  
15 the purchaser or transferee.

16       B. The odometer disclosure requirement of subsection A of this  
17 section does not apply to:

18           1. A motor vehicle that is ten model years of age **IF THE MODEL YEAR**  
19 **IS 2010** or older.

20           2. **A MOTOR VEHICLE THAT IS TWENTY MODEL YEARS OF AGE IF THE MODEL**  
21 **YEAR IS 2011 OR NEWER.**

22           **3.** A motor vehicle that has a gross vehicle weight rating of  
23 sixteen thousand pounds or more.

24           **4.** A vehicle that is not self-propelled.

25           **5.** A motor vehicle that is sold directly by the manufacturer to  
26 an agency of the United States in conformity with contractual  
27 specifications.

28           **6.** A new motor vehicle that is purchased for resale and not for  
29 use by the purchaser.

30       Sec. 9. Section 28-2091, Arizona Revised Statutes, is amended to  
31 read:

32       28-2091. **Salvage certificate of title; stolen vehicle**  
33 **certificate of title; nonrepairable vehicle**  
34 **certificate of title; recovered vehicles;**  
35 **violation; classification; definitions**

36       A. If a vehicle that is subject to the issuance of a certificate of  
37 title or registration pursuant to this chapter becomes a salvage vehicle,  
38 stolen vehicle or nonrepairable vehicle and is acquired by an insurance  
39 company as a result of a total loss insurance settlement, the insurance  
40 company or its authorized agent shall submit an application, as determined  
41 by the insurance company or its authorized agent, to the department within  
42 thirty days after the certificate of title is properly assigned by the  
43 owner to the insurance company, with all liens released, on a form  
44 prescribed by the department for either a salvage certificate of title,

1       stolen vehicle certificate of title or nonrepairable vehicle certificate  
2       of title. The selected certificate of title shall include the following:

- 3       1. A properly endorsed certificate of title.
- 4       2. A lien satisfaction, if applicable.
- 5       3. The appropriate fees.

6       B. Within thirty days after oral or written acceptance by the owner  
7       of an offer in settlement of total loss, if an insurance company or its  
8       authorized agent is unable to obtain the documents prescribed by  
9       subsection A, paragraphs 1 and 2 of this section, the insurance company or  
10      its agent, on a form provided by the department, may submit an application  
11      to the department for a salvage certificate of title, stolen vehicle  
12      certificate of title or nonrepairable vehicle certificate of title. The application  
13      shall include evidence that the insurance company or its agent  
14      has made two or more written attempts to obtain the documents prescribed  
15      by subsection A, paragraphs 1 and 2 of this section. The application  
16      shall include the appropriate fees prescribed by subsection A, paragraph 3  
17      of this section. The insurance company shall indemnify and hold harmless  
18      the department for any claims resulting from the issuance of a salvage  
19      certificate of title, stolen vehicle certificate of title or nonrepairable  
20      vehicle certificate of title pursuant to this subsection.

21      C. Except for vehicles registered pursuant to section 28-2482,  
22      28-2483 or 28-2484, if the owner retains possession of a salvage vehicle  
23      or nonrepairable vehicle, the owner shall comply with this section before  
24      receiving a total loss settlement from the insurance company or otherwise  
25      disposing of the vehicle.

26      D. Any other owner of a vehicle that is a salvage vehicle or  
27      nonrepairable vehicle shall apply for a salvage certificate of title or  
28      nonrepairable vehicle certificate of title pursuant to this section.

29      E. On receipt of a proper application, the department shall issue a  
30      salvage certificate of title, stolen vehicle certificate of title or  
31      nonrepairable vehicle certificate of title for the vehicle.

32      F. If the department issues a nonrepairable vehicle certificate of  
33      title for a vehicle, the registration of the vehicle is cancelled. The  
34      front of a nonrepairable vehicle certificate of title shall be branded  
35      with the word "nonrepairable". The ownership of a vehicle for which a  
36      nonrepairable vehicle certificate of title has been issued shall not be  
37      reassigned more than two times on that certificate of title or a title  
38      transfer form. If a nonrepairable vehicle certificate of title is issued  
39      for a vehicle, the department shall not perform any title transfers or  
40      issue any further paper certificate of title for that vehicle.

41      G. An owner of a vehicle that is not a salvage vehicle who sells  
42      the vehicle as scrap or for purposes of dismantling or destroying shall  
43      assign the certificate of title or a title transfer form to the purchaser,  
44      and the purchaser shall comply with section 28-2094.

1       H. On sale of the vehicle, an owner of a salvage vehicle for which  
2 a salvage certificate of title has been obtained or an owner of a  
3 nonrepairable vehicle for which a nonrepairable vehicle certificate of  
4 title has been obtained shall assign and deliver the salvage certificate  
5 of title or nonrepairable vehicle certificate of title or a title transfer  
6 form to the purchaser and shall notify the department of the name and  
7 address of the purchaser.

8       I. Except as provided in subsection L of this section, the  
9 department shall issue a certificate of title to a vehicle that has been  
10 issued a salvage certificate of title or stolen vehicle certificate of  
11 title as a result of a total loss settlement by reason of theft if the  
12 vehicle is recovered and was not wrecked or stripped of essential parts  
13 and the insurance company or its authorized agent submits an affidavit to  
14 the department in a form prescribed by the department stating either of  
15 the following:

16       1. The vehicle is a recovered theft and both of the following:  
17           (a) The vehicle was not wrecked or stripped of essential parts.  
18           (b) To the insurance company's or its authorized agent's actual  
19 knowledge, no air bag or component part necessary to the proper function  
20 of the air bag system deployed in the vehicle or was removed from the  
21 vehicle.

