

REFERENCE TITLE: *carrying of firearms; exceptions*

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SB 1427

Introduced by
Senator Wadsack: Representative Jones

AN ACT

AMENDING SECTIONS 4-203.06, 4-203.07, 4-205.02, 4-207, 4-209, 4-214 AND 4-226, ARIZONA REVISED STATUTES; REPEALING SECTION 4-229, ARIZONA REVISED STATUTES; AMENDING SECTIONS 4-244, 4-246, 4-251, 5-395.03, 13-3102 AND 13-3112, ARIZONA REVISED STATUTES; AMENDING TITLE 13, CHAPTER 31, ARIZONA REVISED STATUTES, BY ADDING SECTION 13-3123; AMENDING SECTIONS 28-1321, 28-1385, 28-3320, 28-3322 AND 28-3511, ARIZONA REVISED STATUTES; RELATING TO FIREARMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 4-203.06, Arizona Revised Statutes, is amended
3 to read:

4 4-203.06. Mixed cocktails; off-sale privileges; leases; fees

5 A. Notwithstanding section 4-203, subsection E and section 4-210,
6 subsection A, paragraph 6, through December 31, 2025, bar and liquor store
7 licensees, through the department, shall lease to restaurant licensees the
8 privilege of selling mixed cocktails for consumption off the licensed
9 premises in accordance with section 4-244, paragraph ~~32~~ 29,
10 subdivision (d). The lease shall be for a period of one year and shall be
11 renewable for successive terms of one year. The department shall
12 establish a lease amount that fairly recognizes, and is derived from, the
13 commercial value of the privilege to sell mixed cocktails for consumption
14 off the licensed premises.

15 B. Leases made pursuant to subsection A of this section are subject
16 to the following conditions:

17 1. A restaurant licensee may apply to the department on a form
18 prescribed and provided by the department for a lease pursuant to this
19 section. The department may establish and charge an application fee for
20 administrative and enforcement costs associated with this section.

21 2. On the director approving the application of a restaurant
22 licensee, the director shall randomly select a bar or liquor store license
23 for the lease of the bar or liquor store licensee's mixed cocktail
24 off-sale privileges to the restaurant licensee through the department.

25 3. The department shall establish a process to facilitate and
26 approve the lease conveyance and to govern the leases, including the
27 following:

28 (a) A standard form of lease.

29 (b) The term of the lease, which shall be one year except for the
30 first year of the lease. During the first year of the lease, the director
31 may set a lease term that is less than ~~a~~ ONE year in order to align the
32 lease renewal date with the renewal date of the restaurant license. The
33 lease payment amount for the first year may be prorated.

34 (c) The amount of the lease established by the director pursuant to
35 subsection A of this section.

36 (d) The responsibilities of the lessor and lessee.

37 (e) The lease may be transferred to another restaurant licensee if
38 a new restaurant licensee purchases the business of the original lessee
39 during the term of the lease.

40 (f) The privileges conveyed to the lessee during the term of the
41 lease will continue if the bar or liquor store lessor has its license
42 suspended or revoked.

43 (g) If the bar or liquor store lessor sells its license during the
44 term of the lease, the purchaser of the bar or liquor store license
45 becomes the new lessor.

1 (h) This title and rules adopted pursuant to this title apply to
2 both the lessor and lessee.

3 (i) During the term of the lease, all violations and liability for
4 liquor service under the lease shall be attributed only to the restaurant
5 licensee leasing the mixed cocktail off-sale privilege. The restaurant
6 licensee leasing the off-sale privilege is not responsible for violations
7 committed by the lessor.

8 4. The director may deny approval of a lease based on the proposed
9 location or history of the proposed lessee.

10 5. The restaurant licensee shall pay to the department all lease
11 payments in full in advance.

12 6. The department of liquor licenses and control may adopt a
13 procedure to pay the lease amount to the lessor and may use the department
14 of administration to facilitate the payments.

15 7. During the term of the lease, all violations and liability for
16 the liquor service under the lease shall be attributed only to the
17 restaurant licensee leasing the privilege. Pursuant to section 4-210, the
18 director may immediately suspend a lease for any violation of this title
19 or any rule adopted pursuant to this title by the restaurant licensee.
20 The restaurant licensee leasing the off-sale privilege is not responsible
21 for violations committed by the lessor.

