

REFERENCE TITLE: ADOT; MVD; omnibus; continuation

State of Arizona
Senate
Forty-third Legislature
Second Regular Session
1998

SB 1209

Introduced by
Senators Bee, Freestone

AN ACT

AMENDING SECTIONS 28-370, 28-372, 28-448, 28-450, 28-892, 28-924, 28-952, 28-953, 28-957.01, 28-964, 28-2003, 28-2051, 28-2091, 28-2151, 28-2201, 28-2202, 28-2321, 28-2324, 28-2409, 28-2416, 28-2451, 28-4001, 28-4003 AND 28-4007, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 9, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-4011; AMENDING SECTIONS 28-4031 AND 28-4033, ARIZONA REVISED STATUTES; CHANGING THE DESIGNATION OF TITLE 28, CHAPTER 9, ARTICLE 3, ARIZONA REVISED STATUTES, TO "UNSATISFIED MOTOR VEHICLE JUDGMENTS AND CERTIFIED PROOF OF FINANCIAL RESPONSIBILITY"; AMENDING SECTION 28-4076, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 9, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-4089; AMENDING SECTIONS 28-4132 AND 28-4135, ARIZONA REVISED STATUTES; AMENDING SECTION 28-4141, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 1997, CHAPTER 1, SECTION 237; REPEALING SECTION 28-4141, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1997, CHAPTER 87, SECTION 23; AMENDING SECTIONS 28-4142, 28-4145, 28-4148, 28-4149, 28-4151, 28-4153, 28-4362, 28-4365, 28-4366, 28-4401, 28-4546, 28-4801, 28-4839, 28-4840, 28-4841, 28-4842, 28-4882, 28-5005, 28-5471, 28-5472, 28-5807 AND 28-6547, ARIZONA REVISED STATUTES; REPEALING SECTION 41-2998.05, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3008.01; BLENDING MULTIPLE ENACTMENTS; RELATING TO THE DEPARTMENT OF TRANSPORTATION.

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

2 Section 1. Section 28-370, Arizona Revised Statutes, is amended to
3 read:

4 28-370. Oaths and acknowledgments; power of attorney;
5 definition

6 A. The director and officers, agents and employees of the department
7 the director designates may administer oaths and acknowledge signatures,
8 without a fee, in any matter connected with the administration of a law the
9 enforcement of which is vested in the director.

10 B. Notwithstanding title 14, chapter 5, article 5:

11 1. The director or an officer, agent or employee of the department
12 designated by the director may witness a power of attorney to be used solely
13 in the performance of vehicle title and registration activities.

14 2. For the purposes of executing a power of attorney in the
15 performance of vehicle title and registration activities, the power of
16 attorney is not required to be:

17 (a) Notarized if it is witnessed by the director or an officer, agent
18 or employee of the department designated by the director.

19 (b) WITNESSED IF IT IS NOTARIZED.

20 C. For the purposes of this section, "agent" includes a motor vehicle
21 dealer, a title service company or any other third party authorized pursuant
22 to this title.

23 Sec. 2. Section 28-372, Arizona Revised Statutes, is amended to read:

24 28-372. Dishonored checks; service fee

25 ~~A. The director may assess a fee for a check that has been returned~~
26 ~~for nonpayment because of insufficient monies, payments stopped or closed~~
27 ~~accounts. The director, by rule, shall adopt a fee of not more than ten~~
28 ~~dollars.~~

29 ~~B.~~ The director shall transmit SERVICE fees for returned DISHONORED
30 checks, DRAFTS OR ORDERS that were submitted for titling and registering
31 vehicles to the state treasurer for deposit in the state highway fund
32 established by section 28-6991 ~~if the director is the registering officer or~~
33 ~~to the county treasurer for deposit in the county assessor's special~~
34 ~~registration fund established by section 28-2005 if the county assessor is~~
35 ~~the registering officer.~~ The director shall transmit all other SERVICE fees
36 collected ~~under subsection A of this section~~ FOR DISHONORED CHECKS, DRAFTS
37 OR ORDERS to the state treasurer for deposit in the highway user revenue
38 fund.

39 Sec. 3. Section 28-448, Arizona Revised Statutes, is amended to read:

40 28-448. Notice of address or name change; address update; civil
41 traffic violation

42 A. If a person's name or address changes after the person applies for
43 or receives a driver license or nonoperating identification license or after

1 the person applies for or receives a vehicle registration or vehicle title,
2 the person shall notify the department within ten days after the change of
3 the old and new address or the former and new name and the following:

4 1. If a registration or title is applied for or received, the number
5 of vehicles registered to the person and the vehicle identification numbers
6 of the vehicles.

7 2. If a driver license or nonoperating identification license is
8 applied for or received, the person's date of birth and the number of each
9 license held by the person or a statement that each license is suspended,
10 revoked or canceled.

11 B. A person may notify the department of an address change ~~or name~~
12 ~~change~~ by telephone, in writing, ~~or~~ in person OR BY APPROVED ELECTRONIC
13 MEANS.

14 C. The department may update an address in a vehicle registration
15 record or driver license record if a traffic citation received by the
16 department or records of another consenting government agency indicate an
17 address change after the date the address was stated in department records.

18 D. A violation of this section is a civil traffic violation.

19 Sec. 4. Section 28-450, Arizona Revised Statutes, is amended to read:

20 28-450. Release of information prohibited; classification;
21 definition

22 A. Notwithstanding section 28-447, the department shall not:

23 1. Divulge information from a vehicle title or registration record
24 unless the person who requests the information provides to the department all
25 of the following:

26 (a) The name of the owner.

27 (b) The vehicle identification number of the vehicle.

28 (c) The vehicle license plate number assigned to the vehicle.

29 2. Release a copy of a record or divulge information concerning a
30 person's driving record unless the person requesting the driving record
31 provides to the department all of the following:

32 (a) The name of the licensee or the name of the person whose record
33 is requested.

34 (b) The driver license number of the licensee, a statement that the
35 person whose record is requested has not applied for a license or a statement
36 that the license has been suspended or revoked.

37 (c) The date of birth of the licensee or the expiration date of the
38 driver license of the licensee.

39 B. Subsection A of this section does not apply to:

40 1. A state or its departments, agencies or political subdivisions,
41 INCLUDING ANY AGENT OF A STATE OR ITS DEPARTMENTS, AGENCIES OR POLITICAL
42 SUBDIVISIONS THAT HAS A VALID CONTRACT FOR LAW ENFORCEMENT OR REVENUE
43 COLLECTION PURPOSES.

1 ~~2. Any agent of the department of environmental quality who has a~~
2 ~~valid contract to conduct the random on-road testing program prescribed by~~
3 ~~section 49-542.01.~~

4 ~~3.~~ 2. A court.
5 ~~4.~~ 3. A law enforcement officer.
6 ~~5.~~ 4. A licensed private investigator.
7 ~~6.~~ 5. A financial institution or enterprise under the jurisdiction
8 of the state banking department or a federal monetary authority.

9 ~~7.~~ 6. The federal government or its agencies.
10 ~~8.~~ 7. An attorney who is admitted to practice in this state and who
11 alleges that the information is relevant to a pending or potential court
12 proceeding.

13 ~~9.~~ 8. A motor vehicle dealer who is licensed and bonded by the
14 department or a state organization of licensed and bonded motor vehicle
15 dealers.

16 ~~10.~~ 9. The release of any of the following information to a person who
17 is involved in an accident or to the owner of a vehicle involved in an
18 accident if the person who requests the information submits proof to the
19 department of involvement in the accident:

20 (a) The driving record of a person who operates a motor vehicle
21 involved in the accident.

22 (b) The vehicle title or registration record of a vehicle involved in
23 the accident.

24 ~~11.~~ 10. The release of the driving record or title and registration
25 record if that record is for the requester's vehicle or is the requester's
26 own driving record, except that the director may require any information from
27 the requester that is deemed necessary to ensure that the requester is
28 entitled to receive the record.

29 ~~12.~~ 11. An insurer that writes automobile liability or motor vehicle
30 liability policies and that is under the jurisdiction of the department of
31 insurance, except that an insurer or its authorized agent requesting
32 information pursuant to subsection A of this section shall provide two of the
33 three requirements under subsection A, paragraph 1 or 2 of this section
34 before the department divulges or releases the information.

35 ~~13.~~ 12. The release of a title and registration record if all of the
36 following conditions exist:

37 (a) The requester verifies to the satisfaction of the director that
38 the vehicle on which the requester is requesting the record is in the
39 requester's possession.

40 (b) The record is requested in order for the requester to notify the
41 registered owner of the requester's intent to apply to the department for a
42 bonded title.

1 (c) The requester provides a verification of a vehicle inspection that
2 was performed by an authorized department employee or agent.

3 C. An authorized agent shall promptly deliver information received
4 from the department pursuant to subsection A of this section and subsection
5 B, paragraph ~~12~~ 11 of this section to the insurer that originally requested
6 the information. An authorized agent shall not copy, retain or transfer by
7 any means any of the information for the authorized agent's own use or for
8 use by persons other than the insurer that originally requested the
9 information.

10 D. The department shall not release to an insurer, broker, managing
11 general agent, authorized agent or insurance agent any information in a
12 person's driving record pertaining to a traffic violation that occurred forty
13 months or more before the date of the request for the release of the
14 information.

15 E. An authorized agent who commits any of the following acts with
16 regard to information received pursuant to subsection A of this section and
17 subsection B, paragraph ~~12~~ 11 of this section is guilty of a class 1
18 misdemeanor:

19 1. Uses a false representation to obtain information from a department
20 record.

21 2. Sells or otherwise distributes the information obtained from the
22 department to a person or organization for purposes that are not disclosed
23 in the request.

24 3. Violates subsection C of this section.

25 F. For the purposes of this section, "authorized agent" means a third
26 party retained by an insurer for the purpose of requesting department
27 information pursuant to subsection A of this section and subsection B,
28 paragraph ~~12~~ 11 of this section but does not include an agent as defined in
29 section 20-282, a broker as defined in section 20-283 or a managing general
30 agent as defined in section 20-284.

31 Sec. 5. Section 28-892, Arizona Revised Statutes, is amended to read:

32 ~~28-892.~~ Riding on motorcycle

33 A person operating a motorcycle ~~or all-terrain vehicle~~ shall ride only
34 on the permanent and regular seat attached to the motorcycle ~~or all-terrain~~
35 ~~vehicle~~. The operator of a motorcycle ~~or all-terrain vehicle~~ shall not carry
36 any other person and any other person shall not ride on a motorcycle ~~or~~
37 ~~all-terrain vehicle~~ unless the motorcycle ~~or all-terrain vehicle~~ is designed
38 to carry more than one person. On a motorcycle ~~or all-terrain vehicle~~
39 designed to carry more than one person, a passenger may ride on the permanent
40 and regular seat if it is designed for two persons or on another seat firmly
41 attached to the motorcycle ~~or all-terrain vehicle~~ at the rear or side of the
42 operator.

43 Sec. 6. Section 28-924, Arizona Revised Statutes, is amended to read:

1 28-924. Motor vehicle head lamps

2 A. A motor vehicle other than a motorcycle, ~~an all-terrain vehicle~~ or
3 a motor driven cycle shall be equipped with at least two head lamps with at
4 least one on each side of the front of the motor vehicle. The head lamps
5 shall comply with the requirements and limitations of this article.

6 B. A motorcycle, ~~an all-terrain vehicle~~ and a motor driven cycle shall
7 be equipped with at least one and not more than two head lamps that comply
8 with the requirements and limitations of this article.

9 C. A head lamp on a motor vehicle, including a motorcycle, ~~an~~
10 ~~all-terrain vehicle~~ and a motor driven cycle, shall be located at a height
11 of not more than fifty-four inches nor less than twenty-four inches to be
12 measured as provided in section 28-923, subsection B.

13 Sec. 7. Section 28-952, Arizona Revised Statutes, is amended to read:

14 28-952. Required brake equipment

15 A. The following brake equipment is required:

16 1. A motor vehicle, other than a motorcycle, ~~all-terrain vehicle~~ or
17 motor driven cycle, if it is operated on a highway shall be equipped with
18 brakes adequate to control the movement of and to stop and hold the vehicle,
19 including two separate means of applying the brakes, each of which means is
20 effective to apply the brakes to at least two wheels. If these two separate
21 means of applying the brakes are connected in any way, they shall be
22 constructed so that failure of any one part of the operating mechanism does
23 not leave the motor vehicle without brakes on at least two wheels.

24 2. A motorcycle, ~~an all-terrain vehicle~~ and every motor driven cycle
25 when operated on a highway shall be equipped with at least one brake that may
26 be operated by hand or foot.

