

## 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 or the Attorney General. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Register* after the final rules have been submitted for filing and publication.

### NOTICE OF FINAL RULEMAKING

#### TITLE 4. PROFESSIONS AND OCCUPATIONS

#### CHAPTER 19. BOARD OF NURSING

##### PREAMBLE

- 1. Sections affected** **Rulemaking action:**  
R4-19-501 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. § 32-1606(B) and § 32-1601(13)  
Implementing statute: A.R.S. § 32-1601(13)
- 3. The effective date of the rules:**  
July 12, 2001
- 4. A list of all previous notices appearing in the Register addressing the final rule:**  
Notice of Rulemaking Docket Opening: 7 A.A.R. 921, February 16, 2001  
Notice of Proposed Rulemaking: 7 A.A.R. 862, February 16, 2001
- 5. Name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name:	Pamela Randolph Nurse Practice Consultant Arizona State Board of Nursing
Address:	1651 E. Morten, Suite 210 Phoenix, AZ 85020
Telephone:	(602) 331-8111, ext. 139
Fax:	(602) 906-9365
- 6. An explanation of the rule, including the agency's reasons for initiating the rule:**  
The Board of Nursing is initiating rulemaking on R4-19-501 to allow nursing programs the opportunity to develop and implement courses of study to prepare acute-care nurse practitioners. Currently one program in the state offers an adult nurse practitioner course of study that includes curriculum appropriate to the acute-care nurse practitioner role. In the past, graduates of this program were able to receive national certification as acute-care nurse practitioners through the American Nurses Credentialing Center (ANCC). A recent policy change at ANCC requires that a nurse graduate from an approved acute-care nurse practitioner course of study to qualify for certification. The Board of Nursing is seeking to add acute-care nurse practitioner to the list of specialty areas of registered nurse practitioners in order to have the authority to approve the current course of study and certify future graduates.
- 7. A reference to any study that the agency relied on in its evaluation 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 at the present time
- 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 the economic, small business, and consumer impact:**

The Board does not anticipate a significant economic impact due to this rule amendment. There will be a positive economic impact on nurses seeking national and state certification because they will be certified and able to practice in their specialty area of study. Employers will be able to hire these nurses knowing that they graduated from a course of study approved by the Board preparing them for this particular role. Schools of nursing wishing to apply to have programs approved in this area may have some costs associated with preparing an application for Board approval. Because acute-care nurse practitioners will perform some functions that physicians currently perform, consumers will have a positive impact by having a less costly provider available in the acute-care area. It is not anticipated that small businesses will be affected by the rule. Nurses seeking this type of certification will be required to pay a \$135.00 fee. This is the standard fee for all types of advanced practice certifications.

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

Various technical and grammatical changes were made at the suggestion of G.R.R.C. staff.

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

The Board held a public hearing on the proposed amendment to R4-19-501 on March 23, 2001 at 2:00 pm. The Board accepted written comments submitted to the Nurse Practice Consultant identified in item #5 until the close of record on March 23, 2001. Written and oral comments were received from three persons during the formal comment period. One person made both written and oral comment. All expressed support of the rule. No changes to the rules packet were made as a result of the comments.

**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. Incorporation by reference and their location in the rules:**

Not applicable

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

No

**15. The full text of the rule follows:**

**TITLE 4. PROFESSIONS AND OCCUPATIONS**

**CHAPTER 19. BOARD OF NURSING**

**ARTICLE 5. ADVANCED NURSING PRACTICE**

Section

R4-19-501. Specialty Areas of Registered Nurse Practitioners

**ARTICLE 5. ADVANCED NURSING PRACTICE**

**R4-19-501. Specialty Areas of Registered Nurse Practitioners**

The Board shall ~~grant approval of~~ approve ~~courses of study~~ a nurse practitioner education program that meets the standards in R4-19-502 and certify the following specialty areas for registered nurse practitioners:

1. Nurse midwife; ~~and~~
2. Pediatric nurse ~~associate/practitioner;~~ ~~and~~
3. Family nurse practitioner; ~~and~~
4. Adult nurse practitioner; ~~and~~
5. Woman's health care nurse practitioner/~~obstetrical-gynecological nurse practitioner;~~ ~~and~~
6. Neonatal nurse practitioner; ~~and~~
7. School nurse practitioner; ~~and~~
8. Psychiatric ~~and~~ mental health nurse practitioner; ~~and~~
9. Geriatric nurse practitioner; ~~and~~ and
10. Acute-care nurse practitioner.

NOTICE OF FINAL RULEMAKING

TITLE 17. TRANSPORTATION

CHAPTER 4. DEPARTMENT OF TRANSPORTATION  
MOTOR VEHICLE DIVISION

PREAMBLE

- 1. Sections Affected:**

R17-4-435	<b><u>Rulemaking Action:</u></b>
R17-4-435.01	Amend
R17-4-435.02	Amend
R17-4-435.03	Amend
R17-4-436	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. § 28-366

Implementing statutes: A.R.S. §§ 28-5204 and 28-5235
- 3. The effective date of the rules:**

July 12, 2001
- 4. A list of all previous notices appearing in the Register addressing the final rule:**

Notice of Rulemaking Docket Opening: 7 A.A.R. 1387, March 30, 2001

Notice of Proposed Rulemaking: 7 A.A.R. 1532, April 13, 2001
- 5. 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 N. 7th Street, Suite 160  
Phoenix, AZ 85014-5017

Telephone: (602) 712-8446

Fax: (602) 241-1624

E-Mail: gpavia@dot.state.az.us

Please visit the ADOT web site to track progress of this rule and any other agency rulemaking matters:  
[www.dot.state.az.us/about/rules](http://www.dot.state.az.us/about/rules).
- 6. An explanation of the rule, including the agency's reasons for initiating the rule:**

MVD engages in this rulemaking to incorporate sections of the 2000 edition of the 49 CFR by reference into Arizona Motor Carrier Safety and Hazardous Materials Transportation administrative rules. An additional exception to gross vehicle weight requirements is extended to intrastate-operating tow trucks. Further modifications in language streamlining are also included. This rulemaking does not arise from a five-year review but is an annual update.
- 7. A reference to any study that the agency relied on its evaluation 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 the economic, small business, and consumer impact:**

There is only one change in the economic impact information for this set of rules since the previous incorporation of 1999 federal regulations. The addition of exempting the 18,001 pound gross vehicle weight applicability for intrastate-operating tow trucks can result in moderate to substantial savings for qualifying towing entities. The savings would be in decreased administrative costs and reduction in incidence of sanctions for non-compliance with the lower GVWR threshold.

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

A typographical error in the Notice of Proposed Rulemaking preamble was corrected. Item 13 Incorporations by reference: 49 CFR Part 177 was listed instead of 188 (non-existent). Other non-substantial were made upon recommendation of Council staff. These were lexical, grammatical, or syntactical in nature.

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

No comments were received in this rulemaking.

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

None

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

In R17-4-435, subsection (A):

49 CFR Parts 40, 382, 390, 391, 392, 393, 395, 396, 397, and 399, published October 1, 2000.

In R17-4-436, subsection (A):

49 CFR Parts 107, 171, 172, 173, 177, 178 and 180, published October 1, 2000.

**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 4. MOTOR CARRIERS**

Section

R17-4-435. Motor Carrier Safety: ~~Adoption~~ Incorporation of Federal Regulations; Definitions; Application

R17-4-435.01. Motor Carrier Safety: 49 CFR 390 - Federal Motor Carrier Safety Regulations; General Applicability and Definitions; General Requirements and Information

R17-4-435.02. Motor Carrier Safety: 49 CFR 391 - Qualifications of Drivers

R17-4-435.03. Motor Carrier Safety: 49 CFR 382 - Controlled Substances and Alcohol Use and Testing

R17-4-436. Hazardous Materials Transportation

**ARTICLE 4. MOTOR CARRIERS**

**R17-4-435. Motor Carrier Safety: ~~Adoption~~ Incorporation of Federal Regulations; Definitions; Application**

A. The Division incorporates by reference 49 CFR 40, 382, 390, 391, 392, 393, 395, 396, 397, and 399 published October 1, ~~1999~~ 2000, and no later amendments or editions and on file with the Federal Motor Carrier Safety Administration, the Division, and the Office of the Secretary of State, as amended by R17-4-435 through R17-4-435.06.

B. The following definitions apply for purposes of R17-4-435 through R17-4-435.06 unless indicated otherwise:

1. "Co-applicant" means an employer or potential employer.
2. "Commercial driver license" or "CDL" has the meaning prescribed in A.R.S. § 28-3001 (2).
3. "Division" or "MVD" means the Motor Vehicle Division, Arizona Department of Transportation.
4. "Division Director" means the Assistant Director of the Arizona Department of Transportation for the Motor Vehicle Division or the Assistant Director's designated agent.
5. ~~"49 CFR" means Title 49, Code of Federal Regulations.~~

C. The regulations of 49 CFR, incorporated by subsection (A), apply as amended by R17-4-435.01 through R17-4-435.06 to:

1. A motor carrier as defined in A.R.S. § 28-5201 except a motor carrier transporting passengers for hire in a vehicle with a design capacity of 6 or fewer persons.
2. A vehicle owned or operated by the state, a political subdivision, or a public authority of the state, that is used to transport hazardous materials in an amount requiring the vehicle to be marked or placarded as prescribed in R17-4-436.

**R17-4-435.01. Motor Carrier Safety: 49 CFR 390 - Federal Motor Carrier Safety Regulations; General Applicability and Definitions; General Requirements and Information**

A. 49 CFR 390.3 General applicability is amended as follows:

1. Paragraph (a) is amended to read:

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~~The regulations adopted in this rule~~ Regulations incorporated in this Section are applicable to all motor carriers operating in Arizona and any vehicle owned or operated by the state, a political subdivision, or a state public authority ~~of the state~~, that is used to transport a hazardous materials in an amount requiring the vehicle to be marked or placarded as prescribed in R17-4-436.

2. Paragraph (b) is amended to read:

A motor carrier driver domiciled in Arizona who operates a commercial motor vehicle defined in A.R.S. § 28-3001 shall comply with the requirements of A.R.S. Title 28, Chapter 8 and any rules made under that Chapter.
3. Paragraph (c) is amended to read:

A motor carrier operating in Arizona in furtherance of a commercial enterprise, shall comply with the financial responsibility requirement specified in A.R.S. Title 28, Chapter 9, Article 2, and 49 CFR 387.
- B.** 49 CFR 390.5 Definitions. The definitions listed in 49 CFR 390.5 are amended as follows:
  1. If the term “Commercial Motor Vehicle” or “CMV” is used in reference to the controlled substance and alcohol use and testing requirement of 49 CFR 382, the term has the meaning prescribed in 49 CFR 382.107.
  2. If the term “Commercial Motor Vehicle” or “CMV” is used in reference to the licensing requirements prescribed under A.R.S. § ~~28-3001~~ 28-3223, the term has the meaning prescribed under A.R.S. § 28-3001.
  3. If the term “Commercial Motor Vehicle” or “CMV” is not used in reference to the controlled substance and alcohol use and testing requirement of 49 CFR 382 or the licensing requirement prescribed under A.R.S. § ~~28-3001~~ 28-3223, the term means a self-propelled, motor-driven vehicle or vehicle combination, used on a public highway in this state ~~during~~ in furtherance of a commercial enterprise, that:
    - a. Has a gross vehicle weight rating (GVWR) as a single vehicle or a gross combination weight rating (GCWR) of 18,001 pounds or more;
    - b. Transports passengers for hire and has a design capacity of 7 or more persons; or
    - c. Transports a hazardous materials in an amount requiring marking or placarding as prescribed in R17-4-436; and
    - d. Is not an intrastate-operating tow truck that has a GVWR up to 26,000 pounds, but remains subject to all other provisions prescribed under 49 CFR 391.41, 391.43, 391.45, 391.47, and 391.49.
  4. “Exempt intracity zone” is deleted from R17-4-435.01 through R17-4-435.04 and has no application in ~~these rules~~ this Section.
  5. “For-hire motor carrier,” “private motor carrier,” “private motor carrier of passengers (business),” and “private motor carrier of passengers (nonbusiness)” are deleted from R17-4-435.01 through R17-4-435.04 and the term “motor carrier” is ~~used~~ substituted.
  6. Gross combination weight rating (GCWR) has the meaning prescribed under 49 CFR 390.5, Definitions.
  7. Gross vehicle weight rating (GVWR) has the meaning prescribed under 49 CFR 390.5, Definitions, amended by adding:

In the absence of a value specified by the manufacturer and the vehicle identification number, law enforcement shall use a vehicle’s actual gross weight or declared gross weight to determine the GVWR.
  8. “Regional Director of Motor Carriers” means the Division Director of the Arizona Department of Transportation, Motor Vehicle Division.
  9. “Special agent” means an officer or agent of the Department of Public Safety, the Division, or a political subdivision, who is trained and certified by the Department of Public Safety to enforce Arizona’s Motor Carrier Safety requirements.
  10. “State” means a state of the United States or the District of Columbia.
  11. “Tow truck” has the meaning prescribed under A.A.C. R13-3-101.
- C.** 49 CFR 390.15 Assistance in investigations and special studies. Paragraph (a) is amended to read:

A motor carrier shall make all records and information pertaining to an accident available to a special agent upon request or as part of any inquiry within the time the request or inquiry specifies. A motor carrier shall give a special agent all reasonable assistance in the investigation of any accident including providing a full, true, and correct answer to any question of the inquiry.
- D.** 49 CFR 390.21 Marking of ~~commercial motor vehicles~~ CMVs. Paragraph (a) is amended to read:

This Section applies to all motor carrier vehicles operated in Arizona. A motor carrier not subject to U.S. Department of Transportation marking requirements shall mark its vehicle with the:

  1. Company name, or
  2. Business trade name, and
  3. City and state.
- E.** 49 CFR 390.23 Relief from regulations.
  1. Paragraph (a) is amended to read:

Regulations contained in 49 CFR 390 through 397 do not apply to a motor carrier that:

    - a. Is exempt from federal jurisdiction, and
    - b. Operates a commercial motor vehicle used or designated to provide relief during an emergency.
  2. Paragraphs (a)(1), (a)(1)(A), (a)(1)(B), and (a)(1)(B)(ii) are deleted.

3. Paragraph (a)(2)(A) is amended as follows:  
An emergency has been declared by a federal, state, or local government official having authority to declare an emergency; and
  4. Paragraph (a)(2)(B) is amended as follows:  
The Arizona Department of Public Safety, Commercial Vehicle Enforcement Bureau, determines a local emergency exists that justifies an exemption from any or all of these Parts. If the Arizona Department of Public Safety, Commercial Vehicle Enforcement Bureau determines relief from these regulations is necessary to provide vital service to the public, relief shall be granted with any restrictions the Arizona Department of Public Safety considers necessary.
  5. Paragraph (b) is amended as follows:  
“Interstate commerce” means engagement in a commercial enterprise.
- F. 49 CFR 390.25 Extensions of relief from regulations - emergencies is amended as follows:  
A motor carrier seeking to extend a period of relief from these regulations shall obtain approval from the Arizona Department of Public Safety, Commercial Vehicle Enforcement Bureau. The motor carrier shall give full details of the additional relief requested. The Arizona Department of Public Safety shall observe time limits for emergency relief from regulations as prescribed under 49 CFR 390.23(a), but may extend a period of relief after considering:
1. Severity of the emergency,
  2. Nature of relief services to be provided by the motor carrier, and
  3. Other restrictions that may be necessary.
- G. 49 CFR 390.27 Locations of ~~regional~~ motor carrier safety offices service centers is amended to read:  
A motor carrier requesting relief from these regulations shall contact the Arizona Department of Public Safety, Commercial Vehicle Enforcement Bureau, Telephone (602) 223-2522.

**R17-4-435.02. Motor Carrier Safety: 49 CFR 391 - Qualifications of Drivers**

- A. 49 CFR 391.11 Qualifications of drivers. Paragraph (b)(1) is amended to read:  
Is at least 21 years of age for interstate operation and at least 18 years of age for operations restricted to intrastate transportation not involving the transportation of a reportable quantity of hazardous substance, hazardous waste required to be manifested, or hazardous material in an amount requiring ~~the a~~ vehicle to be marked or placarded as prescribed in R17-4-436.
- B. 49 CFR 391.49 ~~Waiver of certain physical defects~~ Alternative physical qualification standards for the loss or impairment of limbs.
1. Paragraph (a) is amended by adding:  
A person not physically qualified to drive as prescribed in 49 CFR 391.41(b)(1), (b)(2), (b)(3), or (b)(10) but otherwise qualified to drive a motor vehicle, may drive a motor vehicle in intrastate commerce if the Division Director grants an intrastate waiver to the person. Application for an intrastate waiver shall be submitted according to subsection (C). If granted, an intrastate waiver shall be for a period not exceeding 2 years. A person granted an intrastate waiver may transfer the intrastate waiver from an original employer to a new employer upon written notification to the Division Director stating the new employer's name ~~of the new employer~~ and the type of equipment to be driven.
  2. Paragraph (b) is amended by adding:  
To obtain an intrastate waiver, an applicant or an applicant and co-applicant shall submit a letter of application for an intrastate waiver of a physical qualification. ~~The application shall be addressed to the Motor Vehicle Division, Medical Review Program, P.O. Box 2100, Mail Drop 818Z, Phoenix, Arizona 85001-2100. The applicant shall comply with all the requirements of 49 CFR 391.49 (c), “Waiver of certain physical defects”~~ “Alternative physical qualification standards for the loss or impairment of limbs”, except paragraphs (c)(1)(i) and (c)(1)(iii). The driver applicant shall respond to the requirements of 49 CFR 391.49 (c)(2)(ii) through (c)(2)(v), if the information is known.
  3. Paragraph (c)(1)(iv) is amended to read:  
A description of the driver applicant's limb or visual impairment for which waiver is requested.
  4. Paragraph (d)(3)(i) is amended to read:  
The medical evaluation summary for a driver applicant disqualified under 49 CFR 391.41 (b)(1) or (b)(10) shall include:
  5. Paragraph (d)(3)(i)(B) is amended by adding:  
Or a statement by the examiner that an applicant for an intrastate waiver has:
    - a. Distant visual acuity at least 20/40 (Snellen), with or without a corrective lens, in 1 eye;
    - b. Field of vision at least 70° peripheral measurement of the horizontal meridian of the applicant's dominant eye; and
    - c. Ability to distinguish the colors of a traffic signal or device showing standard red, green, and amber.
  6. Paragraph (d)(3)(iii) is added:  
~~The A~~ A medical evaluation for a driver applicant disqualified as prescribed under 49 CFR 391.41(b)(3) shall include the requirements in 49 CFR 391.64.
  7. Paragraph (j)(1) is amended by adding:

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A person with a distant visual acuity of greater than 20/40 (Snellen), with or without a corrective lens, in 1 eye; a field of vision of less than 70° peripheral measurement of the horizontal meridian of the person's dominant eye; and the inability to distinguish the colors of a traffic signal or device showing standard red, green and amber, shall not:

- a. Transport any amount of hazardous material required to be marked or placarded as prescribed under R17-4-436, or
  - b. Operate a vehicle for the purpose of transporting passengers as prescribed under R17-4-435.
- C. Waiver procedure for an intrastate driver.
1. The Division Director shall appoint the Division's Medical Review Officer to review a request for a physical waiver.
  2. The Medical Review Officer shall:
    - a. Review an application for waiver to ensure all provisions of 49 CFR 391.49 are met;
    - b. Take necessary testimony and accept documentation and information about the application;
    - c. Ensure that a driver applying for an intrastate waiver of the visual requirements:
      - i. Has driven the type of vehicle to be operated as prescribed in the waiver for at least 2 of the previous 5 years, and
      - ii. Will not transport passengers for hire, or
      - iii. Will not transport a reportable quantity of a hazardous substance, hazardous waste that requires a manifest, or hazardous material that requires marking or placarding as prescribed under R17-4-436;
    - d. Notify the applicant by mail:
      - i. To contact the nearest CDL examiner to schedule a time to take the CDL pre-inspection, off-road, and on-road tests within 30 days from date of notice; and
      - ii. Of the approval or denial of the waiver within 10 days of the decision to approve or deny.
  3. The applicant shall submit an application to the Division as prescribed under 49 CFR 391.49 (a), (b), (c), and (d) as amended by this ~~rule~~ Section.
  4. Waiver form.
    - a. The Division shall ensure that the application for waiver form reflects the terms, conditions, or limitations of the waiver.
    - b. The Division shall maintain the original waiver form.
    - c. The motor carrier shall retain a legible copy of the waiver form:
      - i. During the driver's employment as a driver, and
      - ii. For a minimum of 3 years after the driver ceases driving for the motor carrier.
    - d. A driver granted a waiver shall possess a legible copy of the waiver when driving a commercial motor vehicle.
  5. Hearings and appeals. If the Medical Review Officer denies a waiver application, the applicant may request a hearing with the MVD Executive Hearing Office within 15 days from the date of the notice as prescribed under A.A.C. R17-4-901 through R17-4-912.
  6. Using the U.S. Department of Transportation Federal Highway Administration's Regulatory Criteria for Evaluation under Section 391.41, April 1996, the Medical Review Officer may suspend for life the commercial vehicle operating privilege of any driver who, after issuance of a waiver as prescribed in this Section:
    - a. Fails to meet the conditions imposed by this Section,
    - b. Commits a serious traffic violation described under A.R.S. § 28-3312(E), or
    - c. Is involved in a reportable accident related to the driver's medical condition.
  7. If enforcement of any provision of this Section would result in the loss or disqualification of federal funding for any state agency or program, that provision is invalid.
- D. Subpart F - Files and Records.  
49 CFR 391.51 ~~Driver~~ General requirements for driver qualification files. Paragraph (b)(8) is amended by adding ~~the following text:~~  
"or the Division Director's letter of notification, granting an intrastate waiver of physical disqualification, if a waiver is granted as prescribed in this Section."
- E. The following sections are deleted:
1. 49 CFR 391.68 Private motor carrier of passengers (nonbusiness).
  2. 49 CFR 391.69 Private motor carrier of passengers (business).

**R17-4-435.03. Motor Carrier Safety: 49 CFR 382 - Controlled Substances and Alcohol Use and Testing**

- A. 49 CFR 382.103 Applicability. Paragraph (a)(1) is amended to read:  
The commercial driver's license requirements of the State of Arizona.
- B. 49 CFR 382.115 Starting date for testing programs. Paragraph (a) is amended to read:  
The controlled substance and alcohol use and testing requirements commence for all motor carriers on the date this Section goes into effect.
- C. Paragraphs (b) through (d) are deleted.

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**R17-4-436. Hazardous Materials Transportation**

- A.** Incorporation of federal regulations.
1. The Motor Vehicle Division incorporates the following portions of the Federal Hazardous Materials Regulations by reference. Materials incorporated by reference are on file in the Secretary of State's Office. The incorporated Hazardous Materials Regulations are published in 49 CFR (Transportation), Subtitle B - (Other Regulations Relating to Transportation), Chapter I - (Research and Special Programs Administration, Department of Transportation); ~~Subchapter C (Hazardous Materials Regulations), Parts:~~
    - a. ~~Subchapter A – Hazardous Materials and Oil Transportation; Part 107 – Hazardous materials program procedures; and~~
    - b. ~~Subchapter C – Hazardous Materials Regulations; Parts:~~
      - ~~i.~~ 171 – General information, regulations, and definitions;
      - ~~e-ii.~~ 172 – Hazardous materials table, special provisions, hazardous materials communications, emergency response information, and training requirements;
      - ~~d-iii.~~ 173 – Shippers - general requirements for shipments and packagings;
      - ~~e-iv.~~ 177 – Carriage by public highway;
      - ~~f-v.~~ 178 – Specifications for packagings; and
      - ~~g-vi.~~ 180 – Continuing qualification and maintenance of packagings.
  2. These parts are incorporated as printed in the October 1, ~~1999~~ 2000 edition, and those sections of the October 1, ~~1999~~ 2000 edition authorized for use under the transitional provisions of Section 171.14 of the October 1, ~~1999~~ 2000 edition.
- B.** Application and exceptions.
1. Application.
    - a. ~~The regulations~~ Regulations incorporated in subsection (A) shall apply as amended by subsection (C) to motor carriers, shippers, and manufacturers as defined in A.R.S. § 28-5201.
    - b. ~~The regulations~~ Regulations incorporated in subsection (A) also apply to ~~all any~~ vehicles owned or operated by the state, a political subdivision, or a state public authority ~~of the state~~, used to transport a hazardous materials, including hazardous substances and hazardous wastes.
  2. Exceptions. ~~Authorized~~ An authorized emergency vehicles, as defined in A.R.S. § 28-101, ~~are is~~ excepted from the provisions of this ~~rule~~ Section.
- C.** Amendments. The following sections of the Federal Hazardous Materials Regulations, incorporated under subsection (A), are amended as follows:
1. Part 171. General information, regulations, and definitions.
    - a. Section 171.1 Purpose and scope.