22       2. The vehicle is a recovered theft and, to the insurance company's  
23 or its authorized agent's actual knowledge, an air bag or an air bag  
24 module deployed in the vehicle or was removed from the vehicle. The  
25 insurance company or its authorized agent shall list the location in the  
26 vehicle of each deployment or removal of an air bag or an air bag module.

27       J. On receipt of an affidavit submitted pursuant to subsection I,  
28 paragraph 2 of this section, the department shall mark its records to  
29 indicate the deployment or removal of the air bag or air bag module from  
30 the vehicle and the location of each deployment or removal.

31       K. The insurance company or its authorized agent shall give the  
32 purchaser of a vehicle that is a recovered theft, as described in  
33 subsection I of this section, a copy of the affidavit submitted pursuant  
34 to subsection I of this section.

35       L. If the vehicle is a recovered theft and components of the  
36 vehicle's air bag system, other than the air bag or the air bag module  
37 described in subsection I, paragraph 2 of this section, or other parts of  
38 the vehicle were removed compromising the functional integrity of the air  
39 bag system or the structural integrity of the vehicle, the insurance  
40 company or its authorized agent shall submit an affidavit to the  
41 department in a form prescribed by the department stating that the vehicle  
42 is a recovered theft and that components of the vehicle's air bag system,  
43 other than the air bag or the air bag module described in subsection I,  
44 paragraph 2 of this section, or other parts of the vehicle were removed  
45 compromising the functional integrity of the air bag system or the

1 structural integrity of the vehicle. The department shall not issue a  
2 certificate of title to the vehicle but may issue a restored salvage  
3 certificate of title pursuant to section 28-2095 if all of the following  
4 apply:

- 5 1. The vehicle is repairable.
- 6 2. The department successfully completes a level three inspection  
7 as prescribed in section 28-2011.

8 3. The vehicle meets other requirements the director prescribes.

9 M. Except as provided in subsection N of this section, any person  
10 who sells a vehicle that is issued a certificate of title pursuant to  
11 subsection I of this section and who has actual knowledge that an air bag,  
12 an air bag module or components of the vehicle's air bag system  
13 compromising the functional integrity of the air bag system deployed or  
14 were removed from the vehicle shall not fail to disclose the deployment or  
15 removal to the buyer before completion of the sale with the intention of  
16 concealing the deployment or removal. A person who violates this  
17 subsection is guilty of a class 1 misdemeanor.

18 N. Subsection M of this section does not apply to either of the  
19 following:

20 1. An insurance company or its authorized agent who issues an  
21 affidavit pursuant to subsection I of this section unless the insurance  
22 company or its authorized agent intentionally fails to disclose the  
23 deployment or removal of an air bag, an air bag module or components of  
24 the vehicle's air bag system that compromise the functional integrity of  
25 the air bag system.

26 2. A person who owns a vehicle that is issued a certificate of  
27 title pursuant to subsection I of this section if the person repairs or  
28 replaces the air bag or air bag module in the vehicle.

29 0. Any person who sells a vehicle for which a salvage certificate  
30 of title has been issued and who knows a salvage certificate of title has  
31 been issued for the vehicle shall **CLEARLY AND CONSPICUOUSLY** disclose **IN**  
**WRITING OR BY ELECTRONIC MEANS** to the buyer before completion of the sale  
33 that the vehicle is a salvage vehicle **AND HAS A SALVAGE CERTIFICATE OF**  
34 **TITLE**.

35 P. If a vehicle that has a certificate of title as a salvage  
36 vehicle is to be scrapped, dismantled or destroyed, the owner or purchaser  
37 shall comply with section 28-2094.

38 Q. The provisions of this chapter that refer to certificates of  
39 title apply to salvage certificates of title, stolen vehicle certificates  
40 of title and nonrepairable vehicle certificates of title issued pursuant  
41 to this section unless they conflict with this section.

42 R. If a component part of a vehicle on which the vehicle  
43 identification number is affixed is to be replaced and if the vehicle is  
44 being repaired by a person other than its owner, the person shall notify  
45 the owner in writing and in the manner prescribed by the department that

1 the part has been replaced, and the owner shall comply with section  
2 28-2165. This subsection does not apply if the department has not issued  
3 a salvage certificate of title or a nonrepairable certificate of title and  
4 if the vehicle manufacturer or the manufacturer's authorized agent meets  
5 all of the following conditions:

- 6 1. The frame is the component part replaced.
- 7 2. The frame replacement is performed by the vehicle manufacturer  
8 or the manufacturer's authorized agent.

9 3. If the original frame contained a vehicle identification number  
10 or serial number, the original vehicle identification number or serial  
11 number, in a similar size and style, is restamped in the replacement frame  
12 by the manufacturer or the manufacturer's authorized agent.

13 4. Any existing manufacturer warranties remaining on the vehicle  
14 are not voided.

15 5. The manufacturer or the manufacturer's authorized agent  
16 obliterates all vehicle identification numbers or serial numbers contained  
17 on the original frame.

18 S. Except as otherwise provided, a person who violates this section  
19 is guilty of a class 2 misdemeanor.

20 T. For the purposes of this section:

21 1. "Essential parts" means integral and body parts, the removal,  
22 alteration or substitution of which will tend to conceal the identity or  
23 substantially alter the appearance of the vehicle.

24 2. "Nonrepairable vehicle" means a vehicle of a type that is  
25 otherwise subject to the issuance of a certificate of title and  
26 registration pursuant to this chapter and that either:

27 (a) Has no resale value except as a source of parts or scrap metal  
28 and the owner or insurer designates the vehicle solely as a source of  
29 parts or scrap metal.

