

TITLE 17. TRANSPORTATION
CHAPTER 7. DEPARTMENT OF TRANSPORTATION
THIRD-PARTY PROGRAMS

Editor's Note: 17 A.A.C. 7, consisting of Articles 1 through 4, made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2).

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Article 1, consisting of Section R17-7-101, made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2).

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Section

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ARTICLE 1. DEFINITIONS

Article 1, consisting of Section R17-7-101, made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2).

R17-7-101. Definitions

The following definitions apply to this Chapter unless otherwise specified:

1. "Accountable inventory" means an item that is reproduced by the Division in a consecutively numbered series for:
 - a. Recording the number of a completed, issued, or voided item in a log, and
 - b. Reporting the number of a completed, issued, or voided item to the Division.
2. "Activity" means a function or service that is provided by an authorized third party and performed by a certified individual.
3. "Agency head" or "political subdivision head" means the chief officer of an agency or political subdivision or another individual with authority to act for the agency head or political subdivision head.
4. "Application Date" means the date an application is signed by the applicant.
5. "Application Received Date" means the date a completed application is received by the Division.
6. "Audit" means performing an inspection or attestation engagement of the operations of an authorized third party to determine compliance with applicable statutes, rules, and contract terms.
7. "Attestation engagement" means the Arizona Department of Transportation Office of Audit & Analysis examines,

- reviews, or completes specific testing procedures that are agreed upon with the Division; the result of which is a report issued to the Division by the Arizona Department of Transportation Office of Audit & Analysis.
8. "Authorized third party" means an entity that:
 - a. Has written permission from the Division to operate a business under A.R.S. Title 28, Chapter 13; and
 - b. Employs or contracts with at least one certified individual to provide third-party services.
 9. "Branch" means an authorized third party's business location that is:
 - a. An additional established place of business,
 - b. Division-approved,
 - c. Not used as a residence,
 - d. Authorized to perform contracted activities, and
 - e. Located within the same county as the established place of business.
 10. "Cancellation" means a Division action that withdraws an authorization or certification issued under A.R.S. Title 28, Chapter 13.
 11. "Certified individual" means an individual who the Division certifies under A.R.S. Title 28, Chapter 13 to perform specified activities for an authorized third party as an employee or contractor. The Division may certify an individual as a:
 - a. Commercial driver license examiner,
 - b. Dealer license processor,
 - c. Driver license processor,
 - d. Noncommercial driver license examiner,
 - e. Tax report processor,
 - f. Title and registration processor,
 - g. Vehicle inspector, or
 - h. Vehicle permit processor.
 12. "Classes of driver licenses" has the meaning prescribed in A.R.S. § 28-3101.
 13. "Commercial driver license examiner" means an individual certified by the Division to administer class A, B, or C driver license skills tests.
 14. "Contact individual" means a principal or designated individual of an authorized third party who communicates with the Division on behalf of the authorized third party.
 15. "Convenience fee" means the amount exceeding the statutorily prescribed fees and taxes that an authorized third party collects and retains for its services.
 16. "Department" means the Arizona Department of Transportation.
 17. "Director" means the Division Director, Motor Vehicle Division, Arizona Department of Transportation or the Director's designee.
 18. "Division" means the Arizona Department of Transportation, Motor Vehicle Division.
 19. "Division-issued business license" means:
 - a. An automotive recycler license,
 - b. A broker license,
 - c. A distributor license,
 - d. A distributor branch license,
 - e. A factory branch license,
 - f. A manufacturer license,
 - g. A new motor vehicle dealer license,
 - h. A professional driver training school license,
 - i. A third-party authorization,
 - j. A title service company license,
 - k. A used motor vehicle dealer license,
 - l. A wholesale motor vehicle dealer license, or
 - m. A wholesale motor vehicle auction dealer license.
 20. "Driver license processor" means an individual certified by the Division to:
 - a. Review applications for driver licenses, instruction permits, and identification licenses;
 - b. Administer driver license tests;
 - c. Enter information related to the applications in the Division's database; and
 - d. Issue or deny specified classes of driver licenses, instruction permits, and identification licenses.
 21. "Established place of business" means an authorized third party's business location that is:
 - a. Division-approved,
 - b. Not used as a residence, and
 - c. Where the authorized third-party performs authorized activities.
 22. "Good standing" means an authorized or certified third-party applicant has no:
 - a. Suspension, cancellation, revocation, or denial of a Division-issued license or certification within the previous three years of the application date;
 - b. Delinquent fees, taxes, or unpaid balances owed to the Division;
 - c. Derogatory information received from any consumer protection agency contacted by the Division; or
 - d. Dismissal or resignation from position for cause, if the applicant is a former Department employee or authorized third-party owner or employee, within three years before the application date, to include:
 - i. Misconduct;
 - ii. Resignation from position:
 - (1) In lieu of dismissal,
 - (2) By mutual agreement following allegations of misconduct, or
 - iii. Designation "not eligible for rehire."
 23. "Log" means a complete, chronological record of accountable inventories and activities performed and kept by the authorized third party as prescribed by the Division.
 24. "Monthly reconciliation report" means an authorized third-party's report of accountable inventory use other than title and registration accountable inventory.
 25. "Noncommercial driver license examiner" means an individual certified by the Division to administer any class D, G, and M driver license tests, including vision, written, and skills tests.
 26. "Principal" means any of the following:
 - a. If a sole proprietorship, the sole proprietor;
 - b. If a partnership, limited partnership, limited liability partnership, limited liability company, or corporation the;
 - i. Partner;
 - ii. Manager;
 - iii. Member;
 - iv. Officer;
 - v. Director;
 - vi. Agent; or
 - vii. If a limited liability company or corporation, each stockholder owning 20 percent or more of the limited liability company or corporation; or
 - c. If a political subdivision or government agency, the political subdivision or agency head.
 27. "Principal place of business" means an authorized third party's administrative headquarters.
 28. "Skills test" means a set of tests, authorized and approved by the Division and administered by a commercial or

