

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. Due to time restraints, the Secretary of State's Office will no longer edit the text of proposed rules. We will continue to make numbering and labeling changes as necessary.

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 adoption, amendment, or repeal of any rule. A.R.S. §§ 41-1013 and 41-1022.

NOTICE OF PROPOSED RULEMAKING

TITLE 3. AGRICULTURE

CHAPTER 4. DEPARTMENT OF AGRICULTURE – PLANT SERVICES DIVISION

PREAMBLE

- 1. Sections Affected**

Article 1	
Table 1	Amend
- 2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. §§ 3-107(A)(1)

Implementing statutes: A.R.S. §§ 3-107, 41-1074, 41-1075, and 41-1076
- 3. A list of all previous notices appearing in the Register addressing the adopted rule:**

Notice of Rulemaking Docket Opening: 6 A.A.R. 1513, April 21, 2000
- 4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Ross Rodgers

Address: Arizona Department of Agriculture
1688 West Adams, Room 235
Phoenix, Arizona 85007

Telephone: (602) 542-0962

Fax: (602) 542-0111

E-Mail: ross.rodgers@agric.state.az.us
- 5. An explanation of the rule, including the agency's reasons for initiating the rule:**

This rulemaking amends several incorrect citations, adds licensing time-frames for seed dealers and seed labelers, and extends the overall time-frame for hay brokers. This rulemaking also amends the numbering scheme for Section that were renumbered when the Department last promulgated the Native Plant rules in July 1999.
- 6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the 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:

It is not anticipated that the adoption of this rule will have any impact on private industry, small business, or consumers.

A. *The Arizona Department of Agriculture.*

The Seed Dealer and Seed Labeler licensing time-frame (A.R.S. § 3-235) was set as a default 7 days. However, all of these licenses are due during the same period of time and the workload for these licenses has greatly increased. Therefore, a longer time-frame is needed to ensure that all requests are processed in a timely manner. The Department anticipates that with the promulgation of the rule package, no further refunds or penalties will be incurred for non-compliance with the overall time-frame.

B. *Political Subdivision.*

Political subdivisions of this state are not directly affected by the implementation and enforcement of this rulemaking.

C. *Businesses Directly Affected By the Rulemaking.*

Any businesses applying for a license will follow current procedures and no additional cost or benefits will occur. The proposed language provides an intangible benefit for businesses by identifying the time-frames in which the Division will approve or deny licenses.

D. *Private and public employment.*

Private and public employment is not directly affected by the implementation and enforcement of this rulemaking.

E. *Consumers and the Public.*

Consumers and the public are not directly affected by the implementation and enforcement of this rulemaking.

F. *State Revenues.*

This rulemaking will have no impact on state revenues.

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: Ross Rodgers
Address: Arizona Department of Agriculture
1688 West Adams, Room 235
Phoenix, Arizona 85007
Telephone: (602) 542-0962
Fax: (602) 542-0111
E-Mail: ross.rodgers@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:

Date: September 26, 2000
Time: 3:00 p.m.
Location: Arizona Department of Agriculture
1688 West Adams, Room 206
Phoenix, Arizona 85007
Nature: Oral Proceeding

Written comments on the proposed rules or preliminary economic, small business and consumer impact statement must be received by 4:00 p.m., September 19, 2000. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the department's coordinator, Patrick Stevens, (602) 542-4316 (voice) or 1-800-367-8939 (TTY Relay). Requests should be made as early as possible to allow time to arrange the accommodation.

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. Was this rule previously adopted as an emergency rule?

No

14. The full text of the rules follows:

TITLE 3. AGRICULTURE

CHAPTER 4. DEPARTMENT OF AGRICULTURE – PLANT SERVICES DIVISION

ARTICLE 1. GENERAL PROVISIONS

Section
Table 1

Time-frames (Calendar Days)

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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
QUARANTINE						
Cotton Boll Weevil Pest	A.R.S. 3-201.01 R3-4-218	14	14	30	30	44
Citrus Fruit Surface Pest	A.R.S. 3-201.01 R3-4-219	14	14	60	30	44
Citrus Nursery Stock Pests	A.R.S. 3-201.01 R3-4-220	14	14	30	30	44
Lettuce Mosaic Pest	A.R.S. 3-201.01 R3-4-233	14	14	30	30	44
Noxious Weeds Regulated and Restricted Prohibited	A.R.S. 3-201.01 R3-4-244 R3-4-245	14	14	30	30	44
Scale Insects Pests	A.R.S. 3-201.01 R3-4-226	14	14	30	30	44
Plum Curculio Apple Maggot	A.R.S. 3-201.01 R3-4-240	14	14	60	30	74
Colored Cotton	A.R.S. 3-205.02 R3-4-501	14	0	0	0	14
NURSERY						
Ozonium Root Rot Inspection	A.R.S. 3-201.01					
•Method of Growing	A.R.S. 3-217	7	14	30	14	37
•Indicator Crop Planted On Applicant's Property	R3-4-303	7	14	4 yrs	14	4yrs, 7 days
•Indicator Crop Planted In Surrounding Area		7	14	5 yrs	14	5yrs, 7 days
Other Certification Inspections	A.R.S. 3-201.01					
•Nursery Inspection	A.R.S. 3-217	30	14	1 yr	14	1 yr, 30 days
Phytosanitary Field Inspection	A.R.S. 3-201.01	30	7	120	7	150
•Phytosanitary Application	A.R.S. 3-217 <u>A.R.S. 3-233(A)(7)</u> R3-4-407					

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STANDARDIZATION						
Experimental Containers	A.R.S. 3-487 R3-4-740	7	0	2	0	9
Experimental Containers	A.R.S. 3-445 R3-4-814	7	0	2	0	9
Citrus Fruit Dealer, Packer or Shipper License	A.R.S. 3-449	10	14	10	14	20
Fruit and Vegetable Dealer, Packer or Shipper License	A.R.S. 3-492	10	14	10	14	20
ARIZONA NATIVE PLANTS						
Notice of Intent Confirmation Notice of Intent	A.R.S. 3-904 R3-4-602	7	14	7	14	14
•Qualifications for Salvage Assessed Native Plant Permits •Salvage Harvest Restricted Native Plant Permits •Scientific & Educational Permits	A.R.S. 3-906 R3-4-611	5	14	5	14	10
	R3-4-610 R3-4-608	5	14	5	14	10
	R3-4-605	14	14	14	14	28
Blue Seal Permits Movement Permits	A.R.S. 3-906 R3-4-610 R3-4-607	5	14	5	14	10
Qualifications for Annual Permits For Harvest-Restricted Native Plants	A.R.S. 3-907 R3-4-612 R3-4-608	5	14	5	14	10
SEED DEALERS AND LABELERS						
Seed Dealer	A.R.S. 3-235 R3-4-408	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
Seed Labeler	A.R.S. 3-235 R3-4-408	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
HAY BROKER						
Hay Broker License	A.R.S. 3-2712	<u>57</u>	<u>57</u>	<u>57</u>	<u>57</u>	<u>4014</u>

NOTICE OF PROPOSED RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 1. BOARD OF ACCOUNTANCY

PREAMBLE

- | <u>1. Sections Affected</u> | <u>Rulemaking Action</u> |
|-----------------------------|--------------------------|
| R4-1-226 | Amend |
| R4-1-345 | Amend |

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

Authorizing statutes: A.R.S. §§ 32-703 and § 41-1072 et seq.

Implementing statutes: A.R.S. §§ 32-723, 32-729, and 32-730

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

Notice of Proposed Rulemaking:	August 31, 1980
Notice of Proposed Rulemaking:	March 1, 1983
Notice of Proposed Rulemaking:	December 2, 1985
Notice of Proposed Rulemaking:	December 1, 1988
Notice of Proposed Rulemaking:	November 1, 1990
Notice of Proposed Rulemaking:	May 28, 1993
Notice of Proposed Rulemaking:	August 14, 1998
Notice of Final Rulemaking:	December 11, 1998
Notice of Proposed Rulemaking:	May 7, 1999
Notice of Final Rulemaking:	December 10, 1999

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

Name:	Ruth R. Lee, Executive Director
Address:	Arizona State Board of Accountancy 3877 North Seventh Street - 106 Phoenix, Arizona 85014
Telephone:	(602) 255-3648, Ext. 18
Fax:	(602) 255-1283

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

The agency budget projection caused the Board to revisit its fee structures.

A.A.C. R4-1-226(C) addresses the need to increase exam fees to ensure the Board can meet its fixed costs for administering the AICPA Uniform CPA exam.

The Board has received notification from the AICPA that the price of grading each examination booklet will increase to \$31 by 2002 and to \$45 by 2003. The other fixed costs of the exam such as rental of exam sites, chairs and tables and proctor fees are anticipated to escalate as well.

A.A.C. R4-1-345(C) and (D) increase renewal registration fees by \$50 per year or \$100 biennially to meet the Board's increased operating costs. Both OSPB and JLBC have informed the Board that it must raise the fees to meet the day-to-day expenditures, all of which are subject to universal inflationary factors. The office space rental costs, personal services, hourly rates for professional and outside services and computer-related costs are a part of the budget concerns. For the past 4 years the Board's operating costs have exceeded expenditures.

The Board's fund balance is forecast to be depleted by 2002 with no fee increase.