30 (b) Is a completely stripped vehicle that is recovered from theft  
31 and that is missing the engine or motor, the transmission, all of the  
32 bolt-on sheet metal body panels, all of the doors and hatches,  
33 substantially all of the interior components and substantially all of the  
34 grill and light assemblies or that the owner designates has little or no  
35 resale value except its worth as a source of scrap metal or as a source of  
36 a vehicle identification number that could be used illegally.

37 (c) Is a completely burned vehicle that has been burned to the  
38 extent that there are no usable or repairable body or interior components,  
39 tires and wheels, engine or motor or transmission and that the owner  
40 irreversibly designates as having little or no resale value except as a  
41 source of scrap metal or as a source of a vehicle identification number  
42 that could be used illegally.

43 3. "Salvage vehicle" means a vehicle, other than a nonrepairable  
44 vehicle, of a type that is subject to the issuance of a certificate of  
45 title and registration pursuant to this chapter and that has been stolen,

1 wrecked, destroyed, flood or water damaged or otherwise damaged to the  
2 extent that the owner, leasing company, financial institution or insurance  
3 company considers it uneconomical to repair the vehicle.

4       4. "Stolen vehicle certificate of title" means a vehicle ownership  
5 document issued to the owner of a vehicle that has been stolen and not  
6 recovered.

7       Sec. 10. Section 28-2095, Arizona Revised Statutes, is amended to  
8 read:

9       28-2095. *Restored salvage certificate of title; inspections;*  
10       definitions

11       A. If a salvage vehicle as defined in section 28-2091 is rebuilt or  
12 restored to operation, the owner of the motor vehicle shall not transfer  
13 the motor vehicle until a restored salvage certificate of title has been  
14 issued pursuant to this section.

15       B. On application for a restored salvage certificate of title, the  
16 department shall conduct a level two or level three inspection of the  
17 vehicle that is the subject of the application to determine its proper  
18 identity pursuant to section 28-2011. The inspection may include a review  
19 of bills of sale and invoices for component parts used in the  
20 reconstruction process. If the department is unable to conduct a level  
21 three inspection for a restored salvage certificate of title within twenty  
22 days after a request is made, the department shall conduct an inspection  
23 of the vehicle within forty-eight hours after the twenty day period.

24       C. The seller or agent of a seller of a salvage vehicle as defined  
25 in section 28-2091 shall inform the purchaser of a salvage vehicle that  
26 ownership documentation for certain replacement parts used in the repair  
27 of the salvage vehicle is required in connection with the inspection  
28 prescribed by this section.

29       D. A person who possesses a salvage vehicle as defined in section  
30 28-2091 and who submits it for inspection as prescribed by this section  
31 shall submit to the department paperwork that is satisfactory to the  
32 director. Satisfactory paperwork may include copies of invoices, notarized  
33 bills of sale or other acceptable proof of ownership for component parts.

34       E. If proper ownership documentation for a component part is not  
35 submitted as required by this section, the department may seize the  
36 component part.

37       F. If the department finds a stolen component part in a vehicle  
38 while conducting an inspection provided for under this section, the  
39 department shall seize the component part pursuant to section 28-4594.

40       G. The department shall deposit, pursuant to sections 35-146 and  
41 35-147, any proceeds resulting from the seizure and forfeiture of a  
42 component part pursuant to subsection E or F of this section in the  
43 vehicle inspection and certificate of title enforcement fund established  
44 by section 28-2012.

1       H. Any person who sells a vehicle for which a restored salvage  
2 certificate of title has been issued and who knows a restored salvage  
3 certificate of title has been issued for the vehicle shall **CLEARLY AND**  
4 **CONSPICUOUSLY** disclose **IN WRITING OR BY ELECTRONIC MEANS** to the buyer  
5 before completion of the sale that the vehicle is a restored salvage  
6 vehicle **AND HAS A RESTORED SALVAGE CERTIFICATE OF TITLE.**

7       I. For the purposes of this section:

8       1. For passenger vehicles, "component parts" includes the cowl or  
9 firewall, front end assembly, rear clip, including the roof panel, the  
10 roof panel if installed separately and the frame or any portion of the  
11 frame, or in the case of a unitized body, the supporting structure that  
12 serves as the frame, each door, the hood, each fender or quarter panel,  
13 the deck lid or hatchback, each bumper, transmissions or transaxles and an  
14 engine or motor. For the purposes of this paragraph:

15       (a) "Front end assembly" includes the hood, fenders, bumper,  
16 radiator and supporting members for these items. For vehicles with a  
17 unitized body, the front end assembly also includes the frame support  
18 members.

19       (b) "Rear clip" includes the roof, quarter panels, trunk lid, floor  
20 pan, rear bumper and support members for these items.

21       2. For trucks or truck-type or bus-type vehicles, "component parts"  
22 includes the cab, the frame or any portion of the frame, and in the case  
23 of a unitized body, the supporting structure that serves as a frame, the  
24 cargo compartment floor panel, the passenger compartment floor pan, the  
25 roof panel, transmissions or transaxles, engines or motors, each door, the  
26 hood, each fender or quarter panel, each bumper, the tailgate and all  
27 component parts that are included in paragraph 1 of this subsection and  
28 that are not listed in this paragraph if the part is replaced.

29       3. For motorcycles, "component parts" includes the engine or motor,  
30 transmission or transaxle, frame, front fork, crankcase and fairing and  
31 any other body molding.

32       4. "Restored salvage vehicle" means a vehicle that has been  
33 restored and for which a salvage certificate of title or a dismantle  
34 certificate of title has been issued.

