

REFERENCE TITLE: motor vehicles; registrations; titles; dealers

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HB 2479

Introduced by
Representatives Carroll: Wilmeth, Senators Pace, Shope

AN ACT

AMENDING SECTIONS 28-2053, 28-2060, 28-2154, 28-2157, 28-2158, 28-4403 AND 28-4415, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 10, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-4424; AMENDING SECTION 28-4546, ARIZONA REVISED STATUTES; RELATING TO MOTOR VEHICLES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-2053, Arizona Revised Statutes, is amended to
3 read:

4 28-2053. Certificate of title without registration

5 A. The department may only issue a vehicle certificate of title
6 without registration for a vehicle that is physically present **OR PURCHASED**
7 in this state for any of the following reasons:

8 1. The applicant for a certificate of title is a nonresident whose
9 vehicle is not subject to vehicle registration in this state.

10 2. The applicant certifies that the vehicle was acquired for
11 purposes other than highway use.

12 3. The vehicle was acquired by operation of law.

13 4. The vehicle is an off-road recreational motor vehicle required
14 to be issued a certificate of title pursuant to section 28-2061.

15 B. The department shall issue a certificate of title without
16 registration for either of the following reasons:

17 1. The owner will register the vehicle under article 7 or 8 of this
18 chapter.

19 2. The vehicle is a trailer or semitrailer that will be used in
20 interstate commerce and that is registered in another state.

21 Sec. 2. Section 28-2060, Arizona Revised Statutes, is amended to
22 read:

23 28-2060. Transfer of ownership by operation of law

24 A. Except as provided in subsection F of this section, when the
25 title or interest of an owner of a registered vehicle passes to another
26 other than by voluntary transfer, the transferee shall obtain a transfer
27 of registration within thirty days after the passing of the title or
28 interest.

29 B. Within thirty days after passing of the title or interest of an
30 owner of a registered or unregistered vehicle, **OR WITHIN NINETY DAYS AFTER**
31 **THE PURCHASE OF A REGISTERED OR UNREGISTERED VEHICLE FROM A MOTOR VEHICLE**
32 **DEALER**, the transferee of the vehicle shall obtain a new certificate of
33 title on proper application and presentation of the last certificate of
34 title, if available, and such instruments or documents of authority or
35 certified copies of the instruments or documents that are sufficient or
36 required by law to evidence or effect a transfer of title or interest in
37 or to chattels that pass to another other than by voluntary transfer.

38 C. If a motor vehicle has been forfeited to the federal government
39 and is sold at public auction pursuant to federal law, the purchaser at
40 the sale takes title free of any liens or encumbrances if federal law so
41 provides. If a motor vehicle has been forfeited to any local or state
42 government entity, agency or political subdivision or to any federal law
43 enforcement agency after the disposition of all claims under the laws of
44 this state, the order of the court forfeiting the vehicle shall transfer
45 good and sufficient title to the transferee and to any subsequent

1 purchaser or transferee. The purchaser or transferee shall register the
2 motor vehicle within thirty days after the sale or transfer, and the
3 department shall issue a certificate of title to the purchaser or
4 transferee on presentation of the evidence of title without any reference
5 to liens or encumbrances.

6 D. The transferee of a vehicle required to have a certificate of
7 title and be registered under section 28-2153 or a mobile home required to
8 have a certificate of title under section 28-2063 may obtain a transfer of
9 registration to the transferee and a new certificate of title if both of
10 the following occur:

11 1. The title or interest of the owner of the vehicle passes to
12 another either:

13 (a) Through notice and sale under the conditions contained in any
14 security agreement, chattel mortgage, conditional sale or other evidence
15 of lien or under the authority given by statute in cases arising under
16 sections 33-1021 and 33-1022 or under section 33-1704.

17 (b) For a mobile home the lien on which is also a lien on real
18 property, through a contract for conveyance of real property, deed of
19 trust or mortgage.

20 2. Satisfactory evidence is presented to the director that the sale
21 of the vehicle was fairly and lawfully conducted in conformity with all
22 requirements of law after due notice to the former owner. In cases
23 arising under section 33-1704, a declaration that is signed by both the
24 seller and the buyer and that sets forth compliance with section 33-1704
25 constitutes satisfactory evidence, and the director may rely on that
26 declaration.

27 E. Any administrator, executor, trustee or other representative of
28 the owner, a peace officer or a person repossessing a vehicle under the
29 terms of any conditional sales contract, lease, chattel mortgage or other
30 security agreement or a purchaser at a sale foreclosing a lien, or the
31 assignee or legal representative of any such person, may operate a vehicle
32 from the place of repossession or place where it was formerly kept to a
33 garage or place of storage in the county or state where the contract was
34 recorded or where the person repossessing the vehicle resides or to any
35 other garage or place of storage that is not more than seventy-five miles
36 from the place of repossession or place where the vehicle was formerly
37 kept by the owner if either of the following conditions exists:

38 1. The license plates assigned to the vehicle are displayed on the
39 vehicle.