27 3. When it is operated on a highway a trailer or semitrailer with a
28 gross weight of three thousand pounds or more shall be equipped with brakes
29 that are adequate to control the movement of and to stop and to hold the
30 vehicle and that are designed to either be applied by the driver of the
31 towing motor vehicle from its cab or be of a type that operates automatically
32 when the service brakes of the towing motor vehicle are applied. The brakes
33 shall be designed and connected so that in case of an accidental breakaway
34 of the towed vehicle the brakes shall be automatically applied, except that
35 brakes are not required on all wheels of a truck that is being towed as a
36 semitrailer and that is being towed in a drive-away, tow-away operation, if
37 the combination of vehicles is capable of complying with all state and
38 federal brake performance requirements. Only those brakes on the vehicle
39 being towed need to be operative as may be necessary to ensure compliance
40 with the performance requirements.

41 4. A new motor vehicle, trailer or semitrailer, except a motorcycle, ~~an~~
42 ~~all-terrain vehicle~~ or motor driven cycle, sold in this state and operated
43 on the highways shall be equipped with service brakes on all wheels of the
44 vehicle, except that:

1 (a) A semitrailer or trailer with a gross weight of less than three
2 thousand pounds need not be equipped with brakes.

3 (b) A semitrailer or trailer with a gross weight of less than six
4 thousand pounds may have brakes only on all wheels of one axle.

5 (c) Three axle truck tractors need only be equipped with brakes on all
6 wheels of the two rear axles.

7 5. In any combination of motor drawn vehicles, means shall be provided
8 for either or both of the following if capable of being used alternatively:

9 (a) Applying the rearmost trailer brakes of a trailer equipped with
10 brakes in approximate synchronism with the brakes on the towing vehicle and
11 developing the required braking effort on the rearmost wheels at the fastest
12 rate.

13 (b) Applying braking effort first on the rearmost trailer equipped
14 with brakes.

15 6. A motor vehicle and combination of vehicles manufactured or sold
16 in this state after July 1, 1964, except motorcycles, ~~all-terrain vehicles~~
17 and motor driven cycles, shall be equipped with parking brakes that are:

18 (a) Adequate to hold the vehicle on any grade on which it is operated
19 under all conditions of loading on a surface free from snow, ice or loose
20 material.

21 (b) Capable of being applied in conformance with the requirements of
22 subdivision (a) of this paragraph by the driver's muscular effort, by spring
23 action or by equivalent means. The operation of the parking brakes may be
24 assisted by the service brakes or other source of power, if failure of the
25 service brake actuation system or other power assisting mechanism will not
26 prevent the parking brakes from being applied in conformance with the
27 foregoing requirements.

28 (c) Designed so that when the brakes are applied they shall remain
29 applied with the required effectiveness despite exhaustion of any source of
30 energy or leakage of any kind.

31 7. The same brake drums, brake shoes and lining assemblies, brake shoe
32 anchors and mechanical brake shoe actuation mechanism normally associated
33 with the wheel brake assemblies may be used for both the service brakes and
34 the parking brakes. If the means of applying the parking brakes and the
35 service brakes are connected in any way, they shall be constructed so that
36 failure of any one part does not leave the vehicle without operative brakes.

37 8. The brake shoes operating within or on the drums on the vehicle
38 wheels of a motor vehicle may be used for both service and hand operation.

39 B. At all times, under all conditions of loading, on a dry, smooth,
40 level road free from loose material and on application of the service or foot
41 brake, a motor vehicle or combination of motor drawn vehicles shall be
42 capable of being stopped within the distances specified below or of being
43 decelerated at a sustained rate corresponding to these distances:

	Feet to stop from 20 miles per hour	Deceleration in feet per second
Vehicles or combinations of vehicles having brakes on all wheels	30	14
Vehicles or combinations of vehicles not having brakes on all wheels	40	10.7

C. Brakes shall be maintained in good working order and shall be adjusted to operate as equally as practicable with respect to the wheels on opposite sides of the vehicle.

Sec. 8. Section 28-953, Arizona Revised Statutes, is amended to read:
28-953. Brakes on motor driven cycles

A. The director may:

1. Require an inspection of the brake on ~~an all-terrain vehicle or~~ a motor driven cycle.

2. Disapprove a brake that does not comply with the performance ability standard provided in section 28-952 or that is not so designed or constructed to ensure reasonable and reliable performance in actual use.

B. The director may refuse to register or may suspend or revoke the registration of a vehicle referred to in this section if the director determines that the brake on the vehicle does not comply with this section.

C. A person shall not operate on a highway a vehicle referred to in this section if the director has disapproved the brake equipment on the vehicle or type of vehicle.

Sec. 9. Section 28-957.01, Arizona Revised Statutes, is amended to read:

28-957.01. Windshields required

A. A passenger vehicle, except a motorcycle, ~~an all-terrain vehicle~~ and a golf cart, and a motor truck or truck tractor, except fire trucks, fire engines or other fire apparatus, whether publicly or privately owned, shall be equipped with an adequate windshield.

B. This section does not apply to an implement of husbandry or to an antique, classic or horseless carriage automobile if it was not originally equipped with a windshield.

Sec. 10. Section 28-964, Arizona Revised Statutes, is amended to read:
28-964. Motorcycles; motor driven cycles; equipment; exception; prohibition

A. An operator or passenger of a motorcycle, ~~all-terrain vehicle~~ or motor driven cycle who is under eighteen years of age shall wear at all times a protective helmet on the operator's or passenger's head in an appropriate manner. The protective helmet shall be safely secured while the operator or passenger is operating or riding on the motorcycle, ~~all-terrain vehicle~~ or motor driven cycle. An operator of a motorcycle, ~~all-terrain vehicle~~ or motor driven cycle shall wear at all times protective glasses, goggles or a

1 transparent face shield of a type approved by the director unless the
2 motorcycle, ~~all-terrain vehicle~~ or motor driven cycle is equipped with a
3 protective windshield. This subsection does not apply to electrically
4 powered three wheeled vehicles or three wheeled vehicles on which the
5 operator and passenger ride within an enclosed cab.

6 B. A motorcycle, ~~all-terrain vehicle~~ and motor driven cycle shall be
7 equipped with a rearview mirror, seat and footrests for the operator. A
8 motorcycle, ~~all-terrain vehicle~~ or motor driven cycle operated with a
9 passenger shall be equipped with a seat, footrests and handrails for the
10 passenger.

11 C. A person shall not operate a motorcycle, ~~all-terrain vehicle~~ or
12 motor driven cycle equipped with handlebars that are positioned so that the
13 hands of the operator are above the operator's shoulder height when the
14 operator is sitting astride the seat and the operator's hands are on the
15 handlebar grips.

16 Sec. 11. Section 28-2003, Arizona Revised Statutes, is amended to
17 read:

18 28-2003. Fees; vehicle title and registration; identification
19 plate; definition

20 A. The following fees are required:

21 1. For each certificate of title, salvage certificate of title,
22 restored salvage certificate of title or nonrepairable vehicle certificate
23 of title, four dollars.

24 2. For each certificate of title for a mobile home, as defined in
25 section 42-641, seven dollars. The director shall deposit three dollars of
26 each fee imposed by this paragraph in the state highway fund established by
27 section 28-6991.

28 3. For the registration of a motor vehicle, eight dollars, except that
29 the fee for motorcycles is nine dollars.

30 4. For a duplicate registration card or any duplicate permit, four
31 dollars.

32 5. For each special thirty day nonresident registration issued under
33 section 28-2154, fifteen dollars.

34 6. Except as provided in paragraph 7, for the registration of a
35 trailer or semitrailer that is ten thousand pounds or less gross vehicle
36 weight, eight dollars, and for the registration of a trailer or semitrailer
37 that exceeds ten thousand pounds gross vehicle weight, forty-nine dollars.

38 7. For the registration of a noncommercial trailer that is not a
39 travel trailer and that is less than six thousand pounds gross vehicle
40 weight:

41 (a) On initial registration, a one-time fee of twenty dollars. **THIS**
42 **FEE IS DUE THE FIRST TIME THE TRAILER IS REGISTERED IN THIS STATE.**

1 (b) On renewal of registration, a one-time fee of five dollars. THIS
2 FEE IS DUE WHEN THE REGISTRATION FOR A TRAILER THAT WAS REGISTERED IN THIS
3 STATE BEFORE OCTOBER 1, 1997 IS RENEWED.

4 8. For a transfer of a noncommercial trailer that is not a travel
5 trailer and that is less than six thousand pounds gross vehicle weight,
6 twelve dollars. THIS FEE IS DUE WHEN OWNERSHIP OF THE TRAILER IS
7 TRANSFERRED.

8 9. For each special ninety day resident registration issued under
9 section 28-2154, fifteen dollars.

10 10. For each one trip registration permit issued under section 28-2155,
11 one dollar.

12 11. For each temporary general use registration issued under section
13 28-2156, fifteen dollars.

14 12. For each identification plate bearing a serial or identification
15 number to be affixed to any vehicle, five dollars.

16 B. For the purposes of this section, "travel trailer" means a trailer
17 that is:

18 1. Mounted on wheels.

19 2. Designed to provide temporary living quarters for recreational,
20 camping or travel use.

21 3. Less than eight feet in width and less than forty feet in length.

22 Sec. 12. Section 28-2051, Arizona Revised Statutes, is amended to
23 read:

24 28-2051. Application for certificate of title; vision screening
25 test

26 A. EXCEPT AS OTHERWISE PROVIDED BY LAW, a person WHO IS A RESIDENT
27 shall apply on a form furnished by the department for a certificate of title
28 to a motor vehicle, trailer or semitrailer to the ~~assessor of the county in~~
29 ~~which the transferee resides~~ DEPARTMENT. The person shall make the
30 application within thirty days of the purchase or transfer of the vehicle,
31 trailer or semitrailer. The transferee shall sign the application.

32 B. The application shall contain:

33 1. The transferee's full name and either the driver license number of
34 the transferee or a number assigned by the department.

35 2. The transferee's complete residence address.

36 3. A brief description of the vehicle to be titled.

37 4. The name of the manufacturer of the vehicle.

38 5. The serial number of the vehicle.

39 ~~6. Whether the vehicle is new or used.~~

40 ~~7.~~ 6. The last license plate number if applicable and if known and
41 the state in which the license plate number was issued.

1 ~~8.~~ 7. If the application is for a certificate of title to a new
2 vehicle, the date of sale by the manufacturer or dealer to the person first
3 operating the vehicle.

4 ~~9.~~ 8. If the application is in the name of a lessor:

5 (a) The lessor shown on the application as the owner or transferee.
6 (b) At the option of the lessor, the lessee shown on the application
7 as the registrant.

8 (c) The address of either the lessor or lessee.

9 (d) The signature of the lessor.

10 ~~10.~~ 9. If the application is for a certificate of title to a specially
11 constructed, reconstructed or foreign vehicle, a statement of that fact. For
12 the purposes of this paragraph, "specially constructed vehicle" means a
13 vehicle not originally constructed under a distinctive name, make, model or
14 type by a generally recognized manufacturer of vehicles.

15 ~~11.~~ 10. If an applicant rents or intends to rent the vehicle without
16 a driver, a statement of that fact.

17 ~~12.~~ 11. Other information required by the department.

18 C. Unless subsection B, paragraph ~~9.~~ 8 of this section applies, on
19 request of an applicant, the department shall allow the applicant to provide
20 on the title of a motor vehicle, trailer or semitrailer a post office box
21 address that is regularly used by the applicant.

22 D. A person shall submit the following information with an application
23 for a certificate of title:

24 1. To a vehicle previously registered:

25 (a) The odometer mileage disclosure statement prescribed by section
26 28-2058.

27 (b) If the applicant is applying for title pursuant to section
28 28-2060, the applicant's statement of the odometer reading as of the date of
29 application.

30 2. To a new vehicle:

31 (a) A certificate **OR ELECTRONIC TITLE** from the manufacturer showing
32 the date of sale to the dealer or person first receiving the vehicle from the
33 manufacturer. **BEFORE THE DEPARTMENT ISSUES A CERTIFICATE OF TITLE TO A NEW**
34 **VEHICLE, A CERTIFICATE FROM THE MANUFACTURER SHALL BE SURRENDERED TO THE**
35 **DEPARTMENT.**

36 (b) The name of the dealer or person.

37 (c) A description sufficient to identify the vehicle.

38 (d) A statement certifying that the vehicle was new when sold.

39 (e) If sold through a dealer, a statement by the dealer certifying
40 that the vehicle was new when sold to the applicant.

41 E. The department may request an applicant who appears in person for
42 a certificate of title of a motor vehicle, trailer or semitrailer to complete
43 satisfactorily the vision screening test prescribed by the department.