35       Sec. 11. Section 28-2098, Arizona Revised Statutes, is amended to  
36 read:

37       28-2098. Vehicle sales; no certificate of title; violation;  
38 classification; penalties

39       A. Notwithstanding any other law, a registered scrap metal dealer  
40 or a licensed automotive recycler may purchase a vehicle without obtaining  
41 a certificate of title if the scrap metal dealer or automotive recycler  
42 complies with subsection B of this section, the transactional value of the  
43 vehicle does not exceed ~~twelve hundred dollars~~ \$1,200, the vehicle is at  
44 least twelve model years old and the owner does not have the paper  
45 certificate of title to the vehicle for any of the following reasons:

1       1. The owner or the owner's authorized agent has not obtained a  
2 title in the owner's or agent's name for the vehicle.

3       2. The owner has lost the paper certificate of title for the  
4 vehicle.

5       3. The owner has returned the title to the department. If this  
6 paragraph applies, a vehicle may be transferred to only a scrap metal  
7 dealer or an automotive recycler.

8       B. For purchases under this section, the registered scrap metal  
9 dealer or licensed automotive recycler shall do all of the following:

10      1. Take a picture at the time of the transaction of all of the  
11 following:

12      (a) The ~~seller~~ OWNER.  
13      (b) The vehicle.  
14      (c) The vehicle's vehicle identification number or federal  
15 identification sticker.

16      2. Pay for the vehicle with a check and not with cash.

17      3. Obtain a statement that contains all of the information required  
18 by subsection C of this section, that is signed by the ~~seller~~ OWNER and  
19 that affirms the conditions prescribed in subsection A of this section.

20      C. When the department is able to accept an electronic form, the  
21 statement prescribed by subsection B of this section shall be submitted  
22 electronically in a form that is prescribed by the department and shall  
23 contain all of the following:

24      1. A statement that the vehicle will not be titled again and will  
25 be dismantled or scrapped.

26      2. A description of the vehicle, including the year, make, model  
27 and vehicle identification number.

28      3. The owner's name and address and the number from the owner's  
29 driver license, nonoperating identification license issued pursuant to  
30 section 28-3165 or photo identification card issued by a tribal government  
31 or the United States military.

32      4. A certification that the owner either:

33      (a) Never obtained a title to the vehicle in the owner's name.  
34      (b) Was issued a title for the vehicle and the title was lost or  
35 stolen.

36      (c) Has returned the title to the department.

37      5. A certification that the vehicle is both of the following:

38      (a) At least twelve model years old.  
39      (b) Not subject to a security interest or lien.

40      6. An acknowledgment that the owner and the scrap metal dealer or  
41 automotive recycler understand that the statement required by this  
42 subsection will be filed with the department and that it is a class 1  
43 misdemeanor to knowingly falsify any information on the statement.

44      7. The owner's signature and the date of the transaction.

45      8. The name and address of the business acquiring the vehicle.

1       9. The national motor vehicle title information system  
2 identification number.

3       10. A business agent's signature and date, including the agent's  
4 printed name and title if the agent is signing on behalf of a corporation.

5       D. A registered scrap metal dealer or licensed automotive recycler  
6 that purchases a vehicle under this section:

7       1. Shall maintain a photocopy or electronic scan of the owner's  
8 driver license, nonoperating identification license issued pursuant to  
9 section 28-3165 or photo identification card issued by a tribal government  
10 or the United States military.

11       2. May maintain a copy of the ~~SELLER'S~~ OWNER'S photo identification  
12 and reference that photo identification without making a separate  
13 photocopy for each transaction for subsequent purchases.

14       3. Shall hold the vehicle at least three business days after the  
15 date that the registered scrap metal dealer or licensed automotive  
16 recycler reports the purchase pursuant to subsection I of this section  
17 before the registered scrap metal dealer or licensed automotive recycler  
18 may crush, dismantle or shred the vehicle.

19       E. The department may develop an electronic system for a registered  
20 scrap metal dealer or a licensed automotive recycler to verify at the time  
21 of a transaction that a motor vehicle offered for sale has not been  
22 reported stolen.

23       F. Before purchasing a motor vehicle under this section, a  
24 registered scrap metal dealer or a licensed automotive recycler shall  
25 verify that the motor vehicle offered for sale has not been reported  
26 stolen. In addition to submitting information to the department pursuant  
27 to this section and the national motor vehicle title information system as  
28 required by 28 Code of Federal Regulations part 25, subpart B, after the  
29 department develops an electronic verification system pursuant to this  
30 section, a registered scrap metal dealer or a licensed automotive recycler  
31 shall verify that a vehicle is not stolen by using the electronic  
32 verification system before purchasing a vehicle without a certificate of  
33 title. If the electronic verification system indicates that the vehicle  
34 is stolen, the registered scrap metal dealer or licensed automotive  
35 recycler may not purchase the vehicle and shall report the findings to ~~the~~  
36 ~~department~~ A LAW ENFORCEMENT AGENCY. A registered scrap metal dealer or a  
37 licensed automotive recycler is not required to apprehend a person that  
38 attempts to sell a motor vehicle that was reported stolen.

39       G. A registered scrap metal dealer or a licensed automotive  
40 recycler must use a department vehicle lien or encumbrance database that  
41 is in place on February 1, 2018 or a comparable database to check for  
42 liens or encumbrances on vehicles purchased under this section if the  
43 database substantially complies with section 28-2134 which requires the  
44 release of a satisfied lien.