noncommercial driver license examiner or driver license processor to determine whether the applicant possesses the required skills for the type of license for which the applicant applies.

29. "Skills test route" means a public road or highway driving course, identified by an authorized third party and approved by the Division, for administering skills tests to driver license applicants.
30. "Suspension" means a Division action that, for a stated period, prohibits:
 - a. An authorized third party from:
 - i. Providing at least one type of third-party activity, or
 - ii. Operating as an authorized third party.
 - b. A certified individual from:
 - i. Performing at least one type of third-party activity, or
 - ii. Working for an authorized third party.
31. "Tax report processor" means an individual certified by the Division to:
 - a. Process fuel tax reports and interstate user fuel tax reports from fuel suppliers, fuel vendors, and motor carriers; and
 - b. File the reports with the Department.
32. "Test site" means a location, identified by an authorized third party, for administering skills tests to driver license applicants that is:
 - a. Division-approved,
 - b. Permanently marked, and
 - c. Off the public road or highway.
33. "Title and registration processor" means an individual certified by the Division to:
 - a. Review applications for vehicle certificates of title or registrations under A.R.S. Title 28, Chapter 7,
 - b. Enter information related to applications for vehicle certificates of title or registrations in the Division's database, and
 - c. Issue or deny vehicle certificates of title or registrations.
34. "Vehicle dealer license processor" means an individual certified by the Division to:
 - a. Review applications for vehicle dealer licenses under A.R.S. Title 28, Chapter 10;
 - b. Enter information related to the applications in the Division's database; and
 - c. Issue or deny vehicle dealer licenses.
35. "Vehicle inspector" means an individual certified by the Division to perform motor vehicle inspections.
36. "Vehicle permit processor" means an individual certified by the Division to:
 - a. Review applications for permits or registrations under A.R.S. Title 28, Chapter 3, Articles 18 and 19, and Chapter 7.
 - b. Enter information related to the applications in the Division's database; and
 - c. Issue or deny permits or registrations.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

ARTICLE 2. AUTHORIZATION

Article 2, consisting of Sections R17-7-201 through R17-7-204, made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2).