40 2. If license plates are not displayed, a written permit has been
41 obtained from the department or the local authorities having jurisdiction
42 over the highways and a placard that bears the name and address of the
43 person authorizing the movement and that is legible from a distance of one
44 hundred feet during daylight is displayed in plain sight on the vehicle.

1 F. If ownership of a motor vehicle for which a certificate of title
2 has been issued in this state or another state reverts through operation
3 of state law to a lienholder of record through repossession pursuant to
4 the terms of a security agreement or through another similar instrument
5 that is valid in such state, an affidavit by the lienholder of record
6 stating that the vehicle was repossessed on default of the terms stated in
7 the security agreement or similar instrument is proof of ownership, right
8 of possession and right of transfer. If the lienholder of record is a
9 financial institution as defined in section 28-4301, the lienholder of
10 record shall electronically submit the repossession affidavit to the
11 department. The director shall prescribe the form and content of the
12 affidavit. This state and its agencies, employees and agents are not
13 liable for relying in good faith on the content of the affidavit.

14 Sec. 3. Section 28-2154, Arizona Revised Statutes, is amended to
15 read:

16 28-2154. Special registrations

17 A. A nonresident who purchases an unregistered vehicle in this
18 state for removal to the state of residence of the purchaser shall obtain
19 a special ninety day nonresident registration permit for the vehicle. **THE**
20 **DIRECTOR MAY ALSO DETERMINE THE CIRCUMSTANCES WHEN A NONRESIDENT MAY**
21 **OBTAIN A SPECIAL NINETY DAY NONRESIDENT REGISTRATION PERMIT FOR A VEHICLE.**
22 The nonresident shall obtain the special ninety day nonresident
23 registration permit by applying to the department, to an authorized third
24 party or to a motor vehicle dealer as defined in section 28-4301 and by
25 paying the fees prescribed by section 28-2003. Unless the nonresident
26 purchaser has completed a form prescribed by section 42-5009, subsection
27 H, an affidavit in a form prescribed by the director shall accompany the
28 application and shall contain the following statements:

29 1. The purchaser is not a resident of this state as defined in
30 section 28-2001. For the purposes of this section and section 28-2154.01,
31 the purchaser shall present to the department, an authorized third party
32 or a motor vehicle dealer a driver license or other evidence prescribed by
33 the director showing that the purchaser is not a resident of this state.

34 2. The vehicle is purchased to be registered out of state within
35 ninety days after the issuance of the special ninety day nonresident
36 registration permit.

37 3. The vehicle is not purchased for transfer to a resident of this
38 state.

39 4. Other information that the director deems necessary.

40 B. At the time of application for a special ninety day nonresident
41 registration permit, the purchaser shall submit for inspection proper
42 evidence of ownership of the vehicle to be registered. The special ninety
43 day nonresident registration permit is valid for not more than ninety days
44 from the date of issuance and shall be in the form prescribed by the
45 director. A person who obtains a special ninety day nonresident

1 registration permit on a semitrailer that has been manufactured in this
2 state may use the semitrailer for commercial purposes if the semitrailer
3 is being used to transport goods from this state, subject to the payment
4 of any taxes prescribed by this title.

5 C. An enrolled member of an Indian tribe who resides on the Indian
6 reservation established for that tribe and who purchases an unregistered
7 vehicle in this state for removal to the Indian reservation shall obtain a
8 special ninety day nonresident registration permit for the vehicle. The
9 member may obtain the special ninety day nonresident registration permit
10 by applying to the department, to an authorized third party or to any
11 motor vehicle dealer as defined by section 28-4301 and by payment of the
12 fees prescribed by section 28-2003.

13 D. A resident who does not have complete documentation for issuance
14 of an Arizona title and registration on a noncommercial vehicle but who
15 has established ownership of the vehicle to the satisfaction of the
16 department may receive a special ninety day resident registration by
17 applying and paying the fee prescribed by section 28-2003 to the
18 department. The basis of assessment for the full annual registration fee
19 and vehicle license tax relates back to the date of issuance of the first
20 special ninety day resident registration.

21 E. A resident may receive a second consecutive special ninety day
22 resident registration on application and payment of the fee prescribed by
23 section 28-2003 if:

24 1. The person has applied for a bonded title and the title has not
25 been issued during the first ninety day registration.

26 2. The person is awaiting settlement of an estate.

27 3. The person is awaiting lien clearance.

28 4. The person is awaiting a hearing decision as a result of a title
29 complaint.

30 5. The person is awaiting the issuance of honorary consular
31 official special license plates.

32 6. The director determines other circumstances justify the
33 issuance.