- 6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:**

Not applicable

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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:

The economic, small business and consumer impact would be minimal. Some certified public accountant firms reimburse an employee's exam fee if that employee passes the exam. Renewal registration fees for registrants are often paid by employers as a job perk. The economic impact is minimal in both cases in light of the benefits to the business operation.

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: Ruth R. Lee, Executive Director
Address: Arizona State Board of Accountancy
3877 North Seventh Street - 106
Phoenix, Arizona 85014
Telephone: (602) 255-3648, Ext. 18
Fax: (602) 255-1283

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:

Date: Monday, October 16, 2000
Time: 1:30 p.m.
Location: Arizona State Board of Accountancy
3877 North Seventh Street - 106
Phoenix, Arizona 85014
Nature: Oral Proceeding

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 rule:

None

13. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 1. BOARD OF ACCOUNTANCY

ARTICLE 2. CPA EXAMINATION

Section
R4-1-226. Applications; Examination

ARTICLE 3. CERTIFICATION AND REGISTRATION

Section
R4-1-345. Registration; Fees, Certificate Renewal

ARTICLE 2. CPA EXAMINATION

R4-1-226. Applications; Examination

- A. No Change.
- B. No Change.
- C. Application fees: Each applicant shall pay an examination fee pursuant to A.R.S. § 32-729 in the following amount:
 - 1. Initial applicants: For an initial examination where the applicant has not previously filed an application in Arizona for the examination, ~~\$225~~ 300.

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2. Retake noncondition applicants: For an examination where the retake applicant has no condition, ~~\$225~~ 300. (See also R4-1-230)
 3. Retake condition applicants: For an examination where the retake applicant has a condition from this state, ~~\$75~~ 100 for each section of the examination which has not been successfully completed. (See also R4-1-229)
 4. Out-of-state candidates: All candidates applying through a state other than Arizona, but sitting for the examination in Arizona, shall pay the applicable fee set forth in subsections (C)(1), (2), or (3).
 5. Refunds:
 - a. The Board shall refund 1/2 of the examination fee if a written notice of withdrawal is received in the Board office no later than 5:00 p.m. on the last day for filing.
 - b. The Board may refund 1/2 of the examination fee to an applicant who makes a written request in which good cause is shown. Good cause includes permanent or partial disability, illness or other physical or mental condition, military service, or financial hardship which prevented the applicant from appearing for the examination.
 - c. Except as provided in subsection (C)(5)(b), the full fee is forfeited by an applicant who withdraws after the final date for filing applications or who fails to appear for the examination.
- D. No Change.
E. No Change.

ARTICLE 3. CERTIFICATION AND REGISTRATION

R4-1-345. Registration; Fees; Certificate Renewal

- A. No Change.
- B. No Change.
 1. No Change.
 - a. No Change.
 - b. No Change.
 2. No Change.
 - a. No Change.
 - b. No change.
- C. Registration fees for individuals: The biennial registration fee for each certified public accountant and each public accountant is ~~\$200~~ 300 per registration period. The registration fee shall be prorated by month for initial registration periods of less than 2 years.
- D. Registration fees for firms: The biennial registration for each certified public accountant or public accountant firm is ~~\$200~~ 300 per registration period.
- E. The penalty for failure to register and pay a registration fee as provided in this Section is suspension of the registrant's registration. The Board shall vacate a suspension under this Section when the registrant has paid all past due registration fees, a \$25 late fee and \$25 for each full year the registrant has failed to register, total payment not to exceed ~~\$350~~ 950. If a suspension under this subsection continues for more than 6 months, an individual shall return the registration certificate to the Board. If a suspension under this subsection continues for more than 12 months, an individual's certificate shall be deemed expired pursuant to A.R.S. § 32-741(C).
- F. No Change.

NOTICE OF PROPOSED RULEMAKING

TITLE 10. LAW

CHAPTER 4. ARIZONA CRIMINAL JUSTICE COMMISSION

PREAMBLE

<u>1. Sections Affected</u>	<u>Rulemaking Action</u>
R10-4-201	Repeal
R10-4-201	Renumber
R10-4-201	Amend
R10-4-202	Repeal
R10-4-202	Renumber
R10-4-202	Amend
R10-4-203	Renumber
R10-4-203	Amend
R10-4-204	Renumber

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R10-4-204	Amend
R10-4-205	Renumber
R10-4-205	Amend
R10-4-206	Renumber
R10-4-206	Amend
R10-4-207	Repeal

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

Authorizing statutes: A.R.S. §§ 41-2405.A 8 and 41-2402

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

Name: Karen L. Ziegler
Address: 3737 North 7th Street, Suite 260
Phoenix, Arizona 85014
Telephone: (602) 230-0252
Fax: (602) 728-0752

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

The purpose of the article is to establish the guidelines to be used to govern the Crime Victim Assistance Program. Without the establishment of rules governing the administration of the program, the funds cannot be made available, awarded, or properly administered.

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

The promulgation of this rule will not diminish a previous grant of authority of a political subdivision of this state.

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

There will not be any significant economic impact as a result of the amendments to the proposed rules.

Costs/Benefits to implementing agency: The Arizona Criminal Justice Commission will experience no increase in its supplies and services budget. The personnel budget will not be increased. The management of the funds will be continue to be accomplished through the use of existing staff. No increase in administrative overhead is anticipated.

Costs/benefits to other agencies directly affected by the amendments: Other state agencies will not be adversely effected by the amendments to the rules governing distribution of funds. The amendments serve only to bring the amended rules into conformance with the language of the Secretary of State's Office and delete reference to the sub-rogation agreement that is now in statute. The State Treasury Department would have no cost increases as a result of the amended rules. The department already receives and administers the account into which these funds are deposited.

Costs/benefits to political subdivisions: All Arizona criminal justice agencies and non profit organizations providing victim services potentially benefit from the distribution of Crime Victim Assistance funds. This funding provides support to these agencies and organizations to provide direct needed services to victims of crime.

There are no significant costs associated with the distribution of funds to these agencies.

Costs/benefits to business: There are no significant costs to private industry. The Crime Victim Assistance Program provides funding to private non-profit organizations throughout Arizona to hire personnel and cover operating costs to administer effective assistance programs to crime victims. These funds provide a proportionate stimulant to the economy of recipient communities through added jobs that may otherwise not be available.

7. 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: Karen L. Ziegler
Address: 3737 North 7th Street, Suite 260
Phoenix, Arizona 85014
Telephone: (602) 230-0252
Fax: (602) 728-0752

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8. The time, place, and nature of the proceedings for the adoption, 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 Arizona Criminal Justice Commission will schedule a public hearing if it receives written requests for a public hearing from 5 or more persons.

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

None

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

None

11. Full text of the rules follows:

TITLE 10. LAW

CHAPTER 4. ARIZONA CRIMINAL JUSTICE COMMISSION

ARTICLE 2. CRIME VICTIM ASSISTANCE PROGRAM

R10-4-201. Short Title Repealed

The provisions of these rules shall be known and cited as the "Arizona Crime Victim Assistance Program".

R10-4-202. Purpose Repealed

The Commission, in recognition of the civic and moral duty of victims of crime to cooperate fully with law enforcement and prosecutorial agencies, and in further recognition of the continuing importance of such citizens' cooperation to state and local law enforcement efforts and the general effectiveness of the criminal justice system to this state, to ensure that victims of crime are treated with dignity, respect, courtesy and sensitivity in all their dealings with the criminal justice system, shall allocate the public resources available to establish, maintain and support qualified programs that assist victims of crime.

R10-4-201, R10-4-203. Definitions

In these rules:

1. "Commission" means the Arizona Criminal Justice Commission, as established by A.R.S. § 41-2404.
2. "Crime" means conduct, ~~whether~~ completed or preparatory, committed in this state, ~~that which if engaged in by an accountable person, would constitute~~ constitute a crime as defined by the laws of this state whether or not the ~~perpetrator of person committing~~ the act is convicted, "Crime"; "crime" is not an act arising out of the ownership, maintenance or operation use of a motor vehicle, aircraft, or water vehicle except when a person acts intentionally, knowingly, recklessly, or with criminal negligence, to cause physical injury, threat of physical injury, or death.
3. "Financial support from other sources" means that at least ~~not less than~~ 1/4 of the ~~applicant's program~~ program's budget (including in-kind contributions) for the fiscal year that funds ~~re being applied for~~ is from sources other than the Fund, ~~including in-kind contributions.~~
4. "Fund" means the Arizona Crime Victim Compensation and Assistance Fund.
5. "Immediate family" means ~~the victim's spouse spouses, child children, stepchild, parent parents, stepparent, sibling siblings, stepbrother, stepsister, grandparent grandparents, grandchild grandchildren, or guardian, and guardians of the victim.~~
6. "In-kind contribution" means the value of something received or provided that does not have a cost associated with it.
7. "Qualified program" means ~~is a victim assistance program, approved by or affiliated with a prosecuting attorney's office or other law enforcement agency, that which~~ meets the requirements of ~~R10-4-203 R10-4-205, of these rules.~~
8. "Subrogation" means the substitution of the state, and the qualified program to the extent that ~~a the~~ qualified program used financial support from other sources, in the place of the victim to enforce a lawful claim against a 3rd party to recover the cost of the services provided.
9. "Substantial financial support from other sources" means ~~at least 1/2 that an amount at least equal to~~ the financial support ~~given to the qualified program is from sources other than the Fund, by the Commission for the fiscal year that funds are being applied for.~~
10. "Victim" means ~~a any~~ natural person against whom ~~a any~~ crime is perpetrated, ~~and For the purposes of the Crime Victim Assistance Program "victim" includes the immediate family, of the natural person.~~