R17-7-201. Authorization Application Requirements

- A. An applicant for third-party authorization shall provide to the Division:
 1. The applicant's name, business name, and federal employer identification number;
 2. The applicant's bond status as exempt or nonexempt under A.R.S. §§ 28-5104. If exempt, the applicant's name under subsection (A)(1);
 3. The name of the applicant's principal;
 4. The name and telephone number of the applicant's contact individual;
 5. The activities for which the applicant seeks authorization;
 6. The address of the applicant's principal place of business and the address of each branch;
 7. A statement that the applicant is in good standing with the Division;
 8. The signature of:
 - a. The sole proprietor,
 - b. All partners,
 - c. A corporate officer,
 - d. A limited liability company manager, or
 - e. The political subdivision head or agency head;
 9. Documents relating to the applicant's business if the applicant is a:
 - a. Corporation:
 - i. A copy of the articles of incorporation, including any amendments, filed with the Arizona Corporation Commission; and
 - ii. Any other official documents, including copies of board meeting minutes and annual reports, that reflect changes to the corporate name, structure, or officers;
 - b. Limited liability company:
 - i. A copy of the articles of organization, including any amendments, filed with the Arizona Corporation Commission, or
 - ii. A copy of the application for registration as a foreign limited liability company filed with the Arizona Corporation Commission and a copy of the certificate of registration issued by the Arizona Corporation Commission to a foreign limited liability company; or
 - c. Limited partnership, or a limited liability partnership:
 - i. A copy of a valid certificate of existence issued by the Arizona Secretary of State, or
 - ii. A copy, stamped "Filed" by the Arizona Secretary of State, of a Certificate of Limited Partnership, Certificate of Foreign Limited Partnership, Limited Liability Partnership form, Foreign Limited Liability Partnership form, or Statement of Qualification for Conversion of Limited Partnership or Limited Liability Partnership;
 10. A floor plan for each established place of business;
 11. A map, drawing, or narrative description of each skills test route and a photograph or drawing of each test site;
 12. Unless exempt, proof of a surety bond according to A.R.S. § 28-5104; and
 13. Unless exempt, a full set of fingerprints for a criminal records check of each principal at least age 18. The applicant is responsible for the cost of finger printing and background check. Each full set of fingerprints shall be impressed on a fingerprint card:
 - a. Supplied by the Division, and
 - b. Completed by a law enforcement agency.

- B.** Unless exempt, an applicant for a third-party authorization shall submit, for each principal, a statement on a form provided by the Division with the following information:
1. Name, including other names and birth dates used;
 2. Residence address;
 3. Any Division-issued business suspension, cancellation, revocation, or denial within three years before the application date;
 4. The individual's signature witnessed by a notary public or a Division agent designated under A.R.S. § 28-370(A); and
 5. Any other information requested by the Director.
- C.** The authorization application packet as provided under subsection (A) and (B) is received within 30 days of application date.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-202. Notification of Authorization Approval or Denial and Hearing

- A.** Notification. The Division shall send written and dated notification of approval or denial of third-party authorization:
1. By regular mail,
 2. To the mailing address provided on the application, and
 3. According to A.R.S. § 28-5107.
- B.** Hearing. A.R.S. §§ 28-5107(B) through 28-5107(D), A.A.C. R17-1-501 through R17-1-511, and A.A.C. R17-1-513 apply to a hearing on the denial of third-party authorization.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-203. Authorization Agreement

- A.** Before the Division issues a third-party authorization, an applicant receiving authorization shall sign a written agreement with the Division as to the terms and conditions of the third-party authorization.
- B.** The authorization agreement shall include an addendum identifying the specific requirements unique to each third-party program activity.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-204. Authorized Third-party Requirements

- A.** An authorized third party shall maintain compliance with all state and federal laws, Division rules, and contract provisions;
- B.** While holding a third-party authorization, any principal or qualifying party of an authorized third party shall not have a:
1. Suspension, cancellation, revocation, or denial of another Division-issued license; or
 2. Delinquent fees, taxes, or unpaid balance owed to the Division.
- C.** Until returned to the Division, an authorized third party shall retain the following records at each branch or at the principal place of business:
1. All logs and copies of completed, issued, or voided accountable inventory;
 2. All unused accountable inventory; and