22 8. During the term of the lease, a bar or liquor store lessor may
23 continue to sell spirituous liquor as authorized by the bar or liquor
24 store license and mixed cocktails for off-premises consumption pursuant to
25 section 4-244, paragraph ~~32~~ 29, subdivision (d).

26 9. The restaurant licensee leasing the off-sale privilege is
27 subject to the limit on off-sale use by the restaurant licensee's total
28 spirituous liquor sales as prescribed in section 4-206.01, subsection G.

29 C. If a restaurant licensee does not renew a lease, the director
30 shall return the bar or liquor store lessor to the random selection
31 process pursuant to subsection B, paragraph 2 of this section.

32 D. If a bar or liquor store lessor has its license suspended or
33 revoked, the director shall transfer the lease to another bar or liquor
34 store licensee at the end of the lease term pursuant to subsection B,
35 paragraph 2 of this section.

36 Sec. 2. Section 4-203.07, Arizona Revised Statutes, is amended to
37 read:

38 4-203.07. Off-sale privileges; leases; mixed cocktails;
39 permits; fees

40 A. Notwithstanding section 4-203, subsection E and section 4-210,
41 subsection A, paragraph 6, a bar, beer and wine bar and liquor store
42 licensee may lease the off-sale privileges associated with the licensee's
43 license, except the privilege to sell mixed cocktails for off-premises
44 consumption pursuant to section 4-244, paragraph ~~32~~ 29, subdivision (d),
45 to a restaurant licensee. The lease shall be for a period of one year and

1 may be renewable for successive terms of one year. The off-sale
2 privileges of a bar, beer and wine bar or liquor store license that are
3 held in nonuse status may also be leased pursuant to this section.

4 B. Leases made pursuant to this section are subject to the
5 following conditions:

6 1. The department shall establish a minimum of four lease windows
7 throughout the calendar year during which a lease may be agreed to between
8 a bar, beer and wine bar or liquor store licensee and a restaurant
9 licensee for the lease of off-sale privileges.

10 2. A restaurant licensee may apply to the department for approval
11 of a lease at least thirty days before the end of the lease window. The
12 restaurant licensee shall provide a completed lease agreement signed by
13 both the lessor and lessee. The department may establish and charge an
14 application fee for administrative and enforcement costs associated with
15 this section.

16 3. On the director approving the lease, the director shall transfer
17 the lessor's off-sale privileges, except the privilege to sell mixed
18 cocktails for off-premises consumption pursuant to section 4-244,
19 paragraph ~~32~~ 29, subdivision (d), to the restaurant lessee for the term of
20 the lease.

21 4. The department shall establish a process to facilitate and
22 approve the lease conveyance and to govern the leases, including the
23 following:

24 (a) A standard form of lease.

25 (b) The term of the lease shall be one year except for the first
26 year of the lease. During the first year of the lease, the director may
27 establish a lease term that is less than ~~a~~ ONE year in order to align the
28 lease renewal date with the renewal date of the restaurant license.

29 (c) The responsibilities of the lessor and lessee.

30 (d) The lease may be transferred to another restaurant licensee if
31 the new restaurant licensee purchases the business of the original lessee
32 during the term of the lease.

33 (e) The privileges conveyed to the lessee during the term of the
34 lease will continue if the bar, beer and wine bar or liquor store lessor
35 has its license suspended or revoked.

36 (f) If the bar, beer and wine bar or liquor store lessor sells its
37 license during the term of the lease, the purchaser of the bar, beer and
38 wine bar or liquor store license becomes the new lessor.

39 (g) This title and rules adopted pursuant to this title apply to
40 both the lessor and lessee.

41 (h) During the term of the lease, all violations and liability for
42 liquor service under the lease shall be attributed only to the restaurant
43 licensee leasing the privilege. The restaurant licensee leasing the
44 off-sale privilege is not responsible for violations committed by the
45 lessor.

1 5. The restaurant licensee shall pay to the department all lease
2 payments in full in advance.