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R10-4-202, R10-4-204: Administration of the Fund

- A. The Commission shall deposit all funds received ~~under~~ pursuant to A.R.S. Title 31, Chapter 3, Article 4, §§ 31-466(A) and 31-411(F) and any ~~other funds~~ federal monies received for victim assistance in the Crime Victim Assistance Fund.
- B. An application for ~~funds designation and funding by the Commission as a qualified program~~ shall be on a form ~~provided furnished~~ by the Commission and ~~the application shall include~~ be written and show:
1. The amount of ~~funds~~ Fund monies requested;
 2. A detailed ~~description~~ account of how the ~~funds~~ monies will be spent;
 3. ~~Certification that~~ How the program ~~intends to and~~ will comply with ~~R10-4-203~~ R10-4-205; and
 4. ~~If Whether~~ the program ~~will~~ intends to charge for its services and if so how much ~~the charges are for each service.~~
 5. ~~If the applicant is a private nonprofit organization, the applicant shall include:~~
 - a. ~~Evidence of nonprofit status;~~
 - b. ~~Approval letter from a prosecuting attorney's office or law enforcement agency.~~
- C. ~~A qualified program may receive a portion of the Fund based on an annual policy established by the~~ The Commission shall establish a policy that ~~which~~ promotes statewide distribution and the effective and efficient use of the ~~funds~~ monies.
- D. ~~If Should~~ any ~~funds~~ money received from the Commission remain unexpended by ~~in~~ a qualified program at the end of the contract period ~~fiscal year, the funds such money shall be returned to the Commission within 45 days after the end of the contract and redeposited in the Fund for use by the Commission in the next fiscal year.~~

R10-4-203. Renumbered

R10-4-203, R10-4-205: Program Requirements

- A. A ~~qualified~~ victim assistance program ~~may~~ is qualified to receive ~~funds~~ funding from the Commission if ~~the program~~ following requirements are met:
1. ~~Does~~ The program does not use Commission funds or federal funds to supplant ~~these~~ funds otherwise available to the program for victim assistance;
 2. ~~Is~~ The program is operated by a public agency or private nonprofit organization, or a combination of ~~public agency and private non profit organization thereof, and that~~ provides services to victims;
 3. ~~If it is an existing program, the program has a record of providing effective services to victims of crime and receiving substantial financial support from sources other than the Fund. In determining whether such services have been effective, the Commission shall consider how long the program has been in operation, and whether an analysis of its activities shows that it achieves its intended results in a cost effective manner;~~
 4. ~~If it is a new program, the program demonstrates that there is a specific need for services to victims, that such need is not currently being met, and that it has financial support from sources other than the Fund.~~
 - 3.5. ~~Uses~~ The program utilizes volunteers to the extent that such program volunteers contribute to the ~~effectively~~ effective and ~~efficiently~~ efficient ~~provide~~ provision of ~~victim~~ services to victims;
 - 4.6. ~~Promotes~~ The program promotes, within the community served, coordinated public and private efforts to ~~assist~~ aid victims;
 - 5.7. ~~Assists~~ The program assists victims of crime in seeking available victim compensation benefits;
 - 6.8. ~~Complies~~ The program complies with all applicable civil rights ~~laws~~ requirements;
 - 7.9. ~~Submits~~ The program files a quarterly ~~financial reports~~ report to ~~with~~ the Commission on a form provided by the Commission. ~~The~~ Such report shall contain ~~the following: a financial report detailing Crime Victim Assistance fund monies received and required matching fund expenditures on a form supplied by the Commission;~~
 - a. ~~Detail expenditure of funds received by the Commission and;~~
 - b. ~~Detail expenditure of required matching funds;~~
 - 8.10. ~~Submits~~ A program shall file an annual report to ~~with~~ the Commission on a form provided by the Commission. ~~The~~ Such report shall contain the following: ~~information concerning expenditures of Crime Victim Assistance funds and all other program funds;~~
 - a. ~~Number~~ The number of victims served by ~~type of crime~~ during the reporting period, a list of services provided, and the number of times each service was provided;
 - b. ~~Type of services provided;~~
 - c. ~~Number of times each service was provided;~~
 - d.b ~~Ethnic~~ The ethnic background, age, and sex of each victim served;
 - e. ~~Number and type of assistance provided to victims in obtaining victim compensation; and~~
 - e. Staff information: the number of hours provided by professionals, paraprofessionals, clerical workers, volunteers, and interns; and
 - f.d. A brief narrative assessment of ~~the impact of Commission funds on the program; victim's reactions to services provided, including illustrative case histories;~~
 11. The program shall provide such other information and assurances related to the purpose of this rule as the Commission may reasonably require to satisfy state and federal requirements.

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B. An existing program shall:

1. Have substantial financial support from sources other than the Fund; and
2. Have a history of providing effective services to crime victims. The Commission shall determine if the services are effective based on the following:
 - a. The length of operation; and
 - b. An assessment of the program's services that shows the results are achieved in a cost effective manner.

C. A new programs shall:

1. Have financial support from sources other than the Fund.
2. Demonstrate a specific need for victim services that is currently not being met.

R10-4-204. Renumbered

R10-4-204, R10-4-206: Services

A. Funding may be provided to qualified programs for any of the following ~~kinds of services:~~

1. Crisis intervention services for that meet the urgent emotional or physical needs of victims, which may include a 24-hour hotline for providing around the clock counseling or referrals for ~~crime~~ victims.
2. Emergency services including ~~that:~~
 - a. Temporary Provide temporary shelter for victims who cannot safely remain in their current lodgings;
 - b. Petty ~~Provide petty~~ cash for ~~meeting~~ immediate needs related to transportation, food, shelter, and other necessities; or
 - c. Temporary Offer such measures as the temporary repair of locks and windows damaged as a result of a crime, to prevent the immediate reburglarization of a home or apartment.
3. Support services, including:
 - a. Follow-up counseling dealing with ~~for resolving practical problems created by~~ the victimization experience;
 - b. Assistance Acting on the victim's behalf dealing with other social services and criminal justice agencies;
 - c. Assistance in obtaining the return of property being kept as evidence, as soon as practicable;
 - d. Assistance Acting on the victim's behalf in dealing with the victim's landlord landlords or employer employers; and
 - e. Referral to other sources of assistance as needed.
4. Court-related services, including:
 - a. Direct services or petty cash ~~payments that help assist~~ victims participate in participating in criminal justice proceedings, including transportation to court, child care, meals, and parking expenses;
 - b. Advocate services including escorting victims to criminal justice-related interviews, or court Court proceedings, and assistance in accessing temporary protection services;
5. Notification services, including:
 - a. Notification to the victim of significant developments in the investigation or and adjudication of the case; ~~that facilitates victim input and cooperation.~~
 - b. Notification that a court proceeding, to in which the ~~such~~ victim has been subpoenaed, has been canceled or rescheduled ~~will not go on as schedule, in order to save the victim an unnecessary trip to court,~~ and
 - c. Notification of the final disposition of the case.
6. Training for ~~those persons,~~ salaried or volunteer staff of criminal justice, social services, mental health or related agencies, who provide direct services and/or advocate services to victims, ~~which may include personnel employed by criminal justice, social services, mental health, or related agencies.~~
7. Printing and distribution of brochures or and similar announcements describing the direct services available, and how to obtain program a program's assistance, and volunteer opportunities. ~~similar public notification efforts intended to recruit volunteers.~~

B. The qualified program shall not use Crime Victim Assistance funds Fund monies for the following ~~activities:~~

1. Crime prevention efforts, other than those aimed at providing specific emergency help after a victimization ~~incident;~~
2. General public relations programs;
3. Advocacy for particular legislative or administrative reforms;
4. General criminal justice agency improvements;
5. Programs in which where victims are not the primary beneficiaries; ~~or~~
6. Management training and training for persons who do not provide direct services to victims; or
7. Victim Compensation as provided under pursuant to R10-4-101 et seq.

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R10-4-205. Renumbered

R10-4-206. Renumbered

~~R10-4-207. Subrogation Agreement Repealed~~

- ~~**A.** As a condition to receipt of victim assistance exceeding \$100 in direct financial aid, the victim shall sign a subrogation agreement. The subrogation agreement which provides that the state and the qualified program, to the extent that the qualified program used financial support from other sources, are entitled to the victim's rights to receive or recover benefits for which a service was provided, except when services are provided directly by the qualified program, provided that neither the state nor the qualified program shall be entitled to receive benefits in excess of the benefits provided to the victim by the state or the qualified program. The victim may still sue the offender for any damages or injuries caused by the offender's criminally injurious conduct for which services were not provided. The victim may also join with the Attorney General, or the qualified program, or both as co plaintiff in any action against the offender.~~
- ~~**B.** A subrogation agreement shall also be required if payment from the Fund is to be made to the provider of the services. The state and qualified program are subrogated to all of the payee's rights to receive or recover benefits or advantages for services which were provided.~~
- ~~**C.** The agreement shall provide that the state shall have first right of subrogation in any matters arising under this Section. All monies that are collected by the state, pursuant to this right of subrogation as provided in this Section, shall be deposited in the Fund.~~

NOTICE OF PROPOSED RULEMAKING

**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS;
SECURITIES REGULATION**

CHAPTER 2. CORPORATION COMMISSION – FIXED UTILITIES

PREAMBLE

1. Sections Affected

R14-2-1601
R14-2-1618

Rulemaking Action

Amend
New Section

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

Authorizing statutes: A.R.S. §§ 40-202, 40-203, 40-321, 40-441, and 40-442 et seq.