3. All other paper and electronic records, including all supporting documents, relating to the activities provided by the third party.
- D.** Upon the request of the Department, a third party shall provide the records listed in subsection (C).
- E.** An authorized third party shall maintain a copy of the certificate relating to each type of authorized activity the certified individual performs at the business location where the certified individual works.
- F.** An authorized third party shall retain a certified individual's personnel file for one year after the certified individual's last day of work. The personnel file shall include the certified individual's:
1. Dates of employment,
 2. All computer access forms (if applicable), and
 3. Computer access termination form (if applicable).
- G.** An authorized third party shall submit by the fifth day of each month, a monthly reconciliation report. If the authorized third party fails to timely submit a monthly reconciliation report, the Division shall:
1. Give an oral or written warning for the first untimely report,
 2. Send a letter of concern for the second untimely report in a 12-month period, or
 3. Suspend or cancel the authorization for the third untimely report in a 12-month period.
- H.** An authorized third party shall comply with the audit and inspection requirements of R17-7-401.
- I.** An authorized third party shall provide a safe work area adequate in size to accommodate the related test;
- J.** An authorized third party shall obtain the Division's written approval before:
1. Changing the location or floor plan of each established place of business,
 2. Changing a skills test route or test site, or
 3. Performing an additional authorized activity.
- K.** An authorized third party shall notify the Division, within two business days, of any change to the list of certified personnel or the contact individual.
- L.** An authorized third party that is open to the public shall post at each place of business the sign required by A.R.S. § 28-5101(G), and a sign provided by the Division that states the business:
1. Is a Division-authorized third-party provider, and
 2. May charge the customer a convenience fee.
- M.** An authorized third party shall comply with the requirements of R17-7-201 before:
1. Using a name different from the name on its Authorization Agreement, or
 2. Changing ownership.
- N.** An authorized third party shall cooperate with an onsite audit by Department personnel or the Department's representative.
- O.** An authorized third party shall not represent that it is the state of Arizona, the Department, or the Division in any printed or electronic advertising or promotional material, except to the extent that it is authorized by the Division.
- P.** Attend all ongoing Division training;
- Q.** An authorized third party shall not employ or contract with a current Department employee to provide training for certification without written approval from the Department.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

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ARTICLE 3. CERTIFICATION

Article 3, consisting of Sections R17-7-301 and R17-7-302, made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2).

R17-7-301. Certification Application Requirements

- A.** A certification applicant shall provide to the Division the following:
1. The applicant's name, residence address, mailing address, telephone number, and date of birth;
 2. The activities for which the applicant seeks certification;
 3. The dates of any employment of the applicant by the Division;
 4. Whether the Division previously denied an application for any certification of the applicant;
 5. For each previous certification issued to the applicant by the Division:
 - a. The effective dates of the certification, and
 - b. The activity the applicant was certified to perform;
 6. Whether the Division suspended or canceled any certification listed under subsection (A)(5);
 7. If the applicant previously worked as a certified individual, the names of the last three authorized third parties that employed or contracted with the applicant, and the dates of the employment or contract work;
 8. The applicant's signature;
 9. A statement that the applicant is in good standing with the Division, if applicable;
 10. A full set of fingerprints, on a fingerprint card supplied by the Division and completed by a law enforcement agency, for a criminal records check; and
 11. If the applicant requests certification as a driver license processor or a driver license examiner, the applicant's driving record for the 39 months before the application date.
- B.** The applicant is responsible for the cost of finger printing and criminal records check.
- C.** An applicant for a certification shall submit to the Division a statement with the information listed under R17-7-201(B).
- D.** An applicant is eligible for certification if the applicant:
1. Is at least age 18 on the application date;
 2. Is in good standing as defined in R17-7-101; and
 3. Successfully completes all training courses required by the Division; and
 4. The certification application packet as provided in subsections (A) through (C) is received within 30 days of application date.
- E.** An applicant who was previously employed by the Division is eligible for certification if the applicant:
1. Meets the requirements under subsection (D),
 2. Was not terminated by the Division for misconduct in performing official duties within three years of the application date, or
 3. Did not resign during a Division investigation of misconduct in performing official duties within three years of the application date.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-302. Notification of Certification Approval or Denial and Hearing