1 Sec. 13. Section 28-2091, Arizona Revised Statutes, is amended to
2 read:

3 28-2091. Salvage certificate of title; nonrepairable vehicle
4 certificate of title; violation; classification;
5 definitions

6 A. If a vehicle subject to titling or registration pursuant to this
7 chapter becomes a salvage vehicle or nonrepairable vehicle and is acquired
8 by an insurance company as a result of a total loss insurance settlement, the
9 insurance company or its authorized agent shall submit an application to the
10 department within thirty days after the loss or settlement of the loss on a
11 form prescribed by the department for a salvage certificate of title or
12 nonrepairable vehicle certificate of title and include the following:

- 13 1. A properly endorsed certificate of title.
- 14 2. A lien satisfaction, if applicable.
- 15 3. The registration card.
- 16 4. The license plate, if any.
- 17 5. The appropriate fees.

18 B. If the registration card or license plate is lost or destroyed, the
19 applicant shall state in a form prescribed by the department, under penalty
20 of perjury, the circumstances of the loss or destruction.

21 C. Except for vehicles registered pursuant to section 28-2482, 28-2483
22 or 28-2484, if the owner retains possession of a salvage vehicle or
23 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 or nonrepairable vehicle certificate of title
31 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 front
34 of a nonrepairable vehicle certificate of title shall be branded with the
35 word "nonrepairable". The ownership of a vehicle for which a nonrepairable
36 vehicle certificate of title has been issued shall not be reassigned more
37 than two times on that certificate of title. If a nonrepairable vehicle
38 certificate of title is issued for a vehicle, the department shall not issue
39 any further certificate of title for that vehicle.

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

1 H. On sale of the vehicle, an owner of a salvage vehicle for which a
2 salvage certificate of title has been obtained or an owner of a nonrepairable
3 vehicle for which a nonrepairable vehicle certificate of title has been
4 obtained shall assign and deliver the salvage certificate of title or
5 nonrepairable vehicle certificate of title to the purchaser and shall notify
6 the department of the name and address of the purchaser. The department
7 shall issue a certificate of title to a vehicle that has been issued a
8 salvage certificate of title as a result of a total loss settlement by reason
9 of theft if the vehicle is recovered and was not wrecked or stripped of
10 essential parts. For the purposes of this subsection, "essential parts"
11 means integral and body parts, the removal, alteration or substitution of
12 which will tend to conceal the identity or substantially alter the appearance
13 of the vehicle.

14 I. Any person who sells a vehicle for which a salvage certificate of
15 title has been issued and who knows a salvage certificate of title has been
16 issued for the vehicle shall disclose to the buyer before completion of the
17 sale that the vehicle is a salvage vehicle.

18 J. If a vehicle that is titled as a salvage vehicle is to be scrapped,
19 dismantled or destroyed, the owner or purchaser shall comply with section
20 28-2094.

21 K. The provisions of this chapter that refer to titles apply to
22 salvage certificates of title and nonrepairable vehicle certificates of title
23 issued pursuant to this section unless they conflict with this section.

24 L. If a person has a currently registered vehicle that has
25 subsequently become a total loss due to an accident or an unrecovered theft,
26 the person may make a verified written application to the registering officer
27 indicating the occurrence of the total loss. When the registering officer
28 confirms that an application for a salvage certificate of title,
29 nonrepairable vehicle certificate of title or dismantle certificate of title
30 has been made, the registering officer shall:

31 1. Determine the amount of the vehicle license tax as provided for in
32 section 28-5801.

33 2. Reduce the amount of the registration fee required pursuant to
34 section 28-2003 and the vehicle license tax determined in paragraph 1 of this
35 subsection by:

36 (a) One-twelfth for each full month of the registration period not yet
37 expired if the vehicle is registered on an annual basis.

38 (b) One twenty-fourth for each full month of the registration period
39 not yet expired if the vehicle is registered on a biennial basis pursuant to
40 section 28-2159.

41 (c) ONE TWENTY-FOURTH FOR EACH FULL MONTH AFTER THE DATE OF LOSS TO
42 THE TWENTY-FOURTH MONTH AFTER THE DATE OF INITIAL PERMANENT REGISTRATION OF
43 THE VEHICLE.

1 3. Refund the owner with the appropriate amount of the fee and tax
2 previously paid, to be applied to the registration of another vehicle.

3 M. If a component part of a vehicle on which the vehicle
4 identification number is affixed is to be replaced and if the vehicle is
5 being repaired by a person other than its owner, the person shall notify the
6 owner in writing and in the manner prescribed by the department that the part
7 has been replaced, and the owner shall comply with section 28-2165.

8 N. A person who violates this section is guilty of a class 2
9 misdemeanor.

10 O. For the purposes of this section:

11 1. "Nonrepairable vehicle" means a vehicle of a type that is otherwise
12 subject to titling and registration pursuant to this chapter and that either:

13 (a) Has no resale value except as a source of parts or scrap metal and
14 the owner or insurer designates the vehicle solely as a source of parts or
15 scrap metal.

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

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

29 2. "Nonrepairable vehicle certificate of title" means a vehicle
30 ownership document issued to the owner of a nonrepairable vehicle.

31 3. "Salvage vehicle" means a vehicle, other than a nonrepairable
32 vehicle, of a type that is subject to titling and registration pursuant to
33 this chapter and that has been stolen, wrecked, destroyed, flood or water
34 damaged or otherwise damaged to the extent that the owner, leasing company,
35 financial institution or insurance company that insured the vehicle considers
36 it uneconomical to repair the vehicle.

37 Sec. 14. Section 28-2151, Arizona Revised Statutes, is amended to
38 read:

39 28-2151. Registration by mail; postage fund

40 A. The ~~assessor of any county or the~~ director ~~acting as the~~
41 ~~registering agent~~ may establish a procedure for mailing registration
42 applications and license plates or license tabs to applicants.

43 B. For purposes of paying postage incurred under this section, the
44 ~~assessor or~~ director may establish a postage fund and charge the estimated

1 postage incurred under this section to an applicant who registers by mail.
2 ~~The assessor or director shall not charge postage to an applicant who does~~
3 ~~not register by mail. The assessor shall transfer monies in the assessor's~~
4 ~~postage fund annually and shall use the monies as provided in section~~
5 ~~28-2005.~~ The director may transfer monies in the director's postage fund
6 annually and use the monies as provided in section 28-6993, subsection D.

7 Sec. 15. Section 28-2201, Arizona Revised Statutes, is amended to
8 read:

9 28-2201. Definition of fleet

10 In this article, unless the context otherwise requires, "fleet" means
11 ~~three~~ TWO or more vehicles owned OR LEASED by a person and registered in this
12 state.

13 Sec. 16. Section 28-2202, Arizona Revised Statutes, is amended to
14 read:

15 28-2202. Fleet registration; requirements; fees

16 A. In lieu of the staggered vehicle registration requirements of
17 section 28-2159, a person may register a fleet on an annual basis so that the
18 registration for all vehicles in the fleet expires in the same month.

19 B. The director shall approve the request for fleet registration if
20 the applicant, at least thirty days before the registration date:

21 1. Provides an application containing information necessary for
22 qualification as a fleet registrant.

23 2. Provides a list of all vehicles to be included in the fleet.

24 3. Pays a one time filing fee of ~~one hundred~~ TWENTY dollars that the
25 director shall transmit to the state treasurer for deposit in the state
26 highway fund established by section 28-6991.

27 Sec. 17. Section 28-2321, Arizona Revised Statutes, is amended to
28 read:

29 28-2321. Registration requirement for nonresident's vehicle

30 A. Except as otherwise provided in this article, a nonresident owner
31 of a foreign motor vehicle shall register and license the motor vehicle in
32 this state in the same manner as a motor vehicle that has not been registered
33 or licensed if the motor vehicle is operated in this state either:

34 1. For the transportation of passengers or property for compensation.

35 2. In the business of a nonresident carried on in this state.

36 3. For the transportation of property.

37 4. In the furtherance of a commercial enterprise and is a
38 passenger-carrying motor vehicle designed to seat twelve or more persons.

39 B. THE DIRECTOR SHALL TRANSMIT FEES COLLECTED PURSUANT TO THIS SECTION
40 AT PORTS OF ENTRY ON THE BORDER BETWEEN THIS STATE AND MEXICO TO THE STATE
41 TREASURER FOR DEPOSIT IN THE SAFETY ENFORCEMENT AND TRANSPORTATION
42 INFRASTRUCTURE FUND ESTABLISHED BY SECTION 28-6547.

1 ~~B.~~ C. Sections 28-2322, 28-2323 and 28-2324 and this section do not
2 apply to:

3 1. A foreign motor vehicle that is owned by a nonresident and that
4 would be exempt from payment of gross weight fees under section 28-5432 if
5 the motor vehicle were owned by a resident of this state.

6 2. A foreign motor vehicle that is owned by a nonresident and operated
7 in this state for the transportation of property in the furtherance of a
8 commercial enterprise and that is either:

9 (a) Commonly referred to as a passenger car or station wagon.

10 (b) Commonly known and referred to by manufacturer's rating as a
11 three-quarter ton or less pickup truck or three-quarter ton or less van.

12 Sec. 18. Section 28-2324, Arizona Revised Statutes, is amended to
13 read:

14 28-2324. Limited registration; fees; violation

15 A. If a person desires to operate a motor vehicle that is required to
16 be registered by section 28-2321 for a period of less than the full
17 registration year and the motor vehicle is registered and licensed under the
18 laws of another state or country, the owner may apply to the department in
19 the manner and form prescribed for the registration of the motor vehicle for
20 either thirty, sixty or ninety day periods. The person shall pay the
21 following percentages of the full annual registration, use, MOTOR CARRIER and
22 gross weight fees that are applicable to the applicant's motor vehicle as
23 prescribed by sections 28-2003, 28-5433, ~~and 28-5471~~ 28-5472 AND 28-5854, or
24 twelve dollars, whichever is more:

25 1. For thirty days, twenty per cent.

26 2. For sixty days, thirty-five per cent.

27 3. For ninety days, fifty per cent.

28 B. The department shall not accept an application for a fraction of
29 any of the periods prescribed in subsection A of this section. The
30 department may issue registrations without restriction as to number or
31 sequence.

32 C. The director shall transmit fees collected pursuant to subsection
33 A of this section at ports of entry on the border between this state and
34 Mexico to the state treasurer for deposit in the safety enforcement and
35 transportation infrastructure fund established by section 28-6547.

36 D. If satisfied as to the facts stated in the application, the
37 department shall register and license the motor vehicle for the period
38 prescribed in subsection A of this section and shall assign an appropriate
39 certificate or license. The operator shall display the certificate or
40 license on the motor vehicle in the manner prescribed by the department when
41 the motor vehicle is operated or driven on a highway of this state.

42 E. If a nonresident owner of a foreign motor vehicle is apprehended
43 while operating the vehicle beyond the period specified in the owner's

1 certificate or license and the owner has not applied for renewal of the
2 certificate or license:

3 1. The department shall not issue another thirty, sixty or ninety day
4 certificate or license to the owner during the registration year in which the
5 violation occurred.

6 2. The nonresident owner shall register the motor vehicle and pay the
7 fees for the registration year.

8 Sec. 19. Section 28-2409, Arizona Revised Statutes, is amended to
9 read:

10 28-2409. International symbol of access special plates;
11 placard; definitions

12 A. The department shall issue special plates bearing the international
13 symbol of access to either:

14 1. A person who is permanently physically disabled and who is an owner
15 or lessee of a motor vehicle.

16 2. An organization that owns or leases a motor vehicle that primarily
17 transports physically disabled persons.

18 ~~B.~~ **A PERMANENTLY DISABLED SPECIAL PLATE ISSUED UNDER THIS SECTION IS**
19 **VALID FOR AS LONG AS THE PERSON TO WHOM THE PLATE IS ISSUED QUALIFIES FOR**
20 **ISSUANCE PURSUANT TO THIS SECTION.**

21 ~~B.~~ C. A person who is permanently physically disabled may obtain, if
22 qualified, a permanently disabled removable windshield placard. A person who
23 is temporarily physically disabled may obtain, if qualified, a temporarily
24 disabled removable windshield placard. An organization that primarily
25 transports physically disabled persons may obtain, if qualified, a placard
26 for each of the qualified vehicles. The department shall issue only one
27 valid placard to a temporarily or permanently physically disabled applicant,
28 except to replace a lost, stolen or mutilated placard or if the department
29 determines, on receiving the applicant's written request, that the needs of
30 the applicant are such that two valid placards are required. The department
31 shall issue a placard pursuant to this section at no additional charge.

