

NOTICES OF PROPOSED RULEMAKING

Unless exempted by A.R.S. § 41-1005, each agency shall begin the rulemaking process by first submitting to the Secretary of State's Office a Notice of Rulemaking Docket Opening followed by a Notice of Proposed Rulemaking that contains the preamble and the full text of the rules. The Secretary of State's Office publishes each Notice in the next available issue of the *Register* according to the schedule of deadlines for *Register* publication. Under the Administrative Procedure Act (A.R.S. § 41-1001 et seq.), an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the *Register* before beginning any proceedings for making, amending, or repealing any rule. (A.R.S. §§ 41-1013 and 41-1022)

NOTICE OF PROPOSED RULEMAKING

TITLE 3. AGRICULTURE

CHAPTER 2. DEPARTMENT OF AGRICULTURE ANIMAL SERVICES DIVISION

PREAMBLE

1. Sections Affected

Table 1
R3-2-801
R3-2-803
R3-2-902
R3-2-903
R3-2-906

Rulemaking Action

Amend
Amend
Amend
Amend
Amend
Amend

2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statutes: A.R.S. §§ 3-107(A)(1), 3-3-603(A), 3-667, 3-710(F), and 41-1073

Implementing statutes: A.R.S. §§ 3-601.01, 3-605, 3-606, 3-663, 3-706, 3-707, 3-712, 3-712, 3-715, 3-733, and 3-739

3. A list of all previous notices appearing in the Register addressing the proposed rule:

Notice of Rulemaking Docket Opening: 8 A.A.R. 3756, August 30, 2002

4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Sherry D. Blatner, Rules Specialist
Address: Arizona Department of Agriculture
1688 W. Adams, Room 235
Phoenix, AZ 85007
Telephone: (602) 542-0962
Fax: (602) 542-5420
E-mail: sherry.blatner@agric.state.az.us

5. An explanation of the rule, including the agency's reasons for initiating the rule:

This rulemaking is in response to the Division's Five-year Review of Rules approved by the Council on August 6, 2002.

Rules R-3-2-801, R3-2-803, and R3-2-902 contain out-dated incorporations by reference. The most current material is incorporated in the amended rules.

R3-2-903 contains language that may be confusing, the amendments provide greater clarity. R3-2-906 has additional language included to provide enhanced understandability.

The Time-frame Table contains licenses for both dairy and egg products and control. Subsequent to the time that the table was originally made into rule, responsibility for issuing the licenses was transferred from the Division to a cen-

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tralized licensing section for the entire Department. It is necessary to increase time-frames to accommodate the competing business issues faced by the central unit and provide adequate response time to the regulated community.

Language usage is conformed to the current publication standards of the Office of the Secretary of State.

6. A reference to any study relevant to the rule that the agency reviewed and either proposes to rely on in its evaluation of or justification for the rule or proposes not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, any analysis of each study and other supporting material:

None

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:

A. *The Arizona Department of Agriculture.*

The Department will incur modest expenses related to educating the regulated community on the amendments. The Department will benefit from the enhanced time-frames, and will continue to ensure that licenses are issued in a timely manner without business disruption to the regulated community.

B. *Political Subdivision.*

Other than the Department, no political subdivision is affected by this rulemaking.

C. *Businesses Directly Affected By the Rulemaking.*

Businesses engaged in dairy or egg production will be required to operate under the most current editions or amendments of incorporated material. Clarification of language in the amended rules should enhance the producers' ability to comply with regulations. Modification of licensing time-frames will ensure that all licenses continue to be issued in a timely manner.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Sherry D. Blatner, Rules Specialist
Address: Arizona Department of Agriculture
1688 W. Adams, Room 235
Phoenix, AZ 85007
Telephone: (602) 542-0962
Fax: (602) 542-5420
E-mail: sherry.blatner@agric.state.az.us

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

The Department will schedule a public hearing if a written request for a public hearing is made to the person in item #4.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