- A.** Notification. The Division shall send written and dated notification of certification approval or denial:
1. By regular mail,

2. To the mailing address provided on the application, and
 3. According to A.R.S. § 28-5107.
- B.** Hearing. A.R.S. §§ 28-5107(B) through 28-5107(D), A.A.C. R17-1-501 through R17-1-511, and A.A.C. R17-1-513 apply to a certification denial hearing.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

ARTICLE 4. AUDITS

Article 4, consisting of Section R17-7-401, made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2).

R17-7-401. Audits

- A.** During an onsite audit or inspection, Department personnel, a law enforcement agency, employees, or agents of the Federal Motor Carrier Safety Administration may:
1. Review and copy paper and electronic records;
 2. Examine the site;
 3. Interview the authorized third party's:
 - a. Employees,
 - b. Certified individuals, and
 - c. Customers
- B.** If Department personnel or the Department's representative conducts an onsite audit outside Arizona under A.R.S. § 28-5102(B)(3), the Department shall charge, and the authorized third party shall pay, for the audit.
1. The audit charge and payment shall equal the Arizona Department of Administration reimbursement for out-of-state travel authorized by A.R.S. Title 38, Chapter 4, Article 2 and stated in Section II-D of the Arizona Accounting Manual prepared by the Arizona Department of Administration.
 2. Section II-D of the Arizona Accounting Manual is available on the Arizona General Accounting Office web site at www.gao.state.az.us.

Historical Note

New Section made by final rulemaking at 9 A.A.R. 1630, effective July 5, 2003 (Supp. 03-2). Amended by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

ARTICLE 5. PRE-APPLICATION AND SELECTION PANEL**R17-7-501. Definitions**

The following term applies to this Article, unless the content otherwise requires:

"Selection Panel" means a committee, designated by the Director and comprised of Department personnel, to review and evaluate a potential applicant under Articles 2 and 3 of this Chapter.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-502. Pre-application and Selection Panel

- A.** For the selection panel process, an applicant shall:
1. Submit a completed Third-Party Authorization Interest form under R17-7-201;
 2. Submit a business plan with information as required by the Division; and
 3. Attend an interview conducted by Division personnel.
- B.** The Division selection panel shall evaluate documentation as required in subsections (A)(1) and (A)(2) for each applicant.

- C. The Division selection panel shall forward the results of the evaluation to the appropriate program.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

ARTICLE 6. DRIVER LICENSE EXAMINATION PROGRAM

R17-7-601. Definitions

The following terms and phrases apply to this Article, unless the context otherwise requires:

1. "Arizona Commercial Driver License Manual" means the Division's approved reference material for CDL applicants, containing specific requirements to obtain a CDL.
2. "Arizona CDL Examiners Manual" means the Division's approved curriculum for training CDL examiners for administering the CDL skills test.
3. "CDL" means Commercial Driver License.
4. "CDLE" means Commercial Driver License Examination.
5. "CDLE Coach or Transit Bus Activity" means the program activity for administering examinations for a Passenger (P) endorsement on a CDL.
6. "CDLE School Bus Activity" means the program activity for administering examinations for a School Bus (S) endorsement on a CDL.
7. "CDLE Truck Activity" means the program activity for administering examinations for a Class A, B, or C truck license.
8. "Component Parts" means the safety-related parts as listed on the "Third Party CDL Demonstration Test Score Sheet."
9. "Contractor" means an authorized third party that enters into an agreement with the Division to employ a Driver License Examiner.
10. "Driver license examiner" means an individual certified as either a commercial or non-commercial driver license examiner as defined under this Section.
11. "Demonstration Test" means a skills test defined in R17-7-101.
12. "NDL" means Noncommercial Driver License, Class D, G, or M.
13. "NDLE" means Noncommercial Driver License Examination.
14. "NDLE Operator Activity" means the program activity for Class D and G driver licenses.
15. "NDLE Motorcycle Activity" means the program activity for Class M driver license or endorsement.
16. "Pre-trip Inspection Examination" means the process of examining the applicant's ability to identify a commercial vehicle's component parts, and to determine if the parts are in safe operating condition as required under state and federal law.
17. "Qualifying party" means a bona fide employee designated by the principal, to qualify for authorization on behalf of the principal.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-602. Activities