1       H. A person who knowingly gives false, fraudulent or erroneous  
2 information in connection with the signed statement prescribed in  
3 subsection B of this section, who falsely certifies the truthfulness and  
4 accuracy of information supplied in connection with the statement or who  
5 knowingly sells a vehicle that is subject to an unsatisfied lien is guilty  
6 of a class 1 misdemeanor and shall pay a fine of ~~two thousand five hundred~~  
7 ~~dollars~~ \$2,500.

8       I. Within forty-eight hours after the close of business each day, a  
9 registered scrap metal dealer or licensed automotive recycler that  
10 purchases or receives vehicles for scrap or for parts shall report to the  
11 national motor vehicle title information system ~~and maintain and deliver~~  
12 ~~electronically to the department in a format approved by the department~~ a  
13 list of each vehicle purchased that day for scrap or for parts. The list  
14 shall contain all of the following:

- 15       1. The name, address and contact information for the reporting  
16 entity.
- 17       2. The vehicle identification number.
- 18       3. The date that the vehicle was obtained.
- 19       4. The name of the person from whom the vehicle was obtained.
- 20       5. Whether the vehicle was or will be crushed, disposed of or  
21 offered for sale or other purposes.
- 22       6. Whether the vehicle will be exported out of the United States.
- 23       7. The national motor vehicle title information system  
24 identification number of the business acquiring the vehicle.

25       J. ~~The department shall disclose the information that the  
26 department obtains pursuant to subsection I of this section only to law  
27 enforcement agencies and for the purposes of canceling certificates of  
28 title. Otherwise this information is the confidential business  
29 information of the respective reporting entity.~~

30       K. J. Each reporting entity shall retain all statements and  
31 records required under subsection B of this section for a period of two  
32 years. A registered scrap metal dealer and a licensed automotive recycler  
33 shall print a form or maintain an electronic record to show that the  
34 registered scrap metal dealer or licensed automotive recycler completed a  
35 search on the department's electronic system to verify that a vehicle that  
36 the registered scrap metal dealer or licensed automotive recycler  
37 purchases pursuant to this section is not stolen. The form must contain  
38 the vehicle's vehicle identification number and the date on which the  
39 search was conducted. The registered scrap metal dealer and licensed  
40 automotive recycler must electronically retain the form or electronic  
41 record for at least five years. The department must retain records of  
42 searches on the department's electronic system pursuant to this section  
43 ~~for at least ten years AS SPECIFIED IN ITS RECORD RETENTION SCHEDULE.~~

1       **K.** A person who engages in the activities of a scrap metal  
2 dealer or an automotive recycler, whether or not registered or licensed as  
3 such, and who knowingly and wilfully fails to deliver a vehicle title  
4 pursuant to section 28-2094 or the statement required under subsection B  
5 of this section to the department or to report vehicle information  
6 described in subsection I of this section to the national motor vehicle  
7 title information system within forty-eight hours after the completion of  
8 a transaction is in violation of this section and is subject to a civil  
9 penalty of up to ~~one thousand dollars~~ \$1,000 per violation. A local or  
10 state law enforcement agency, a county attorney or the attorney general  
11 may bring an action in any court of competent jurisdiction to enforce this  
12 section. Any civil penalties assessed shall be deposited as follows:

13       1. Fifty percent shall be deposited, pursuant to sections 35-146  
14 and 35-147, in the state highway fund established by section 28-6991.

15       2. Fifty percent shall be deposited, pursuant to sections 35-146  
16 and 35-147, in the automobile theft authority fund established by section  
17 41-3451.

18       **M.** ~~The director shall incorporate by reference the national motor~~  
19 ~~vehicle title information system prescribed in 28 Code of Federal~~  
20 ~~Regulations, part 25, subpart B, and a peace officer may enforce its~~  
21 ~~provisions.~~

22       **N.** **L.** The seller of material from scrap vehicles shall certify to  
23 the purchaser that all scrap vehicles used for the material in the sale  
24 have been properly reported to the department or the national motor  
25 vehicle title information system.

26       **O.** **M.** Notwithstanding any other law, only this title governs the  
27 purchase by a scrap metal dealer of a vehicle solely for the purpose of  
28 processing the vehicle into a scrap vehicle or into prepared grades of  
29 scrap metal as defined in section 44-1641.

30       Sec. 12. Section 28-3225, Arizona Revised Statutes, is amended to  
31 read:

32       28-3225. Commercial learner's permit

33       A. A person who is at least eighteen years of age may apply to the  
34 department for ~~an instruction~~ A LEARNER'S permit for a class A, B or C  
35 license. The department may issue ~~an instruction~~ A LEARNER'S permit to  
36 the applicant after the applicant passes all parts of the examination and  
37 meets all other requirements for a class A, B or C license other than the  
38 driving test.

39       B. The permit entitles the permittee to drive a motor vehicle  
40 requiring a class A, B or C license on the public highways for six months  
41 from the date of issuance when the following conditions are met:

42       1. The permittee has the permit in the permittee's immediate  
43 possession.

2. The permittee is accompanied by a person ~~with~~ WHO HAS the same class or higher class of license issued by this state or any other qualifying state and who occupies a seat beside the driver.

3. If the permittee is under twenty-one years of age, the permittee does not operate a commercial motor vehicle interstate.

Sec. 13. Section 28-3312, Arizona Revised Statutes, is amended to read:

28-3312. Mandatory disqualification of commercial driver licenses; definition

A. The department shall disqualify a person who is required to have a commercial driver license, who is a commercial driver license holder or who is a commercial ~~instruction~~ LEARNER'S permit holder from driving a commercial motor vehicle as follows:

1. Except as provided in subsection E of this section and except as otherwise provided in this subsection, for at least one year if a person:

(a) Refuses a test in violation of section 28-1321.

