

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1101

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 28-2064, Arizona Revised Statutes, is amended to
3 read:

4 28-2064. Electronic certificates of title system:
5 applicability; rules

6 A. The director may establish a system to require recording of
7 certificate of title information for newly issued, transferred and
8 corrected certificates of title, including perfection and release of
9 security interests, through electronic media in a cost-effective manner in
10 lieu of the submission and maintenance of paper documents as provided in
11 this chapter. The director may contract with an association of new motor
12 vehicle dealers to manage a lien recording system on behalf of the
13 department at no cost to this state.

14 B. In the process of establishing the system, the director:

15 1. Shall:

16 ~~1.~~ (a) Establish procedures for issuing and maintaining an
17 electronic certificate of title system that is applicable to all
18 certificate of title transactions performed in this state.

19 ~~2.~~ (b) Develop methods to electronically share information related
20 to applications for certificates of title with law enforcement agencies and
21 entities licensed under this title.

22 2. MAY NOT PROHIBIT AN AUTHORIZED THIRD PARTY AS DEFINED IN SECTION
23 28-5100 FROM PRINTING AN ELECTRONIC CERTIFICATE OF TITLE OR A REGISTRATION
24 TAB OR WINDSHIELD STICKER.

25 C. Section 28-444, subsection B applies to certificates of title
26 under the system established pursuant to this section.

1 D. This section does not apply to certificates of title for mobile
2 homes.

3 E. The director may adopt rules as necessary to implement this
4 section, including the criteria for when the department may issue a paper
5 certificate of title.

6 Sec. 2. Section 28-5101.01, Arizona Revised Statutes, is amended to
7 read:

8 28-5101.01. Authorized third party driver license providers;
9 requirements

10 A. Except as provided in section 28-5101.03, an authorized third
11 party driver license provider must perform both of the following:

- 12 1. Driver license skills and written testing.
- 13 2. Driver license processing.

14 B. A person who is a third party driver license provider authorized
15 pursuant to this section may also be authorized pursuant to this article to
16 perform certain title and registration functions.

17 C. A person who applies for authorization pursuant to this section
18 shall submit with the application all of the following:

- 19 1. A bond in a form to be approved by the director and in an amount
20 of at least \$300,000 for an initial application for authorization pursuant
21 to this section and an additional \$100,000 for each additional location
22 providing driver license functions prescribed in subsection A of this
23 section, except that if the authorized third party is also authorized
24 pursuant to this article to perform certain title and registration
25 functions at the same location only a single \$100,000 bond is required for
26 that location. The total bond amount required by this paragraph shall not
27 exceed \$1,000,000. The bond requirements of this paragraph do not apply to
28 government entities prescribed in section 28-5104, subsection E, paragraphs
29 1, 2, 3, 5 and 11.

30 2. Documentation that the applicant satisfies all of the following:

- 31 (a) Has been an authorized third party pursuant to this chapter for
32 at least the immediately preceding three years.

1 (b) Has conducted an average of at least one thousand retention
2 transactions per month for the previous calendar year.

3 (c) Is in good standing with the department.

4 (d) Has a facility plan for each location that shows adequate space
5 and equipment necessary to perform the functions prescribed in subsection A
6 of this section.

7 3. Documentation that the applicant has during business hours at
8 least one certified processor qualified to perform at a minimum all of the
9 following at each location:

10 (a) Fraudulent document recognition.

11 (b) Ignition interlock requirements.

12 (c) Driver license reinstatements.

13 D. A third party driver license provider authorized pursuant to this
14 section must comply with all quality control requirements prescribed by the
15 department.

16 E. A third party driver license provider authorized pursuant to
17 subsection A of this section may perform administrative ~~and~~ FUNCTIONS OR
18 testing functions OR BOTH ADMINISTRATIVE FUNCTIONS AND TESTING FUNCTIONS
19 for the issuance and renewal of commercial driver licenses as authorized by
20 the director and pursuant to federal law."

21 Amend title to conform

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03/14/2023
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