32 ~~C.~~ D. A permanently disabled removable windshield placard ~~or special~~
33 ~~plate~~ issued or renewed under this section is valid for five years. A
34 temporarily disabled removable windshield placard issued or renewed under
35 this section is valid for a period of time as determined by the department.
36 A person who desires to obtain a temporarily disabled removable windshield
37 placard for an additional period of time shall submit a new application.

38 ~~D.~~ E. A person or organization that desires to obtain a permanently
39 disabled or temporarily disabled removable windshield placard or
40 international symbol of access special plates shall submit an application to
41 the department on a form furnished by the department that contains one of the
42 following:

1 1. If a permanently or temporarily disabled person, a certificate
2 completed by a hospital administrator or by an authorized physician that
3 certifies that the applicant is physically disabled.

4 2. If an organization, a signed statement by an authorized officer of
5 the organization affirming that the registered vehicle that is owned or
6 leased by the organization and that will display the placard or the
7 international symbol of access special plates primarily transports physically
8 disabled persons.

9 ~~E~~ F. On receipt of the application containing the medical
10 certificate or signed statement, if the department finds that the applicant
11 qualifies for the parking privileges pursuant to chapter 3, article 14 of
12 this title, the department shall issue the placard or international symbol
13 of access special plates.

14 ~~E~~ G. A person or an organization desiring to renew a permanently
15 disabled removable windshield placard shall submit an application to the
16 department containing one of the following:

17 1. If a permanently disabled person, a signed statement by the person
18 that is witnessed by a department agent or notary public, that requests the
19 renewal of the placard and that affirms that the person is physically
20 disabled.

21 2. If an organization, a signed statement by an authorized officer of
22 the organization affirming that the registered vehicle that is owned or
23 leased by the organization and that will display the placard primarily
24 transports physically disabled persons.

25 ~~G~~ H. The placard or international symbol of access special plates
26 shall be displayed on or in the motor vehicle in the manner prescribed by the
27 department.

28 ~~H~~ I. A request for special plates issued under this section may be
29 combined with a request for any other special plate. The department shall
30 prescribe the form for the request. The request is subject to payment of the
31 fee required for the other special plate.

32 ~~I~~ J. In this section:

33 1. "Authorized physician" means a doctor of medicine, osteopathy or
34 chiropractic licensed to practice medicine in this state or another state or
35 authorized by the United States government to practice medicine.

36 2. "Permanently disabled removable windshield placard" means a
37 two-sided, hooked placard that includes on each side all of the following:

38 (a) The international symbol of access that is at least three inches
39 in height, that is centered on the placard and that is white on a blue
40 shield.

41 (b) An identification number.

42 (c) An expiration date.

43 (d) The seal or other identification of the issuing authority.

1 3. "Physically disabled person" means a person who, as determined by
2 a hospital administrator or authorized physician, meets any of the following
3 conditions:

4 (a) Cannot walk two hundred feet without stopping to rest.

5 (b) Cannot walk without the use of or assistance from any brace, cane,
6 crutch, other person, prosthetic device, wheelchair or other assistive
7 device.

8 (c) Is restricted by lung disease to such an extent that the person's
9 forced respiratory, expiratory volume for one second, if measured by
10 spirometry, is less than one liter, or the arterial oxygen tension is less
11 than sixty mm/Hg on room air at rest.

12 (d) Uses portable oxygen.

13 (e) Has a cardiac condition to the extent that the person's functional
14 limitations are classified in severity as class III or class IV according to
15 standards set by the American heart association.

16 (f) Is severely limited in the person's ability to walk due to an
17 arthritic, neurological or orthopedic condition.

18 4. "Temporarily disabled removable windshield placard" means a
19 two-sided, hooked placard that includes on each side all of the following:

20 (a) The international symbol of access that is at least three inches
21 in height, that is centered on the placard and that is white on a red shield.

22 (b) An identification number.

23 (c) A date of expiration.

24 (d) The seal or other identification of the issuing authority.

25 Sec. 20. Section 28-2416, Arizona Revised Statutes, is amended to
26 read:

27 28-2416. Alternative fuel vehicle special plates; use of high
28 occupancy vehicle lanes

29 A. Beginning on April 1, 1997, a person who owns a motor vehicle that
30 has either been converted or manufactured to use an alternative fuel and the
31 alternative fuel was subject to the use fuel tax imposed pursuant to chapter
32 16, article 2 of this title before April 1, 1997 shall apply for alternative
33 fuel vehicle special plates pursuant to this section.

34 B. The department shall issue alternative fuel vehicle special plates
35 to a person who:

36 1. Owns a motor vehicle that is powered by an alternative fuel and
37 that is registered pursuant to section 28-5805.

38 2. Pays the alternative fuel vehicle special plate fee prescribed in
39 section 28-2402, except that alternative fuel vehicles powered by hydrogen,
40 electricity or solar energy are exempt from that fee. Of the fee required
41 by section 28-2402 for original alternative fuel vehicle special plates and
42 for renewal of alternative fuel vehicle special plates, eight dollars is a
43 special plate administrative fee. The department shall transmit all special
44 plate administrative fees to the state treasurer. The state treasurer shall

1 deposit the special plate administrative fees in the state highway fund
2 established by section 28-6991.

3 C. The color and design of the alternative fuel vehicle special plates
4 are subject to the approval of the department of commerce energy office. The
5 director may allow a request for alternative fuel vehicle special plates to
6 be combined with a request for personalized special plates. If the director
7 allows such a combination, the request shall be in a form prescribed by the
8 director and is subject to the fees for the personalized special plates in
9 addition to the fees required for alternative fuel vehicle special plates.
10 Alternative fuel vehicle special plates are not transferable, except that if
11 the director allows alternative fuel vehicle special plates to be
12 personalized a person who is issued personalized alternative fuel vehicle
13 special plates may transfer those plates to another alternative fuel vehicle
14 for which the person is the registered owner or lessee.

15 D. IF A MOTOR VEHICLE REQUIRES BOTH ALTERNATIVE FUEL VEHICLE SPECIAL
16 PLATES PURSUANT TO THIS SECTION AND ANOTHER TYPE OF LICENSE PLATE OR IF THE
17 MOTOR VEHICLE REQUIRES ANOTHER TYPE OF LICENSE PLATE AND THE OWNER REQUESTS
18 ALTERNATIVE FUEL VEHICLE SPECIAL PLATES PURSUANT TO THIS SECTION, THE
19 DEPARTMENT SHALL ISSUE THE ALTERNATIVE FUEL VEHICLE IDENTIFICATION STICKER
20 PRESCRIBED IN SECTION 28-2511, SUBSECTION E TO THE OWNER OF THE VEHICLE IN
21 LIEU OF ALTERNATIVE FUEL VEHICLE SPECIAL PLATES. THIS SUBSECTION DOES NOT
22 APPLY TO MOTORCYCLES.

23 ~~D.~~ E. A person may drive a motor vehicle with alternative fuel
24 special plates or with an alternative fuel identification sticker prescribed
25 in section 28-2511, subsection E in high occupancy vehicle lanes at any time,
26 regardless of occupancy level, without penalty.

27 ~~E.~~ F. The department shall mark high occupancy vehicle lane signs to
28 indicate that those lanes may be used by alternative fuel vehicles regardless
29 of the number of occupants. The design of the markings shall be the same as
30 the design of the alternative fuel vehicle identification stickers prescribed
31 in section 28-2511, subsection E.

32 ~~F.~~ G. The costs of the high occupancy vehicle lane sign markings
33 required by this section shall be paid from the monies in the Arizona clean
34 air fund established by section 41-1516.

35 ~~G.~~ H. If the department publishes maps of the state highway system
36 that are distributed to the general public, the department shall indicate on
37 those maps the approximate location of alternative fuel delivery facilities
38 that are open to the public.

39 Sec. 21. Section 28-2451, Arizona Revised Statutes, is amended to
40 read:

41 28-2451. Honored military license plates; procedures;
42 transfers; violation; classification

1 A. The department shall issue or renew military license plates issued
2 pursuant to this article in lieu of the regular license plates pursuant to
3 the following conditions and procedures and only if the requirements
4 prescribed by this article for the requested license plates are met:

5 1. A person who is the registered owner of a vehicle registered with
6 the department or who applies for an original or renewal registration of a
7 vehicle may submit to the department a completed application form as
8 prescribed by the department.

9 2. The department shall issue license plates only to the registered
10 owner or lessee of a vehicle that ~~is a passenger vehicle or a light~~
11 ~~commercial vehicle having a manufacturer's rated carrying capacity of one ton~~
12 ~~or less~~ HAS A DECLARED GROSS WEIGHT, AS DEFINED IN SECTION 28-5431, OF
13 TWENTY-SIX THOUSAND POUNDS OR LESS. The license plates shall be used on a
14 motor vehicle currently registered in the applicant's name or in the name of
15 the applicant and another person or on a motor vehicle leased by the
16 applicant.

17 B. On notification to the department, a person who is issued license
18 plates pursuant to this article may transfer the license plates to another
19 vehicle for which the person is the registered owner or lessee. If a person
20 who is issued license plates sells, trades or otherwise releases ownership
21 of the vehicle on which the plates have been displayed, the person shall
22 immediately report the transfer of the plates to the department or the person
23 shall surrender the plates to the department as prescribed by the director.
24 It is unlawful for a person to whom the plates have been issued to knowingly
25 permit them to be displayed on a motor vehicle except the motor vehicle
26 authorized by the department.

27 C. The owner shall affix the license plates to the vehicle for which
28 registration is sought in lieu of the regular license plates.

29 D. A person is guilty of a class 3 misdemeanor who:

30 1. Violates subsection B OF THIS SECTION.

31 2. Fraudulently gives false or fictitious information in the
32 application for or renewal of license plates issued pursuant to this article.

33 3. Conceals a material fact or otherwise commits fraud in the
34 application for or renewal of license plates issued pursuant to this article.

35 Sec. 22. Section 28-4001, Arizona Revised Statutes, is amended to
36 read:

37 28-4001. Definitions

38 In this chapter, unless the context otherwise requires:

39 1. "Judgment" means a judgment that has become final by expiration
40 without appeal of the time within which an appeal might have been perfected
41 or by final affirmation on appeal and that is rendered by a court of
42 competent jurisdiction of any state or of the United States on a cause of
43 action either:

1 (a) Arising out of the ownership, maintenance or use of a motor
2 vehicle for damages, including damages for care and loss of services, because
3 of either bodily injury to or death of a person or injury to or destruction
4 of property, including the loss of use of the property.

5 (b) On an agreement of settlement for damages described in subdivision
6 (a) of this paragraph.

7 2. "License" means a license, temporary instruction permit or
8 temporary license issued under the laws of this state pertaining to the
9 licensing of persons to operate motor vehicles.

10 3. "Motor vehicle" means a self-propelled vehicle that is registered
11 or required to be registered under the laws of this state.

12 4. "MOTOR VEHICLE COMBINED SINGLE LIMIT LIABILITY POLICY" MEANS A
13 POLICY OF LIABILITY INSURANCE THAT IS ISSUED BY AN INSURANCE CARRIER DULY
14 AUTHORIZED TO TRANSACT BUSINESS IN THE UNITED STATES, TO OR FOR THE BENEFIT
15 OF THE PERSON NAMED AS THE INSURED, AND THAT COMPLIES WITH THE REQUIREMENTS
16 PRESCRIBED IN SECTION 28-4011.

17 ~~4-~~ 5. "Motor vehicle liability policy" means an owner's or an
18 operator's policy of liability insurance that is ~~both:~~

19 ~~(a) Certified as provided in section 28-4077 or 28-4078 as proof of~~
20 ~~financial responsibility.~~

21 ~~(b)~~ issued by an insurance carrier duly authorized to transact
22 business in this state, to or for the benefit of the person named as the
23 insured, ~~except as otherwise provided in section 28-4078~~ AND THAT COMPLIES
24 WITH THE REQUIREMENTS PRESCRIBED IN SECTION 28-4009.

25 ~~5-~~ 6. "Nonresident operating privilege" means the privilege conferred
26 on a nonresident by the laws of this state pertaining to the nonresident's
27 operation of a motor vehicle or the use of a motor vehicle owned by the
28 nonresident in this state.

29 ~~6-~~ 7. "Operator" means a person who is in actual physical control of
30 a motor vehicle, whether or not the person has a license.

31 ~~7-~~ 8. "Proof of financial responsibility" means proof of ability to
32 respond in damages for liability on account of accidents occurring after the
33 effective date of the proof and arising out of the ownership, maintenance or
34 use of a motor vehicle, in the amounts required by section 28-4009 or
35 28-4033.

36 ~~8-~~ 9. "Registration" means the registration certificate or
37 certificates and license plates issued under the laws of this state
38 pertaining to the registration of motor vehicles.