3 6. The department of liquor licenses and control may adopt a
4 procedure to pay the lease amount to the lessor and may use the department
5 of administration to facilitate the payments.

6 7. During the term of the lease, all violations and liability for
7 the liquor service under the lease shall be attributed only to the
8 restaurant licensee leasing the privilege. Pursuant to section 4-210, the
9 director may immediately suspend a lease for any violation of this title
10 or any rule adopted pursuant to this title by the restaurant licensee.
11 The restaurant licensee leasing the off-sale privilege is not responsible
12 for violations committed by the lessor.

13 8. During the term of the lease, a bar, beer and wine bar or liquor
14 store lessor may not sell spirituous liquor for off-premises consumption,
15 except a bar or liquor store licensee may sell mixed cocktails for
16 off-premises consumption pursuant to section 4-244, paragraph ~~32~~ 29,
17 subdivision (d).

18 9. The restaurant licensee leasing the off-sale privilege is
19 subject to the limit on off-sale use by the restaurant licensee's total
20 spirituous liquor sales as prescribed in section 4-206.01, subsection G.

21 10. A lessor may lease its off-sale privileges only to a restaurant
22 licensee located in the same county.

23 C. The director shall publish a lease amount for leases made
24 pursuant to this section. The department shall establish a lease amount
25 that fairly recognizes, and is derived from, the commercial value of
26 selling spirituous liquor for consumption off the licensed premises. The
27 department may establish separate lease amounts for urban and rural
28 counties and may designate counties in this state for each amount. The
29 lease amount applies unless the lessor and lessee agree to a different
30 lease amount.

31 D. Beginning January 1, 2026, the director shall make available for
32 restaurant licensees to purchase from the department permits to sell mixed
33 cocktails pursuant to section 4-244, paragraph ~~32~~ 29, subdivision (d)
34 equal in number to the number of total bar and liquor store licenses. The
35 director may set the application and annual renewal fee for a mixed
36 cocktail permit to be used for administrative and enforcement costs
37 associated with the permit.

38 Sec. 3. Section 4-205.02, Arizona Revised Statutes, is amended to
39 read:

40 4-205.02. Restaurant license; issuance; regulatory
41 provisions; expiration; off-sale leases and
42 permits; fee; definitions

43 A. The director may issue a restaurant license to any restaurant in
44 this state that is regularly open for serving food to guests for
45 compensation and that has suitable kitchen facilities connected with the

1 restaurant for keeping, cooking and preparing foods required for ordinary
2 meals.

3 B. The director shall issue the license in the name of the
4 restaurant on application for the license by the owner or lessee of the
5 restaurant, if the applicant is otherwise qualified to hold a spirituous
6 liquor license. The holder of such a license is subject to the penalties
7 prescribed for any violation of the law relating to alcoholic beverages.

8 C. The holder of a restaurant license may sell and serve spirituous
9 liquors solely for consumption on the licensed premises. For the purpose
10 of this subsection, "licensed premises" may include rooms, areas or
11 locations in which the restaurant normally sells or serves spirituous
12 liquors pursuant to regular operating procedures and practices and that
13 are contiguous to the restaurant or a noncontiguous patio pursuant to
14 section 4-101, paragraph 31. For the purposes of this subsection, a
15 restaurant licensee must submit proof of tenancy or permission from the
16 landowner or lessor for all property to be included in the licensed
17 premises.

18 D. In addition to other grounds prescribed in this title on which a
19 license may be revoked, the director may require the holder of a
20 restaurant license issued pursuant to this section to surrender the
21 license in any case in which the licensee ceases to operate as a
22 restaurant, as prescribed in subsection A of this section. The surrender
23 of a license pursuant to this subsection does not prevent the director
24 from revoking the license for other grounds prescribed in this title or
25 for making deliberate material misrepresentations to the department
26 regarding the licensee's equipment, service or entertainment items or
27 seating capacity in applying for the restaurant license.