(b) Is convicted of a first violation of any of the following:

(i) Driving a commercial motor vehicle under the influence of intoxicating liquor or a controlled substance or while having an alcohol concentration of 0.04 or more.

(ii) Leaving the scene of an accident involving a motor vehicle driven by the person.

(iii) Using a motor vehicle in the commission of a felony.

(iv) A violation of chapter 4, article 3 of this title while operating a noncommercial motor vehicle.

(v) Driving a commercial motor vehicle while, as a result of prior violations of this title committed while operating a commercial motor vehicle, the person's commercial driver license is revoked, suspended or canceled or the person is disqualified from operating a commercial motor vehicle.

(vi) Causing a fatality through the negligent operation of a commercial motor vehicle, including a conviction of manslaughter, homicide or negligent homicide resulting from operation of a motor vehicle.

2. For at least three years, if the person is convicted of any of the violations prescribed in paragraph 1 of this subsection and the violation occurred while the person was transporting a hazardous material in the quantity and under the circumstances that require placarding of the transport vehicle under the department's safety rules pursuant to chapter 14 of this title.

3. For the life of the person, if the person is convicted of two or more violations of any of the offenses prescribed in paragraph 1 of this subsection or of any combination of those offenses arising from two or more separate incidents. The department shall consider only offenses committed from and after December 31, 1989 in applying this paragraph.

1       4. Permanently if the person is convicted of using any motor  
2 vehicle in the commission of a felony involving the manufacture,  
3 distribution or dispensing of a controlled substance or possession with  
4 intent to manufacture, distribute or dispense a controlled substance.

5       5. For at least sixty consecutive days, if the person is convicted  
6 of two serious traffic violations committed in a motor vehicle arising  
7 from separate incidents occurring within a ~~three year~~ THREE-YEAR period  
8 from the date of the violation.

9       6. For at least one hundred twenty days served in addition to any  
10 other disqualification, if the person is convicted of a third or  
11 subsequent serious traffic violation committed in a motor vehicle arising  
12 from separate incidents occurring within a ~~three year~~ THREE-YEAR period  
13 from the date of the violation.

14       7. For at least sixty consecutive days, if the department  
15 determines that the person falsified information or documentation as part  
16 of the licensing process.

17       8. For at least one year, if the person is convicted of fraud  
18 related to the issuance of a commercial ~~instruction~~ LEARNER'S permit or  
19 commercial driver license.

20       9. PERMANENTLY IF THE PERSON IS CONVICTED OF ANY OF THE FOLLOWING  
21 OFFENSES OR AN OFFENSE COMMITTED IN ANOTHER JURISDICTION THAT IF COMMITTED  
22 IN THIS STATE WOULD BE A VIOLATION OF ANY OF THE FOLLOWING OFFENSES AND A  
23 COMMERCIAL MOTOR VEHICLE WAS USED IN THE COMMISSION OF THE OFFENSE:

24           (a) SEX TRAFFICKING PURSUANT TO SECTION 13-1307.

25           (b) TRAFFICKING OF PERSONS FOR FORCED LABOR OR SERVICES PURSUANT TO  
26 SECTION 13-1308.

27           (c) CHILD SEX TRAFFICKING PURSUANT TO SECTION 13-3212.

28       B. Except as provided in subsection C of this section, a person WHO  
29 IS required to have a commercial driver license or a commercial driver  
30 license holder AND who is found responsible for violating an  
31 out-of-service order pursuant to section 28-5241 is disqualified from  
32 driving a commercial motor vehicle as follows:

33       1. For a period of one hundred eighty days if the person is found  
34 responsible for a first violation of an out-of-service order.

35       2. For a period of two years if the person is found responsible for  
36 a second violation of any out-of-service order during any ~~ten year~~  
37 TEN-YEAR period arising from separate incidents.

38       3. For a period of three years if the person is found responsible  
39 for a third or subsequent violation of any out-of-service order during any  
40 ~~ten year~~ TEN-YEAR period arising from separate incidents.

41       C. A person WHO IS required to have a commercial driver license or  
42 a commercial driver license holder AND who is found responsible for  
43 violating an out-of-service order pursuant to section 28-5241 while  
44 transporting hazardous materials or while operating a commercial motor  
45 vehicle designed or used to transport sixteen or more passengers,

1 including the driver, is disqualified from driving a commercial motor  
2 vehicle as follows:

3       1. For a period of one hundred eighty days if the person is found  
4 responsible for a first violation of an out-of-service order.

5       2. For a period of three years if the person is found responsible  
6 for a second or subsequent violation of any out-of-service order during  
7 any ~~ten year~~ **TEN-YEAR** period arising from separate incidents.

8       D. A person **WHO IS** required to have a commercial driver license or  
9 a commercial driver license holder **AND** who is convicted of or found  
10 responsible for violating any federal, state or local railroad grade  
11 crossing law, ordinance or regulation is disqualified from driving a  
12 commercial motor vehicle as follows:

13       1. For a period of sixty days if a person is convicted of or found  
14 responsible for a first violation.

15       2. For a period of one hundred twenty days if a person is convicted  
16 of or found responsible for a second violation during any ~~three year~~  
17 **THREE-YEAR** period.

18       3. For a period of one year if a person is convicted of or found  
19 responsible for a third or subsequent violation during any ~~three year~~  
20 **THREE-YEAR** period.