39 ~~9-~~ 10. "State" means a state, territory or possession of the United
40 States, the District of Columbia or a province of the Dominion of Canada.

41 Sec. 23. Section 28-4003, Arizona Revised Statutes, is amended to
42 read:

43 28-4003. Exceptions

1 This chapter does not apply to a motor vehicle that is ~~either:~~
2 ~~1.~~ owned by the United States, this state or a political subdivision
3 of this state.

4 ~~2. Except for section 28-4085, subject to the requirements of a~~
5 ~~provision of law requiring insurance or other security on certain types of~~
6 ~~vehicles.~~

7 Sec. 24. Section 28-4007, Arizona Revised Statutes, is amended to
8 read:

1 28-4007. Self-insurers

2 A. A person in whose name more than twenty-five motor vehicles are
3 registered or who is required to comply with the financial responsibility
4 requirements prescribed in article 2 of this chapter may qualify as a
5 self-insurer by obtaining a certificate of self-insurance issued by the
6 director as provided in this section.

7 B. On the person's application, the director may issue a certificate
8 of self-insurance if the director is satisfied that the person is able and
9 will continue to be able to pay judgments obtained against the person.

10 C. On not less than ~~five~~ THIRTY days' notice ~~and after a hearing~~, the
11 director may cancel a certificate of self-insurance on reasonable grounds.
12 REASONABLE GROUNDS INCLUDE:

13 1. Failure to pay a judgment within thirty days after the judgment
14 becomes final ~~is a reasonable ground for the cancellation of a certificate~~
15 ~~of self-insurance.~~

16 2. FAILURE TO MAINTAIN DOCUMENTATION ON FILE WITH THE DEPARTMENT AS
17 REQUIRED BY THE DIRECTOR.

18 D. A person who is required to comply with the financial
19 responsibility requirements prescribed in article 2 of this chapter may apply
20 for partial self-insurance to cover any portion of the financial
21 responsibility requirements.

22 Sec. 25. Title 28, chapter 9, article 1, Arizona Revised Statutes, is
23 amended by adding section 28-4011, to read:

24 28-4011. Motor vehicle combined single limit liability policy
25 requirements

26 A. A MOTOR VEHICLE COMBINED SINGLE LIMIT LIABILITY POLICY:

27 1. SHALL INSURE THE PERSON NAMED IN THE POLICY AS THE INSURED AGAINST
28 LOSS FROM THE LIABILITY IMPOSED ON THE PERSON BY LAW FOR DAMAGES ARISING OUT
29 OF THE OWNERSHIP, MAINTENANCE, USE OR CONTRACTED USE BY THE PERSON.

30 2. SHALL MEET OR EXCEED THE LIMITS REQUIRED BY SECTION 28-4033.

31 3. SHALL STATE THE NAME AND ADDRESS OF THE NAMED INSURED, THE COVERAGE
32 AFFORDED BY THE POLICY, THE PREMIUM CHARGED FOR THE POLICY, THE POLICY PERIOD
33 AND THE LIMITS OF LIABILITY.

34 4. SHALL CONTAIN AN AGREEMENT OR BE ENDORSED THAT INSURANCE IS
35 PROVIDED UNDER THE POLICY IN ACCORDANCE WITH THE COVERAGE PRESCRIBED IN THIS
36 CHAPTER FOR BODILY INJURY AND DEATH OR PROPERTY DAMAGE, OR BOTH.

37 5. IS SUBJECT TO ALL OF THE PROVISIONS OF THIS CHAPTER.

38 6. IS NOT REQUIRED TO INSURE LIABILITY EITHER:

39 (a) UNDER ANY WORKERS' COMPENSATION LAW.

40 (b) ON ACCOUNT OF BODILY INJURY TO OR DEATH OF AN EMPLOYEE OF THE
41 INSURED WHILE THE EMPLOYEE IS ENGAGED IN THE EMPLOYMENT, OTHER THAN DOMESTIC,
42 OF THE INSURED, OR WHILE THE EMPLOYEE IS ENGAGED IN THE OPERATION,
43 MAINTENANCE OR REPAIR OF THE MOTOR VEHICLE.

1 (c) FOR DAMAGE TO PROPERTY OWNED BY, RENTED TO, IN THE CHARGE OF OR
2 TRANSPORTED BY THE INSURED.

3 (d) FOR DAMAGE TO PROPERTY OR BODILY INJURY CAUSED INTENTIONALLY BY
4 OR AT THE DIRECTION OF THE INSURED.

5 7. MAY PROVIDE THAT THE INSURED SHALL REIMBURSE THE INSURANCE CARRIER
6 FOR ANY PAYMENT THE INSURANCE CARRIER WOULD NOT HAVE BEEN OBLIGATED TO MAKE
7 UNDER THE TERMS OF THE POLICY EXCEPT FOR THIS CHAPTER.

8 8. MAY PROVIDE FOR THE PRORATING OF THE INSURANCE UNDER THE POLICY
9 WITH OTHER VALID AND COLLECTIBLE INSURANCE.

10 B. A MOTOR VEHICLE COMBINED SINGLE LIMIT LIABILITY POLICY IS SUBJECT
11 TO THE FOLLOWING THAT ARE NOT REQUIRED TO BE CONTAINED IN THE POLICY:

12 1. THE LIABILITY OF THE INSURANCE CARRIER WITH RESPECT TO THE
13 INSURANCE REQUIRED BY THIS CHAPTER BECOMES ABSOLUTE WHEN THE INJURY OR DAMAGE
14 COVERED BY THE MOTOR VEHICLE COMBINED SINGLE LIMIT LIABILITY POLICY OCCURS.
15 THE POLICY SHALL NOT BE CANCELED OR ANNULLED AS TO THAT LIABILITY BY AN
16 AGREEMENT BETWEEN THE INSURANCE CARRIER AND THE INSURED AFTER THE INJURY OR
17 DAMAGE OCCURS, AND A STATEMENT MADE BY THE INSURED OR SOMEONE ON THE
18 INSURED'S BEHALF OR A VIOLATION OF THE POLICY DOES NOT DEFEAT OR VOID THE
19 POLICY.

20 2. THE SATISFACTION BY THE INSURED OF A JUDGMENT FOR THE INJURY OR
21 DAMAGE IS NOT A CONDITION PRECEDENT TO THE RIGHT OR DUTY OF THE INSURANCE
22 CARRIER TO MAKE PAYMENT ON ACCOUNT OF THE INJURY OR DAMAGE.

23 3. THE INSURANCE CARRIER MAY SETTLE ANY CLAIM COVERED BY THE POLICY,
24 AND IF THE SETTLEMENT IS MADE IN GOOD FAITH, THE AMOUNT OF THE CLAIM IS
25 DEDUCTIBLE FROM THE LIMITS OF LIABILITY SPECIFIED IN SUBSECTION A, PARAGRAPH
26 2 OF THIS SECTION.

27 4. THE POLICY, THE WRITTEN APPLICATION FOR THE POLICY, IF ANY, AND ANY
28 RIDER OR ENDORSEMENT THAT DOES NOT CONFLICT WITH THIS CHAPTER CONSTITUTE THE
29 ENTIRE CONTRACT BETWEEN THE PARTIES.

30 C. A POLICY THAT GRANTS THE COVERAGE REQUIRED FOR A MOTOR VEHICLE
31 COMBINED SINGLE LIMIT LIABILITY POLICY MAY ALSO GRANT LAWFUL COVERAGE IN
32 EXCESS OF OR IN ADDITION TO THE COVERAGE SPECIFIED FOR A MOTOR VEHICLE
33 COMBINED SINGLE LIMIT LIABILITY POLICY, AND THE EXCESS OR ADDITIONAL COVERAGE
34 IS NOT SUBJECT TO THIS CHAPTER. WITH RESPECT TO A POLICY THAT GRANTS THE
35 EXCESS OR ADDITIONAL COVERAGE, THE TERM "MOTOR VEHICLE COMBINED SINGLE LIMIT
36 LIABILITY POLICY" APPLIES ONLY TO THAT PART OF THE COVERAGE THAT IS REQUIRED
37 BY THIS SECTION.

38 D. THE REQUIREMENTS FOR A MOTOR VEHICLE COMBINED SINGLE LIMIT
39 LIABILITY POLICY MAY BE FULFILLED BY THE POLICIES OF ONE OR MORE INSURANCE
40 CARRIERS THAT TOGETHER MEET THE REQUIREMENTS.

41 E. A BINDER ISSUED PENDING THE ISSUANCE OF A MOTOR VEHICLE COMBINED
42 SINGLE LIMIT LIABILITY POLICY FULFILLS THE REQUIREMENTS FOR THE POLICY.

1 Sec. 26. Section 28-4031, Arizona Revised Statutes, is amended to
2 read:

3 28-4031. Definitions

4 In this article, unless the context otherwise requires:

5 1. "Declared gross weight" has the meaning prescribed in section
6 28-5431. If a declaration has not been made, declared gross weight means
7 gross weight.

8 2. "Gross weight" has the meaning prescribed in section 28-5431.

9 3. "Person" means an owner or operator of a motor vehicle or vehicle
10 combination subject to the financial responsibility requirements of this
11 article.

12 ~~4. "Public highway" means any way or place of whatever nature and of
13 any kind that is used or open to the use by the public as a matter of right
14 for the purpose of vehicular travel, including a highway under construction.~~

15 ~~5-~~ 4. "Vehicle combination" has the meaning prescribed in section
16 28-5431.

17 Sec. 27. Section 28-4033, Arizona Revised Statutes, is amended to
18 read:

19 28-4033. Financial responsibility requirements

20 A. A person subject to the requirements of this article shall maintain
21 motor vehicle combined single limit liability insurance as follows:

22 1. For the transportation of nonhazardous property:

23 (a) For a vehicle with a gross vehicle weight of more than twenty-six
24 thousand pounds, minimum coverage in the amount of seven hundred fifty
25 thousand dollars.

26 (b) For a vehicle with a gross vehicle weight of twenty thousand one
27 pounds to twenty-six thousand pounds, minimum coverage in the amount of three
28 hundred thousand dollars.

29 2. For the transportation of passengers:

30 (a) In a vehicle with a seating capacity of sixteen passengers or
31 more, minimum coverage in the amount of five million dollars and uninsured
32 motorist coverage in the amount of at least three hundred thousand dollars.

33 (b) In a vehicle with a seating capacity of less than sixteen
34 passengers, minimum coverage in the amount of seven hundred fifty thousand
35 dollars and uninsured motorist coverage in the amount of at least three
36 hundred thousand dollars.

37 (c) In a motor vehicle that provides taxicab service, has a seating
38 capacity of less than seven passengers and is not operated on a regular
39 route, minimum coverage in the amount of three hundred thousand dollars and
40 uninsured motorist coverage in the amount of at least three hundred thousand
41 dollars.

42 3. For the transportation of hazardous materials, hazardous substances
43 or hazardous wastes:

1 (a) Minimum coverage in the amount of five million dollars for the
2 transportation of:

3 (i) Hazardous substances, as defined in 49 Code of Federal Regulations
4 part 171, transported in a cargo tank, portable tank or hopper-type vehicle
5 with capacities in excess of three thousand five hundred water gallons.

6 (ii) Any quantity of class A or B explosives.

7 (iii) Any quantity of poison gas (poison A).

8 (iv) Liquefied compressed gas or compressed gas transported in a cargo
9 tank, portable tank or hopper-type vehicle with capacities in excess of three
10 thousand five hundred water gallons.

11 (v) The quantity of radioactive materials that requires specialized
12 handling and transportation controls as indicated in 49 Code of Federal
13 Regulations part 173.

14 (b) Minimum coverage in the amount of one million dollars for the
15 transportation of the following:

16 (i) Any quantity of oil listed in 49 Code of Federal Regulations
17 part 172.

18 (ii) Any quantity of hazardous wastes, hazardous materials or
19 hazardous substances as defined and listed in 49 Code of Federal Regulations
20 part 171 and in 49 Code of Federal Regulations part 172 but not included in
21 subdivision (a) of this paragraph.

22 B. If a motor vehicle is leased or rented, the lessor shall ensure
23 that the lessee is covered under the lessor's liability insurance as provided
24 by this section or the lessor shall require that the lessee meet the
25 financial responsibility requirements of this section.

26 C. If a lessee uses the motor vehicle for a purpose that is required
27 under this section to have a higher amount of financial responsibility than
28 was required of the lessor or renter, the lessee shall maintain the higher
29 financial responsibility requirements of this section.