34 F. At the discretion of the director, a resident may receive more
35 than two consecutive special ninety day resident registrations for a
36 vehicle in a twelve month period.

37 G. If there is a judgment against a resident of this state in
38 another state that requires suspension of the resident's vehicle
39 registration, in lieu of suspension of the resident's vehicle registration
40 the department may issue a special temporary registration for the
41 resident's vehicle that is valid for a period of not more than one hundred
42 eighty days.

1 Sec. 4. Section 28-2157, Arizona Revised Statutes, is amended to
2 read:

3 28-2157. Application for registration; exception

4 A. A person shall apply to the department for registration of a
5 motor vehicle, trailer or semitrailer on forms prescribed or authorized by
6 the department.

7 B. The application shall contain:

8 1. A UNIQUE IDENTIFIER SUCH AS A DRIVER LICENSE NUMBER OR the FIRST
9 AND LAST name and ~~complete~~ residence address ~~of~~ THAT IS SUFFICIENT TO
10 IDENTIFY the owner.

11 2. A description of the vehicle, including the serial number.

12 3. If it is a new vehicle, the date of sale by the manufacturer or
13 dealer to the person first operating the vehicle.

14 4. If the owner of the vehicle rents or intends to rent the vehicle
15 without a driver, a statement of that fact.

16 5. Other facts required by the department ONLY IF THE DEPARTMENT
17 HAS A REASONABLE SUSPICION THAT FRAUD IS CONNECTED TO THE APPLICATION.

18 C. The registering officer shall indicate on the face of the
19 registration application that the registrant may be subject to vehicle
20 emissions testing requirements pursuant to section 49-542.

21 D. On request of an applicant, the department shall allow the
22 applicant to provide on the registration of a motor vehicle, trailer or
23 semitrailer a post office box address that is regularly used by the
24 applicant and that is located in the county in which the applicant
25 resides.

26 E. The person shall include with the application the required fees
27 and the certificate of title to the vehicle for which registration is
28 sought. The registering officer may waive the requirement that the
29 applicant present a certificate of title at the time of making an
30 application for renewal if the registering officer has available complete
31 and sufficient records to accurately compute the vehicle license tax.

32 F. The department may request an applicant who appears in person to
33 register a motor vehicle, trailer or semitrailer to satisfactorily
34 complete the vision screening test prescribed by the department.

35 G. A person applying for initial registration of a neighborhood
36 electric vehicle, a neighborhood electric shuttle or a motorized
37 quadricycle shall certify in writing that a notice of the operational
38 restrictions applying to the vehicle as provided in section 28-966 are
39 contained on a permanent notice attached to or painted on the vehicle in a
40 location that is in clear view of the driver. This subsection does not
41 apply to a fully autonomous vehicle that is incapable of operation by a
42 human driver.

1 Sec. 5. Section 28-2158, Arizona Revised Statutes, is amended to
2 read:

3 28-2158. Registration card

4 A. The department shall file each application for registration. If
5 satisfied that the application is genuine ~~and regular~~, the department
6 shall issue a registration card to the owner of the vehicle and shall
7 assign license plates to the vehicle.

8 B. The registration card shall contain on the face of the card all
9 of the following:

- 10 1. The date it is issued.
- 11 2. The registration number assigned to the owner and the vehicle.
- 12 3. The name and address of the owner.
- 13 4. A description of the registered vehicle, including the serial
14 number.
- 15 5. The amount of fees paid for registration of the vehicle.

16 C. The registration card shall be carried at all times in the
17 driver's compartment of the vehicle for which it is issued or displayed on
18 a wireless communication device. The registration card is subject to
19 inspection by the director, members of the highway patrol or any peace
20 officer.

21 Sec. 6. Section 28-4403, Arizona Revised Statutes, is amended to
22 read:

23 28-4403. Record requirements; motor vehicle information;
24 inspection; liability; electronic submission

25 A. A licensee shall keep and maintain at the licensee's established
26 place of business, or place of business if the licensee is a broker or a
27 wholesale motor vehicle dealer, a permanent record, **WHICH MAY BE IN AN**
28 **ELECTRONIC FORMAT**, in the form prescribed by the director containing:

29 1. A particular description of each motor vehicle of a type subject
30 to registration under the laws of this state that is bought, sold,
31 brokered or exchanged by the licensee or received or accepted by the
32 licensee for sale, brokering or exchange.

33 2. A particular description of each used motor vehicle body or
34 chassis that is sold or otherwise disposed of.

35 3. A particular description of each motor vehicle that is bought or
36 otherwise acquired and wrecked by the licensee.

37 4. The name and address of the person from whom a motor vehicle,
38 motor vehicle body or motor vehicle chassis was purchased or otherwise
39 acquired and the date it was purchased or acquired.