21       E. If a federal agency determines that a commercial motor vehicle  
22 licensee is driving in a manner that constitutes an imminent hazard, the  
23 department, on receipt of notification by the federal government, shall  
24 disqualify the driver for a period not to exceed one year. The  
25 disqualification shall run concurrently with any other disqualification  
26 imposed on the driver. For the purposes of this subsection, "imminent  
27 hazard" means the existence of a condition that presents a substantial  
28 likelihood that death, serious illness, severe personal injury or a  
29 substantial endangerment to health, property or the environment may occur  
30 before the reasonably foreseeable completion date of a formal proceeding  
31 to decrease the risk of death, illness, injury or endangerment.

32       F. The department shall keep records of findings of responsibility  
33 for a civil traffic violation and of conviction of any moving criminal  
34 traffic violation for a commercial driver licensee for violations in any  
35 type of motor vehicle and for a person required to have a commercial  
36 driver license if the violations arise from the operation of a commercial  
37 motor vehicle. The department shall make the records available to other  
38 states, the United States secretary of transportation, the driver and any  
39 motor carrier or prospective motor carrier or the motor carrier's  
40 designated agent within ten days after receiving a report of a conviction  
41 or finding of responsibility in this state or receipt of a report of a  
42 conviction or finding of responsibility or disqualification received from  
43 another state.

44       G. Disqualification for a serious traffic violation committed by a  
45 commercial driver license holder while operating a noncommercial motor

1 vehicle applies only if the conviction results in the revocation,  
2 cancellation or suspension of the person's commercial driver license or  
3 noncommercial driver license.

4 H. The department may adopt rules establishing guidelines and  
5 conditions under which the department may reduce a disqualification for  
6 life pursuant to subsection A, paragraph 3 of this section to a  
7 disqualification of at least ten years. If a person's disqualification is  
8 reduced pursuant to rules adopted pursuant to this subsection and the  
9 person is subsequently convicted of a violation described in subsection A,  
10 paragraph 1 of this section, the person is permanently disqualified from  
11 driving a commercial vehicle and is not eligible to apply for a reduction  
12 of the disqualification pursuant to rules adopted pursuant to this  
13 subsection.

14 I. Except as provided in subsection E of this section, the  
15 beginning date of the disqualification shall be ten days after the date  
16 the department receives the report of conviction or finding of  
17 responsibility.

18 J. For the purposes of this section, "serious traffic violation"  
19 means a conviction or finding of responsibility for any of the following:

20 1. Excessive speeding involving a single offense for a speed of  
21 fifteen miles per hour or more above the posted speed limit.

22 2. Reckless driving as provided by section 28-693.

23 3. Aggressive driving as provided by section 28-695.

24 4. Racing as defined in section 28-708.

25 5. Improper or erratic traffic lane changes as provided by section  
26 28-729.

27 6. Following the vehicle ahead too closely as provided by section  
28 28-730.

29 7. A violation of this title that is connected with a fatal traffic  
30 accident.

31 8. Driving a commercial motor vehicle if the person has not been  
32 issued a valid commercial driver license pursuant to this chapter.

33 9. Driving a commercial motor vehicle without a commercial driver  
34 license in the person's possession.

35 10. Driving a commercial motor vehicle without having a valid  
36 endorsement for the type of commercial motor vehicle or motor vehicle  
37 combination being operated.

38 11. Driving a commercial motor vehicle while using a portable  
39 wireless communication device as provided by section 28-914.

40 Sec. 14. Section 28-4805, Arizona Revised Statutes, is amended to  
41 read:

42 28-4805. Towing company; partial reimbursement; registration;  
43 payment forfeiture

44 A. If a vehicle is abandoned pursuant to section 28-4802 and a fee  
45 is collected by the department, the towing company that towed the

1 abandoned vehicle, if still in business, is entitled to receive twenty  
2 percent of the fee collected as a partial reimbursement of the costs  
3 incurred by the towing company.

4 B. A TOWING COMPANY THAT IS OWED PARTIAL REIMBURSEMENT UNDER  
5 SUBSECTION A OF THIS SECTION IS REQUIRED TO REGISTER WITH THE STATE'S  
6 PROCUREMENT OFFICE IN ORDER TO QUALIFY FOR PAYMENT. FAILURE TO REGISTER  
7 WITH THE STATE'S PROCUREMENT OFFICE WILL RESULT IN DENIAL OF PAYMENT AND  
8 FORFEITURE OF THE PAYMENT.

9 C. THE DEPARTMENT SHALL MAKE THREE GOOD FAITH ATTEMPTS TO CONTACT  
10 THE TOWING COMPANY IDENTIFIED AS HAVING TOWED AN ABANDONED VEHICLE  
11 PURSUANT TO SECTION 28-4802 IN ORDER TO FACILITATE PAYMENT OF THE PARTIAL  
12 REIMBURSEMENT UNDER SUBSECTION A OF THIS SECTION. NOTWITHSTANDING ANY  
13 OTHER LAW AND AFTER THE GOOD FAITH EFFORT REQUIRED BY THIS SUBSECTION, IF  
14 THE DEPARTMENT DOES NOT RECEIVE A RESPONSE FROM OR IS UNABLE TO MAKE  
15 CONTACT WITH THE TOWING COMPANY AFTER THIRTY DAYS, THE PAYMENT IS SUBJECT  
16 TO FORFEITURE AND WILL REVERT TO THE ABANDONED VEHICLE ADMINISTRATION FUND  
17 ESTABLISHED BY SECTION 28-4804.

18 Sec. 15. Section 28-7143, Arizona Revised Statutes, is amended to  
19 read:

20 28-7143. Moving and related expenses; payment; substitute  
21 payments

22 A. As a part of the cost of construction and on proper application  
23 to the department, the department shall pay to a displaced person,  
24 business or farm operation:

25 1. Actual reasonable expenses in moving the displaced person and  
26 the displaced person's family, business, farm operation or other personal  
27 property.