12. Incorporations by reference and their location in the rules:

"3-A Sanitary Standards" and "3-A Accepted Practices," as published by the International Association for Food Protection, amended November 21, 2000. R3-2-801

Grade A Pasteurized Milk Ordinance – 1978 Recommendations of the United States Public Health Service/Food and Drug Administration, 2001 Revision. R3-2-801

21 CFR 101, 131, and 133, amended April 1, 2002. R3-2-803

AMS 56.200 et seq., effective April 6, 1995. R3-2-902

13. The full text of the rules follows:

TITLE 3. AGRICULTURE

**CHAPTER 2. DEPARTMENT OF AGRICULTURE
 ANIMAL SERVICES DIVISION**

ARTICLE 1. GENERAL PROVISIONS

Section
 Table 1. Time-frames (Calendar Days)

ARTICLE 8. DAIRY AND DAIRY PRODUCTS CONTROL

Section
 R3-2-801. Definitions
 R3-2-803. Milk and Milk Products Labeling

ARTICLE 9. EGG AND EGG PRODUCTS CONTROL

Section
 R3-2-902. Standards, Grades, and Weight Classes for Shell Eggs
 R3-2-903. Sampling: Schedule and Methods for Evidence
 R3-2-906. Violations and Penalties

ARTICLE 1. GENERAL PROVISIONS

Table 1. Time-frames (Calendar Days)

License	Authority	Administrative Completeness Review	Response to Completion Request	Substantive Completeness Review	Response to Additional Information	Overall Time-frame
MEAT AND POULTRY INSPECTION						
License to Slaughter	A.R.S. § 3-2002 A.R.S. § 3-2003 R3-2-208	14	14	30	14	44
Transfer of license without fee	A.R.S. § 3-2009	14	14	30	5	44
State Meat Inspection Service	A.R.S. § 3-2047	14	14	30	14	44
Sale or Exchange of Meat or Poultry	A.R.S. § 3-2081 R3-2-208	14	14	30	14	44
Rendering Facility Certification	A.R.S. § 3-2081 R3-2-205	14	14	30	14	44
Transfer of License	A.R.S. § 3-2086	14	14	30	5	44
Official Slaughter Meat Licenses	A.R.S. § 3-2122 R3-2-208	14	14	30	14	44
FEEDING OF ANIMALS						
Feed Lot License	A.R.S. § 3-1452	14	14	60	14	74
Permit to Feed Garbage to Swine	A.R.S. § 3-2664	14	14	60	14	74
DAIRY PRODUCTS AND CONTROL						
Milk Distributing Plant New Renewal	A.R.S. § 3-607	7 14 7 14	7 14 7 14	7 14 14	7 14 7 14	14 28 21 28

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Milk Processing Plant	A.R.S. § 3-607					
New		7 14	7 14	7 14	7 14	14 28
Renewal		7 14	7 14	14	7 14	21 28
Plant Licensing	A.R.S. § 3-665					
New		7 14	7 14	7 14	7 14	14 28
Renewal		7 14	7 14	14	7 14	21 28
Request to market a product as a milk product	A.R.S. § 601.01	7 14	7 14	7 14	7 14	14 28
Tester License	A.R.S. § 3-619	7	7	7	7	14
Trade Product Label	A.R.S. § 3-667	7 14	14	30	30	37 44
LIVESTOCK INSPECTION						
Equine Trader Permit	A.R.S. § 3-1348	7	7	7	7	14
Ownership and Hauling Certificate for Equines	A.R.S. § 3-1344 A.R.S. § 3-1345	14	14	14	14	28
EGG PRODUCTS AND CONTROL						
Annual Licensing	A.R.S. § 3-714	7 10	7 10	7 10	7 10	14 20
AQUACULTURE						
Aquaculture Facility	A.R.S. § 3-2907 R3-2-1004	14	14	30	14	44
Fee Fishing Facility	R3-2-1005	14	14	30	14	44
Processor	R3-2-1006	14	14	30	14	44
Transporter	R3-2-1007	14	14	30	14	44
Special Licenses	A.R.S. § 3-2908 R3-2-1008	14	14	30	14	44