Paragraph (a) ~~shall is~~ amended to read:

“The transportation of hazardous materials by and their offering to: (1) interstate, intrastate, and foreign motor carriers; and (2) vehicles owned or operated by the state, a political subdivision or a state public authority ~~of the state~~, which are used to transport hazardous materials.”
    - b. Section 171.8 Definitions and abbreviations. Section 171.8 is amended by revising the definitions for “Carrier,” “Hazmat employer,” and “Person,” and adding a definition for “Highway” as follows:

“ ‘Carrier’ means a person engaged in the transportation of passengers or property by highway as a common, contract, or private carrier and also includes the state, a political subdivisions, and a state public ~~authorities of the state~~ authority engaged in the transportation of hazardous materials.”

“ ‘Hazmat employer’ means a person who uses 1 or more of its employees in connection with: transporting hazardous materials; causing hazardous materials to be transported or shipped; or representing, marking, certifying, selling, offering, reconditioning, testing, repairing, or modifying containers, drums, or packagings as qualified for use in the transportation of hazardous materials. This term includes motor carriers, shippers, and manufacturers defined in A.R.S. § 28-5201 and includes the state, political subdivisions, and state public authorities ~~of the state~~.”

“ ‘Highway’ means a public highway defined in A.R.S. § 28-5201.”

“ ‘Person’ has the same meaning defined in A.R.S. § 28-5201.”
  2. Part 172: - Hazardous materials table, special provisions, hazardous materials communications, emergency response information, and training requirements.

Section 172.3 Applicability.  
Paragraph (a)(2) is amended to read:  
“Each motor carrier that transports hazardous materials, and each state agency, political subdivision, and state public authority ~~of the state~~ that transports, ~~by highway~~, hazardous materials by highway.”
  3. Part 177. Carriage by public highway.
    - a. Section 177.800 Purpose and scope of this part and responsibility for compliance and training.



Paragraph (a) is amended as follows: The phrase “by private, common, or contract carriers by motor vehicle” is amended to read, “by a motor carriers operating in Arizona, and a state agencies agency, a political subdivisions, and public authorities of the state that transport, by highway, or a state public authority that transports hazardous materials by highway.”

- b. Section 177.802 Inspection. Section 177.802 is amended to read: “Records, equipment, packagings, and containers under the control of a motor carrier or other persons subject to this part, affecting safety in transportation of hazardous materials by motor vehicle, must be made available for examination and inspection by an authorized representative of the Department as prescribed in A.R.S. §§ 28-5204 and 28-5231.”

## NOTICE OF FINAL RULEMAKING

### TITLE 17. TRANSPORTATION

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

##### PREAMBLE

- |                                    |                                 |
|------------------------------------|---------------------------------|
| <b>1. <u>Sections Affected</u></b> | <b><u>Rulemaking Action</u></b> |
| R17-4-506                          | 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. § 28-366  
Implementing statute: A.R.S. § 28-3306(A)(3)
- 3. The effective date of the rules:**  
July 12, 2001
- 4. A list of all previous notices appearing in the Register addressing the final rule:**  
Notice of Rulemaking Docket Opening: 6 A.A.R. 4449, November 24, 2000  
Notice of Proposed Rulemaking: 6 A.A.R. 4490, December 1, 2000  
Notice of Supplemental Proposed Rulemaking: 7 A.A.R. 1249, March 16, 2001
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**  
Name: Lynn S. Golder, Hearing Officer II  
Address: Department of Transportation  
Motor Vehicle Division, Mail Drop 507M  
3737 N. 7th Street, Suite 160  
Phoenix, AZ 85014-5017  
Telephone: (602) 712-7941  
Fax: (602) 241-1624  
E-mail: lgolder@dot.state.az.us  
To track the progress of an ADOT rulemaking matter, please visit the agency web site at [www.dot.state.az.us/about/rules](http://www.dot.state.az.us/about/rules).
- 6. An explanation of the rule, including the agency's reasons for initiating the rule:**  
A.R.S. § 28-3306(A)(3) provides authority for the Arizona Department of Transportation, Motor Vehicle Division (Division) to take discretionary action affecting a person's driving privilege. The Division's driver point system established by administrative rule gives effect to this statutory authority. In *State v. Birmingham*, 95 Ariz. 310, 314-315, 390 P.2d 103, *on rehearing*, 96 Ariz. 109, 392 P.2d 775 (1964), the Arizona Supreme Court upheld the driver point system, stating:

The point system is not the criteria or standard established by the legislature. It neither enlarges nor restricts the application of the statute. It is simply a declaration of administrative policy as to the significance to be given to the legislative language. [Citation omitted.] It is a “rule of thumb” adopted for the convenience of the administrators of the statute in order to bring before the department for hearing those who may justifiably have their licenses suspended, serving as a prima facie guide when the discretion of the administering officials would be invoked. As such, it provides a workable method for effectuating legislative purposes.

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This rulemaking action by the Division:

- Makes the driver point system rule more clear, concise, and understandable;
- Makes precise adjustments in the Division's criteria regarding suspensions of drivers who accumulate demerit points; and
- Deletes the following from the Division's notice assigning a driver to traffic survival school:
  - A listing of licensed traffic survival schools,
  - The statement that a licensed traffic survival school will charge a fee, and
  - The Division's telephone number.

In spring 2001 the Division determined:

- The rule requiring a listing of licensed traffic survival schools on the notice of assignment was for the convenience of drivers assigned to traffic survival school;
- The Division licenses over 50 traffic survival schools;
- The notice of assignment informs drivers assigned to traffic survival to obtain a list of licensed schools from the Division's printed October 2000 *Customer Service Guide and Driver License Manual* or from the Division's web site at [www.dot.state.az.us/mvd/custservices.htm](http://www.dot.state.az.us/mvd/custservices.htm); and
- A.R.S. § 28-3307(C) informs the public about a licensed traffic survival school fee.

Based on these determinations, the Division undertook supplemental rulemaking to delete from R17-4-506 the provisions for a listing of licensed traffic survival schools on the notice of assignment, for a statement that a licensed traffic survival school will charge a fee, and for the Division's telephone number. During the supplemental rulemaking, the Division did not receive any oral or written comments about eliminating the requirement of a listing of licensed traffic survival schools on the assignment notice. The Division also did not receive any oral or written comments about eliminating the requirement of a statement on the assignment notice that a licensed traffic survival school will charge a fee or eliminating the requirement of the Division's telephone number.

The final rule:

- Simplifies the language of existing definitions and numbers all definitions;
- Deletes the definition of "fee;"
- Adds definitions of "gore area," "[36]-month period," "[12]-month period," and "[24]-month period," and add the definition text for "traffic survival school;"
- Reverses the order of traffic survival school and suspension in subsection (B), sentence 1 and clarifies subsection (B);
- Reverses the order of subsections (C) and (D);
- Changes the text of subsection (C), paragraph 1, line 2 from "a 12-month period" to "the 12-month period defined in subsection (A)(10);"
- Changes the text of subsection (C), paragraph 1, line 3 from "24 months before the date of the violation resulting in the accumulation of 8 to 12 points" to "the 24-month period defined in subsection (A)(11);"
- Deletes subsections (C)(1)(a) and (C)(1)(b) dealing with listing licensed traffic survival schools, providing the Division's telephone number, and stating that a licensed traffic survival school will charge a fee, and re-letters the text remaining in subsection (C)(1) as subsections (C)(1)(a) and (C)(1)(b);
- Changes the text of subsection (C)(1)(b) from "the Division's issuing" to "the Division issuing;"
- Changes the text of subsection (C)(2)(a) from "the driver's successful completion of the curriculum" to "the driver successfully completed the curriculum;"
- Deletes subsection (C)(3)(b), incorporates the text of subsection (C)(3)(a) into subsection (C)(3), and changes the text from "R17-4-506(D)(2)" to "subsections (C)(1) and (C)(2);"
- Re-letters subsection (C)(3)(c) as subsection (C)(4) and changes the text from "on the order of suspension" to "on an order of suspension;"
- Re-letters subsections (C)(3)(c)(ii) and (C)(3)(c)(iii) as subsections (C)(4)(a) and (C)(4)(b) and deletes the word "time" from subsection (C)(4)(a);
- Simplifies subsection (D)(1) by substituting "Comes under subsection (B) and does not come under subsection (C)" for "(a) Accumulates at least 13 points in any 12-month period, or (b) Completed traffic survival school within 24 months before the date of the violation resulting in the order of suspension.;"
- Increases the upper limit of demerit point accumulation for a 3-month suspension in subsection (D)(2)(a);

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- Adds subsection (D)(2)(b) “A 3-month suspension for accumulation of 8 to 12 demerit points in the 12-month period defined in subsection (A)(10) and traffic survival school successfully completed in the 24-month period defined in subsection (A)(11);”
- Increases the lower and upper limits of demerit point accumulation for a 6-month suspension in subsection (D)(2)(c);
- Increases the lower limit of demerit point accumulation for a 12-month suspension in subsection (D)(2)(d);
- Changes the text of subsections (D)(2)(a) and (D)(2)(c) from “any 12-month period” to “the 12-month period defined in subsection (A)(10);”
- Changes the text of subsection (D)(2)(c) “any 12-month period” to “the 36-month period defined in subsection (A)(8);”
- Deletes the word “time” from subsection (D)(3)(a); and
- Incorporates minor changes suggested by Council staff to make the rule more clear, concise, and understandable.

Under this final point system rule, the Division continues to order drivers to improve their safety and driving habits by successfully completing the curriculum of a traffic survival school licensed by the Division. The Division continues to remove unsafe drivers from the Arizona roads. The final rule fine-tunes the Division’s actions for curbing unsafe driving behavior and increasing the safety of the Arizona roads.

**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:**

For the driver point system rule that became effective March 9, 2000, the Division described the point system’s economic cost to certain state agencies, including the Division; to drivers who accumulate demerit points; to the Administrative Office of the Courts; and to Arizona courts. The Division also described the benefits to the public from safer roads and to licensed traffic survival schools from fees paid by drivers ordered to complete the traffic survival school curriculum. Finally, the Division determined that Arizona law enforcement agencies must stay current with, but incur no costs from, the driver point system.

For this final rule amending the driver point system rule, the Division determined that the costs to drivers who accumulate demerit points, to the Administrative Office of the Courts, and to Arizona courts will remain unchanged. The benefits to the public and to licensed traffic survival schools will also remain unchanged. Finally, Arizona law enforcement agencies will continue to incur no costs from the rule.

The Division determined that this final rule produces the following economic impacts in addition to those impacts described for the rule that became effective March 9, 2000:

- The Division incurs additional rulemaking costs;
- The Governor’s Regulatory Review Council incurs additional rule review costs;
- The Secretary of State incurs additional rule publication costs; and
- As a result of the Division’s discontinuing listing licensed traffic survival schools on the notice of assignment:
  - Some licensed traffic survival schools may incur marketing costs, and
  - Traffic survival schools’ marketing activity benefits marketing-related businesses and advertising media.