Constitutional authority: Arizona Constitution, Article XV

Implementing statute: Not applicable

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

Notice of Rulemaking Docket Opening: 6 A.A.R. 2680, July 14, 2000

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

Name: Janice A. Alward, Attorney

Address: Arizona Corporation Commission
 1200 West Washington Street
 Phoenix, Arizona 85007

Telephone: (602) 542-3402

Fax: (602) 542-4870

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

On April 8, 1999, Commissioner Kunasek filed a proposed new rule "Solar and Environmentally – Friendly Portfolio Standard" to replace the former Solar Portfolio rule. The proposed rule expanded the portfolio standard to include technologies other than solar electricity generation and in order to produce any significant results, a combination of a mandatory portfolio combined with existing voluntary efforts was required.

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6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the study and other supporting material:

The Commission Staff presented two studies at the hearing in this matter. These items are both available at Docket Control, Arizona Corporation Commission, 1200 West Washington, Phoenix, AZ 85007.

Direct Testimony of Thomas E. Hoff, Clean Power Research, July 30, 1999, filed at the Arizona Corporation Commission, (Docket # E-00000A-99-0205), Schedule THE-2.

Direct Testimony of Marshall R. Goldberg, MRG & Associates, July 30, 1999, filed at the Arizona Corporation Commission, (Docket # E-00000A-99-0205), Exhibit MRG-2.

All data, analysis and supporting materials pertaining to these studies are contained in the file with the studies.

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:

The rule does not diminish any previous grant of authority of a political subdivision.

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

The public at large would benefit from an environmental portfolio standard that encourages a larger portion of the electricity sold in Arizona to be produced from environmentally friendly sources. Producing electricity from environmentally friendly sources has fewer adverse impacts on air, land, and water than producing electricity from conventional sources.

The cost to consumers of electric service would be \$0.000875 per kilowatt-hour of retail electricity purchased by the consumer with caps of \$0.35 per month for residential customers, \$13.00 per meter per month for nonresidential consumers whose demand is less than 3,000 kilowatts per month, and \$39.00 per meter per month for nonresidential consumers whose demand is 3,000 kilowatts or more per month.

Manufacturers and installers of environmentally friendly electric power plants in Arizona would benefit because the proposed rule provides incentives (extra credit multipliers) for environmentally friendly power plants installed or manufactured in Arizona. Employees of those firms would be expected to have increased job opportunities. Manufacturers and distributors of solar water heaters would benefit because load-serving entities could meet a portion of their portfolio requirement through the installation of solar water heating and solar air conditioning systems. Employees of those firms would be expected to have increased job opportunities.

Public entities, such as schools, cities, counties, or state agencies, may benefit from the establishment of the Solar Electric Fund, because the fund would be used to purchase solar electric generators or solar electricity for those entities. Adoption of the proposed permanent rule and rule amendments would increase the portion of electricity sold in Arizona that is produced from environmentally friendly sources.

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: Ray T. Williamson, Chief, Economics & Research

Address: Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Telephone: (602) 542-0828

Fax: (602) 364-2270

10. The time, place, and nature of the proceedings for the adoption, 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:

Date: November 9, 2000

Time: 10:00 a.m.

Location: Commission Hearing Room
1200 West Washington Street
Phoenix, Arizona 85007

Nature: Public Comment Hearing

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

The proposed rule includes a maximum surcharge for all electric consumers to support environmentally friendly resources through 2012. The Commission has the constitutional and statutory authority to set just and reasonable rates in a competitive environment. The Commission determined that the proposed rule is just and reasonable and in the best interest of the public.

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

None

13. The full text of the rules follows:

**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS;
SECURITIES REGULATION**

CHAPTER 2. CORPORATION COMMISSION – FIXED UTILITIES

ARTICLE 16. RETAIL ELECTRIC COMPETITION

Sections

R4-2-1601. Definitions

R4-2-1618. Environmental Portfolio Standard

ARTICLE 16. RETAIL ELECTRIC COMPETITION

R14-2-1601. Definitions

1. No change.
2. No change.
3. No change.
4. No change.
5. No change.
6. No change.
7. No change.
8. No change.
9. No change.
10. No change.
11. No change.
12. No change.
13. No change.
14. No change.
15. No change.
16. No change.
17. No change.
18. No change.
19. “Green Pricing” means a program offered by an Electric Service Provider where customers elect to pay a rate premium for ~~electricity generated by renewable sources~~ renewable-generated electricity.
20. No change.
21. No change.
22. No change.
23. No change.
24. No change.
25. No change.
26. No change.
27. No change.
28. No change.
29. “Net Metering” or “Net Billing” is a method by which customers can use electricity from customer-sited solar electric generators to offset electricity purchased from an Electric Service Provider. The customer only pays for the “Net” electricity purchased.

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- 29.30. “Noncompetitive Services” means Distribution Service, Standard Offer Service, transmission, and any ancillary services deemed to be non-competitive by the Federal Energy Regulatory Commission, Must-Run Generating Units services, provision of customer demand and energy data by an Affected Utility or Utility Distribution Company to Electric Service Providers, and those aspects of Metering Service set forth in R14-2-1612(K).
- 30.31. “OASIS” is Open Access Same-Time Information System, which is an electronic bulletin board where transmission-related information is posted for all interested parties to access via the Internet to enable parties to engage in transmission transactions.
- 31.32. “Operating Reserve” means the generation capability above firm system demand used to provide for regulation, load forecasting error, equipment forced and scheduled outages, and local area protection to provide system reliability.
- 32.33. “Potential Transformer (PT)/Voltage Transformer (VT)” is an electrical device used to step down primary voltages to 120V for metering purposes.
- 33.34. “Provider of Last Resort” means a provider of Standard Offer Service to customers within the provider’s certified area whose annual usage is 100,000 kWh or less and who are not buying Competitive Services.
- 34.35. “Public Power Entity” incorporated by reference the definition set forth in A.R.S. § 30-801.16.
- 35.36. “Retail Electric Customer” means the person or entity in whose name service is rendered.
- 36.37. “Scheduling Coordinator” means an entity that provides schedules for power transactions over transmission or distribution systems to the party responsible for the operation and control of the transmission grid, such as a Control Area Operator, Arizona Independent Scheduling Administrator, or Independent System Operator.
- 37.38. “Self-Aggregation” is the action of a retail electric customer that combines its own metered loads into a single purchase block.
39. “Solar Electric Fund” is the funding mechanism established by this Article through which deficiency payments are collected and solar energy projects are funded in accordance with this Article.
- 38.40. “Standard Offer Service” means Bundled Service offered by the Affected Utility or Utility Distribution Company to all consumers in the Affected Utility’s or Utility Distribution Company’s service territory at regulated rates including metering, meter reading, billing and collection services, demand side management services including but not limited to time-of-use, and consumer information services. All components of Standard Offer Service shall be deemed non-competitive as long as those components are provided in a bundled transaction pursuant to R14-2-1606(A).
- 39.41. “Stranded Cost” includes:
- a. The verifiable net difference between:
 - i. The net original cost of all the prudent jurisdictional assets and obligations necessary to furnish electricity (such as generating plans, purchased power contracts, fuel contracts, and regulatory assets), acquired or entered into prior to December 26, 1996, under traditional regulation of Affected Utilities; and
 - ii. The market value of those assets and obligations directly attributable to the introduction of competition under this Article;
 - b. Reasonable costs necessarily incurred by an Affected Utility to effectuate divestiture of its generation assets;
 - c. Reasonable employee severance and retraining costs necessitated by electric competition, where not otherwise provided; and
 - d. Other transition and restructuring costs as approved by the Commission as part of the Affected Utility’s Stranded Cost determination pursuant to R14-2-1607.
- 40.42. “System Benefits” means Commission-approved utility low income, demand side management, Consumer Education, environmental, renewables, long-term public benefit research and development, and nuclear fuel disposal and nuclear power plant decommissioning programs, and other programs that may be approved by the Commission from time to time.
- 41.43. “Transmission Primary Voltage” is voltage above 25 kV as it relates to metering transformers.
- 42.44. “Transmission Service” refers to the transmission of electricity to retail electric customers or to electric distribution facilities and that is so classified by the Federal Energy Regulatory Commission or, to the extent permitted by law, so classified by the Arizona Corporation Commission.
- 43.45. “Unbundled Service” means electric service elements provided and priced separately, including, but not limited to, such service elements as generation, transmission, distribution, Must Run Generation, metering meter reading, billing and collection, and ancillary services. Unbundled Service may be sold to consumers or to other Electric Service Providers.
- 44.46. “Universal Node Identifier” is a unique, permanent, identification number assigned to each service delivery point.
- 45.47. “Utility Distribution Company” (UDC) means the electric utility entity regulated by the Commission that operates, constructs, and maintains the distribution system for the delivery of power to the end user point of delivery on the distribution system.
- 46.48. “Utility Industry Group” (UIG) refers to a utility industry association that establishes national standards for data formats.