40 5. The name and address of the person to whom the motor vehicle,
41 motor vehicle body or motor vehicle chassis was sold or otherwise disposed
42 of, the date it was sold or disposed of and a sufficient description of
43 the vehicle, body or chassis by name or identifying number or otherwise to
44 identify it.

1 B. A licensed automotive recycler that has a vehicle in the
2 automotive recycler's inventory shall:

3 1. At the same time have possession of a duly and regularly
4 assigned salvage certificate of title, nonrepairable vehicle certificate
5 of title or dismantle certificate of title to the vehicle.

6 2. Not offer for sale or sell a vehicle unless a salvage
7 certificate of title, nonrepairable vehicle certificate of title or
8 dismantle certificate of title to the vehicle has been obtained.

9 C. Each motor vehicle dealer shall give the customer a written
10 contract and shall maintain a copy of the contract for three years at the
11 dealer's established place of business.

12 D. Each record required by this section and all inventories
13 relating to the records of a licensee shall be available at all times for
14 physical inspection by agents of the department or members of the highway
15 patrol division. The agents or members may enter on premises where the
16 records or inventories are located during normal business hours for
17 purposes of the inspection. The licensee or any designated employee or
18 agent may accompany any person making the inspection while the person is
19 on the licensee's premises.

20 E. The licensee is only liable to a person making an inspection
21 under this section for an injury arising out of the condition of the
22 premises that occurs while the person is on the licensee's premises if the
23 licensee knowingly allows the person to encounter a hidden peril or
24 wantonly or wilfully causes the person harm.

25 F. A wholesale motor vehicle dealer shall submit electronically to
26 the department any documents that are requested by the department during
27 the wholesale motor vehicle dealer's reported business hours and that are
28 prescribed in this section. The wholesale motor vehicle dealer shall
29 submit the requested documents within forty-eight hours after the request
30 is transmitted.

31 Sec. 7. Section 28-4415, Arizona Revised Statutes, is amended to
32 read:

33 28-4415. Advertising

34 A. A broker shall not advertise or offer for sale or exchange any
35 specific motor vehicle.

36 B. A motor vehicle dealer shall not advertise or offer for sale or
37 exchange any specific motor vehicle unless one of the following applies:

38 1. The motor vehicle is for sale and located at the motor vehicle
39 dealer's established place of business.

40 2. The motor vehicle dealer discloses in the advertisement the
41 specific street address and business hours where the motor vehicle may be
42 inspected by a retail consumer.

43 3. The motor vehicle is **DIRECTLY** available to the motor vehicle
44 dealer ~~directly from the manufacturer or distributor of the motor vehicle~~
45 at the time of the advertisement or offer.

1 C. A broker or motor vehicle dealer may advertise the broker's or
2 motor vehicle dealer's service of arranging or assisting in effecting the
3 purchase of a new motor vehicle from a new motor vehicle dealer and
4 specify the line makes and models of the new vehicles.

5 D. A broker may not advertise the price of or payment terms for any
6 motor vehicle. A broker shall disclose that the advertiser is a broker
7 and shall clearly and conspicuously state the following:

8 All motor vehicles arranged for sale are subject to price and
9 availability from the selling motor vehicle dealer.

10 Sec. 8. Title 28, chapter 10, article 4, Arizona Revised Statutes,
11 is amended by adding section 28-4424, to read:

12 28-4424. Free return period

13 A MOTOR VEHICLE DEALER MAY OFFER A FREE RETURN PERIOD. IF THE MOTOR
14 VEHICLE DEALER OFFERS A FREE RETURN PERIOD AND THE MOTOR VEHICLE DEALER
15 PROVIDES WRITTEN NOTICE TO THE PURCHASER, THE MOTOR VEHICLE DEALER HAS
16 UNTIL NINETY DAYS AFTER THE EXPIRATION OF THE FREE RETURN PERIOD FOLLOWING
17 THE SALE TO COMPLY WITH SECTION 28-4547, SUBSECTION B.

18 Sec. 9. Section 28-4546, Arizona Revised Statutes, is amended to
19 read:

20 28-4546. Temporary registration plates

21 A. The director may issue to new motor vehicle dealers and used
22 motor vehicle dealers temporary registration plates that dealers may issue
23 subject to the limitations and conditions prescribed in sections 28-4547
24 ~~through~~, 28-4548, 28-4549, 28-4550, 28-4551, 28-4552, 28-4553 AND 28-4554
25 OR WHEN THE DIRECTOR DETERMINES THAT THE CIRCUMSTANCES JUSTIFY THE
26 ISSUANCE.

27 B. The director shall establish a system to require the recording
28 of temporary registration plate information through electronic media on
29 the department's vehicle title and registration database. The temporary
30 registration plate information shall be made available to law enforcement
31 officers. ~~The director shall implement the recording of temporary~~
32 ~~registration plate information through electronic media when the director~~
33 ~~determines the system is operational, but no later than July 1, 2003.~~