28 2. Actual direct losses of tangible personal property as a result  
29 of moving or discontinuing a business or farm operation, but not more than  
30 the reasonable expenses that would have been required to relocate the  
31 property as determined by the department.

32 3. Actual reasonable expenses in searching for a replacement  
33 business or farm.

34 4. Actual reasonable expenses necessary to reestablish a displaced  
35 farm, nonprofit organization or small business at its new site pursuant to  
36 criteria established by the department, but not more than ~~twenty-five~~  
37 ~~thousand dollars~~ \$50,000.

38 B. A displaced person who is eligible for payments under subsection  
39 A of this section, who is displaced from a dwelling and who elects to  
40 accept the payments authorized by this subsection in lieu of the payments  
41 authorized by subsection A of this section may receive an expense and  
42 dislocation allowance determined according to a schedule established by  
43 the director.

1       C. A displaced person who is eligible for payments under subsection  
2 A of this section, who is displaced from the person's place of business or  
3 farm operation and who is eligible under criteria established by the  
4 department may elect to accept, instead of the payment authorized by  
5 subsection A of this section, a fixed payment in an amount that is  
6 determined according to criteria established by the department and that is  
7 at least ~~one thousand dollars~~ \$1,000 but not more than ~~forty thousand~~  
8 ~~dollars~~ \$40,000. A person whose sole business at the displacement  
9 dwelling is the rental of the property to others does not qualify for a  
10 payment under this subsection.

11      Sec. 16. Section 28-7314, Arizona Revised Statutes, is amended to  
12 read:

13       28-7314. Publisher powers and duties: award of contract

14       A. The publisher may:

15       1. Subject to approval of the director, direct the organization of  
16 the section of publications and employ or enter into contracts for  
17 distribution and wholesale sale of the magazine.

18       2. Make quarterly reports to the director of expenditures by the  
19 section and the work accomplished under the publisher's direction and  
20 include other matters as the director deems proper or requires.

21       3. Make expenditures to advertise and promote the sale and  
22 distribution of the publications authorized by this article.

23       4. Approve claims for expenditures in connection with the  
24 publication of the magazine and for expenditures in connection with the  
25 publication.

26       5. Subject to the approval of the director, contract for the  
27 publication, production, sale and distribution of sole source creative  
28 products. ~~As used in~~ FOR THE PURPOSES OF this paragraph, "sole source  
29 creative products" means items that in the professional judgment of the  
30 publisher are available from a single source, such as material protected  
31 by copyright, specific photographs and original artwork, for the magazine  
32 or maps, pamphlets and other descriptive material.

33       6. ACCEPT DONATIONS TO THE ARIZONA HIGHWAYS MAGAZINE TO PROMOTE  
34 TOURISM IN THIS STATE AS PRESCRIBED IN SECTION 28-7312.

35       B. The director may award a contract to the bidder that has the  
36 facilities and equipment to perform all phases of production in a  
37 workmanlike and timely manner with the quality and workmanship desired in  
38 the publication. A contract period for printing and publishing shall not  
39 exceed five years.

40       C. The publisher may refund all ~~cancelled~~ CANCELED purchases and  
41 subscriptions on claims signed by the publisher.

42      Sec. 17. Section 28-7315, Arizona Revised Statutes, is amended to  
43 read:

44       28-7315. Arizona highways magazine fund

45       A. An Arizona highways magazine fund is established.

1       B. The fund consists of monies:  
2       1. Appropriated by the legislature from the state highway fund of  
3 not more than ~~five hundred thousand dollars~~ \$500,000 annually.

4           2. Received from the sales of subscriptions, single copies, maps,  
5 pamphlets and other descriptive material.

6           3. Deposited pursuant to section 28-2429.  
7           4. **DONATED TO THE ARIZONA HIGHWAYS MAGAZINE TO PROMOTE TOURISM IN**  
8 **THIS STATE AS PRESCRIBED IN SECTION 28-7312.**

9       C. The monies appropriated to the fund shall be spent in conformity  
10 with the laws governing state financial operations, except that:

11           1. Balances remaining at the end of the fiscal year do not revert  
12 to the general or state highway fund.

13           2. Expenditures are exempt from section 35-173.

14       D. The state treasurer shall invest and divest monies in the  
15 Arizona highways magazine fund as provided by section 35-313, and monies  
16 earned from investment shall be credited to the fund.

17       Sec. 18. Section 32-2351, Arizona Revised Statutes, is amended to  
18 read:

19           32-2351. Definitions

20       In this chapter, unless the context otherwise requires:

21           1. "Agent" means any person who, for compensation, enrolls or  
22 attempts to enroll residents of this state in a professional driver  
23 training school through personal or telephone contact, advertisement, mail  
24 or any other type of publication.

25           2. "Director" means the director of the department of  
26 transportation.

27           3. "Instructor" means any person, whether acting for himself as an  
28 operator of a professional driver training school or for any such school  
29 for compensation, who teaches, conducts classes of, gives demonstrations  
30 to, or supervises the practice of persons learning to operate or drive  
31 motor vehicles or preparing to take an examination for a driver license or  
32 instruction permit, and any person who supervises the work of any other  
33 instructor.

34           4. "Professional driver training school" or "school" means a  
35 business enterprise conducted by an individual, association, partnership,  
36 or corporation that educates and trains persons, either practically or  
37 theoretically, or both, to operate or drive commercial motor vehicles,  
38 that prepares applicants for an examination given by the state for a  
39 commercial driver license or ~~instruction~~ LEARNER'S permit and that charges  
40 a consideration or tuition for these services.