ARTICLE 8. DAIRY AND DAIRY PRODUCTS CONTROL

R3-2-801. Definitions

In addition to the definitions provided in A.R.S. §§ 3-601 and 3-661, the following terms apply to this Article:

1. “3-A Sanitary Standards” and “3-A Accepted Practices,” as published in ~~Dairy and Food and Environmental Sanitation by the International Association for Food Protection, amended June 1, 1992~~ November 21, 2000, means the criteria for cleanability of dairy processing equipment. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Department and the Office of the Secretary of State.
2. “C-I-P” means a procedure by which equipment, pipelines, and other facilities are cleaned-in-place as prescribed in the 3-A Accepted Practices.
3. “Converted” means the process by which a frozen dessert is changed from a frozen to semi-frozen form without any change in the ingredients.
4. “Fluid trade product” means any trade product as defined in A.R.S. § 3-661(5) that resembles or imitates milk, lowfat milk, chocolate milk, half and half, or cream.
5. “Food establishment” means any establishment, except a private residence, that prepares or serves food for human consumption, regardless of whether the food is consumed on the premises.
6. “Frozen desserts mix” or “mix” means any frozen dessert before being frozen.
7. “Grade A raw milk” means raw milk produced on a dairy farm that conforms to Section 7 of the PMO and the requirements of R3-2-805.
8. “Parlor” and “milk room” mean the facilities used for the production of Grade A raw milk for pasteurization.
9. “Plant” means any place, premise, or establishment, or any part, including specific areas in retail stores, stands, hotels, restaurants, and other establishments where frozen desserts are manufactured, processed, assembled, stored, frozen, or converted for distribution or sale, or both. A plant may consist of rooms or space where utensils or equipment is are stored, washed, or sanitized and where ingredients used in manufacturing frozen desserts are stored. Plant includes:
 - a. “Manufacturing plant” means a location where frozen desserts are manufactured, processed, pasteurized, and converted.

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- b. "Handling plant" means a location that is not equipped or used to manufacture, process, pasteurize, or convert frozen desserts, but where frozen desserts are sold or offered for sale other than at retail.
- 10. "Plate line" means a horizontal structural member, such as a timber, that provides the bearing and anchorage for the trusses of a roof or the rafters.
- 11. "PMO" means the Grade A Pasteurized Milk Ordinance – 1978 Recommendations of the United States Public Health Service/Food and Drug Administration, ~~1999~~ 2001 Revision. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Department and the Office of the Secretary of State.
- 12. "Retail food store" means any establishment offering packaged or bulk goods for human consumption for retail sale.

R3-2-803. Milk and Milk Products Labeling

- A. All milk and milk products listed in A.R.S. § 3-601(10), and Sections 1 and 2 of the PMO shall be designated by the name of the product and shall conform to its definition.
- B. All milk and milk products shall conform with the labeling requirements in A.R.S. §§ 3-601.01 and 3-627, Section 4 of the PMO, and 21 CFR 101, 131, and 133, amended ~~November 20, 1996~~ April 1, 2002. This CFR material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Department and the Office of the Secretary of State.
- C. The name of the manufacturer or processor shall be on all cartons or closures where it can be easily seen. A manufacturer or processor who has plants in other states shall use a code number or letter to designate where manufactured or processed. If a manufacturer or processor has more than one plant within the state, the Dairy Supervisor shall issue a code number or letter for each plant and shall keep a record of the number or letter issued. Manufacturers and processors shall include the state code, 04, with their plant number.
- D. If a plant manufactures or processes milk or milk products and packages them for other retailers and the container or closure is not labeled the same as the manufacturer's or processor's like product, the statement "Manufactured or Processed at (name and address of plant or code number or letter)" shall be included on the carton or closure. The carton or closure may also contain the statement, "Distributed by: (name of person or firm)."
- E. ~~New or modified label.~~ Any person planning to use a new or modified label on a container ~~may~~ shall submit the label, and a duplicate copy, to the Dairy Supervisor for review.
 - ~~1. If a new or modified label is submitted, the person shall provide duplicate copies of the proposed label.~~
 - 2.1. If the proposed label does not meet labeling standards specified in R3-2-803(B), the Dairy Supervisor shall note the required changes on the copies copy, and sign and return the proposed label to the person applicant.
 - 3.2. A written request may be submitted to the Dairy Supervisor for additional time to use the inventory amounts of slow moving cartons or closures before using a modified label.
- ~~F. Any person who markets, processes, manufactures, or sells any other food product as a milk product, shall submit a written request to the Dairy Supervisor.~~