The Division determined that any past listing of licensed traffic survival schools on the notice of assignment was for the convenience of drivers assigned to traffic survival school. The Division now licenses over 50 traffic survival schools, and drivers currently can obtain a list of licensed traffic survival schools from the Division’s printed October 2000 *Customer Service Guide and Driver License Manual* or from the Division’s web site. Like any business, a traffic survival school’s marketing costs are normal costs of doing business.

The Division notes a general increase in point-accumulation suspensions issued over the last decade, with the increase in Arizona’s population certainly a factor in this trend. Throughout the decade, the Division issued many more 3-month point-accumulation suspensions than 6-month and 12-month point-accumulation suspensions. Fluctuations within the general trend may be attributed to a number of factors, such as:

- The resources and priorities of Arizona law enforcement agencies,
- The legislature’s 1998 enactment of new traffic offenses, and
- The Division’s assignment of a high number of points for conviction of violating several of the new traffic offenses.

The Division determined that the benefits to public safety, to licensed traffic survival schools, and to marketing-related businesses and advertising media from this final driver point system rule continue to outweigh the costs.

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

The final rule changes the proposed rule as follows:

- Deletes the definition of “fee” from subsection (A) and renumbers the remaining definitions accordingly;
- Provides that “gore area” is defined in A.R.S. § 28-644;
- Clarifies the definitions of “[36]-month,” “[12]-month period,” and “[24]-month period” in subsection (A);
- Provides the definition text for “traffic survival school;”
- Clarifies subsection (B), including deletion of “or yield sign” from subsections (B)(7) and (B)(8) in accordance with A.R.S. § 28-877(B);
- Clarifies the first paragraph of subsection (C);
- Deletes original subsections (C)(1)(a) and (C)(1)(b), renumbers the remaining text as subsections (C)(1)(a) and (C)(1)(b), and replaces “Division’s” with “Division” in subsection (C)(1)(b);
- Replaces “driver’s successful completion of” with “driver successfully completed” in subsection (C)(2);
- Deletes subsections (C)(3)(b) and makes subsection (C)(3) that provides:

The Division shall send a driver a 6-month order of suspension under A.R.S. § 28-3318 if the driver does not establish completion of traffic survival school in accordance with subsections (C)(1) and (C)(2);

- Renumbers subsection (C)(3)(c) as subsection (C)(4), replaces “the order of suspension” with “an order of suspension,” and deletes “time” from subsection (C)(4)(a);
- Clarifies subsection (D)(2), moves subsection (D)(2)(d) to (D)(2)(b), and re-letters other subsection (D)(2) paragraphs accordingly;
- Deletes “time” from subsection (D)(3)(a); and
- Incorporates minor changes suggested by Council staff to make the rule more clear, concise, and understandable.

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

The record in this rulemaking action closed at 5:00 p.m., on April 17, 2001. During the supplemental rulemaking, the Division received one written comment. The Division also received one written comment after the rulemaking record closed. The Division did not receive any oral comments, and no member of the public appeared at the oral proceeding on April 17, 2001.

The Division received the following comments:

- A March 2001 written comment from a All-Metro School of Driving about referencing on the notice of assignment sent to drivers both the “Driving: Instructions” and the “Schools: Driving” *Yellow Pages* sections; and
- An April 2001 written comment from Edna School of Driving about the ADOT web site listing of a traffic survival school with 2 locations in separate counties.

The 2 comments received do not relate to any provision of the driver point system rule. The rule does not address the *Yellow Pages* sections referenced on the notice of assignment to traffic survival school or the listing of traffic survival schools on the ADOT web site.

The Division explained to All-Metro School of Driving that the notice of assignment references telephone directory headings as “Schools/Driving,” meaning “Schools” or “Driving.” All-Metro School of Driving was satisfied with the explanation.

As of April 30, 2001, the Division had the Edna School of Driving comment under consideration.

**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:**

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**TITLE 17. TRANSPORTATION**

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

**ARTICLE 5. DRIVER LICENSES**

Section  
R17-4-506. Driver Point System

**ARTICLE 5. DRIVER LICENSES**

**R17-4-506. Driver Point System**

- A. In this Section, ~~unless the context otherwise requires:~~
- ~~1. "Civil traffic violation" has the meaning prescribed is defined~~ in A.R.S. § 28-121(B).
  - ~~2. "Conviction" has the meaning prescribed is defined~~ in A.R.S. § 28-101(12).
  - ~~3. "Division" means the Arizona Department of Transportation, Motor Vehicle Division.~~
  - ~~4. "Driver" has the meaning prescribed is defined~~ in A.R.S. § 28-101(18).
  - ~~"Fee" has the meaning prescribed in A.R.S. § 28-3307(C).~~
  - ~~5. "Gore area" is defined in A.R.S. § 28-644.~~
  - ~~6. "Judgment" has the meaning prescribed is defined~~ in A.R.S. § 28-3001(11).
  - ~~7. "Suspension" has the meaning prescribed is defined~~ in A.R.S. § 28-3001(16).
  - ~~8. "Thirty-six-month period" means the time measured:~~
    - ~~a. From the date of the most recent violation with assigned points for which a driver has a conviction or judgment, and~~
    - ~~b. To that day and month 3 years before the date of the violation under subsection (A)(8)(a).~~
  - ~~9. "Traffic survival school" has the meaning prescribed in A.R.S. § 32-2351(4)(b) means a Division-licensed business that offers training and educational sessions to improve the safety and habits of drivers required to successfully complete the training and educational sessions under Arizona Revised Statutes, Title 28.~~
  - ~~10. "Twelve-month period" means the time measured:~~
    - ~~a. From the date of the most recent violation with assigned points for which a driver has a conviction or judgment, and~~
    - ~~b. To that day and month 1 year before the date of the violation under subsection (A)(10)(a).~~
  - ~~11. "Twenty-four-month period" means the time measured:~~
    - ~~a. From the date of the most recent violation with assigned points for which a driver has a conviction or judgment, and~~
    - ~~b. To that day and month 2 years before the date of the violation under subsection (A)(11)(a).~~
- B. Under A.R.S. § 28-3306(A)(3), if a driver accumulates ~~at least 8 or more~~ points in a ~~the~~ 12-month period ~~defined in subsection (A)(10), the Division shall suspend the driver's Arizona driver license and Arizona driving privilege, suspend the Arizona driving privilege of a driver not licensed by the Division, or either~~ order the driver to successfully complete the curriculum of a licensed traffic survival school ~~or suspend the driver's Arizona driver license or the Arizona driving privilege under A.R.S. § 28-3152 of a driver not licensed by the Division.~~ The Division shall assign points to a driver as follows:

	Points
1. Conviction of violating A.R.S. § 28-1381, driving or actual physical control of a vehicle while under the influence of intoxicating liquor or drugs;	8
2. Conviction of violating A.R.S. § 28-1382, driving or actual physical control of a vehicle while under the extreme influence of intoxicating liquor;	8
3. Conviction of violating A.R.S. § 28-693, reckless driving;	8
4. Conviction of violating A.R.S. § 28-708, racing on highways;	8
5. Conviction of violating A.R.S. § 28-695, aggressive driving;	8
6. Conviction or judgment of violating A.R.S. §§ 28-662, 28-663, 28-664, <del>or 28-665, leaving the scene of</del> relating to a driver's duties after an accident;	6

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|-----|---|---|
| 7.  | Conviction or judgment of violating A.R.S. § <del>28-672</del> <u>28-672(C)</u> , failure to comply with a red traffic-control signal, failure to yield the right of way when turning left at an intersection, or failure to comply with a stop sign <del>or yield sign</del> , and the failure results in an accident causing death to another person;                   | 6 |
| 8.  | Conviction or judgment of violating A.R.S. § <del>28-672</del> <u>28-672(A)</u> , failure to comply with a red traffic-control signal, failure to yield the right of way when turning left at an intersection, or failure to comply with a stop sign <del>or yield sign</del> , and the failure results in an accident causing serious physical injury to another person; | 4 |
| 9.  | Conviction or judgment of violating A.R.S. § 28-701, speeding;  | 3 |
| 10. | Conviction or judgment of violating A.R.S. § <del>28-644</del> <u>28-644(A)(2)</u> , driving over or across, or parking in any part of a gore area; and   | 3 |
| 11. | Conviction or judgment of violating any other traffic regulation that governs a vehicle moving under its own power.   | 2 |

~~D.C.~~ The Division shall send a dated order of assignment to traffic survival school under A.R.S. § 28-3318 to a driver with 8 to 12 points in a the 12-month period defined in subsection (A)(10), who did not complete traffic survival school ~~within 24 months before the date of the violation resulting in the accumulation of 8 to 12 points in the 24-month period defined in subsection (A)(11)~~.

1. The order of assignment shall:
  - a. ~~List the names, addresses, and telephone numbers of the licensed traffic survival schools:~~
    - i. ~~In the driver's Arizona county of residence;~~
    - ii. ~~In a neighboring Arizona county, if the driver's county of residence does not have a traffic survival school;~~  
~~or~~
    - iii. ~~For a nonresident driver, state the Division telephone number to call about complying with the order of assignment;~~
  - b. ~~State that a licensed traffic survival school will charge a fee;~~
- e.a. Instruct the driver to submit any hearing request to the Division within 15 days after the date of the order of assignment; and
- ~~d.b.~~ Instruct the driver that failure to successfully complete traffic survival school within 60 days after the date of the order of assignment will result in the ~~Division's~~ Division issuing a 6-month order of suspension.
2. The Division shall record that a driver completed traffic survival school ~~when if:~~
  - a. A licensed traffic survival school reports that the driver's successful completion of driver successfully completed the curriculum, or
  - b. The driver presents to the Division an original certificate of completion issued by a licensed traffic survival school, within 30 days of issuance of the certificate.
3. The Division shall send a driver a 6-month order of suspension under A.R.S. § 28-3318 ~~when if:~~
  - a. ~~The the driver does not establish completion of traffic survival school under R17-4-506(D)(2) in accordance with subsections (C)(1) and (C)(2), and~~
  - b. ~~At least 61 days pass after the date of the order of assignment.~~
- e. 4. The Division shall specify on the an order of suspension:
  - i.a. ~~The time period within which the driver may make a hearing request to the Division may be made, and~~
  - ii.b. The effective date of the suspension.

~~E.D.~~ The Division shall:

1. Send a driver an order of suspension under A.R.S. § 28-3318 when the driver:
  - a. ~~Accumulates at least 13 points in any 12-month period, or~~
  - b. ~~Completed traffic survival school within 24 months before the date of the violation resulting in the order of suspension comes under subsection (B) and does not come under subsection (C);~~
2. Specify, ~~on the order of suspension,~~ the length of the suspension on the order of suspension as follows:
  - a. A 3-month suspension for accumulation of 8 13 to ~~14~~ 17 points in ~~any the~~ 12-month period defined in subsection (A)(10),
  - b. A 3-month suspension for accumulation of 8 to 12 points in the 12-month period defined in subsection (A)(10) and traffic survival school successfully completed in the 24-month period defined in subsection (A)(11),

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- ~~b.c.~~ A 6-month suspension for accumulation of ~~15~~ 18 to ~~19~~ 23 points in ~~any~~ the 12-month period defined in subsection (A)(10), and
- ~~e.d.~~ A 12-month suspension for accumulation of ~~20~~ 24 or more points in ~~any 12-month~~ the 36-month period defined in subsection (A)(8); and
- 3. Specify, on the order of suspension:
  - a. The ~~time~~ period within which the driver may make a hearing request to the Division ~~may be made~~, and
  - b. The effective date of the suspension.
- E. No change.
- F. No change.
- G. No change.
- H. No change.
- I. No change.