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R14-2-1618. Environmental Portfolio Standard

A. Starting on January 1, 2001, any Electric Service Provider selling electricity or aggregating customers for the purpose of selling electricity under the provisions of this Article must derive at least .2% of the total retail energy sold from new solar resources or environmentally-friendly renewable electricity technologies, whether that energy is purchased or generated by the seller. Solar resources include photovoltaic resources and solar thermal resources that generate electricity. New solar resources and environmentally-friendly renewable electricity technologies are those installed on or after January 1, 1997.

1. Competitive ESPs, that are not UDCs, are exempt from portfolio requirements until 2004, but could voluntarily elect to participate. ESPs choosing to participate would receive a pro rata share of funds collected for portfolio purposes to acquire eligible portfolio systems or electricity generated from such systems.
2. Utility Distribution Companies would recover part of the costs of the portfolio standard through current System Benefits Charges, if they exist, including a re-allocation of demand side management funding to portfolio uses. Additional portfolio standard costs will be recovered by a customer Environmental Portfolio Surcharge on the customers' monthly bill. The Environmental Portfolio Surcharge shall be \$.000875 per kWh of retail electricity purchased by the customer. There shall be a surcharge cap of \$.35 per month for residential customers. There shall be a surcharge cap of \$13 per month per meter or per service if no meter is used for all non-residential customers, except for those non-residential customers whose meter's registered demand is 3000 kW or more for 3 consecutive months, who will be subject to a surcharge cap of \$39.00 per month per meter.
3. Customer bills shall reflect a line item entitled "Environmental Portfolio Surcharge, mandated by the Corporation Commission."
4. Utility Distribution Companies or ESPs that do not currently have a renewables program may request a waiver or modification of this Section due to extreme circumstances that may exist.

B. The portfolio percentage shall increase after December 31, 2000.

1. Starting January 1, 2001, the portfolio percentage shall increase annually and shall be set according to the following schedule:

<u>YEAR</u>	<u>PORTFOLIO PERCENTAGE</u>
<u>2001</u>	<u>.2%</u>
<u>2002</u>	<u>.4%</u>
<u>2003</u>	<u>.6%</u>
<u>2004</u>	<u>.8%</u>
<u>2005</u>	<u>1.0%</u>
<u>2006</u>	<u>1.05%</u>
<u>2007-2012</u>	<u>1.1%</u>

2. The Commission would continue the annual increase in the portfolio percentage after December 31, 2004, only if the cost of environmental portfolio electricity has declined to a Commission-approved cost/benefit point. The Director, Utilities Division shall establish, not later than January 1, 2003, an Environmental Portfolio Cost Evaluation Working Group to make recommendations to the Commission of an acceptable portfolio electricity cost/benefit point or portfolio kWh cost impact maximum that the Commission could use as a criteria for the decision to continue the increase in the portfolio percentage. The recommendations of the Working Group shall be presented to the Commission not later than December 31, 2003. In no event, however, shall the Commission increase the surcharge caps as delineated in R14-2-1618.A.2 above.

3. The requirements for the phase-in of various technologies shall be:

- a. In 2001, the Portfolio kWh makeup shall be at least 50% solar electric, and no more than 50% other environmentally-friendly renewable electricity technologies or solar hot water or R&D on solar electric resources, but with no more than 10% on R&D.
- b. In 2002, the Portfolio kWh makeup shall be at least 50% solar electric, and no more than 50% other environmentally-friendly renewable electricity technologies or solar hot water or R&D on solar electric resources, but with no more than 5% on R&D.
- c. In 2003, the Portfolio kWh makeup shall be at least 50% solar electric, and no more than 50% other environmentally-friendly renewable electricity technologies or solar hot water or R&D on solar electric resources, but with no more than 5% on R&D.
- d. In 2004, through 2012, the portfolio kWh makeup shall be at least 60% solar electric with no more than 40% solar hot water or other environmentally-friendly renewable electricity technologies.

C. The portfolio requirement shall apply to all retail electricity in the years 2001 and thereafter.

D. Electric Service Providers shall be eligible for a number of extra credit multipliers that may be used to meet the portfolio standard requirements:

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1. Early Installation Extra Credit Multiplier: For new solar electric systems installed and operating prior to December 31, 2003. Electric Service Providers would qualify for multiple extra credits for kWh produced for 5 years following operational start-up of the solar electric system. The 5-year extra credit would vary depending upon the year in which the system started up, as follows:

<u>YEAR</u>	<u>EXTRA CREDIT MULTIPLIER</u>
<u>1997</u>	<u>.5</u>
<u>1998</u>	<u>.5</u>
<u>1999</u>	<u>.5</u>
<u>2000</u>	<u>.4</u>
<u>2001</u>	<u>.3</u>
<u>2002</u>	<u>.2</u>
<u>2003</u>	<u>.1</u>

The Early Installation Extra Credit Multiplier would end in 2003.

2. Solar Economic Development Extra Credit Multipliers: There are 2 equal parts to this multiplier, an in-state installation credit and an in-state content multiplier.
- a. In-State Power Plant Installation Extra Credit Multiplier: Solar electric power plants installed in Arizona shall receive a .5 extra credit multiplier.
- b. In-State Manufacturing and Installation Content Extra Credit Multiplier: Solar electric power plants shall receive up to a .5 extra credit multiplier related to the manufacturing and installation content that comes from Arizona. The percentage of Arizona content of the total installed plant cost shall be multiplied by .5 to determine the appropriate extra credit multiplier. So, for instance, if a solar installation included 80% Arizona content, the resulting extra credit multiplier would be .4 (which is .8 X .5).
3. Distributed Solar Electric Generator and Solar Incentive Program Extra Credit Multiplier: Any distributed solar electric generator that meets more than 1 of the eligibility conditions will be limited to only one .5 extra credit multiplier from this subsection. Appropriate meters will be attached to each solar electric generator and read at least once annually to verify solar performance.
- a. Solar electric generators installed at or on the customer premises in Arizona. Eligible customer premises locations will include both grid-connected and remote, non-grid-connected locations. In order for Electric Service Providers to claim an extra credit multiplier, the Electric Service Provider must have contributed at least 10% of the total installed cost or have financed at least 80% of the total installed cost.
- b. Solar electric generators located in Arizona that are included in any Electric Service Provider's Green Pricing program.
- c. Solar electric generators located in Arizona that are included in any Electric Service Provider's Net Metering or Net Billing program.
- d. Solar electric generators located in Arizona that are included in any Electric Service Provider's solar leasing program.
- e. All Green Pricing, Net Metering, Net Billing, and Solar Leasing programs must have been reviewed and approved by the Director, Utilities Division in order for the Electric Service Provider to accrue extra credit multipliers from this subsection.
4. All multipliers are additive, allowing a maximum combined extra credit multiplier of 2.0 in years 1997-2003, for equipment installed and manufactured in Arizona and either installed at customer premises or participating in approved solar incentive programs. So, if an Electric Service Provider qualifies for a 2.0 extra credit multiplier and it produces 1 solar kWh, the Electric Service Provider would get credit for 3 solar kWh (1 produced plus 2 extra credit).
- E.** Electric Service Providers selling electricity under the provisions of this Article shall provide reports on sales and solar power as required in this Article, clearly demonstrating the output of solar resources, the installation date of solar resources, and the transmission of energy from those solar resources to Arizona consumers. The Commission may conduct necessary monitoring to ensure the accuracy of these data.
- F.** If an Electric Service Provider selling electricity under the provisions of this Article fails to meet the requirements of this rule as modified by the Commission after consideration of the recommendations of the Environmental Portfolio Cost Evaluation Working Group, the Commission shall impose a penalty, beginning January 1, 2004, on that Electric Service Provider that the Electric Service Provider pay an amount equal to 30¢ per kWh to the Solar Electric Fund for deficiencies in the provision of solar electricity. This penalty, which is in lieu of any other monetary penalty which may be imposed by the Commission, may not be imposed for any calendar year prior to 2004. This Solar Electric Fund will be established and utilized to purchase solar electric generators or solar electricity in the following calendar year for the use by public entities in Arizona such as schools, cities, counties, or state agencies. Title to any equipment purchased by the Solar Electric Fund

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will be transferred to the public entity. In addition, if the provision of solar energy is consistently deficient, the Commission may void an Electric Service Provider's contracts negotiated under this Article.