30 ~~D. The uninsured motorist coverage required by this section is not
31 required until June 1, 1987 and may be provided by a self-insurance program
32 authorized under section 28-4007. A person who is under contract with this
33 state or a political subdivision of this state, who operates a motor vehicle
34 owned by this state or a political subdivision of this state and who is
35 included in the self-insurance program of this state or a political
36 subdivision of this state is exempt from the uninsured motorist requirements
37 of this section.~~

38 Sec. 28. Heading change

39 The article heading of title 28, chapter 9, article 3, Arizona Revised
40 Statutes, is changed from "PROOF OF FINANCIAL RESPONSIBILITY FOR THE FUTURE"
41 to "UNSATISFIED MOTOR VEHICLE JUDGMENTS AND CERTIFIED PROOF OF FINANCIAL
42 RESPONSIBILITY".

1 Sec. 29. Section 28-4076, Arizona Revised Statutes, is amended to
2 read:

1 28-4076. Certified proof of financial responsibility

2 If required by this chapter, a person may give CERTIFIED proof of
3 financial responsibility by filing one of the following:

4 1. A certificate of insurance pursuant to section 28-4077 or 28-4078.

5 2. ~~Certificates~~ A CERTIFICATE of deposit or cash pursuant to section
6 28-4084.

7 Sec. 30. Title 28, chapter 9, article 3, Arizona Revised Statutes, is
8 amended by adding section 28-4089, to read:

9 28-4089. Reinstatement requirements

10 A PERSON'S DRIVER LICENSE, VEHICLE REGISTRATION OR LICENSE PLATE THAT
11 IS SUSPENDED PURSUANT TO THIS ARTICLE REMAINS SUSPENDED UNTIL:

12 1. ANY ONE OF THE FOLLOWING OCCURS:

13 (a) THE JUDGMENT CREDITOR CONSENTS IN WRITING PURSUANT TO SECTION
14 28-4072, SUBSECTION B.

15 (b) AN AFFIDAVIT OF INSURER LIABILITY IS FILED PURSUANT TO SECTION
16 28-4072, SUBSECTION C.

17 (c) THE JUDGMENT BECOMES LEGALLY UNENFORCEABLE PURSUANT TO SECTION
18 28-4073, SUBSECTION A.

19 (d) AN AFFIDAVIT OF DILIGENT SEARCH IS FILED AND THE REQUIRED MONIES
20 ARE PAID PURSUANT TO SECTION 28-4073, SUBSECTION B.

21 (e) THE JUDGMENT IS SATISFIED PURSUANT TO SECTION 28-4074.

22 (f) A COURT ORDERED PAYMENT SCHEDULE IS ESTABLISHED PURSUANT TO
23 SECTION 28-4075.

24 2. THE PERSON PROVIDES TO THE DEPARTMENT CERTIFIED PROOF OF FINANCIAL
25 RESPONSIBILITY PURSUANT TO THIS ARTICLE.

26 Sec. 31. Section 28-4132, Arizona Revised Statutes, is amended to
27 read:

28 28-4132. Financial responsibility requirement exemptions

29 This article does not apply to the owner or operator of a:

30 1. Farm tractor.

31 2. Trailer used solely in the operation of a farm for transporting the
32 unprocessed fiber or forage products of a farm or an implement of husbandry
33 designed primarily for or used in agricultural operations and only
34 incidentally operated or moved on a highway.

35 3. Road-roller or road machinery, including a power sweeper,
36 temporarily operating or moved on the highway.

37 4. Trailer not used for commercial purposes or semitrailer not used
38 for commercial purposes.

39 5. Motor vehicle rented without a driver that meets the requirements
40 of section 28-2166.

41 6. Motor vehicle registered pursuant to section 28-2154.

42 ~~7. Motor vehicle owned by the United States government.~~

1 ~~8-~~ 7. Golf cart used in the operation of a golf course or only
2 incidentally operated or moved on a highway.

3 Sec. 32. Section 28-4135, Arizona Revised Statutes, is amended to
4 read:

5 28-4135. Motor vehicle financial responsibility requirement;
6 civil penalties

7 A. A motor vehicle that is operated on a highway in this state shall
8 be covered by one of the following:

9 1. A motor vehicle ~~or automobile~~ liability policy that provides limits
10 not less than those prescribed in section 28-4009.

11 2. An alternate method of coverage as provided in section 28-4076.

12 3. A certificate of self-insurance as prescribed in section 28-4007.

13 4. A **MOTOR VEHICLE COMBINED SINGLE LIMIT LIABILITY** policy that
14 satisfies the financial responsibility requirements prescribed in article 2
15 of this chapter.

16 B. A person operating a motor vehicle on a highway in this state shall
17 have evidence within the motor vehicle of current financial responsibility
18 applicable to the motor vehicle. **THIS SUBSECTION DOES NOT APPLY TO VEHICLES**
19 **COVERED BY A MOTOR VEHICLE COMBINED SINGLE LIMIT LIABILITY POLICY.**

20 C. Failure to produce evidence of financial responsibility on the
21 request of a law enforcement officer investigating a motor vehicle accident
22 or an alleged violation of a motor vehicle law of this state or a traffic
23 ordinance of a city or town is a civil traffic violation that is punishable
24 as prescribed in this section.

25 D. A citation issued for violating subsection B or C of this section
26 shall be dismissed if the person to whom the citation was issued produces
27 evidence to the appropriate court officer on or before the date and time
28 specified on the citation for court appearance and in a manner specified by
29 the court, including the certification of evidence by mail, of either of the
30 following:

31 1. The financial responsibility requirements prescribed in this
32 section were met for the motor vehicle at the date and time the citation was
33 issued.

34 2. A motor vehicle ~~or automobile~~ liability policy that meets the
35 financial responsibility requirements of this state and that insured the
36 person and the motor vehicle the person was operating at the time the person
37 received the citation regardless of whether or not the motor vehicle was
38 named in the policy.

39 E. Notwithstanding section 28-1598 and except as provided in section
40 28-4137, a person who violates this section is subject to a civil penalty as
41 follows:

42 1. The court may impose a minimum civil penalty of two hundred fifty
43 dollars for the first violation and may direct the department to suspend the

1 driver license of the person and the registration and license plates of the
2 motor vehicle involved for three months.

3 2. If a person violates this section a second time within a period of
4 thirty-six months, the court shall impose a minimum civil penalty of five
5 hundred dollars and may direct the department to suspend the driver license
6 of the person and the registration and license plates of the motor vehicle
7 involved for six months.

8 3. If a person violates this section three or more times within a
9 period of thirty-six months, the court shall impose a minimum civil penalty
10 of seven hundred fifty dollars and direct the department to suspend the
11 driver license **OF THE PERSON** and the registration and license plates of the
12 motor vehicle involved for one year.

13 Sec. 33. Section 28-4141, Arizona Revised Statutes, as added by Laws
14 1997, chapter 1, section 237, is amended to read:

15 28-4141. Suspension of license, registration and license plates

16 A. On imposing a civil penalty for a violation of this article, the
17 court may, if the violation is the first violation within a thirty-six month
18 period, and shall, if the violation is a second or subsequent violation
19 within a thirty-six month period, order the surrender of the person's driver
20 license.

21 B. If a suspension is ordered, the court shall direct the department
22 to suspend the driver license of the person and the registration and license
23 plate of the motor vehicle involved for the time provided in section 28-4135
24 ~~or 28-4136~~.

25 C. If the person is a nonresident, the court shall direct the
26 department to suspend the nonresident operating privilege of the person and
27 notify the official in charge of issuance of driver licenses in the state
28 where the nonresident resides of the suspension of the person's nonresident
29 operating privilege.

30 D. Registration and license plates that have been suspended on
31 imposition of a civil penalty for a violation of this article:

32 1. Remain suspended for the period for which the suspension was
33 issued.

34 2. On completion of the suspension period, remain suspended until the
35 registered owner both:

36 (a) Provides **CERTIFIED** proof of financial responsibility pursuant to
37 article 3 of this chapter for the owner's motor vehicle to the department.

38 (b) Pays a fee of twenty-five dollars to the department.

39 E. A person's driver license that has been suspended on imposition of
40 a civil penalty for a violation of this article:

41 1. Remains suspended for the period for which the suspension was
42 issued.

1 Sec. 36. Section 28-4145, Arizona Revised Statutes, is amended to
2 read:

3 28-4145. Restricted license and registration; rules

4 A. A person whose driver license, registration and license plate have
5 been suspended pursuant to section 28-4143 or 28-4144 may apply to the
6 department for a restricted license and registration. The license and
7 registration are restricted to travel during the course of employment or
8 between the person's place of employment and residence, and their use is
9 limited to specified periods of the day or night according to the person's
10 employment schedule. The director shall prescribe by rule the criteria
11 necessary for issuing a restricted license and registration. The department
12 shall not grant an application for a restricted license and registration
13 until the person meets the requirements of section 28-4144, subsection C.

14 B. Notwithstanding section 28-4141, a person whose driver license,
15 vehicle registration and license plate have been suspended on imposition of
16 a civil penalty for a violation of this article or have been suspended by the
17 department may apply to the department for a restricted license and
18 registration. The license and registration are restricted to travel during
19 the course of employment, between the person's place of employment and
20 residence or between the person's place of residence and school, and are
21 limited in use to specified periods of the day or night according to the
22 requirements of the person's employment or school schedule. The department
23 shall not grant the application for a restricted license and registration
24 until the applicant files and maintains **CERTIFIED** proof of financial
25 responsibility **PURSUANT TO ARTICLE 3 OF THIS CHAPTER** with the department.

26 Sec. 37. Section 28-4148, Arizona Revised Statutes, is amended to
27 read:

28 28-4148. Notice of insurance cancellation, nonrenewal or
29 issuance

30 ~~A. Effective from and after January 1, 1998 and through July 31, 1998,~~
31 ~~each insurer who cancels or becomes aware of the cancellation or nonrenewal~~
32 ~~of or failure to renew or issuance of a motor vehicle liability insurance~~
33 ~~policy issued on a vehicle in this state shall provide to the department all~~
34 ~~cancellations, nonrenewals or new issues for any reason after thirty or fewer~~
35 ~~days have elapsed from the time of processing the cancellation, nonrenewal~~
36 ~~or new issue of a policy.~~

37 ~~B.~~ A. ~~Effective August 1, 1998,~~ Each insurer who cancels or becomes
38 aware of the cancellation or nonrenewal of or failure to renew or **OF** issuance
39 of a motor vehicle liability insurance policy issued on a vehicle in this
40 state shall provide to the department all cancellations, nonrenewals or new
41 issues for any reason after seven or fewer days have elapsed from the time
42 of processing the cancellation, nonrenewal or new issue of a policy.

1 ~~C~~ B. The insurer shall provide the information by electronic data
2 interchange in a format pursuant to a schedule specified by and in a manner
3 prescribed by the director.

4 ~~D~~ C. The department shall not require an insurer to specify the
5 vehicle identification number of a vehicle covered under a ~~commercial~~ MOTOR
6 vehicle COMBINED SINGLE LIMIT LIABILITY policy that provides automatic
7 coverage for additional or newly acquired vehicles until the policy's
8 expiration date.

9 ~~E~~ D. The department shall provide the notice of cancellation or
10 nonrenewal information to all law enforcement agencies on an on-line
11 computerized call in basis from law enforcement vehicles.

12 ~~F~~ E. On cancellation or nonrenewal of a policy, an insurer shall
13 notify the insured that the department has been notified of the cancellation
14 or nonrenewal and that the insured's motor vehicle registration may be
15 suspended.

16 ~~G~~ F. Except as provided in section 28-4143, subsection E,
17 information provided by an insurer to the department pursuant to this section
18 shall be made available only to law enforcement agencies for law enforcement
19 purposes.

20 Sec. 38. Section 28-4149, Arizona Revised Statutes, is amended to
21 read:

22 28-4149. Suspension; notice of intent

23 A. If the department determines from information provided by an
24 insurer or department records that a motor vehicle liability policy has been
25 cancelled or has not been renewed as provided in section 28-4148 and pursuant
26 to a schedule prescribed by the director, the department shall send the
27 registered owner or lessee a notice of intent to suspend the license plate
28 and registration of the vehicle.

29 B. On receiving evidence of financial responsibility as prescribed in
30 this article, the department shall immediately delete the cancellation or
31 nonrenewal from the record.

32 C. If the registered owner or lessee fails to provide evidence of
33 financial responsibility as prescribed in this section within fifteen days
34 of the mailing date of the notice of intent to suspend the registration and
35 license plate of the vehicle, the department shall notify the owner or lessee
36 that the license plate and registration of the vehicle have been suspended.
37 If the owner or lessee at a later date provides evidence that liability
38 insurance coverage meeting the requirements of this article was in effect
39 before the effective date of the suspension or provides evidence of
40 compliance with section 28-4152 before the effective date of the suspension,
41 the department shall void the suspension.