NOTICE OF FINAL RULEMAKING

TITLE 20. COMMERCE, BANKING, AND INSURANCE

CHAPTER 1. DEPARTMENT OF COMMERCE

PREAMBLE

**1. Sections Affected**

**Rulemaking Action**

Article 1	Amend
R20-1-101	Amend
R20-1-102	Amend
R20-1-103	Repeal
R20-1-103	Re-number
R20-1-103	Amend
R20-1-104	Re-number
R20-1-104	New Section
R20-1-105	Repeal
R20-1-105	Re-number
R20-1-105	Amend
R20-1-106	Re-number
R20-1-106	Amend
R20-1-107	Repeal
R20-1-107	New Section
R20-1-108	Repeal
R20-1-108	Re-number
R20-1-108	Amend
R20-1-109	Re-number
R20-1-109	Amend
R20-1-110	Repeal
R20-1-110	Re-number
R20-1-110	Amend
R20-1-111	Repeal
R20-1-111	Re-number
R20-1-111	Amend
R20-1-112	Repeal
R20-1-113	Repeal
R20-1-114	Repeal
R20-1-115	Repeal
R20-1-116	Re-number
R20-1-117	Re-number
R20-1-118	Re-number
R20-1-119	Re-number
R20-1-120	Repeal

**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. § 41-1504(B)(4)

Implementing statutes: A.R.S. §§ 41-1541, 41-1542, 41-1543, 41-1544, and 41-2704

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**3. The effective date of the rules:**

July 12, 2001

**4. A list of all previous notices appearing in the Register addressing the proposed rules:**

Notice of Rulemaking Docket Opening: 7 A.A.R. 2018, May 4, 2001

Notice of Proposed Rulemaking: 7 A.A.R. 1994, May 4, 2001

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

Name: Joan Laurence

Address: Arizona Department of Commerce  
3800 N. Central Ave., Suite #1500  
Phoenix, AZ 85012

Telephone: (602) 280-8181

Fax: (602) 280-1358

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

This rulemaking follows the five-year review of these rules, approved by the Governor's Regulatory Review Council at the January 2001 meeting. This rulemaking includes actions promised in the five-year review, including bringing all rules into compliance with current rule writing standards.

The Arizona legislature passed HB 2262 during the 2000 Session (Laws 2000, Ch.383) making significant amendments to the statutes implemented by these rules, including the following:

- Changing the title of the program from "Work Force Recruitment and Job Training Program" to "Arizona Job Training Program" ("program") to reflect that recruitment assistance is not part of the program.
- Deleting statutory references to recruitment. The program continues to encourage training for specific employment opportunities with qualified businesses through reimbursement of a portion of the training cost.
- Requiring new and expanding businesses and businesses undergoing economic conversion to contribute monies or other appropriate resources equal to at least 25% of the estimated cost of proposed training. Before the amendment, the Director and Job Training Council had authority to reduce this percentage under limited circumstances. This rule-making deletes the Section covering exceptions to the 25% requirement.
- Expanding the program to include incumbent worker training and requiring employer contributions for such training to equal 50% of the cost. These rules address incumbent worker training.

This rulemaking:

- Revises the Director's review and final decision process consistent with A.R.S. § 41-2704, which provides that the head of a state governmental unit may resolve a protest of an award and that an appeal may be made to the Director of the Department of Administration. The protest and appeal must be resolved in accordance with rules of procedure adopted by the Director of the Department of Administration (R2-7-901 through R2-7-937).
- Modifies definitions to reflect statutory and other changes in the program and to cover terms appearing in the Article; application content and procedures; eligibility criteria; Statement of Understanding requirements and new or revised submission requirements for invoices, progress reports, and final evaluation forms; monitoring procedures and repayment provisions.
- Specifies the sliding point scale and determination of grant amounts.
- Amends the training plan requirements, selection criteria, and allowable and excluded project costs.

**7. A reference to any study that the agency relied 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

**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 preliminary summary of the economic, small business, and consumer impact:**

The Arizona Job Training Program was established to provide training for specific employment opportunities with qualified new and expanding businesses and businesses undergoing economic conversion. The Program awards grants to businesses in the form of reimbursement for providing job-specific training to employees. For new jobs, an employer must match at least 25% of the cost of training through contributions of cash in-kind expenditures. For incumbent worker training the required match is 50%.



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During the 2000 Session the legislature modified the program and included enactment of a job training employer tax effective January 1, 2001 (A.R.S. § 23-769). That provision imposes on employers a tax equal to one-tenth of 1% of taxable wages paid to an employee. The legislature intended that beginning in FY 2001-2002 the program will be funded from monies collected from this tax and that state general fund monies would no longer be appropriated. Program funding from this tax for calendar year 2001 is estimated to be \$12.5 million.

Participation in the training program is entirely voluntary. Most of the program's economic, small business, or consumer impact arises from statutory requirements and limitations rather than from proposed rules. The rules set forth the sliding scale by which points are awarded to applicants and specify how grant amounts are determined based on the sliding scale and legislative intent. Grant amounts will vary depending on employer size (based on number of employees) and on whether the location is rural or urban.

The application process (R20-1-102) imposes minimal costs on each employer in the form of time to complete an application and the provision of required documentation. Some of the documentation is quite detailed, including a training plan, budget and a description of positions to be trained.

The eligibility criteria Section implements statutory requirements that training be job-specific, that a business make a good faith effort to leverage other workforce development programs, and that limit a business to one active grant at any time. Grants may not be used to train temporary, contract, or outsourced personnel. These provisions could have an impact on a business ranging from minimal to significant.

The burden imposed on small business by this rulemaking is not significant and is necessary for effective program implementation. Small businesses may submit progress reports on paper rather than the preferred electronic format.

The Department considered possible methods to reduce impact on small business. Except as discussed in the previous paragraph, no practical alternative methods are available.

**10. A description of the changes between the proposed rules, including supplemental notices, and final rules:**

Minor grammatical corrections were made to improve clarity, conciseness, and understandability.

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

No comments were received.

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

None

**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 20. COMMERCE, BANKING, AND INSURANCE**

**CHAPTER 1. DEPARTMENT OF COMMERCE**

**ARTICLE 1. ~~WORK FORCE RECRUITMENT AND~~ ARIZONA JOB TRAINING PROGRAM**

Section

- R20-1-101. Definitions
- R20-1-102. Application Process
- R20-1-103. Determination of Eligibility of a Project
- ~~R20-1-104.~~ R20-1-103. Eligibility Criteria
- ~~R20-1-104.~~ R20-1-104. Grant Award Process
- ~~R20-1-105.~~ R20-1-105. Multi-year Training Projects
- ~~R20-1-106.~~ R20-1-105. Exception to 25% Matching Fund Requirement
- ~~R20-1-109.~~ R20-1-106. Allowable and Excluded Use of Funds and Reimbursable Project Costs
- ~~R20-1-107.~~ R20-1-107. Training Plan Protest
- ~~R20-1-108.~~ R20-1-108. Selection Criteria
- ~~R20-1-116.~~ R20-1-108. Statement of Understanding
- ~~R20-1-117.~~ R20-1-109. Invoices and Program Monitoring
- ~~R20-1-110.~~ R20-1-110. Director's Decision
- ~~R20-1-118.~~ R20-1-110. Repayment
- ~~R20-1-111.~~ R20-1-111. Request for Review of Director's Decision
- ~~R20-1-119.~~ R20-1-111. Final Evaluation Form
- ~~R20-1-112.~~ R20-1-112. Response to Request for Review of Director's Decision Repealed

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- R20-1-113. Director's Final Determination Repealed
- R20-1-114. Hearing Repealed
- R20-1-115. Notice of Director's Final Determination Repealed
- R20-1-116. Renumbered
- R20-1-117. Renumbered
- R20-1-118. Renumbered
- R20-1-119. Renumbered
- R20-1-120. Final Evaluation Criteria Repealed

**ARTICLE 1. ~~WORK FORCE RECRUITMENT AND~~ ARIZONA JOB TRAINING PROGRAM**

**R20-1-101. Definitions**

In this ~~Chapter~~ Article, unless the context otherwise requires:

1. "Applicant" means a business seeking financial assistance from the Program an employer submitting an application to the Department for a grant under the Program.
2. "Cluster industries" means the same as in A.R.S. § 41-1543(8).
3. "Concentrations of firms across several industries" as used in A.R.S. § 41-1543(8) means a group of interdependent business entities that do business with each other and the firms that supply raw materials, components, and services to them.
- 2-4. "Council" means the ~~Work Force Recruitment and~~ Arizona Job Training Council.
- 3-5. "Corporate headquarters" means an the administrative center for a business.
6. "Department" means the Arizona Department of Commerce.
7. "Director" means the Director of the Arizona Department of Commerce.
4. "Disadvantaged area" means an enterprise zone, an enterprise community, an empowerment zone, or a census tract where the average unemployment rate in 150% of the average annual statewide unemployment rate or the poverty rate in the area is at least 150% of the statewide poverty rate as determined by the most recent published Arizona Department of Economic Security statistics.
- 5-8. "Economic conversion" or "EC" means market driven changes made by a business in the way it produces and sells its major products and services, or in its target markets or basic technology. Such changes fundamentally alter the way the business operates or the nature of the business. Economic conversion is due mainly to structural changes in the economy or in the business' industry sector. the process through which a business changes its income base from dependence on defense contracts to other sources of revenue.
9. "Economic foundation needs" as used in A.R.S. § 41-1543(8) means the environmental factors that allow an industry to prosper and include capital resources, human resources, information and communication infrastructure, physical infrastructure, quality of life in the state, tax and regulation, and technology.
10. "Economically depressed area" means an "Enterprise Zone."
6. "Empowerment Zone" means an area the Federal Government designates under Public Law 103-66 to provide incentives for a business to locate within the zone's boundaries.
7. "Enterprise Community" means an area the Federal Government designates under Public Law 103-66 to provide incentives for a business to locate within the community's boundaries.
11. "Employer" means an Arizona entity with a unique Federal Employer Identification Number (FEIN).
- 8-12. "Enterprise Zone" means an area established under A.R.S. § 41-1552 to provide incentives for a business an employer to locate within the zone's boundaries.
13. "Equipment" includes computer hardware and software.
9. "Fiscal year" means a year that begins on July 1 and ends on June 30.
10. "Full benefit package" means a group of employment incentives offered to employees that includes group medical and dental coverage, disability, and a retirement plan regardless of whether the employer subsidizes the cost of such a package.
11. "Good cause" means a delay caused by circumstances beyond the control of the party requesting an extension of time.
14. "Grant" means funds set aside by the Department for an employer as reimbursement for allowable Project costs.
12. "GSPED" means the Governor's Strategic Partnership for Economic Development.
13. "GSPED Cluster" means an industry category identified by the GSPED. A cluster is a concentration of firms across several industries that share common economic foundation needs.
- 14-15. "Health care plan" means group medical coverage provided for an employees employee by the employer regardless of whether the employer subsidizes the cost of such a package.
16. "Hourly employee" means an employee compensated based on number of hours worked.
17. "Incumbent employee" means a full-time or part-time employee who works for an employer before the submission date of the job training application and for whom training funds are requested.
18. "In-kind expenditure" means a non-cash expense incurred in training provided under the Program, including:

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- a. Goods.
  - b. Services.
  - c. Technical assistance.
  - d. Machinery.
  - e. Tools.
  - f. Equipment, and
  - g. Training space.
19. “Management fee” means an employer’s cost for grant administration.
20. “Micro-business” means an employer with fewer than 26 employees including employees projected to be hired under the Program.
15. ~~Minority-owned business” means a business at least 51% owned and operated by 1 or more citizens of the United States who are designated a minority or socially disadvantaged as defined by 13 CFR 124.105(b).~~
16. “Modified average county wage” means 80% of the total wages in a county divided by the number of employed persons in that county as reported by the Department of Economic Security.
17. “Monitoring” means tracking the applicant’s execution of an approved project.
18. “Multi-year training project” means a project that spans 24 or more consecutive months.
- 19-21. “Net new jobs” means total number of filled employment positions created after award of program assistance which qualify under the Program at the end of the Project in excess of the positions listed on the employer’s payroll at the time the Statement of Understanding is signed by the Director.
- 20-22. “New Job job” means an employment position in a new or expanding business or in a business undergoing economic conversion created after award of program assistance which the Statement of Understanding is executed that qualifies under for the Program. This does not include the jobs of recalled workers, replacement jobs, other jobs that formerly existed in the business at any of its locations, or any job that existed in that business during the 6-month period prior to the date the business submits an application for assistance from the Program.
23. “On-the-job training” means training by the employer’s employee while the employee performs regular job activities and the trainee:
- a. Observes.
  - b. Assists.
  - c. Receives instruction, or
  - d. Performs job activities under the employee’s supervision.
24. “Part-time job” means a position that is 30 hours or less per week.
25. “Plan” or “training plan” means an employer’s written training plan submitted to the Department.
- 24-26. “Program” means the Work Force Recruitment and Arizona Job Training Program.
22. “Program assistance” means financial assistance provided under the Program, covering costs related to job training assistance.
23. “Program Manager” means the individual designated by the Director as responsible for managing the Program.
- 24-27. “Project” means a specific, customized training project effort established as a result of an agreement between a training provider and a business for the purpose of providing under this Article for an employer to provide training services authorized by the Program and proposed for program assistance by the applicant a grant.
28. “Project start date” means the date the Director signs the Statement of Understanding.
29. “Qualified training provider” means an educational institution listed in A.R.S. § 41-1541(F) and an individual or entity, including the employer, who has a written statement from the employer attesting to the trainer’s competence to provide training for job-specific skills.
25. “Remedial education” means instruction in basic skills such as reading, writing, and arithmetic not directly related to the performance of a given job.
26. “Resources” means cash or non-monetary contributions used to offset eligible costs of the project which may include personnel, equipment, and materials, among others.
- 27-30. “Rural area” means any location in any Arizona county except the counties of Pima and Maricopa. Within Maricopa and Pima counties, a rural area is any location within an unincorporated area, or any location inside the incorporated limits of a city or town having a population of less than 20,000 persons as determined by the most recent decennial or special census, whichever is more recent. means the same as in A.R.S. § 41-1544(I).
31. “Salaried employee” means a person compensated at a fixed weekly, monthly, or annual amount not calculated from number of hours worked.
32. “Site visit” means a Department inspection of the location where the qualified training provider conducts job training.
28. “Statement of Understanding” means a document signed by the Director and all parties involved in a project approved for program assistance, specifying the scope of the work to be performed, the roles and contributions of each of the parties, and the final dollar amount of the grant.
- 29-33. “Training” means job skill instruction including on-the-job training or classroom training given to trainees by training providers either on-the-job, in a classroom, or any combination thereof, sponsored by a business/employer and

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~~funded through the Program and intended to provide the trainees employee with the specific skills required to perform a specified jobs job.~~

30. ~~“Training plan” means the Work Force Recruitment and Job Training Plan.~~

31. ~~“Training provider” means a person or organization that provides recruitment services, training design, development of materials, training as described in the training plan, or management of project or accounts.~~

32-34. ~~“Urban area” means any area not considered to be defined as a rural area.~~

33. ~~“Women-owned business” means a business at which 51% or more of the ownership is by 1 or more women.~~

**R20-1-102. Application Process**

**A.** A business and/or training provider interested in obtaining program assistance shall contact the Department to request an application or to request a pre-application conference.

**B.A. Application.** The applicant employer shall submit a completed application obtained from the Department form containing the following information, as applicable:

1. Business Employer name, address, telephone number, facsimile number, and electronic mail address;

2. Name of each person with authority to execute documents that bind the employer;

3. Local contact person’s name and title;

2.4. Federal identification number FEIN;

3-5. North American Industry Classification System (NAICS) or Standard Industrial Code Classification (SIC);

6. Description of the business or service provided;

4.7. Parent Company company name and address;

5-8. Business Parent company contact person, and phone telephone number, and facsimile number;

9. Parent company’s FEIN, if different from the employer’s FEIN;

10. Whether employer is:

a. An existing business.

b. The corporate headquarters of the business.

c. Located in an Enterprise Zone, and

d. Located in a rural or urban area;

6. Description of business and business ownership;

7. Reason for creation of new jobs;

8. Products and services produced at the facility at which the new jobs would be located;

9-11. Number of current employees including parent business if FEIN is the same;

12. Whether company has undergone lay-offs or reductions-in-force in Arizona within the 24 months preceding the application date, and if applicable:

a. Date, and

b. Number and type of positions reduced;

10. Number of new and part-time jobs to be created;

11. Wage and benefit information;

12. Amounts the business has spent for training salaried employees and for employees compensated on an hourly basis in each of the prior 3 years;

13. Industry groups to which the business belongs;

14-13. Numbers of individuals from the local Arizona labor force and outside the local labor force the business employer plans to train and hire and train;

14. Estimated number of full-time and part-time:

a. Net new job positions to be filled and trained, and

b. Incumbent worker or economic conversion employees to be trained;

15. If the employer provides health insurance benefits to employees, the following information:

a. Percentage of premium paid by employer, and

b. A copy of the health insurance plan;

16. Benefits, other than health insurance, provided to employees and percentage paid by employer;

17. Cluster industry in which the employer participates;

15. Business’ policy on affirmative action;

16. Estimated cost of training;

17. Amount of program assistance requested;

18. Anticipated training start date;

19. Anticipated completion date for training project;

20. Number of new employees to be trained;

21. Number of existing employees to be trained;

22. Estimated number of trainees eligible under the Job Training Partnership Act;

18. Total estimated training cost;

19. The name, contact person, address, and telephone number of the qualified training provider;

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- ~~23. Why the business' training needs require a customized training approach;~~
- ~~24. Description of the needed recruitment and/or training;~~
- ~~25. Name of provider of customized training;~~
- ~~26. Description of the business' need for employee training;~~
- ~~27. Anticipated outcomes of the training to be provided;~~
- ~~20. Description of employer's need for employee training;~~
- ~~21. Description of:~~
  - ~~a. Other training assistance in effect at time of application, or~~
  - ~~b. Effort to obtain other training assistance during the 3 months before submission of application;~~
- 22. A statement signed and dated by the employer's chief executive officer, attesting that the employer:
  - a. Agrees to maintain or increase its current level of expenditures for training, excluding the Program funds
  - b. Is paying into the Arizona Job Training Fund under A.R.S. § 41-1544;
  - c. Has read the:
    - i. Application,
    - ii. Program Introduction,
    - iii. Guidelines, and
    - iv. Criteria;
  - d. Verifies that statements and representations in the application and supporting documents are accurate and complete;
  - e. Acknowledges that the Department reserves the right to request:
    - i. Financial information from the employer, and
    - ii. Additional information regarding the employer's lay-offs or reductions-in-force;
- ~~28. How the business will contribute 25% of the total eligible training project costs;~~
- ~~29. Other funding sources for the training;~~
- ~~30. Training cost per employee, based on the request for program assistance;~~
- ~~31. Names, numbers, and average hourly wages for the job positions to be trained;~~
- ~~32. Financial statements for at least the 2 calendar years prior to the date of the filing of the application, and for 3 years if they are available, and an interim statement for the duration of current year including the calendar quarter immediately preceding the filing of the application. These financial statements shall include all profit and debt schedules prepared according to generally accepted accounting principles;~~
- ~~33. Letters of commitment for business' matching funds and others participating in the funding of the training;~~
- ~~34. Training plan designed by the business and the training provider;~~
- ~~35. Training project budget showing the sources and uses of all resources associated with the project;~~
- ~~36. If the Applicant is undergoing economic conversion, a description of the circumstances contributing to the economic conversion and a general plan for new market development.~~
- B. In addition to an application form, a completed application package shall include:**
  - 1. A written training plan that specifies how the qualified training provider will train the employees to perform job-specific duties or skills;
  - 2. For net new employees to be hired and trained, and incumbent workers or economic conversion employees to be trained, a list of positions including:
    - a. Name of each employee, if known;
    - b. Wage before training; and
    - c. Wage after training; and
  - 3. A training budget that includes the employer's:
    - a. Training costs for all employees to be included in the Project,
    - b. Additional allowable costs under R20-1-106, and
    - c. Other resources that the employer proposes to use for training and cash or in-kind expenditures to meet requirements of A.R.S. § 41-1541.
- C. Time-frames. The Department shall:**
  - 1. Approve or deny a complete application package within 30 days of receipt; and
  - 2. Notify the employer in writing whether the application is approved or denied, including:
    - a. If approved, amount of grant; and
    - b. If denied, the reason for denial.

**R20-1-103. Determination of Eligibility of a Project**

- A.** The Department determines eligibility of a project by an analysis of information included in an application.
- B.** An applicant may contact the Department to set up a pre application conference either in person or through teleconference. At this conference, the applicant may request information on program assistance, the application process, and eligibility criteria.

- ~~C.~~ If the Department determines the applicant is not eligible, the Department shall send a denial letter to the applicant and, if known, the training provider within 30 days of the determination.
- ~~D.~~ The Department cannot guarantee program assistance for an application that meets the eligibility criteria.

**R20-1-104, R20-1-103. Eligibility Criteria**

The Department ~~shall determine~~ determine whether ~~if~~ a project Project is eligible for ~~program assistance~~ a grant using the following ~~eligibility criteria~~ eligibility criteria: ~~The employer:~~

- ~~1. The applicant is operational for at least the 2 years prior to application as shown in financial records. Pays its employees as required under A.R.S. § 41-1543.~~
- ~~2. The applicant documents that it has obtained or attempted to obtain other training assistance. Is paying into the Arizona Job Training Fund at time of application.~~
- ~~3. The applicant is financially sound as documented in financial statements.~~
- ~~4. The applicant is expanding and adding net new jobs, undergoing economic conversion, or locating to Arizona from outside the state.~~
- ~~5. An applicant that currently has a facility in Arizona proposes to use program assistance to support training activities for new employees at levels that exceed the current level of training expenditures.~~
- ~~6. The applicant applies only once in a fiscal year.~~
- ~~7. The applicant achieves a total of at least 75 points of the Program's "Sliding Scale". This scale assigns points as follows:~~
  - ~~a. 25 points for a rural or disadvantaged area, 10 points for an urban area that is not disadvantaged;~~
  - ~~b. 25 points for a GSPED cluster industry, manufacturing, warehouse distribution, newly established corporate headquarters, or research and development facility;~~
  - ~~c. 40 points if the average wage of the net new employees is 160% or more of the modified average county wage, 30 points if it is 140% or more but less than 159%, 20 points if it is 120% or more but less than 139%, 10 points if it is 100% or more but less than 119%.~~
  - ~~d. For a business expansion or an economic conversion: 25 points if the number of the new jobs created would be 41% or more of the existing employee base, 20 points if it is 31% or more but less than 41%, 15 points if it is 21% or more but less than 30%, 10 points if it is 11% or more but less than 20%, and 5 points if it is 10% or less;~~
  - ~~e. For a new business in the state with 100 or more employees on the company wide payroll: 45 points for 1001 or more new jobs, 40 points for 801 new jobs or more but less than 1001 new jobs, 35 points for 601 new jobs or more but less than 801 new jobs, 30 points for 401 new jobs or more but less than 601 new jobs, 25 points for 201 new jobs or more but less than 401 new jobs, 20 points for 101 new jobs or more but less than 201 new jobs, and 10 points for 100 or fewer new jobs;~~
  - ~~f. For a new business in the state with fewer than 100 employees on the company wide payroll: 30 points if 81 to 100 new jobs would be created, 25 points for 61 new jobs or more but less than 81 new jobs, 20 points for 41 new jobs or more but less than 61 new jobs, 15 points for 21 new jobs or more but less than 41 new jobs, and 10 points for 20 or fewer new jobs; and~~
  - ~~g. 15 points if the applicant provides a health care plan, and 0 points if the applicant does not provide a health care plan.~~
- ~~3. Documents that at the time of the application it obtained or attempted to obtain other training assistance, and~~
- ~~4. Is adding net new jobs in Arizona, or~~
- ~~5. Is providing training under the Program for incumbent workers, or~~
- ~~6. Is undergoing economic conversion.~~

**R20-1-104. Grant Award Process**

**A. Funding**

1. Except as specified in A.R.S. § 41-1544, funding of a grant for an eligible employer shall be on a first-come, first-serve basis, based on the date the Department receives the employer's completed application package specified in R20-1-102 and if uncommitted funds remain in the Arizona Job Training Fund.
2. Submission of an application that meets eligibility criteria does not guarantee grant funding.
3. The maximum amount of any Program grant is specified in A.R.S. § 41-1544(H).
4. The Department shall not award any Program grant in an amount greater than that stated on the employer's training budget.
5. The Department shall base the amount of the grant on the employer's sliding scale score and calculate it based on the number of employees to be trained.