The authorized and certified activities for the Driver License Examination Program are:

1. CDLE "Coach or Transit Bus,"
2. CDLE "School Bus,"
3. CDLE "Truck,"

4. NDLE "Motorcycle," or
5. NDLE "Operator."

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-603. Additional Authorization Application Requirements for Driver License Examination Program

In addition to the requirements of R17-7-201, an applicant approved by the Selection Panel shall:

1. Provide the name, telephone number, and e-mail address of the applicant's qualifying party on the Authorization Application.
2. The qualifying party shall:
 - a. Be a bona fide employee whose principal employment is with the company for whom the applicant has qualified for authorization;
 - b. Have complete oversight, supervision, and responsibility of all operations necessary of the principal, to ensure full compliance with all applicable statutes, rules, and program requirements; and
 - c. Meet all authorization requirements on behalf of the principal.
3. Submit a "Site Inspection Request" form for each of the following:
 - a. Principal place of business,
 - b. Established place of business,
 - c. Branch office, and
 - d. Test Site:
 - i. CDL: The Driver License Examiner shall attach a diagram with the dimensions of any proposed CDL test site. The physical dimensions of the site shall comply with the Arizona CDL Examiners Manual.
 - ii. Motorcycle: The Driver License Examiner shall attach a diagram with the dimensions of any proposed motorcycle test site to the inspection request. The physical dimensions of the site shall comply with the Motorcycle Safety Foundation requirements.
4. Maintain a current agreement for the use of the land if the applicant does not own the land on which the test site is located.
5. Ensure each principal place of business, established place of business, branch office, and test site:
 - a. Meet all local zoning requirements, and
 - b. Are not used as a residence.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2)

R17-7-604. Additional Certification Application Requirements for Driver License Examination Program

In addition to R17-7-301 an applicant for certification as a Driver License Examiner shall:

1. Possess a valid Arizona driver license of the class and endorsement representative of the examinations to be administered by the Driver License Examiner;
2. Not have a driver license suspension, cancellation, revocation, or disqualification within the 39 months of application date, including a CDL medical suspension under R17-4-508, or conviction within 39 months of the application date relating to:
 - a. Driving under the influence of intoxicating liquors or drugs,
 - b. Reckless driving,

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- c. Racing upon a highway, or
 - d. Leaving the scene of an accident.
3. For CDLE:
- a. Be at least 21 years of age,
 - b. Have a minimum of three years of driving experience pertaining to the operation of a commercial vehicle representative of the type and class for which the applicant is seeking certification, and
 - c. Have a total of three years experience in:
 - i. Issuing driver licenses;
 - ii. Instructing driver education;
 - iii. Instructing professional driving, or
 - iv. Any combination of subsections (c)(i) through (c)(iii).
4. For NDLE:
- a. Be at least 18 years of age,
 - b. Have a minimum of one year driving experience, and
 - c. Have a total of one year experience in:
 - i. Issuing driver licenses;
 - ii. Instructing driver education;
 - iii. Instructing professional driving; or
 - iv. Any combination of subsections (c)(i) through (c)(iii).
5. A contractor has the right to withdraw a certification application if the examiner applicant has failed to meet certification requirements.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-605. Authorized Driver License Examination Program Requirements

In addition to R17-7-204, after authorization, a Driver License Examiner shall:

1. Ensure all vehicles used for examination are:
 - a. Representative of the class and type for which the individual is seeking a driver license,
 - b. Maintained in a safe operating condition, and
 - c. Comply with registration and insurance requirements set forth in A.R.S. Title 28, Chapters 7, 9, 15, and 16.
2. Maintain approved commercial vehicles that comply with applicable Federal Motor Carrier Safety Regulations and Arizona Commercial Driver License Manual;
3. Purchase and maintain the following examination equipment:
 - a. For CDLE skills testing:
 - i. At least fifteen 28" high traffic cones,
 - ii. Measuring tape,
 - iii. Clipboard, and
 - iv. At least two wheel chocks for placement in front of and behind the vehicle rear wheels for pre-trip inspection examination.
 - b. For NDLE skills testing:
 - i. Clipboard,
 - ii. Fire Extinguisher (Class A,B,C),
 - iii. First aid kit,
 - iv. Proper vision screening equipment approved by the Division if providing vision examinations, and
 - v. Seventy-five 4- or 6-inch high traffic cones (motorcycle only).
4. Notify the Division within two business days of any change of the qualifying party; and

5. Notify the Division, within two business days, of any change to the list of certified personnel, or the contact individual.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-606. Certified Driver License Examiner Requirements
A Certified Driver License Examiner shall:

1. Comply with all state and federal laws, Division rules, and contract provisions;
2. Maintain compliance with all pre-certification requirements;
3. Not administer any examination unless the driver license applicant meets the requirements of all statutes, rules and policies governing driver licensing;
4. Attend ongoing Division training;
5. Provide written notice within 24 hours to both the Authorized Driver License Examination Program licensee and the Division if the examiner's driver license is suspended, revoked, canceled or disqualified, including a CDL medical suspension or revocation under R17-4-508;
6. Conduct skills tests only on Division-approved test routes;
7. Complete, in the presence of the applicant, the score sheet at the time of the skills test. The score sheet is valid for 30 calendar days from the day the applicant completes the skills test; and
8. Verify the CDL driver license applicant possesses a:
 - a. Valid Arizona driver license with photograph,
 - b. Valid Division-issued commercial instruction permit for the class and endorsement of the vehicle to be used in the skills test, and
 - c. Sealed envelope from the Division containing a valid Arizona Driver License or Identification Card Application that names the applicant in the appropriate section and states the applicant successfully completed the CDL written tests.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-607. Professional Conduct

The Driver License Examination contractor or examiner shall not:

1. Accompany an applicant into an MVD field office or any other Authorized Driver License Examination Program office,
2. Solicit for any purpose, an individual on the premises rented, leased, or owned by the Division or any other business authorized under the Driver License Examination Program.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-608. Enforcement

Upon termination from the Driver License Examination Program, whether voluntary or involuntary, the Driver License Examiner shall surrender the following to the Division:

1. All authorization, certification, and branch certificates issued by the Division;
2. All unused Division forms and unused accountable inventory;
3. All copies of completed or voided accountable inventory and logs; and
4. All records of driver license examinations conducted.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-609. Denial, Cancellation, and Suspension

The Division shall deny, cancel, or suspend authorization or certification, upon determination by the Director, that a Contractor or Examiner is no longer qualified for authorization or certification under this Chapter, or is in material breach of the Authorization Agreement with the Division.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

ARTICLE 7. TITLE AND REGISTRATION PROGRAM**R17-7-701. Definitions**

The following terms and phrases apply to this Article, unless the content otherwise requires:

1. "Concentration Banking System (CBS)" means a type of state bank account, established by the Arizona State Treasurer's office, for deposit of funds collected by an authorized third party.
2. "Floor plan" means a Division-approved diagram of a building's interior, as seen from above, that shows the interior dimensions and the location of doors, windows, and equipment.
3. "Vicinity" means the area adjacent to, or in the immediate proximity of, each authorized third party's place of business.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-702. Authorization Application

In addition to the requirements in R17-7-201, an applicant for third-party authorization shall provide to the Division:

1. A floor plan of each place of business that includes:
 - a. A computer-generated graphic,
 - b. A blueprint or other photographic reproduction of an architectural plan or technical drawing, or
 - c. A non-technical drawing made by hand using a straightedge; and
2. A third-party bond for each branch location unless otherwise exempt under A.R.S. § 28-5104.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-703. General Authorization Requirements for the Title and Registration Program

In addition to R17-7-201 and R17-7-204, the authorized third party shall:

1. Have facilities, including the vicinity and equipment, pre-approved by the Division;
2. Have an established place of business as defined in R17-7-101;
3. Conduct all authorized activities only at the established place of business; and
4. Submit to the Division for review and approval any other businesses the authorized third party conducts at the established place of business.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-704. General Requirements of an Authorized Third Party or a Certified Individual

The authorized third party or certified individual shall:

1. Submit all documents and corrections, according to all laws, rules, and Third-Party Authorization Agreement;
2. Immediately notify the Division of unlawful actions relating to motor vehicle transactions;
3. Require that a customer submit all supporting documentation relating to a title and registration or driver license transactions before updating the Division databases;
4. Maintain professional conduct as required under R17-7-607;
5. Provide written notice within 24 hours to both the authorized third-party program and the Division if the certified individual's driver license is suspended, revoked, canceled or disqualified by the Division, including a CDL medical suspension under R17-5-508;
6. Conduct skills tests only on Division-approved test routes;
7. Not witness or notarize documents relating to title and registration transactions unless the customer submits appropriate identification;
8. Not accompany any applicant into the Division or any third-party office; or
9. Solicit for any purpose, an individual on the premises rented, leased, or owned by the Division or any other business authorized under the Driver License Examination Program.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-705. Financial Requirements

An authorized third party shall comply with the Division's specific financial requirements as follows. Deposit all money required to be remitted to the Division under A.R.S. § 28-5101 by the business day following the transaction date in the designated:

1. CBS account, or
2. Account through an electronic method pre-approved by the Division.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-706. Corrective Action

- A. Non-compliance with federal and state laws, rules, or contract requirements shall result in corrective action.
- B. The Division shall send a notice of corrective action for non-compliance under (A).
- C. Corrective actions shall include probation, suspension or cancellation of authorization or certification based on:
 1. Non-compliance,
 2. History of non-compliance,
 3. Frequency and severity of the violation, or
 4. Failure to maintain good standing status defined in R17-7-101.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-707. General Application Requirements for Certification of an Individual

In addition to the requirements in R17-7-301 an applicant requesting:

1. Certification shall:
 - a. Complete all supplementary application forms, and

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- b. Be employed or under contract for an employer applying for or authorized as a Title and Registration or Driver License Authorized Provider, as applicable.
- 2. Driver license certification shall:
 - a. Not have any driver license suspensions, revocations, cancellations or disqualifications within the 39 months of application, including convictions related to:
 - i. Driving under the influence of intoxicating liquors or drugs,
 - ii. Reckless driving,
 - iii. Racing upon the highway, or
 - iv. Leaving the scene of an accident.
 - b. Not have a CDL medical suspension under R17-4-508.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

ARTICLE 8. THIRD-PARTY INSPECTION PROGRAM**R17-7-801. Definitions**

The following term applies to this Article, unless the context otherwise requires:

“Inspection” means vehicle verification as prescribed in A.R.S. § 28-2011.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).

R17-7-802. General Provisions; Additional Duties; Reporting Requirements for Inspection Program

- A. In addition to the authorization provisions under R17-7-101 through R17-7-501, an authorized vehicle inspection provider shall:
 - 1. Maintain all vehicle inspection forms in numerical order by the accountable form number;
 - 2. Ensure that the Division receives the following by the fifth day of each month:
 - a. Completed Vehicle Inspection Monthly Reconciliation Report for the previous month;
 - b. Division copies of the vehicle inspection forms, along with any voided forms; and
 - c. If no inspections were completed during the previous month, a verification of Vehicle Inspection Monthly Reconciliation indicating zero inspections.
 - 3. Retain all vehicle inspector copies of completed and voided vehicle inspection forms in numerical order by accountable form number, filed by month, and made readily accessible for audit purposes for a period of three years.
- B. In the event that the Division does not receive a Vehicle Inspection Monthly Reconciliation Report from the Authorized Vehicle Inspection Provider, under R17-7-802, the Division shall take corrective action according to R17-7-706.

Historical Note

New Section made by final rulemaking at 12 A.A.R. 2418, effective August 5, 2006 (Supp. 06-2).