ARTICLE 9. EGG AND EGG PRODUCTS CONTROL

R3-2-902. Standards, Grades, and Weight Classes for Shell Eggs

All ~~grading of shell eggs and~~ standards, grades, and weight classes for shell eggs shall be ~~conducted~~ established as prescribed in ~~7-CFR AMS 56.200 et seq., revised May 1, 1991~~ effective April 6, 1995. ~~The~~ This material is incorporated by reference, ~~does not include any later amendments or editions of the incorporated matter, and is on file with the Department and the Office of the Secretary of State and does not include any later amendments or additions of the incorporated matter.~~

R3-2-903. Sampling: Schedule and Methods for Evidence

- A. ~~The~~ An inspector may conduct random spot-check sampling ~~to determine if lots of a lot of eggs meet to determine if a lot fails to meet~~ minimum quality and weight standards.
- B. Representative egg sampling, ~~pursuant to~~ under A.R.S. § 3-710(G), shall be based on the following table. ~~Lots which do~~ A lot that does not meet minimum quality or weight standards shall receive a warning notice hold tag.

**MINIMUM NUMBER OF CASES AND CARTONS
 COMPRISING A REPRESENTATIVE SAMPLE**

When lot size is in cartons of	Minimum eggs for inspection	When lot size is in 30 doz. cases	Minimum cases for inspection ¹
1 - 4 Cartons	All	1 Case	1 Case
5 - 30 Cartons inclusive	50	2 - 10 Cases inclusive	2 Cases
31 - 120 Cartons inclusive	100	11 - 25 Cases inclusive	3 Cases
120 - 210 Cartons inclusive	200	26 - 50 Cases inclusive	4 Cases
211 - 315 Cartons inclusive	300	51 - 100 Cases inclusive	5 Cases
		101 - 200 Cases inclusive	8 Cases
		201 - 300 Cases inclusive	11 Cases
		301 - 400 Cases inclusive	13 Cases
		401 - 500 Cases inclusive	14 Cases
		501 - 600 Cases inclusive	16 Cases
		for each additional 50 Cases or fraction thereof in excess of 600 Cases	1 Case

¹The An inspector shall take 100 eggs from each case for inspection.

1. ~~The An~~ inspector may draw additional samples to determine if the lot meets the minimum requirements.
2. When loose eggs are out of the case, the sample shall be based on ~~the a~~ carton.
3. Eggs shall be sampled on a 30-dozen-case basis. ~~All~~ When eggs are packed in other lot-quantities, an inspector shall be converted convert the eggs to their equivalent 30-dozen-case amounts basis to establish the official sample size.

~~C. A lot shall be from one packer or one producer or any one source. The cartons, cases, or containers shall be labeled with one size, one quality grade, the packing date, and one brand name, if the brand is identified.~~

R3-2-906. Violations and Penalties

A. A dealer, producer-dealer, manufacturer, producer, or retailer, at each individual location, shall be subject to the penalties in subsection (B) if any of the following actions occur:

1. Category A:
 - a. Making a false or misleading statement relating to advertising or selling eggs and egg products;

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- b. Acting as a dealer, producer-dealer, producer, or manufacturer without a valid license;
- c. Selling shell eggs with ~~an incorrect, an incomplete, or no~~ without an expiration date codes;
- d. Selling grade AA or grade A eggs after the expiration date on the carton, case, or container, ~~unless the eggs are exempt under A.R.S. § 3-715(K). The Department shall not penalize a retailer under this subsection if not more than 10% or 60 dozen of the eggs, whichever is less, are offered for sale after the expiration date on the carton, case, or container, under A.R.S. § 3-715(K);~~
- e. Failing to maintain records and reports required by this Article;
- f. Failing to label a carton, case, or container with one size, one ~~quality~~ grade, and one brand name;
- g. Moving eggs, an egg case, carton, or container with a warning tag or notice, or removing a warning tag or notice without permission from the Director;
- h. Refusing to submit egg or egg product, an egg case, carton, container, subcontainer, lot, load, or display of eggs to inspection; or
- i. Refusing to stop, at the request of an authorized representative of the Department, any vehicle transporting eggs or egg products.

2. Category B:

- a. Extending the expiration date of shell eggs as defined in A.R.S. § 3-701(10); or
- b. Advertising, representing, or selling out-of-state eggs as local eggs.

3. Category C:

- a. Failing to ensure that shell eggs for human consumption are kept refrigerated at an ambient temperature not higher than 45° F;
- b. Failing to ensure that frozen egg products for human consumption, labeled for storage at 0° F or below, are kept under refrigeration at a temperature not higher than 0° F; or
- c. Failing to ensure that liquid egg products for human consumption are kept refrigerated at a temperature not higher than 40° F.

- B. Any violation of this Article or of 3 A.R.S. 5, Article 1 not listed in subsection (A) is subject to a Category A civil penalty.
- C. Under A.R.S. § 3-739, the civil penalty for a violation of subsection (A) is:

Number of Violations	Category A	Category B	Category C
1 (Notice)	Warning	Warning	Warning
2	\$50.00 <u>\$50</u>	\$50.00 <u>\$50</u>	\$100.00 <u>\$100</u>
3	\$100.00 <u>\$100</u>	\$100.00 <u>\$100</u>	\$200.00 <u>\$200</u>
4		\$150.00 <u>\$150</u>	\$400.00 <u>\$400</u>
5		\$200.00 <u>\$200</u>	\$500.00 <u>\$500</u>
6		\$250.00 <u>\$250</u>	
7		\$300.00 <u>\$300</u>	

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10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

No oral proceeding is scheduled for this rulemaking. Written, faxed, or e-mail comments, or a request for an oral proceeding may be made with the analyst listed in item #4, Monday through Friday, 8:00 a.m. until 4:30 p.m. The record for this rulemaking shall close at 4:30 p.m. on January 17, 2002.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

12. Incorporations by reference and their location in the rules:

None

13. The full text of the rules follows:

TITLE 17. TRANSPORTATION

**CHAPTER 4. DEPARTMENT OF TRANSPORTATION
TITLE, REGISTRATION, AND DRIVER LICENSES**

ARTICLE 4. DRIVER LICENSES

Section

R17-4-407. ~~Motoreycle safety equipment~~ Repealed

ARTICLE 4. DRIVER LICENSES

R17-4-407. ~~Motoreycle safety equipment~~ Repealed

A. Definitions—The words and phrases when used in these rules shall have the meanings respectively ascribed to them.

1. “Commission” means the Arizona State Highway Commission.
2. “Department” means the Highway Department of this state acting directly or through its duly authorized officers and agents.
3. “Superintendent” means the Superintendent of the Motor Vehicle Division of the Arizona Department of Transportation.
4. “Motoreycle” for the purpose of this rule is defined as any motor-driven vehicle having a seat or saddle for the use of the rider and designed to travel on not more than 3 wheels in contact with the ground but excluding tractors and vehicles on which the operator and passengers ride within an enclosed cab in accordance with the standard established by the United States Department of Transportation.
5. “Handrails”: A device adequately mounted on the vehicle, passenger seat, fender or frame, to ensure safety of the passenger.
6. “Footrest or foot pegs”: A device adequately mounted on each side of the frame of the vehicle, to ensure safety of the passenger.
7. “Endorsement”: Written consent or license, on the back side of the applicant’s operator or chauffeur license.