42 D. If the owner's or lessee's motor vehicle registration privilege and
43 license plate are suspended, the department shall not terminate the

1 suspension, except as provided in subsection C of this section, until THE
2 APPLICANT FOR REINSTATEMENT BOTH:

3 1. FILES CERTIFIED proof of financial responsibility pursuant to
4 article 3 of this chapter ~~is filed with the department.~~

5 2. PAYS A FIFTY DOLLAR FEE. THIS FEE DOES NOT APPLY TO A PERSON WHO
6 IS REQUIRED TO COMPLY WITH THE FINANCIAL RESPONSIBILITY REQUIREMENTS
7 PRESCRIBED IN ARTICLE 2 OF THIS CHAPTER.

8 Sec. 39. Section 28-4151, Arizona Revised Statutes, is amended to
9 read:

10 28-4151. Motor vehicle liability insurance enforcement fund

11 ~~A. A person shall pay a fee of not more than fifty dollars for the~~
12 ~~reinstatement of a motor vehicle registration and license plate as prescribed~~
13 ~~by the department for the purposes prescribed in this article. This fee does~~
14 ~~not apply to a person who is required to comply with the financial~~
15 ~~responsibility requirements prescribed in article 2 of this chapter.~~

16 ~~B.~~ A. The director shall transmit the fees collected under this
17 ~~section~~ ARTICLE to the state treasurer for deposit in the motor vehicle
18 liability insurance enforcement fund established by subsection ~~C~~ B.

19 ~~C.~~ B. A motor vehicle liability insurance enforcement fund is
20 established consisting of monies received pursuant to this article. The
21 department of transportation shall administer the fund.

22 Sec. 40. Section 28-4153, Arizona Revised Statutes, is amended to
23 read:

24 28-4153. False certification or affirmation; violation;
25 classification; suspension; fees

26 A. A person who makes a false certification or affirms falsely to any
27 matter or thing required by section 28-4152 to be certified or affirmed is
28 guilty of a class 2 misdemeanor.

29 B. If the department has reasonable grounds to believe the registered
30 owner of a motor vehicle registered in this state has falsely certified or
31 affirmed any matter or thing required by section 28-4152, the department
32 shall:

33 1. Suspend the registered owner's motor vehicle registration, license
34 plate and driver license for a period of one year.

35 2. Send notice to the registered owner that the motor vehicle
36 registration, license plate and driver license will be suspended fifteen days
37 after the date the notice was mailed unless a hearing is requested.

38 C. The department shall not terminate the suspension until the
39 applicant both:

40 1. Files with the department CERTIFIED proof of financial
41 responsibility pursuant to article 3 of this chapter.

1 2. Pays ten dollars to the department for the reinstatement of the
2 driver license and twenty-five dollars for the reinstatement of the motor
3 vehicle registration and license plate.

4 Sec. 41. Section 28-4362, Arizona Revised Statutes, is amended to
5 read:

6 28-4362. Application; fee; bond

7 Applications shall be accompanied by:

8 1. The filing fees prescribed in section 28-4302, and each licensee
9 shall pay the annual license fee prescribed in section 28-4302.

10 2. A bond that:

11 (a) Is in a form to be approved by the director.

12 (b) Is in an amount prescribed by the director of at least twenty
13 thousand dollars for an automotive recycler's license and not more than fifty
14 thousand dollars for all other licenses.

15 (c) Is executed by a surety company authorized to transact business
16 in this state as surety on the bond with the applicant as principal obligor
17 on the bond and the state as obligee.

18 (d) Is cancellable only on at least sixty days' prior notice to the
19 director.

20 (e) Inures to the benefit of a person who suffers loss because of
21 either:

22 (i) Nonpayment by the dealer of customer prepaid title, registration
23 or other related fees or taxes.

24 (ii) The automotive recycler's or the dealer's failure to deliver in
25 conjunction with the sale of a vehicle a valid vehicle title certificate free
26 and clear of any prior owner's interests and all liens except a lien created
27 by or expressly assumed in writing by the buyer of the vehicle.

28 (f) **INURES TO THE BENEFIT OF THE DEPARTMENT IF THE DEALER FAILS TO PAY**
29 **TO THE DEPARTMENT CUSTOMER PREPAID TITLE, REGISTRATION OR OTHER RELATED FEES**
30 **OR TAXES.**

31 Sec. 42. Section 28-4365, Arizona Revised Statutes, is amended to
32 read:

33 28-4365. Action on application; denial; immunity from costs

34 A. Within twenty days from completion of the criminal background
35 investigation, the director shall approve or deny the application for the
36 issuance of a license. If the application is denied, the director shall
37 advise the applicant in writing of the denial and the grounds for the denial.

38 B. The director shall deny an application for a license if:

39 1. The information on the application is found to be **fraudulent**
40 **INCOMPLETE OR INACCURATE.**

41 2. An individual included in the application has been convicted of
42 fraud or an auto related felony in a state, territory or possession of the
43 United States or a foreign country and has not completed the entire sentence

1 imposed by the court, including a term of imprisonment, a term of probation,
2 ~~or~~ parole OR COMMUNITY SUPERVISION or payment of a fine, as a result of a
3 conviction of fraud or an auto related felony within the past ten years
4 immediately preceding the date the application is filed with the department.

5 3. An individual included in the application has been convicted of a
6 felony, other than a felony described in paragraph 2 of this subsection, in
7 a state, territory or possession of the United States or a foreign country
8 and has not completed the entire sentence imposed by the court, including a
9 term of imprisonment, a term of probation, ~~or~~ parole OR COMMUNITY SUPERVISION
10 or payment of a fine, as a result of the felony conviction within the past
11 five years immediately preceding the date the application is filed with the
12 department.

13 4. The individual or individuals do not meet the requirements of law.

14 C. The individual whose information is found to be ~~fraudulent~~
15 INCOMPLETE OR INACCURATE is not eligible to reapply for a license for twelve
16 months from the date of denial.

17 D. The department or its employees are not liable for any costs
18 incurred by an applicant seeking licensure under this chapter.

19 Sec. 43. Section 28-4366, Arizona Revised Statutes, is amended to
20 read:

21 28-4366. Hearing on application; appeal

22 A. Within thirty days after ~~receipt~~ THE DATE of the notice of denial,
23 the applicant may petition the director in writing for a hearing on the
24 application. On filing the petition, the director shall fix a date for the
25 hearing.

26 B. The applicant has the right to be present at the hearing, to
27 testify in the applicant's own behalf and to have other persons as the
28 applicant desires be present and testify at the hearing.

29 C. The director shall issue subpoenas to the persons the applicant
30 requests, requiring them to be present and to testify at the hearing.

31 D. A transcript of the testimony of all witnesses taken at the hearing
32 shall be made and preserved.

33 E. Within ten days after the hearing, the director shall make written
34 findings of fact and conclusions and shall either grant or finally deny the
35 application.

36 F. If the application is finally denied, the applicant, within thirty
37 days from the date of final denial, may appeal to the superior court in
38 Maricopa county. The action shall be tried as other civil actions and shall
39 be conducted as a trial de novo.

40 Sec. 44. Section 28-4401, Arizona Revised Statutes, is amended to
41 read:

42 28-4401. Off-premises exhibition, off-premises display and
43 sales and special event permits

1 A. A licensed motor vehicle dealer may conduct an off-premises
2 exhibition, an off-premises display and sales or a special event by permit.

3 B. An exhibitor that does not have a licensed franchised dealer in
4 this state may conduct a special event by permit. An exhibitor that has a
5 licensed franchised dealer in this state is limited to participating in a
6 special event through the exhibitor's licensed dealer. A licensed motor
7 vehicle dealer or an exhibitor shall not make a solicitation or sale at a
8 special event.

9 C. An applicant for an off-premises exhibition, an off-premises
10 display and sales or a special event permit shall:

11 1. APPLY TO THE DEPARTMENT FOR A PERMIT AT LEAST TEN DAYS BEFORE THE
12 DATE OF THE OFF-PREMISES EXHIBITION, OFF-PREMISES DISPLAY OR SALE OR SPECIAL
13 EVENT.

14 2. Submit proof to the department that the proposed site is in
15 compliance with local zoning ordinances.

16 D. An off-premises exhibition permit, display and sales permit or
17 special event permit is not assignable.

18 E. A special event shall not be held at the same location at which an
19 off-premises exhibition or an off-premises display and sale are held.

20 Sec. 45. Section 28-4546, Arizona Revised Statutes, is amended to
21 read:

22 28-4546. Temporary license plates or markers

23 The director may issue to MANUFACTURERS, new motor vehicle dealers and
24 used motor vehicle dealers temporary registration plates or markers that
25 dealers may issue subject to the limitations and conditions prescribed in
26 sections 28-4547 through 28-4554.

27 Sec. 46. Section 28-4801, Arizona Revised Statutes, is amended to
28 read:

29 28-4801. Definitions

30 In this chapter, unless the context otherwise requires:

31 1. "Abandoned vehicle" means a vehicle, trailer or semitrailer that
32 is of a type subject to registration under this title whether lost, stolen,
33 abandoned or otherwise unclaimed and that has been abandoned on a public
34 highway, public property or elsewhere in this state, including private
35 property. ABANDONED VEHICLE INCLUDES ANY VEHICLE TOWED AT THE REQUEST OF AN
36 OFFICER FROM AN ACCIDENT, CRIME, THEFT RECOVERY OR ARREST SCENE. Evidence
37 that a vehicle was left unattended for a period of forty-eight hours within
38 the right-of-way of any highway, road, street or other public thoroughfare
39 or for a period of seventy-two hours on public or private property or
40 elsewhere in this state is prima facie evidence of abandonment. ABANDONED
41 VEHICLE DOES NOT INCLUDE A VEHICLE THAT IS PURCHASED, TRADED OR BARTERED
42 WITHOUT OWNERSHIP DOCUMENTS.

1 2. File all other applicable documents.

2 3. Pay all fees prescribed by this title.

3 B. Except if the vehicle inspection prescribed in section 28-4834 is
4 not completed within the prescribed time period due to no fault of the
5 person, an operator of a repair facility who fails to make the report to the
6 director by the end of the succeeding thirty days forfeits all claims for
7 towing, repair estimates or storage of the vehicle.

8 C. A vehicle that is abandoned by being left in a repair facility as
9 provided by this section shall be disposed of pursuant to sections 28-4841
10 and 28-4842.

11 D. This section does not impair any lien of a proprietor of a garage
12 or repair or service station under the laws of this state or the right of a
13 lienholder to foreclose, **AND A PROPRIETOR OF A GARAGE OR REPAIR OR SERVICE**
14 **STATION SHALL NOT USE THIS SECTION IN LIEU OF SECTION 33-1022.** For the
15 purposes of this subsection, "service station" means a place operated
16 primarily for the purpose of delivering motor vehicle fuel into the fuel
17 tanks of motor vehicles.

18 Sec. 49. Section 28-4841, Arizona Revised Statutes, is amended to
19 read:

20 28-4841. Abandoned vehicle; notice of intent to transfer
21 vehicle

22 A. On receipt of a report as required by this chapter the director
23 shall determine the name and address of the owner and lienholder, if any, or
24 any other person identified on the department's record by either:

25 1. Searching the department records.

26 2. Asking the vehicle registration agency of another state if the
27 vehicle is registered in that state.

28 B. On receipt of information from reports pursuant to section 28-4838
29 or 28-4839 and after determining the name and address of the owner and
30 lienholder, if any, or any other person identified on the department's record
31 who may have an interest in the vehicle, the director shall notify all
32 interested persons by ~~certified restricted mail to be delivered to the~~
33 ~~addressee only, return receipt requested,~~ within five days for a vehicle with
34 a record in this state or within thirty days for all other vehicles. The
35 director shall make the notice on a form prescribed by the director. The
36 notice shall include:

37 1. A complete description of the vehicle.

38 2. A notice of intent to transfer ownership of the vehicle to the
39 person in possession of the vehicle if within thirty days from the date
40 placed on the notification by the department the owner or lienholder or a
41 person who has an interest in the vehicle does not notify the department of
42 the owner's, lienholder's or person's interest in the vehicle or claim the
43 vehicle.

1 3. The vehicle identification number.

2 4. The place and date the vehicle was found, seized or taken into
3 possession.

4 5. The storage location of the vehicle.

5 6. A statement that the owner is liable to the department for the
6 amounts provided in section 28-4802 if the vehicle was abandoned and removed
7 pursuant to section 28-4802 and that the cost will be collected if the owner
8 subsequently registers another vehicle in this state or subsequently applies
9 for or renews a driver license issued by this state.