1. The Director, Utilities Division shall establish a Solar Electric Fund in 2004 to receive deficiency payments and finance solar electricity projects.
 2. The Director, Utilities Division shall select an independent administrator for the selection of projects to be financed by the Solar Electric Fund. A portion of the Solar Electric Fund shall be used for administration of the Fund and a designated portion of the Fund will be set aside for ongoing operation and maintenance of projects financed by the Fund.
- G.** Photovoltaic or solar thermal electric resources that are located on the consumer's premises shall count toward the solar portfolio standard applicable to the current Electric Service Provider serving that consumer.
- H.** Any solar electric generators installed by an Affected Utility to meet the solar portfolio standard shall be counted toward meeting renewable resource goals for Affected Utilities established in Decision No. 58643.
- I.** Any Electric Service Provider or independent solar electric generator that produces or purchases any solar kWh in excess of its annual portfolio requirements may save or bank those excess solar kWh for use or sale in future years. Any eligible solar kWh produced subject to this rule may be sold or traded to any Electric Service Provider that is subject to this rule. Appropriate documentation, subject to Commission review, shall be given to the purchasing entity and shall be referenced in the reports of the Electric Service Provider that is using the purchased kWh to meet its portfolio requirements.
- J.** Environmental Portfolio Standard requirements shall be calculated on an annual basis, based upon electricity sold during the calendar year.
- K.** An Electric Service Provider shall be entitled to receive a partial credit against the portfolio requirement if the Electric Service Provider or its affiliate owns or makes a significant investment in any solar electric manufacturing plant that is located in Arizona. The credit will be equal to the amount of the nameplate capacity of the solar electric generators produced in Arizona and sold in a calendar year times 2,190 hours (approximating a 25% capacity factor).
1. The credit against the portfolio requirement shall be limited to the following percentages of the total portfolio requirement:

<u>2001</u>	<u>Maximum of 50% of the portfolio requirement</u>
<u>2002</u>	<u>Maximum of 25% of the portfolio requirement</u>
<u>2003 and on</u>	<u>Maximum of 20% of the portfolio requirement</u>
 2. No extra credit multipliers will be allowed for this credit. In order to avoid double-counting of the same equipment, solar electric generators that are used by other Electric Service Providers to meet their Arizona portfolio requirements will not be allowable for credits under this Section for the manufacturer/Electric Service Provider to meet its portfolio requirements.
- L.** The Director, Utilities Division shall develop appropriate safety, durability, reliability, and performance standards necessary for solar generating equipment and environmentally-friendly renewable electricity technologies and to qualify for the portfolio standard. Standards requirements will apply only to facilities constructed or acquired after the standards are publicly issued.
- M.** An Electric Service Provider shall be entitled to meet up to 20% of the portfolio requirement with solar water heating systems or solar air conditioning systems purchased by the Electric Service Provider for use by its customers, or purchased by its customers and paid for by the Electric Service Provider through bill credits or other similar mechanisms. The solar water heaters must replace or supplement the use of electric water heaters for residential, commercial, or industrial water heating purposes. For the purposes of this rule, solar water heaters will be credited with 1 kWh of electricity produced for each 3,415 British Thermal Units of heat produced by the solar water heater and solar air conditioners shall be credited with kWhs equivalent to those needed to produce a comparable cooling load reduction. Solar water heating systems and solar air conditioning systems shall be eligible for Early Installation Extra Credit Multipliers as defined in R14-2-1618 D.1 and Solar Economic Development Extra Credit Multipliers as defined in R14-2-1618 D.2.b.
- N.** An Electric Service Provider shall be entitled to meet the portfolio requirement with electricity produced in Arizona by environmentally-friendly renewable electricity technologies that are defined as in-state landfill gas generators, wind generators, and biomass generators, consistent with the phase-in schedule in R14-2-1618 B.3. Systems using such technologies shall be eligible for Early Installation Extra Credit Multipliers as defined in R14-2-1618 D.1 and Solar Economic Development Extra Credit Multipliers as defined in R14-2-1618 D.2.b.

NOTICE OF PROPOSED RULEMAKING

**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS;
SECURITIES REGULATION**

CHAPTER 4. CORPORATION COMMISSION - SECURITIES

PREAMBLE

- 1. Sections Affected**

<u>Sections Affected</u>	<u>Rulemaking Action</u>
Article 2	New Article
R14-4-201	New Section
R14-4-202	New Section
R14-4-203	New Section
R14-4-204	New Section
R14-4-205	New Section
R14-4-206	New Section
R14-4-207	New Section
R14-4-208	New Section
R14-4-209	New Section

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

Authorizing statutes: A.R.S. §§ 44-1821, 44-1941, and 44-1945

Implementing statutes: A.R.S. §§ 44-1941 and 44-1945

Constitutional authority: Arizona Constitution Article XV § 4, 6, and 13

- 3. A list of all previous notices appearing in the Arizona Administrative Register.**

Notice of Rulemaking Docket Opening: 6 A.A.R. 1746, May 12, 2000

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

Name:	Sharleen A. Day, Associate General Counsel
Address:	Arizona Corporation Commission, Securities Division 1300 West Washington, Third Floor Phoenix, Arizona 85007-2996
Telephone:	(602) 542-4242
Fax:	(602) 594-7421

- 5. An explanation of the rules, including the agency's reasons for initiating the rules:**

The Arizona Corporation Commission (Commission) proposes to add new Sections R14-4-201 through R14-4-209 in order to: (i) provide for a limited registration for Canadian dealers and their salesmen; (ii) detail the requirements for the grant and maintenance of a limited registration; (iii) enumerate the registration and renewal requirements of the limited registration; (iv) provide guidance on the transfer of a salesman's limited registration; (v) detail the extent of the activity permitted in Arizona under a limited dealer and salesman registration; (vi) establish the reporting and disclosure requirements of the limited registration; and (vii) provide for the grounds for denial, revocation or suspension of the limited registration. A brief description of the Sections covered by this rulemaking follows:

R14-4-201. Limited Registration of Canadian Dealers and Salesmen: provides for a limited registration to dealers (i) domiciled in Canada; (ii) with no office or other physical presence in the United States, (iii) that are not an office of, branch of, or a natural person associated with a dealer domiciled in the United States. It also provides for a limited registration for a salesman representing dealers registered under Article.

R14-4-202. Requirements for Limited Dealer and Salesman Registration: requires that a dealer must, in order to qualify for and maintain a limited registration, (i) be a member of a Canadian SRO or stock exchange, and (ii) maintain in good standing provincial or territorial registration and membership in a Canadian SRO or stock exchange.

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It requires that a salesman must, in order to qualify for and maintain a limited registration (i) be registered in good standing in the jurisdiction from which the salesman is effecting transactions in Arizona, (ii) maintain his or her provincial or territorial registration in good standing, (iii) not have been convicted within ten years of the date of filing of the application under this Article of a felony or misdemeanor of which fraud is an essential element, or a felony or misdemeanor involving the purchase or sale of securities or arising out of the conduct of the business of the applicant as a dealer or salesman, and (iv) not currently be subject to an order, judgment, or decree of a competent administrative or judicial jurisdiction enjoining or restraining the salesman from engaging in or continuing any conduct or practice in connection with the sale or purchase of securities involving fraud, deceit, racketeering, or consumer protection laws.

R14-4-203. Dealer Application for Limited Registration; Filing Requirements: enumerates the specific filing requirements for a limited dealer registration.

R14-4-204. Salesman Application for Limited Registration; Filing Requirements: enumerates the specific filing requirements for a limited salesman registration.

R14-4-205. Transfer of Salesman Limited Registration; Duty of Dealer to Inform of Salesman Termination; Suspension of Salesman Limited Registration: details (i) how a salesman's limited registration may be transferred to any dealer registered under this Article, (ii) the duty of a dealer registered under this Article inform the Commission when a salesman is no longer employed with them, and (iii) that the limited registration of the salesman shall automatically be suspended from the time of termination of the salesman's employment until the salesman is again employed by a dealer registered under this Article and the Commission is so notified by the dealer.

R14-4-206. Permitted Dealer and Salesman Activity: prescribes the activity in which a dealer and salesman registered under this Article may engage. A dealer and salesman registered under this Article may sell or purchase or offer to sell or buy securities with or for (i) a natural person domiciled in Canada who is temporarily residing in Arizona and with whom the Canadian dealer had a bona fide dealer-client relationship before the person entered the United States, or (ii) a natural person who is residing in Arizona and whose transactions are in a self-directed tax advantaged retirement plan in Canada of which the person is the holder or contributor.

Transactions permitted under this rule may only be effected with or through (i) the issuers of the securities involved in the transactions, (ii) dealers registered under this Article or under A.R.S. Title 44, Chapter 12, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

R14-4-207. Reporting and Disclosure Requirements: requires dealers and salesmen to disclosure the nature of the limited registration in Arizona to clients, inform the Commission of any disciplinary action taken against the dealer or its salesmen, and requires the dealers and salesmen to provide the Commission with the books and records relating to its Arizona activity.

R14-4-208. Renewal of Dealer and Salesman Limited Registration: enumerates the specific requirements to renew a limited dealer or salesman registration.

R14-4-209. Denial, Revocation, and Suspension of Limited Registration: provides guidance on the extent to which the Securities Act and the rules promulgated under the act apply to a limited dealer and salesman registration. It also details the remedies available to the Commission for violations of the applicable provisions of the Securities Act and the rules promulgated under the act.

6. Reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the 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

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

The economic, small business, and consumer impact statement for Sections R14-4-201 through R14-4-209 (the "rules") analyzes the costs, savings, and benefits that accrue to the Commission, the office of the attorney general, the regulated public, and the general public. With the adoption of the proposed rules, the impact on established Commission procedures, Commission staff time, and other administrative costs is minimal. The estimated additional cost to the office of the attorney general is minimal. The benefits provided by the rules are nonquantifiable. The rules should benefit the Commission's relations with the regulated public because the grant of a limited registration will permit Canadian dealers and salesmen to manage and transact business in the accounts of their clients while those clients are in Arizona. The public will benefit from the continuation of certain standards for registered entities and persons and will benefit from the convenience of effecting transactions in their accounts while in Arizona. The Commission anticipates that the proposed rulemaking will not significantly increase monitoring, record keeping, or reporting burdens on businesses or persons. The costs of implementation or enforcement are only marginally increased.