B. Applications:

1. An applicant for a motoreycle or motor-driven cycle license shall be at least 16 years of age.
2. An applicant must pass a written test, eye test, same as for operator and chauffeur, and a skill or driving test with motoreycle.
3. An applicant’s current operator or chauffeur license will be endorsed to permit operation of a motoreycle or motor-driven cycle.
4. An “Instruction Permit” shall not be valid for use on any highway, street, road or other right of way designed for vehicular travel except when traveling to and from a driver license service office for the purpose of taking the skill or driving test with a motoreycle.

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5. An endorsement for a motorcycle license shall be valid until the expiration date of the applicant's current operator or chauffeur license.
 6. Applicants who do not hold a valid Arizona operator or chauffeur license and are not under suspension or revocation as described under A.R.S. § 28-446 shall be issued a new motorcycle license.
- C.** Suspension, revocation, cancellation. Suspension, revocation, cancellation shall be applicable to a motorcycle licensee the same as operator and chauffeur licenses.
- D.** Locations for testing. Applications and testing for motorcycle licenses or endorsements will be processed in all Arizona counties and will be issued on designated dates and times as established by the Superintendent.
- E.** General provisions:
1. The operator and passenger of a motorcycle or motor driven cycle shall, at all times while operating or riding on such motorcycle or motor driven cycle, wear a protective helmet on his head in an appropriate manner safely secured. The operator and passenger of a motorcycle or motor driven cycle shall also wear protective glasses or a transparent face shield of a type approved by the Commission unless the motorcycle or the motor driven cycle is equipped with a protective windshield.
 2. A motorcycle and motor driven cycle shall be equipped with a rear view mirror, seat and footrests for the operator in addition to regular equipment required for registration. Any motorcycle or motor driven cycle operated with a passenger shall be equipped with seats, footrests, and handrails for such passenger.
 3. Handlebars rising more than 15 inches above the level of the driver's seat or saddle or a motorcycle or motor driven cycle are prohibited.
- F.** Specifications for glasses, goggles, transparent face shields, windshields and protective helmets:
1. Glasses or goggles:
 - a. A device consisting of glass or plastic eye pieces or eye cups worn over the eyes and held in place by a headband or temple piece for protection of the eyes and eye sockets.
 - b. Shall be approved by the Commission only if they meet requirements established for head, eye and respiratory protection, specifically that portion applicable to the following type of eye protection devices:
 - i. Goggles, eye cup (except welders and cutters)
 - ii. Glasses, metal or plastic frame
 - iii. Goggles, flexible fitting
 - iv. Glasses, plastic shield.
- G.** Face shield:
1. A device attached to a helmet which covers the wearer's face to a point of approximating the top of the nose for the purpose of providing protection of the eyes against flying objects, dust glare or a combination of these hazards.
 2. The shield must be adequately supported, as a snap on or flip up attachment to the helmet.
 3. The shield covers the face both front and sides, from the leading edge of the helmet above the eyes to a point at or below the top of the nose.
 4. The edge of the shield is smooth and, if beveled, it must be dull finished.
 5. Shall be approved by the Commission only if they meet the established requirements.
- H.** Windshield:
1. A device mounted on a 2-wheeled motorized vehicle forward of the rider designed to deflect wind and/or small flying objects from the face and body of the rider.
 2. Shall be approved by the Commission only if the visual material meets the specifications of the United States of America Standards Institute, No. 26.1-1966.
- I.** Protective helmet:
1. A covering device primarily intended to protect the upper part of the wearer's head against a blow.
 2. Every person operating a motorcycle or riding as a passenger on a motorcycle or in a side car attached to a motorcycle shall wear protective head gear, with a suitable retaining device in position, designed and manufactured to protect at least the area of the wearer's head above a reference plain 2.36 inches (60 MM) above and parallel to a plain defined by the level external ear openings and the lower rim of the eye openings against rapid deceleration upon impact.
 3. Effective January 1, 1969, such protective head gear shall be labeled by the manufacturer or its duly authorized agent on the helmet with legible letters or numbers indicating the manufacturer's name and/or number.
 4. The Commission will approve only those helmets that are designed and constructed so as to meet the requirements of the United States of America Standards Institute, No. Z90.1-1966.
 5. The Commission shall compile and publish a list of glasses, goggles, transparent face shields, windshields and protective helmets approved by them as meeting the provisions of A.R.S. § 28-964 and of this rule.
- J.** Plates—registration. All operators of motorcycles or motor driven cycles shall display the license plate at the rear of the motorcycle and have in their possession the registration to the cycle they are operating on the highway.