**B. Per employee grant amount range**

1. New worker training
  - a. For an employer with 300 or more employees:
    - i. Located in an urban area: \$2,000 to \$5,000; or
    - ii. Located in a rural area or an Enterprise Zone: \$3,000 to \$6,000;

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- b. For an employer with fewer than 300 employees: \$3,000 to \$6,000; or
  - c. For a micro-business employer: \$4,000 to \$7,000.
  - 2. Incumbent worker training
    - a. For an employer with 300 or more employees:
      - i. Located in an urban area: \$1,500 to \$3,750; or
      - ii. Located in a rural area or an Enterprise Zone: \$2,250 to \$4,500;
    - b. For an employer with fewer than 300 employees: \$2,250 to \$4,500; or
    - c. For a micro-business employer: \$3,000 to \$5,250.
  - 3. Economic conversion training: \$2,000 to \$5,000.
- C.** Sliding scale for grant amount calculation. The Department shall assign points based on the following factors (percentage calculations and fractional numbers are rounded to the nearest whole number).
- 1. Industry or facility type: An employer may receive 20 points under only 1 of the following:
    - a. Cluster industry including:
      - i. Bioindustry;
      - ii. Environmental technology;
      - iii. Food, fiber, and natural products;
      - iv. Minerals and mining;
      - v. High technology;
      - vi. Optics, plastics, and advanced composite materials;
      - vii. Senior industries;
      - viii. Software and information industry;
      - ix. Tourism;
      - x. Transportation and distribution; or
      - xi. Another cluster as defined by A.R.S. § 41-1543(8) and this Article; or
    - b. Corporate headquarters; or
    - c. Research and development facility;
  - 2. Wage level: Average wage level of new jobs relative to qualifying wage threshold as specified in A.R.S. § 41-1543(3) (an employer receiving points under this subsection is not eligible for points under subsection (C)(3)):
    - a. 10 points if 100% to 105%.
    - b. 30 points if 106% to 110%.
    - c. 40 points if 111% to 120%.
    - d. 50 points if 121% to 130%, and
    - e. 60 points if 131% or greater;
  - 3. Incumbent worker or EC positions: For an employer providing incumbent worker or EC training, percentage of average pay increase for incumbent workers to be trained (an employer receiving points under this subsection is not eligible for points under subsection (C)(2)):
    - a. 10 points if 5% or less.
    - b. 30 points if 6% to 10%.
    - c. 40 points if 11% to 15%.
    - d. 50 points if 16% to 20%, and
    - e. 60 points if 21% or greater;
  - 4. Economic conversion positions: For an employer undergoing economic conversion (EC), number of positions to be trained under a grant, based on the formula: number of EC jobs created divided by number of employees on application date equals X% (an employer receiving points under this subsection is not eligible for points under subsections (C)(5) or (C)(6)):
    - a. 10 points if 10% or less.
    - b. 20 points if 11% to 20%.
    - c. 30 points if 21% to 30%.
    - d. 40 points if 31% to 40%, and
    - e. 50 points if 41% or greater;
  - 5. Large employer positions: For an employer with 300 or more employees, the number of new jobs to be created (an employer receiving points under this subsection is not eligible for points under subsections (C)(4) or (C)(6)):
    - a. 10 points if 100 or fewer jobs.
    - b. 20 points if 101 to 200 jobs.
    - c. 30 points if 201 to 300 jobs.
    - d. 40 points if 301 to 400 jobs, and
    - e. 50 points if 401 or more jobs;
  - 6. Small employer positions: For an employer with fewer than 300 employees, the number of new jobs to be created (an employer receiving points under this subsection is not eligible for points under subsections (C)(4) or (C)(5)):

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- a. 10 points if 10 or fewer jobs,
- b. 20 points if 11 to 20 jobs,
- c. 30 points if 21 to 30 jobs,
- d. 40 points if 31 to 40 jobs, and
- e. 50 points if 41 or more jobs;
- 7. Benefits: 20 points if the employer:
  - a. Provides a health care plan, and
  - b. Pays at least 50% of the plan cost; and
- 8. Lay-offs or reductions-in-force: For an employer who has undergone lay-offs or reductions-in-force during the 24 months preceding the application date, the percentage of positions reduced:
  - a. -10 points for less than 10%,
  - b. -20 points for 11% to 20%,
  - c. -30 points for 21% to 30%,
  - d. -40 points for 31% to 40%, and
  - e. -50 points for 41% or more.

**D. Minimum points and grant amount**

- 1. New worker training:
  - a. The Department shall award the minimum per employee grant amount of the range specified in this Section to an employer with at least a 10-point score.
  - b. The Department shall increase the per employee grant amount by \$21.43 for every point greater than 10 points.
- 2. Incumbent worker training:
  - a. The Department shall award the minimum per employee grant amount of the range specified in this Section to an employer with at least a 10-point score.
  - b. The Department shall increase the per employee grant amount by \$16.07 for every point greater than 10 points.
- 3. Economic conversion:
  - a. The Department shall award the minimum per employee grant amount of the range specified in this Section to an employer with at least a 10-point score.
  - b. The Department shall increase the per employee grant amount by \$21.43 for every point greater than 10 points.

**~~R20-1-105.~~ Multi-year Training Projects**

An applicant with a multi-year training project may be eligible for program assistance if the applicant meets the eligibility criteria. Funding in future years is subject to the availability of funds and the Department's determination that applicant meets eligibility criteria as defined in R20-1-104 as well as the requirements of its training plan as defined in R20-1-107.

**~~R20-1-106.~~ R20-1-105. Exception to 25% Matching Fund Requirement**

The Council and Director shall waive the requirement to contribute 25% of the eligible training costs as specified by A.R.S. § 41-1541(C) if a project meets all of the following criteria, as documented by the applicant in the application:

- 1. It provides a full benefit package for all employees;
- 2. It falls within 1 of the following categories:
  - a. A GSPED cluster industry;
  - b. Manufacturing or warehouse/distribution;
  - c. Newly established corporate headquarters, or
  - d. Research and development facility;
- 3. It locates within a rural or disadvantaged area of the state; and
- 4. It will provide wages equal to at least 2 times the modified average county wage.

**A. Except as specified in subsection (B), an employer shall provide at least 25% of the cost of Project training with cash or in-kind expenditures.**

**B. An employer receiving funding for incumbent worker training shall provide at least 50% of the cost of Project training with cash or in-kind expenditures.**

**C. An employer shall not use the following as matching funds:**

- 1. Grant management fees,
- 2. Costs associated with recruitment or hiring of employees,
- 3. Employee wages or fringe benefits, and
- 4. Grant funds.

**~~R20-1-109.~~ R20-1-106. Allowable and Excluded Use of Funds and Reimbursable Project Costs**

**A. A grant shall only be used for job-specific training.**

**B. An employer shall use grant funds:**

- 1. To train new employees at a level that maintains or exceeds the level of the employer's training expenditures for the year preceding the application date, excluding grant funds; and
- 2. To supplement, not replace, the employer's existing training expenditures.



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- C.** An employer shall not simultaneously have more than 1 active Program grant.
- D.** An employer shall not use Program funds to train full-time or part-time employees who are:
1. Temporary,
  2. Contract, or
  3. Out-sourced.
- A.E.** Project costs for recruitment, screening of trainees for the training program, and training for jobs being created are eligible for program assistance under the Program. These Costs eligible for the Program grant shall be listed in the employer's written training plan and may include the following:
1. Classified recruitment ads,
  2. Information dissemination at a career or job fair,
  3. Applicant intake costs such as taking applications,
  4. Clerical functions directly related to the project,
  5. Providing office space directly related to data base system and services,
  6. Assessments of potential employees,
  7. Pre-interview training of personnel and interview evaluation,
  8. Scheduling of interviews with applicant's representatives,
  9. 1. Training program design and development;
  10. Training material design,
  11. 2. Training materials material purchase/ and production;
  12. Training support materials,
  13. Leased equipment essential for customized training,
  14. 3. Trainer Qualified training provider costs fees;
  15. Project management/administrative and support costs, and
  16. 4. Travel that is less than or equal to cost not to exceed 10% of the grant, excluding food and beverage, as specified in the training plan and budget:
    - a. For a qualified training provider brought onsite to train employees, 10% of the total eligible training costs; and
    - b. For employees, not to exceed 50% of the actual cost; and
5. On-the-job training costs, including:
- a. The portion of the base salary or wage, not to exceed 25%, paid to an employee who provides on-the-job training to the trainee; or
  - b. If the employer documents that the productivity of an employee who provides on-the-job training is decreased by more than 25% as the direct result of providing training, the documented greater amount of the base salary or wage.
- B.F.** Project costs that are not eligible include trainee wages and fringe benefits, and remedial education training. The following costs are not eligible for Program grant funds:
1. Trainee wages or fringe benefits;
  2. Employer's cost to complete a Program application;
  3. Time, stress, or life management training classes;
  4. Employee recruitment expense;
  5. Employee hiring expense;
  6. Grant management fees;
  7. Training for an employer officer or partner;
  8. Signing bonus;
  9. Food and beverage;
  10. Equipment or machinery;
  11. Employee search expense;
  12. Relocation expense;
  13. Drug or other testing associated with screening and prescreening of an employee; and
  14. Travel expense other than training expense eligible under subsection (E);
- G.** An employer shall not contract for or incur a cost to be covered by a Program grant before the Program start date.

**R20-1-107. Training Plan Protest**

- A.** An applicant that the Department determines to be eligible for program assistance shall develop a training plan with the training provider.
- B.** The training plan outlines the use of the program assistance and shall include but not be limited to the following:
1. Description of design and analysis of training program,
  2. Development of training materials,
  3. Scope of work to be performed,
  4. Cost of training program,
  5. Timeline for the entire recruitment and training program,

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6. Recruitment plan,
7. Curriculum with description of classes and class schedule,
8. Number of employees to be trained in each class, and
9. Cost of each class.

**A.** An interested party may, under A.R.S. § 41-2704, file a protest of a determination of:

1. Award of a grant,
2. The amount of the grant,
3. Termination of a grant, or
4. Repayment.

**B.** The Director shall resolve protests under subsection (A).

**C.** An interested party may appeal the Director's resolution of a protest to the Director of the Department of Administration.

**D.** A protest under this Section shall be filed, processed, and resolved according to the rules of procedure contained in 2 A.A.C. 7, Article 9.

**R20-1-108. Selection Criteria**

**A.** Final approval of program assistance for applicants determined to be eligible under these rules is based upon the specific selection criteria in A.R.S. § 41-1543 and the following:

1. Number of net new jobs created;
2. Cost of recruitment and/or training;
3. Financial soundness of the applicant;
4. Training and job opportunities created for special target groups such as the disabled, dislocated workers, chronically unemployed, veterans, women, and minorities;
5. Written indications of community support; and
6. Amount of matching resources contributed by the applicant to the training project.

**B.** In selecting eligible projects to recommend for program assistance, the Department gives preference to an applicant that is:

1. A first time applicant to the Program,
2. Included within a GSPED cluster,
3. Located in a disadvantaged area, or
4. A women and/or minority owned business.

**C.** To assure the Program assesses both urban and rural economic interests as required by A.R.S. § 41-1542(C)(4), the Department gives preference to applicants located in rural areas.

**R20-1-116-R20-1-108. Statement of Understanding**

The Department shall send an applicant approved for program assistance a Statement of Understanding that must be signed and returned to the Department within 20 days.

**A.** For an approved application, the Department shall prepare and provide to the applicant a Statement of Understanding (SOU) specifying:

1. Terms and conditions of the grant award,
2. That the Project shall not exceed 24 months from Project start date,
3. Responsibilities of each party, and
4. Amount of grant and amount of employer's cash or in-kind expenditure requirement.