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: Sharleen A. Day, Associate General Counsel
Address: Arizona Corporation Commission, Securities Division
1300 West Washington, Third Floor
Phoenix, Arizona 85007-2996
Telephone: (602) 542-4242
Fax: (602) 594-7421

10. The time, place, and nature of the proceedings for the adoption, 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:

Date: September 26, 2000
Time: 9:30 a.m.
Location: Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007
Nature: Oral proceeding. Subsequent to the oral proceeding, the Arizona Corporation Commission will take final action at an open meeting with respect to the making of the proposed rule.

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 rule follows:

**TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS;
SECURITIES REGULATION**

CHAPTER 4. CORPORATION COMMISSION - SECURITIES

ARTICLE 2. CANADIAN DEALERS AND SALESMEN

Sections

<u>R14-4-201.</u>	<u>Limited Registration of Canadian Dealers and Salesmen</u>
<u>R14-4-202.</u>	<u>Requirements for Limited Dealer and Salesman Registration</u>
<u>R14-4-203.</u>	<u>Dealer Application for Limited Registration; Filing Requirements</u>
<u>R14-4-204.</u>	<u>Salesman Application for Limited Registration; Filing Requirements</u>
<u>R14-4-205.</u>	<u>Transfer of Salesman Limited Registration; Duty of Dealer to Inform of Salesman Termination; Suspension of Salesman Limited Registration</u>
<u>R14-4-206.</u>	<u>Permitted Dealer and Salesman Activity</u>
<u>R14-4-207.</u>	<u>Reporting and Disclosure Requirements</u>
<u>R14-4-208.</u>	<u>Renewal of Dealer and Salesman Limited Registration</u>

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R14-4-209. Denial, Revocation, and Suspension of Limited Registration

ARTICLE 2. CANADIAN DEALERS AND SALESMEN

R14-4-201. Limited Registration of Canadian Dealers and Salesmen

- A.** A dealer that meets all of the following criteria may be granted a limited registration under this Article.
1. The dealer is domiciled in Canada.
 2. The dealer has no office or other physical presence in the United States.
 3. The dealer is not an office of, branch of, or a natural person associated with a dealer domiciled in the United States.
- B.** Salesmen representing dealers registered under this Article also may be granted a limited registration under this Article.

R14-4-202. Requirements for Limited Dealer and Salesman Registration

- A.** To register and maintain registration under this Article, a dealer shall:
1. Be a member of a Canadian SRO or stock exchange.
 2. Maintain in good standing provincial or territorial registration and membership in a Canadian SRO or stock exchange.
- B.** To register and maintain registration under this Article, a salesman shall:
1. Be registered in good standing in the jurisdiction from which the salesman is effecting transactions in Arizona.
 2. Maintain his or her provincial or territorial registration in good standing.
 3. Not have been convicted within 10 years of the date of filing of the application under this Article of a felony or misdemeanor of which fraud is an essential element, or a felony or misdemeanor involving the purchase or sale of securities or arising out of the conduct of the business of the applicant as a dealer or salesman.
 4. Not currently be subject to an order, judgment, or decree of a competent administrative or judicial jurisdiction enjoining or restraining the salesman from engaging in or continuing any conduct or practice in connection with the sale or purchase of securities involving fraud, deceit, racketeering, or consumer protection laws.

R14-4-203. Dealer Application for Limited Registration; Filing Requirements

- A.** Application for limited dealer registration may be made by any person that qualifies for limited registration under this Article. An application for limited registration shall be signed by the applicant and verified under oath.
- B.** An application for limited registration shall be filed with the Commission, and shall contain all of the following:
1. An application in the form required by the jurisdiction in which the dealer has its principal office.
 2. A consent to service of process.
 3. The fees required under A.R.S. § 44-1861(A)(1).
 4. Written evidence of the dealer's provincial or territorial registration.
 5. Written evidence that the dealer's membership in a Canadian SRO or stock exchange is in good standing.
- C.** A limited dealer registration granted under this Article shall be effective upon written notification by the Division.

R14-4-204. Salesman Application for Limited Registration; Filing Requirements

- A.** Application for limited salesman registration may be made by any individual representing a dealer registered or applying for registration under this Article. An application for limited registration shall be signed by the applicant and verified under oath.
- B.** An application for limited registration shall be filed with the Commission, and shall contain all of the following:
1. An application in the form required by the jurisdiction in which the dealer has its principal office.
 2. A consent to service of process.
 3. The fees required under A.R.S. § 44-1861(A)(2).
 4. Written evidence of the salesman's provincial or territorial registration.
- C.** A limited salesman registration granted under this Article shall be effective upon written notification by the Division.

R14-4-205. Transfer of Salesman Limited Registration; Duty of Dealer to Inform of Salesman Termination; Suspension of Salesman Limited Registration

- A.** A salesman may transfer the salesman's limited registration to any dealer registered under this Article by filing with the Commission the information and fees required for registration under this Article. Upon receipt of written notice of the transfer, the Commission will temporarily transfer any limited salesman registration for a period of 30 days pending receipt of the required fees and documentation.
- B.** A dealer registered under this Article must immediately inform the Commission of the termination of the employment of any associated salesman registered under this Article.
- C.** The limited registration of the salesman shall automatically be suspended from the time of termination of the salesman's employment until the salesman is again employed by a dealer registered under this Article and the Commission is so notified by the dealer.

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R14-4-206. Permitted Dealer and Salesman Activity

- A.** A dealer registered under this Article may sell or purchase or offer to sell or buy securities with or for any of the following:
1. A natural person domiciled in Canada who is temporarily residing in Arizona and with whom the Canadian dealer had a bona fide dealer-client relationship before the person entered the United States.
 2. A natural person who is residing in Arizona and whose transactions are in a self-directed tax advantaged retirement plan in Canada of which the person is the holder or contributor.
- B.** A salesman who is affiliated with a dealer registered under this Article and who is registered under this Article may effect transactions in securities in Arizona to the extent permitted the dealer.
- C.** A dealer or salesman registered under this Article may only effect transactions in Arizona as permitted under this Article with or through any of the following:
1. The issuers of the securities involved in the transactions.
 2. Dealers registered under this Article or under A.R.S. Title 44, Chapter 12.
 3. Banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

R14-4-207. Reporting and Disclosure Requirements

To maintain its limited registration under this Article, a dealer shall do all of the following:

1. Upon request, provide the Commission with its books and records relating to its business in Arizona as a dealer.
2. Immediately inform the Commission of any action taken against it or any of its salesmen registered under this Article by any competent jurisdiction.
3. Disclose to its clients in Arizona that the dealer and its salesmen have been granted only a limited registration and are not subject to the full regulatory requirements of A.R.S. Title 44, Chapter 12.

R14-4-208. Renewal of Dealer and Salesman Limited Registration

- A.** Application for renewal under this Article may be made by filing a copy of the most recent renewal application, if any, filed in the jurisdiction in which the dealer has its principal office. If no such renewal application is required by that jurisdiction, application for renewal may be made by filing an updated form of the application previously filed with the Commission under this Article.
- B.** Limited registrations under this Article expire on December 31, unless applications for renewal are received by the Commission prior to the end of business on December 31.
- C.** Fees required under A.R.S. § 44-1861 shall accompany the application for renewal.

R14-4-209. Denial, Revocation, and Suspension of Limited Registration

- A.** A Canadian dealer or salesman in compliance with this Article is exempt from A.R.S. Title 44, Chapter 12, Article 9, A.R.S. §§ 44-1961 and 44-1962, A.A.C. R14-4-109, R14-4-122, R14-4-129, R14-4-130, R14-4-131, and R14-4-132.
- B.** The limited registration of a dealer or salesman registered under this Article may be denied, revoked, or suspended for a violation of any applicable provision of either A.R.S. Title 44, Chapter 12, or of 14 A.A.C. 4, Articles 1 or 2.

NOTICE OF PROPOSED RULEMAKING

TITLE 17. TRANSPORTATION

CHAPTER 4. DEPARTMENT OF TRANSPORTATION - MOTOR VEHICLE DIVISION

PREAMBLE

- | | |
|---|--|
| <p><u>1. Sections affected:</u>
R17-4-219
R17-4-219</p> | <p><u>Rulemaking Action:</u>
Repeal
New Section</p> |
| <p><u>2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):</u>
Authorizing statute: A.R.S. § 28-366
Implementing statute: A.R.S. § 28-4546</p> | |
| <p><u>3. A list of all previous notices appearing in the Register addressing the proposed rule:</u>
Notice of Rulemaking Docket Opening: 5 A.A.R. 3279, September 24, 1999</p> | |

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

Name: George R. Pavia, Department Rules Supervisor
Address: Arizona Department of Transportation
Administrative Rules Unit, Mail Drop 507M
3737 North Seventh Street, Suite 160
Phoenix, Arizona 85014-5017
Telephone: (602) 712-8446
Cellular: (602) 403-3341
Fax: (602) 241-1624
E-Mail: gpavia@dot.state.az.us

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

Statutory authority relegates regulation of temporary registration plates (TRP) to the agency's discretion. MVD has made no substantial changes to the requirements of the existing rule. Since, however, widespread changes to language and format are necessary to conform with current rulemaking stylistics, the agency undertakes repeal and complete rewrite. The new rule outlines clear and concise procedural requirements for issuing TRP's by authorized entities.

