

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* first as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Arizona Administrative Register* after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 17. TRANSPORTATION

CHAPTER 4. ARIZONA DEPARTMENT OF TRANSPORTATION MOTOR VEHICLE DIVISION

PREAMBLE

- | | |
|------------------------------------|---------------------------------|
| 1. <u>Sections Affected</u> | <u>Rulemaking Action</u> |
| R17-4-709.09 | New Section |
| Form A | New Form |
- 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. § 28-366

Implementing statute: A.R.S. § 28-1462(E), as added by Laws 1999, Ch. 303, § 8, effective August 6, 1999
- 3. The effective date of the rules:**

January 11, 2000
- 4. A list of all previous notices appearing in the Register addressing the final rule:**

Notice of Rulemaking Docket Opening: 5 A.A.R. 2181, July 9, 1999

Notice of Proposed Rulemaking: 5 A.A.R. 2836, August 20, 1999
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name:	Lynn S. Golder
Address:	Arizona Department of Transportation Motor Vehicle Division, Mail Drop 507M 3737 North 7th Street, Suite 160 Phoenix, Arizona 85014-5017
Telephone:	(602)712-7941
Fax:	(602) 241-1624
E-mail:	lgolder@dot.state.az.us
- 6. An explanation of the rule, including the agency's reasons for initiating the rule:**

The Arizona Department of Transportation, Motor Vehicle Division ("Division") made an ignition interlock device ("IID") installer bond rule that gives effect to new A.R.S. § 28-1462(E). The final rule sets the bond at \$25,000; requires installers of Division-certified IIDs to submit and maintain the bond; and includes the IID installer bond form, Form A, approved by the Division.

The Division proposed IID certification, reliability, and accuracy assurance rules in a separate rulemaking action. The Division consecutively numbered the IID installer bond rule to follow the IID certification, reliability, and accuracy assurance rules. The Division is submitting a separate package for the final IID certification, reliability, and accuracy assurance rules.
- 7. A reference to any studies that the agency relied on in its evaluation of or justification for the 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

8. 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

9. The summary of economic, small business, and consumer impact:

A.R.S. § 28-1462(E), added by Laws 1999, Ch. 303, § 8, requires an installer of a Division-certified IID to obtain the surety bond approved by the Division and submit the bond to the Division.

To comply with the statutory requirement, installers of Division-certified IIDs incur the cost of the bond premium. Bonded IID installers will benefit from the ability to install, service, and remove Division-certified IIDs.

The Division incurs the costs of developing and approving the installer bond form, making the installer bond rule, and enforcing the statutory bond requirement.

Insurance companies and surety companies benefit from installer bond premiums, with the possibility of incurring costs to provide indemnification under an installer bond.

Participants in the IID program, those ordered by Arizona courts to install certified IIDs in their motor vehicles, benefit from having bonded installers to install, service, and remove certified IIDs. The installer bond premium may result in some increase in participants' costs.

IID manufacturers benefit from appointing bondable IID installers, who reliably install, service, and remove certified IIDs. The installer bond premium may result in some decrease in the amount paid for territorial rights by installers to manufacturers.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

None

11. A summary of the principal comments and the agency response to them:

The Division received no oral or written comments prior to the close of the record at 5:00 p.m., September 24, 1999.

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

Not applicable

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

None

14. Was this rule previously adopted as an emergency rule?

No

15. The full text of the rules follows:

TITLE 17. TRANSPORTATION

**CHAPTER 4. DEPARTMENT OF TRANSPORTATION
MOTOR VEHICLE DIVISION**

ARTICLE 7. MISCELLANEOUS RULES

Section

R17-4-709.09

Form A

Ignition Interlock Device Installer Bond Requirements

Ignition Interlock Installer Bond

ARTICLE 7. MISCELLANEOUS RULES

R17-4-709.09 Ignition Interlock Device Installer Bond Requirements.

A. The amount of the ignition interlock installer bond is \$25,000.

B. Form A Ignition Interlock Installer Bond, which follows this Section, is the approved bond form.

C. Before installing, servicing, or removing a Division-certified ignition interlock device, an installer shall:

1. Be appointed by a manufacturer as an authorized installer of an ignition interlock device model certified by the Division or for which the manufacturer seeks certification;

2. Obtain an ignition interlock installer bond in the approved form from a surety company authorized by the Arizona Department of Insurance to do general surety business in Arizona; and

3. Submit the original completed Form A to the Arizona Department of Transportation, Motor Vehicle Division, Enforcement Services, 2500 West Broadway Road, Tempe, Arizona 85282.

D. An installer shall maintain an ignition interlock installer bond in the approved form while installing, servicing, or removing Division-certified ignition interlock devices.

- E.** An installer appointed to install, service, or remove more than 1 certified ignition interlock device model needs only 1 bond.

Arizona Administrative Register
Notices of Final Rulemaking

Form A. Ignition Interlock Installer Bond



Enforcement Services
 Motor Vehicle Division
 2500 W Broadway Rd
 Tempe AZ 85282

**IGNITION INTERLOCK INSTALLER
 BOND**

Principal Name (Ignition Interlock Device Installer)		Business Type <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation	
Trade Name/Doing Business As	Business Location City	State	
Surety Name		Surety State	

Bond Number

The Surety named above, a corporation duly organized and existing under and by virtue of the laws of the Surety State named above and duly authorized by the Arizona Department of Insurance under the laws of the State of Arizona to do a general surety business in the State of Arizona, and the Principal named above give this bond to the State of Arizona, as Obligee.

- Recitals** Principal and Surety jointly and severally bind themselves, their successors, assigns, and legal representatives to the Obligee in the sum of \$25,000.
- The sum stated above establishes the limit of Surety's liability at any time after the effective date of the bond.
 - Principal is a manufacturer-appointed installer of ignition interlock devices certified by the Arizona Department of Transportation, Motor Vehicle Division (MVD).
- Duration** This bond becomes effective on the date of device certification or upon the execution of this document, whichever occurs last. This bond shall remain in effect until terminated by Surety as follows: Surety may terminate liability under this bond if surety gives 60 days written notice to the MVD Director of the intent to terminate liability. Written notice shall be delivered to MVD at the address above. Termination of liability occurs on the last day of the month that includes the end of the 60-day period. If a new bond is filed by the Principal and accepted by the MVD Director, termination of liability under this bond occurs on the effective date of the new bond. The Surety shall remain fully liable for acts or omissions of the Principal before termination of liability.
- Condition of Obligation** Principal shall make monetary payment in compensation to any person ordered by an Arizona court to equip a motor vehicle with a certified ignition interlock device and who suffers loss from:
- Insolvency or discontinuance of business of Principal, or
 - Noncompliance of Principal or Principal's agent with the administrative rules made under ARS 28-1462.B.
- Venue** Any action or proceeding in connection with this bond or the obligations arising under this bond shall be brought in Maricopa County, Arizona.
- Severability** If a court of competent jurisdiction finds any provision of this bond unenforceable, all other provisions of this bond shall remain in effect.

The Principal and Surety executed this bond on _____.

A power of attorney must be attached designating the Surety Attorney-in-Fact.

Surety Attorney-in-Fact Name	Principal or Duly Authorized Officer Name	Signature
Phone 	Partner Name	Signature
Signature	Partner Name	Signature

Surety Resident Agent Name	Title	Send Bond Claims To
Mailing Address		Mailing Address
City, State, Zip Code		City, State, Zip Code
Signature	Phone 	Phone ()