**B.** The employer shall within 30 days after receipt of the SOU:

1. Sign the SOU, and
2. Return the original SOU and a completed W-9 federal tax form to the Department.

**C.** The Department may extend the time under subsection (B), if the Department receives a written request for an extension during the 30 day period under subsection (B).

**D.** If an employer fails to comply with the time-frame required under subsection (B) or as extended under subsection (C), the employer shall reapply for a Program grant under this Article.

**E.** An employer may request a modification of the SOU, and the Department may approve the request, if the request:

1. Is submitted to the Department in writing at least 30 days before the modification implementation date,
2. Specifies good cause, and
3. Is consistent with the training plan as originally approved.

**F.** The Department shall not reimburse an employer for costs or obligations incurred before the Project start date or before a modification approval date.

**R20-1-117-R20-1-109. Invoices and Program Monitoring**

**A.** A recipient of program assistance shall submit an invoice for reimbursement every 3 months with a progress report describing specific work that has been done for the time period as identified in the training plan and the application. The Program Manager shall conduct a scheduled site visit at least once during the project.

**A.** Filing requirements.

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1. An employer shall file progress reports and Unemployment Tax and Wage Reports (UC-018) with the Department on a quarterly basis.
  2. An employer shall submit the initial progress report and any related paid invoices for reimbursement to the Department within 120 days after the Project start date. The Department shall extend the initial reporting period for 30 days for good cause if the Department receives a written request for an extension within the 120 days after the Project start date.
  3. An employer shall submit subsequent progress reports and paid invoices for reimbursement at least every 3 months, even if no training activity has occurred.
  4. An employer shall submit all invoices and requests for reimbursement within 3 months of the:
    - a. Date the expense is invoiced, or
    - b. Completion of the Project.
  5. An employer is subject to a scheduled site visit at least once during or after the Project.
- B.** At the termination of the project, the recipient of program assistance shall provide the Department with a report describing jobs created, training conducted, project training dates, wages for newly hired personnel, benefits provided, demographic background of new hires, and discrepancies between the submitted application and the completed training project.
- B.** Progress reports and invoices
1. An employer shall submit the progress report on a spreadsheet, other electronic media, or a form provided by, or approved by, the Department. The report shall list:
    - a. Specific training completed during time covered by the report;
    - b. Net new jobs created;
    - c. Number of new employees trained;
    - d. Number of incumbent workers trained;
    - e. Number of EC employees trained;
    - f. For each employee trained under the grant:
      - i. Name;
      - ii. Social Security number;
      - iii. Position title;
      - iv. Actual hourly wage with and without health or fringe benefits;
      - v. Hire date; and
      - vi. Termination date, if any; and
    - g. Racial and ethnic background.
  2. An employer requesting grant reimbursement for an outside vendor shall submit to the Department a copy of the outside vendor's invoice detailing the training service provided or product purchased.
  3. An employer requesting grant reimbursement for training or products not provided by an outside vendor shall submit:
    - a. A detailed description of the expense, and
    - b. An explanation of how cost was determined and calculated.
  4. A request for grant reimbursement shall:
    - a. Be in the approved training budget;
    - b. Be acknowledged by the employer, in writing, as representing an accurate accounting of incurred expenses; and
    - c. Be accompanied by evidence that the required match has been contributed by or for the employer.
  5. An employer shall submit with each invoice and request for reimbursement its most recent Unemployment Tax and Wage Report (UC-018).
- C.** Disbursements. A quarterly grant disbursement to an employer shall be directly proportionate to the number of net new jobs the employer filled and trained under the grant and the number of incumbent workers or EC employees trained under the grant. The Department may, upon the employer's written request filed with the invoices and progress reports required under subsection (B), disburse an additional amount for training start-up costs, not to exceed 10% of the total grant.

**R20-1-110. Director's Decision**

- A.** Within 60 days of receipt by the Department of a complete application submittal including the training plan and final budget, the Program Manager shall recommend to the Director either an approval with recommended program assistance level or decline of program assistance.
- B.** The Director makes the final decision approving or declining program assistance for a project and the funding level of the program assistance.
- C.** The Director shall base the funding level on the results of applying the selection criteria, the applicant's request, the contents of the training plan submitted under R20-1-107, the award levels of similar projects funded, and the availability of funds.
- D.** Within 30 days of the Director's decision, the Department shall notify an applicant in writing whether the project was approved for program assistance.

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**~~R20-1-118, R20-1-110, Repayment~~**

The Department shall require a recipient of program assistance that fails to meet the requirements, as established in the recipient's training plan and delineated in the recipient's application, to return all of the program funds if 85% of new jobs are not created during the established timeframe. If more than 85% but less than 100% of new jobs are created, the company will return funds on a prorated bases.

- A.** Final grant distribution shall be based on the employer's performance of the terms and conditions of the SOU. If these are not met, the final distribution shall be reduced based on the employer's actual performance.
- B.** Any difference between the SOU amount and final grant amount calculated under subsection (A) shall:
  - 1. Not be disbursed, or
  - 2. Be repaid by the employer.
- C.** An employer shall make repayment within 30 days after receipt of the Department's written request.

**~~R20-1-111, Request for Review of Director's Decision~~**

- A.** Any applicant dissatisfied with determinations of eligibility or program assistance decisions may request a review of the Director's decision.
- B.** An applicant seeking review of any decision concerning eligibility or program assistance shall submit a request in writing, addressed to the Director, that includes the following information:
  - 1. Name, address, and telephone number of the applicant;
  - 2. The signature of the applicant or its representative;
  - 3. Identification of the Director's decision requested for review;
  - 4. A detailed statement of the legal and factual grounds for the review including copies of relevant documents; and
  - 5. The form of relief requested.
- C.** An applicant shall file a request for a review within 15 days of receipt of notification by the Department of a determination of ineligibility or a funding award. If the applicant shows good cause, the Director may consider a request for review not filed timely.

**~~R20-1-119, R20-1-111, Final Evaluation Form~~**

- A.** Each recipient of program assistance ~~Unless an earlier submission is required under subsection (E), an employer shall complete a final evaluation form~~ Final Evaluation Form at the completion of its project, within 3 months after training or SOU completion date and before final grant disbursement. ~~This form shall consist of~~ The form shall include the following:
  - 1. Business, name, address, phone, FAX number, and contact person;
  - 2. Estimated number of new full time and part time jobs to be created according to the recipient's original application;
  - 3. Actual number of new full time and part time jobs created;
  - 4. Explanation of any discrepancy between the estimated number of new jobs on the application and the actual number of new jobs created;
  - 5. Estimated number of trainees eligible under the Job Training Partnership Act according to the application;
  - 6. Actual number of trainees eligible under the Job Training Partnership Act who were hired;
  - 7. Number of applications reviewed;
  - 8. Number of interviews conducted;
  - 9. Estimated number of new hires to be trained according to the application;
  - 10. Actual number of new hires who completed training;
  - 11. Explanation of any discrepancy between the estimated number of new hires on the application and the actual number of new hires who completed training;
  - 12. Antieipated dates for start and completion of training according to the application;
  - 13. Actual dates for start and completion of training;
  - 14. Explanation for any discrepancy in the anticipated and actual dates for the start and completion of training;
  - 15. Amount of the grant that was awarded to the business;
  - 16. Amount of grant dispersed to the business to date;
  - 17. List of new hires, indicating job title and average hourly wage including benefits;
  - 18. Information on benefits offered to employees;
  - 19. Explanation of any discrepancies in submitted application and completed training project;
  - 20. Documentation of efforts to leverage other training resources, according to A.R.S. § 41-1542(D);
  - 21. Information on demographic background of new hires (including racial and ethnic background, age, gender, and veteran or handicap status) according to A.R.S. § 41-1542(D).
- 1. Date;
- 2. Employer name, address, telephone number, facsimile number, and electronic mail address;
- 3. Contact person;
- 4. Number of Arizona employees at Project start date;

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5. Number of net new full-time and part-time positions the employer agreed to hire and train and average hourly wage for the positions;
  6. Number of incumbent workers the employer agreed to train and average hourly wage for the positions;
  7. Number of EC workers the employer agreed to train and average hourly wage for the positions;
  8. Actual number of full-time and part-time positions filled and trained under the grant;
  9. Actual number of incumbent workers trained under the grant;
  10. Actual number of EC employees trained under the grant; and
  11. Actual start and completion dates for training.
- B.** An employer shall attach a list of new employees hired and trained and of incumbent workers and EC workers trained under the Project from Project start date through Project end date, indicating for each employee, if applicable:
1. Hire date;
  2. Termination date;
  3. Name;
  4. Social Security number;
  5. Job title;
  6. Actual hourly wage or salary, calculated with and without health and fringe benefits; and
  7. Racial and ethnic background.
- C.** An employer shall attach documentation of efforts to obtain other training resources if the efforts are not as described in the application.
- D.** An employer's chief executive officer or highest-ranking site official shall verify that the statements and representations in the Final Evaluation Form and supporting documentation are accurate and complete.
- E.** If the Department determines that an employer fails to meet any term or condition of the SOU, the Department may terminate the grant and the employer shall submit to the Department the items required under subsections (A) through (D) within 10 days following termination of the grant or expiration of the grant deadline.

**R20-1-112. Response to Request for Review of Director's Decision Repealed**

- A.** ~~The Program Manager shall provide a written report addressing the request for review to the Director within 15 days of the receipt of the request by the Director. The report shall contain documents, findings, actions, recommendations, and any additional evidence or information necessary to determine the validity of the request.~~
- B.** ~~Upon receipt of the Program Manager's report by the Director, the Director shall send a copy of the report to the applicant.~~
- C.** ~~Within 15 days of the applicant's receipt of the Program Manager's report, the applicant shall file with the Director 2 copies of an applicant's report containing comments on the Program Manager's report.~~
- D.** ~~The Director may grant to either the Program Manager or to the applicant an extension up to 30 days for the completion and submittal of either report. The Director shall grant an extension if the party requesting the extension makes the request in writing, describes the reason for the extension, and demonstrates good cause for needing the extension.~~

**R20-1-113. Director's Final Determination Repealed**

~~Within 30 days of the receipt by the Director of an applicant's report containing comments on the Program Manager's report, the Director shall:~~

1. ~~Request additional information;~~
2. ~~Hold a hearing or authorize an independent hearing officer to hold a hearing to consider the relevant facts. The hearing officer shall make written recommendations to the Director. The Director may accept, modify, or reject the written recommendations or may hold a hearing at which the Director may preside;~~
3. ~~Adopt the Program Manager's report;~~
4. ~~Develop a new report which includes the Director's findings and a written decision; or~~
5. ~~Dismiss, upon a written determination, a request if the request does not state a valid basis for the Director to change the decision.~~

**R20-1-114. Hearing Repealed**

~~A hearing on the review of a Director's decision shall be conducted as a contested case pursuant to these rules and the Arizona Administrative Procedure Act.~~

**R20-1-115. Notice of Director's Final Determination Repealed**

~~The Director shall furnish a copy of the Director's final determination to the applicant by certified mail. The final determination shall contain an explanation of the basis of the decision and a statement that the decision may be appealed to Superior Court.~~

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**R20-1-116. Renumbered**

**R20-1-117. Renumbered**

**R20-1-118. Renumbered**

**R20-1-119. Renumbered**

**R20-1-120. Final Evaluation Criteria Repealed**

- A.** The Department shall use final evaluation criteria to determine the effective use of the training fund as required by A.R.S. § 41-1542(C)(6) and to determine future funding and possible changes of these rules.
- B.** Final evaluation criteria shall include:-
1. Number of persons trained;
  2. Costs for each type of training or recruitment;
  3. Number of hours a week a recipient of program assistance expects new employees to work;
  4. The amount of state income, sales, and property taxes that a person making the starting wage could be expected to pay;
  5. Benefits in addition to wages that a recipient of program assistance provides the employees;
  6. Health insurance policy coverage and the amount a recipient of program assistance expects the employee to contribute;
  7. Demographic background of the persons trained, including age, race, gender, ethnic background, veteran and handicap status;
  8. Number of persons trained who qualified through the Job Training Partnership Act or as displaced homemakers;
  9. Number of jobs located in a rural or economically depressed area; and
  10. Impact of the jobs created on the overall economy of the state.