6. A reference to any study that the agency proposes to rely on in its evaluation of or justification for the proposed rule and where the public may obtain or review the study, all data underlying each study, any analysis of the 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:

The cost of this rulemaking is largely borne by the Division in production and administrative costs for TRP materials and handling. MVD covers these costs with regular vehicle registration revenues. Third party entities in TRP-issuing partnership on MVD's behalf benefit from undisclosed service fees imposed for services rendered. Vehicle dealers acquire a standard sales incentive to be able to offer the consumer a valid vehicle registration at the time of sale. The only dealer cost would be and \$8 agency-required fee if a TRP must be voided due to error. Consumers experience reduced need for in-person interaction with the agency.

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:

Questions regarding the economic impact statement may be directed to the officer listed in item #4.

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 public hearing is scheduled for this rulemaking. Requests for an oral proceeding may be made to the officer listed in item #4 of this notice. The public record in this rulemaking will close at 4:30 p.m., on September 25, 2000.

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 4. DEPARTMENT OF TRANSPORTATION - MOTOR VEHICLE DIVISION

ARTICLE 2. TITLES & REGISTRATION

Sections

- R17-4-219. ~~Procedures for issuing temporary registration permits~~ Repealed
R17-4-219. Temporary Registration Plate Procedure

ARTICLE 2. TITLES & REGISTRATION

R17-4-219. ~~Procedures for issuing temporary registration permits~~ Repealed

- A.** Procedure to follow when issuing temporary registration plates
1. Complete Temporary Registration Plate with all required information, filling in all blank spaces.
 2. With a BLACK FELT MARKING PEN, fill in the date of issuance, in the boxes where outlined on the WHITE COPY of the Temporary Registration Plate. (Size of numbers must be at least 1" in height, and 1/4" in width.)
 3. Moisten and apply the WHITE COPY to the vehicle per schedule shown:
 - a. Standard Passenger Cars and Trucks—Right corner of rear window.
 - b. Convertibles—Left rear side window.
 - c. Station Wagons—Left rear side window.
 - d. Motoreycles—To be displayed at rear of vehicle.
 - e. Boat, Horse, Luggage Trailers—To be displayed at rear of vehicle.
 - f. House or Camp Trailers—Right corner of rear window. (If no rear window, the left rear side window.)
 4. Attach GREEN and YELLOW copies of the Temporary Registration Plate to the necessary title documents to be submitted with transmittal and proper fees to the County Assessor's office. ~~ALL TITLE APPLICATIONS ACCOMPANIED BY THE GREEN AND YELLOW COPIES OF THE TEMPORARY REGISTRATION PLATE TO BE SUBMITTED TO THE COUNTY ASSESSOR NO LATER THAN TEN (10) DAYS AFTER THE DATE OF ISSUANCE.~~
 5. PINK copy of the Temporary Registration Plate to be retained by the issuing dealer for a period of 3 years.
 6. For the purposes of A.R.S. § 28-1315 and its requirement that each dealer notify the Division on the day a Temporary Registration Plate is issued, the transmittal and audit form shall serve as a copy of the Temporary Registration Plate if it contains the name of the purchaser, the Temporary Registration Plate number, the date of issuance and the year, make and identification number of the motor vehicle. Such transmittal and audit form shall be forwarded to Dealer Service, Motor Vehicle Division each day listing all Temporary Registration Plates issued for that day; provided that any such transmittal covering Temporary Registration Plates which are issued on Friday, Saturday or Sunday or legal holiday which are postmarked the next regular business day shall be considered to have been sent the same day it was issued.
 7. The transmittal and audit form (AHD48-519 R-5-68) referred to in subsection (A)(6) may be modified for the dealer's convenience to permit him to comply with subsection (A)(7) of these instructions. Complete THREE (3) copies of the TRANSMITTAL AND AUDIT FORM (AHD48-519 R5-58), filling in all information. Submit the original with the title documents to the County Assessor, forward ONE copy to the Dealer Service, Motor Vehicle Division, the same day as the original is submitted to the County Assessor. Retain the 3rd copy for the dealer's own records.
- B.** Incomplete temporary registration plates
1. New vehicles
 - a. When a Temporary Registration Plate has been written for a new vehicle on a Manufacturer's Statement of Origin, and the sale is not completed, the GREEN copy is to be attached to the Manufacturers Statement of Origin, and the WHITE and YELLOW copies are to be forwarded immediately to the Dealer Service, Motor Vehicle Division, marked ROLL BACK, VEHICLE IN STOCK.
 - b. When the vehicle is eventually sold and the deal completed, attach the GREEN copy of the original Temporary Registration Plate with the GREEN and YELLOW copies of the 2nd Temporary Registration Plate issued on the same vehicle and submit to the County Assessor, whereby the fees will then be collected as of the DATE OF THE FIRST TEMPORARY REGISTRATION PLATE.
 2. Used vehicles. When a Temporary Registration Plate has been written for a used vehicle and the sale is not completed, the dealer must then develop title and registration in the dealership name, by lining out the customers name and address on the GREEN and YELLOW copies of the Temporary Registration Plate, and insert the dealership name and address, then completing the transaction to the County Assessor.
- C.** Special instructions

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1. Do not mark VOID on any Temporary Registration Plate. In case of an error, contact the Dealer Service, Motor Vehicle Division immediately for special instructions and authorization for proper handling.
 2. When a Temporary Registration Plate has been written for a vehicle, and the previous owner surrenders the Arizona license plates with the current year's validation tabs, before the title documents have been submitted to the County Assessor, remove the WHITE copy from the vehicle, and return it along with the GREEN and YELLOW copies of the Temporary Registration Plate to the Dealer Service, Motor Vehicle Division, giving the Arizona license plate number and the current year's tab number if applicable.
 3. Except where otherwise provided in these rules or by statute, when a Temporary Registration Plate has been written and registration is not completed, a registration fee of \$6.25 if prior to July 1st or \$4.75 if after July 1st of the current year will be charged. The WHITE, GREEN and YELLOW copies of the Temporary Registration Plate must be submitted to the Dealer Service, Motor Vehicle Division, accompanied by the proper fee. Common examples when this rule will apply are as follows:
 - a. When a vehicle has been dealer trade or wholesaled to another dealer.
 - b. When the Temporary Registration Plate has been written for a vehicle that is to be taken out of state.
 - c. When the Temporary Registration Plate has been written for a vehicle purchased by out of state residents who are entitled to retain their home state plates.
 - d. When 2 Temporary Registration Plates have been written for the same vehicle and/or for the same customer.
 4. The foregoing examples are not intended to be a complete list of situations to which this rule applies; it is offered for guidance only.
- D. Restrictions.** A dealer shall not issue a Temporary Registration Plate to any vehicle requiring a Certificate of Weight, unless and until such Certificate of Weight has been obtained by the Dealer. The Certificate of Weight must accompany the Application for Title and the Application for Registration with the GREEN and YELLOW copies of the Temporary Registration Plate to the County Assessor.

R17-4-219. Temporary Registration Plate Procedure

A. Issuing.

1. A temporary registration plate "TRP" issuer shall validate the plate by:
 - a. Marking an expiration date of no longer than 45 days from validation with a black felt-tip marker to fill the space provided to include writing over the holographic security strip.
 - b. Completing applicable information in all other blank spaces on the TRP.
2. An issuer shall issue no more than 1 TRP per vehicle sale.
3. An issuer shall attach a TRP to the vehicle rear in the same manner and position as a permanent license plate prescribed under A.R.S. § 28-2354.
4. An issuer shall complete and distribute a TRP registration form as follows:
 - a. An owner-copy to keep in the vehicle.
 - b. An MVD-copy to submit as a support document for title application processing.

B. Voiding.

1. An issuer shall void a TRP under any of the following conditions:
 - a. If an issuer writes a TRP but does not complete Arizona vehicle registration, or
 - b. If an issuer issues a duplicate TRP for the same vehicle or purchaser, or
 - c. If an issuer makes any alteration on the TRP.
2. MVD shall assess a fee of \$8 for each voided TRP.

C. Recording.

1. A TRP issuer shall complete a written log of each TRP issue transaction.
2. A valid TRP log form is either:
 - a. MVD form 48-4302 R09/97, as issued along with TRP blank material, or
 - b. An issuer self-generated computer form that:
 - i. Contains all information required under subsection (C)(3), and
 - ii. Has an MVD copy of each completed TRP document attached.
3. A TRP log form shall contain:
 - a. TRP number,
 - b. TRP issue date,
 - c. Vehicle purchaser name and address,
 - d. Vehicle identification number, and
 - e. Attachment of any voided TRP or letter of explanation if a voided TRP is not available for attachment.
4. A TRP issuer shall distribute copies of a TRP log as follows:
 - a. 1 copy to the original office issuing TRP material.
 - b. 1 copy for issuer records subject to MVD audit.
5. An issuer shall keep a TRP log record for 3 years as prescribed under A.R.S. § 28-4552(B).