10 C. If the records of the department or out of state jurisdiction do
11 not disclose the name and address of the owner and lienholder, if any, or any
12 other person identified on the department's record who may have an interest
13 in the vehicle, **OR** if the notice is returned marked unclaimed or addressee
14 unknown ~~or if the certified restricted mail return receipt is not returned~~,
15 the department shall publish the notice of the intent of the director to
16 transfer ownership of abandoned vehicles pursuant to this chapter once in a
17 newspaper of general circulation in the county in which the vehicle was found
18 or seized. The published notice shall include a statement of the intent of
19 the director to transfer ownership of abandoned vehicles after ten days of
20 the published notice and that the department will make available to the
21 public a complete vehicle description of abandoned vehicles subject to
22 transfer of ownership.

23 D. A person who has filed a report of an abandoned vehicle pursuant
24 to section 28-4838, 28-4839 or 28-4840 shall notify the director within
25 twenty-four hours and in the manner prescribed by the director if the vehicle
26 is ~~claimed~~ **RELEASED OR RETURNED TO OR REDEEMED OR REPOSSESSED** by the lawful
27 owner **OR LIENHOLDER, IF ANY, OR ANY OTHER PERSON WHO IS IDENTIFIED ON THE**
28 **DEPARTMENT'S RECORD AND WHO MAY HAVE AN INTEREST IN THE VEHICLE.**

29 Sec. 50. Section 28-4842, Arizona Revised Statutes, is amended to
30 read:

31 28-4842. Unclaimed vehicle; transfer of ownership; immunity

32 A. If a vehicle remains unclaimed at the expiration of the dates
33 prescribed in section 28-4841, subsections B and C, the director shall make
34 an inquiry to determine if the vehicle is a stolen vehicle. On receiving
35 notice that the vehicle has not been reported stolen, the director may
36 transfer ownership of the vehicle free and clear of all liens or encumbrances
37 on compliance with this chapter to the person in possession of the vehicle.
38 **AN APPLICATION FOR TRANSFER OF OWNERSHIP SHALL BE SIGNED BY THE APPLICANT AND**
39 **SHALL CONTAIN A CERTIFIED STATEMENT THAT THE VEHICLE IS NOT A STOLEN VEHICLE.**

40 B. This state and its agencies, employees and agents are not liable
41 for relying in good faith on the contents of the abandoned vehicle report or
42 affidavits as prescribed by this chapter.

1 C. A person in possession of a vehicle is not liable for obtaining a
2 transfer of ownership of an abandoned vehicle if the person in possession of
3 the vehicle complies with this chapter.

4 Sec. 51. Section 28-4882, Arizona Revised Statutes, is amended to
5 read:

6 28-4882. Junk vehicle; disposition

7 A. If a vehicle has been reported abandoned under section 28-4838, the
8 person making the report may request that the vehicle be processed as a junk
9 vehicle. An agent of the department shall inspect the vehicle to determine
10 if the vehicle is a junk vehicle.

11 B. On making a determination that the vehicle is a junk vehicle, the
12 director shall cause a search of department records to be made, or if a junk
13 vehicle is registered in another state, make inquiry of the vehicle
14 registration agency in that state, to ascertain the name and address of the
15 owner and lienholder, if any, or any other person identified on the
16 department's record.

17 C. On receipt of information disclosing the name and address of the
18 owner and lienholder, if any, or any other person identified on the
19 department's record who may have an interest in the vehicle ~~and at least~~
20 ~~fifteen days before the date of taking the action~~, the director shall ~~give~~
21 ~~notice to~~ NOTIFY all interested persons of the director's intention to allow
22 the disposition of the junk vehicle as prescribed by this section. The
23 director shall give the notice by ~~certified restricted mail to be delivered~~
24 ~~to the addressee only, return receipt requested~~ WITHIN FIVE DAYS FOR A
25 VEHICLE WITH A RECORD IN THIS STATE OR WITHIN THIRTY DAYS FOR ALL OTHER
26 VEHICLES.

27 D. If the records of the department or out of state jurisdiction do
28 not disclose the name and address of the owner and lienholder, if any, or any
29 other person WHO IS identified on the department's record AND who may have
30 an interest in the vehicle, OR if the notice is returned marked unclaimed or
31 addressee unknown ~~or if the certified restricted mail return receipt is not~~
32 ~~returned~~, the department shall publish the notice of the intention of the
33 director to allow the disposition of the junk vehicle as prescribed by this
34 article once in a newspaper of general circulation in the county in which the
35 junk vehicle was found. The published notice shall include a statement that
36 the department will make available to the public a complete vehicle
37 description of junk vehicles.

38 E. If the vehicle is unclaimed at the expiration of ~~fifteen~~ THIRTY
39 days after ~~mailing~~ the ~~certified restricted notice~~ DATE PLACED ON THE
40 NOTIFICATION MAILED BY THE DEPARTMENT or WITHIN TEN DAYS OF the publication
41 as provided in subsections C and D of this section, the director shall
42 determine if the vehicle is a stolen vehicle. On receiving notification that
43 the vehicle has not been reported stolen, the director shall issue written

1 authorization to the owner of the property authorizing the owner of the
2 property or a licensed automotive recycler to dispose of the junk vehicle
3 pursuant to section 28-4883.

4 Sec. 52. Section 28-5005, Arizona Revised Statutes, is amended to
5 read:

6 28-5005. Fees; bond

7 A. The applicant shall submit a filing fee of fifteen dollars with the
8 application. Each licensee shall pay an annual license fee of ten dollars.

9 B. A bond in a form approved by the director and in an amount of at
10 least twenty-five thousand dollars as the director prescribes is required
11 with an application. The bond:

12 1. Shall be executed by a surety company authorized to transact
13 business in this state as a surety on the bond, with the applicant as
14 principal obligor on the bond and the state as obligee.

15 2. Shall be conditioned that the applicant will faithfully comply with
16 all of the provisions of law and that the bond is noncancellable without at
17 least sixty days' written notice to the director.

18 3. Inures to the benefit of a person who suffers loss because of any
19 of the following:

20 (a) Nonpayment by the company of any title fee, registration fee or
21 other related fee or tax paid to the company by that person.

22 (b) Insolvency.

23 (c) Discontinuance of business.

24 (d) Any unlawful act of the company.

25 4. INURES TO THE BENEFIT OF THE DEPARTMENT IF THE COMPANY FAILS TO PAY
26 TO THE DEPARTMENT ANY TITLE FEE, REGISTRATION FEE OR OTHER RELATED FEE PAID
27 TO THE COMPANY.

28 Sec. 53. Section 28-5471, Arizona Revised Statutes, is amended to
29 read:

30 28-5471. Highway use fees; commercial motor vehicles;
31 definition

32 A. In addition to all other fees, a person registering a motor vehicle
33 or vehicle combination in this state under chapter 7, article 7 or 8 of this
34 title ~~or section 28-2324~~ shall pay for each motor vehicle or vehicle
35 combination a highway use fee determined according to the following table:

Gross weight	Use fee for 1979 and newer models	Use fee for 1978 and older models
75,001 - 80,000	\$ 2,217	\$ 1,095
70,001 - 75,000	1,895	1,040
65,001 - 70,000	1,175	975
60,001 - 65,000	1,099	915
55,001 - 60,000	902	860
50,001 - 55,000	828	790

1	45,001 - 50,000	751	715
2	40,001 - 45,000	665	635
3	36,001 - 40,000	664	560
4	32,001 - 36,000	570	485
5	30,001 - 32,000	469	405
6	28,001 - 30,000	378	325
7	26,001 - 28,000	287	245
8	24,001 - 26,000	190	190
9	22,001 - 24,000	135	135
10	20,001 - 22,000	125	125
11	18,001 - 20,000	115	115
12	16,001 - 18,000	105	105
13	14,001 - 16,000	90	90
14	12,001 - 14,000	80	80
15	10,001 - 12,000	70	70
16	8,001 - 10,000	60	60
17	0 - 8,000	50	50

18 B. For the purposes of this article, "model" means the year that is
 19 assigned to the motor vehicle for vehicle titling purposes.

20 Sec. 54. Section 28-5472, Arizona Revised Statutes, is amended to
 21 read:

22 28-5472. Additional highway use fees; nonresident owners

23 A nonresident owner of a foreign vehicle operated in this state and
 24 registered under section 28-2321 OR 28-2324 shall pay a highway use fee
 25 determined according to the following table:

26	Gross weight	Use fee	Use fee for 1978 and older models
27			
28	75,001 - 80,000	\$ 110	\$ 40
29	70,001 - 75,000	105	35
30	65,001 - 70,000	100	35
31	60,001 - 65,000	90	30
32	55,001 - 60,000	85	30
33	50,001 - 55,000	80	30
34	45,001 - 50,000	70	25
35	40,001 - 45,000	65	25
36	36,001 - 40,000	55	20
37	32,001 - 36,000	50	20
38	30,001 - 32,000	40	15
39	28,001 - 30,000	35	15
40	26,001 - 28,000	25	10
41	24,001 - 26,000	20	10
42	22,001 - 24,000	15	8
43	20,001 - 22,000	15	8

1	18,001 - 20,000	10	8
2	16,001 - 18,000	10	8
3	14,001 - 16,000	10	8
4	12,001 - 14,000	10	8
5	10,001 - 12,000	10	8
6	8,001 - 10,000	8	8
7	0 - 8,000	8	8

8 Sec. 55. Section 28-5807, Arizona Revised Statutes, is amended to
9 read:

10 28-5807. Registration period; proration; retroactive
11 collection; credits

12 A. The director shall initially register a vehicle with a registration
13 expiration of twelve months from the **FIFTEENTH DAY OR THE** last day of the
14 month, **WHICHEVER OCCURS FIRST**, in which the vehicle ~~was initially purchased~~
15 **BECOMES SUBJECT TO REGISTRATION IN THIS STATE.**

16 B. The director may register or reregister a vehicle for less than
17 twelve months and prorate the annual vehicle license tax if the director
18 determines proration tends to fulfill the purpose of the monthly registration
19 system.

20 C. The director shall not collect a vehicle license tax retroactively
21 for any period that the vehicle was not registered if the current owner of
22 the vehicle was not the owner of the vehicle during any part of the period
23 in which the vehicle was not registered.

24 **D. IF THE STATUS OF A VEHICLE WITH PERMANENT REGISTRATION IS CHANGED**
25 **TO A STATUS THAT MAKES THE VEHICLE INELIGIBLE FOR PERMANENT REGISTRATION, THE**
26 **DEPARTMENT SHALL CREDIT THE OWNER WITH THE AMOUNT OF VEHICLE LICENSE TAX**
27 **PREVIOUSLY PAID BASED ON THE NUMBER OF MONTHS AFTER THE DATE OF THE STATUS**
28 **CHANGE TO THE TWENTY-FOURTH MONTH AFTER THE DATE OF INITIAL PERMANENT**
29 **REGISTRATION.**

30 **E. IF THE STATUS OF A VEHICLE THAT IS INELIGIBLE FOR PERMANENT**
31 **REGISTRATION IS CHANGED TO A STATUS THAT REQUIRES PERMANENT REGISTRATION, THE**
32 **DEPARTMENT SHALL CREDIT THE OWNER WITH THE AMOUNT OF VEHICLE LICENSE TAX**
33 **PREVIOUSLY PAID FOR THE NUMBER OF MONTHS REMAINING IN THE CURRENT**
34 **REGISTRATION PERIOD.**

35 Sec. 56. Section 28-6547, Arizona Revised Statutes, is amended to
36 read:

37 28-6547. Safety enforcement and transportation infrastructure
38 fund; exemption from lapsing

39 A. The safety enforcement and transportation infrastructure fund is
40 established. The fund consists of monies deposited pursuant to sections
41 **28-2321**, 28-2324, 28-2325, 28-5739, 28-5874 and 28-5875. The department
42 shall administer the fund.

1 B. Subject to legislative appropriation, monies in the fund shall be
2 spent on the following:

3 1. Enforcement of vehicle safety requirements by the department of
4 public safety and the department of transportation within twenty-five miles
5 of the border between Arizona and Mexico.

6 2. Maintenance of transportation facilities and upgrades of
7 transportation facilities, including roads, streets and highways, approved
8 by the board within twenty-five miles of the border between Arizona and
9 Mexico.

10 3. As approved by the board, maintenance and construction of
11 transportation facilities in the CANAMEX high priority corridor as defined
12 in section 332 of the national highway system designation act of 1995
13 (P.L. 104-59; 109 Stat. 596-597).

14 C. The state treasurer shall invest and divest monies in the fund as
15 provided by section 35-313. The state treasurer shall credit all interest
16 earned on monies in the fund to the fund.

17 D. Monies in the fund are exempt from the provisions of section 35-190
18 relating to lapsing of appropriations.