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tion of the validity and correctness of a bond, the decision-making process for licensure, and resolving customer claims against a business and its bond.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Troy A. Walters, Rules Analyst
Address: Administrative Rules Unit
Department of Transportation, Mail Drop 507M
3737 N. 7th Street, Suite 160
Phoenix, AZ 85014-5079
Telephone: (602) 712-6722
Fax: (602) 241-1624
E-mail: twalters@dot.state.az.us

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

An oral proceeding is not scheduled for this proposed rule. To request an oral proceeding or to submit written, faxed, or internet comments, please contact the rules analyst listed in #4 between the times of 8:00 a.m. and 4:30 p.m., Monday through Friday. The rulemaking public record will close on January 17, 2003, at 4:30 p.m.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

12. Incorporations by reference and their location in the rules:

None

13. The full text of the rules follows:

TITLE 17. TRANSPORTATION

**CHAPTER 5. DEPARTMENT OF TRANSPORTATION
COMMERCIAL PROGRAMS**

ARTICLE 4. DEALERS

Section

R17-5-402. ~~Dealer and Wrecker Bond Amounts~~ Bond Amounts. Motor Vehicle Dealers, Brokers, and Recyclers Business Licenses

R17-5-403. ~~Reserved~~ Bond Amount. Motor Vehicle Title Services Business License

ARTICLE 4. DEALERS

R17-5-402. ~~Dealer and Wrecker Bond Amounts~~ Bond Amounts. Motor Vehicle Dealers, Brokers, and Recyclers Business Licenses

~~Title 28, Chapter 8, Article 1, Arizona Revised Statute provides that every application for a license to engage in business of a motor vehicle dealer, motor dealer or wrecker shall be accompanied by a bond in a form to be approved by the Assistant Director and shall be in such amount, not less than \$1000, as the Assistant Director prescribes:~~

1. ~~The minimum amount of such bonds shall be as follows:~~
 - a. ~~Motor Vehicle Dealer dealing in motor vehicles other than motorcycles, motor driven cycles or trailers with an unladen weight not exceeding 1500 lbs., \$25,000.~~
 - b. ~~Motor Vehicle Dealer dealing only in motorcycles, motor driven cycles or trailers with an unladen weight not exceeding 1500 lbs., \$10,000.~~
 - c. ~~Motor Dealer — \$5,000.~~
 - d. ~~Wrecker — \$5,000.~~
2. ~~This Order to be effective as bonds accompanying applications filed for the calendar year 1982 and thereafter.~~

A. As prescribed under A.R.S. § 28-4362, the Division shall require a bond in the amount specified for the following motor vehicle business license applicants:

1. \$100,000 from a motor vehicle dealer engaged in selling new or used motor vehicles;
2. \$50,000 from a wholesale motor vehicle dealer;

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- 3. \$50,000 from a wholesale motor vehicle auction dealer;
- 4. \$25,000 from a motor vehicle broker; and
- 5. \$20,000 from an automotive recycler.

B. An applicant shall submit a bond in a form prescribed by the Division Director. The Division shall not accept a handwritten bond.

R17-5-403. Reserved Bond Amount. Motor Vehicle Title Services Business License

- A.** As prescribed under A.R.S. § 28-5005, the Division shall require a \$25,000 bond for a motor vehicle title service company applying for a business license.
- B.** An applicant shall submit a bond in a form prescribed by the Division Director. The Division shall not accept a handwritten bond.