28 E. Neither the director nor the board may initially issue a
29 restaurant license if either finds that there is sufficient evidence that
30 the operation will not satisfy the criteria adopted by the director for
31 issuing a restaurant license described in section 4-209, subsection B,
32 paragraph 12. The director shall issue a restaurant license only if the
33 applicant has submitted a plan for ~~the operation of~~ OPERATING the
34 restaurant. The plan shall be completed on forms provided by the
35 department and shall include listings of all restaurant equipment and
36 service items, the restaurant seating capacity and other information
37 requested by the department to substantiate that the restaurant will
38 operate in compliance with this section.

39 F. The holder of the license described in section 4-209, subsection
40 B, paragraph 12 who intends to alter the seating capacity or dimensions of
41 a restaurant facility shall notify the department in advance on forms
42 provided by the department.

43 G. The director may charge a fee for site inspections conducted
44 before the issuance of a restaurant license.

1 H. A restaurant applicant or licensee may apply for a permit
2 allowing for the sale of beer for consumption off the licensed premises
3 pursuant to section 4-244, paragraph ~~32~~ 29, subdivision (c) on a form
4 prescribed and furnished by the director. The department shall not issue
5 a permit to a restaurant applicant or licensee that does not meet the
6 requirements in section 4-207, subsection A. Section 4-207, subsection B
7 does not apply to this subsection. The permit shall be issued only after
8 the director has determined that the public convenience requires and that
9 the best interest of the community will be substantially served by the
10 issuance of the permit, considering the same criteria adopted by the
11 director for issuing a restaurant license described in section 4-209,
12 subsection B, paragraph 12. The amount of beer sold under the permit
13 shall not exceed ten percent of gross revenue of spirituous liquor sold by
14 the establishment. After the permit has been issued, the permit shall be
15 noted on the license itself and in the records of the department. The
16 director may charge a fee for processing the application for the permit
17 and a renewal fee.

18 I. Notwithstanding any rule adopted by the department, business
19 establishments that relied on a form issued by the department that
20 provides for a small restaurant exemption for fifty or fewer seats before
21 January 31, 2019 are allowed to continue to maintain the capacity of fifty
22 or fewer seats for the duration of the business. The rights of a business
23 establishment subject to this section are not transferable.

24 J. Notwithstanding section 4-203, subsection E, section 4-207 and
25 section 4-210, subsection A, paragraph 6, through December 31, 2025, a
26 restaurant applicant or licensee may apply to the department for a lease
27 for the privilege of selling mixed cocktails for consumption off the
28 licensed premises pursuant to section 4-203.06 and section 4-244,
29 paragraph ~~32~~ 29, subdivision (d).

30 K. Notwithstanding section 4-207, beginning January 1, 2026, a
31 restaurant applicant or licensee may apply for a permit to allow the sale
32 of mixed cocktails for consumption off the licensed premises pursuant to
33 section 4-203.07 and section 4-244, paragraph ~~32~~ 29, subdivision (d), on a
34 form prescribed and furnished by the director. The sale of mixed
35 cocktails for consumption off the licensed premises must be accompanied by
36 the sale of menu food items for consumption on or off the licensed
37 premises. The department shall issue the permit only after the director
38 has determined that the public convenience requires and that the best
39 interest of the community will be substantially served by issuing the
40 permit. All permit holders and their employees, managers and agents must
41 complete alcohol training pursuant to section 4-112, subsection G,
42 paragraph 2. After the department issues the permit, the permit shall be
43 noted on the license itself and in the records of the department. The
44 director may establish and charge a fee for processing the permit
45 application and a renewal fee.

1 L. A restaurant licensee shall cease selling spirituous liquor,
2 including mixed cocktails, for off-premises consumption when the licensee
3 ceases regular kitchen service for food.

4 M. For the purposes of this section:

5 1. "Gross revenue":

6 (a) Means the revenue derived from all sales of food and spirituous
7 liquor on the licensed premises, regardless of whether the sales of
8 spirituous liquor are made under a restaurant license issued pursuant to
9 this section or under any other license that has been issued for the
10 premises pursuant to this article.

11 (b) Includes revenue derived from spirituous liquor sold for
12 off-sale consumption.

13 2. "Restaurant" means an establishment that derives at least forty
14 percent of its gross revenue from the sale of food, including sales of
15 food for consumption off the licensed premises if the amount of these
16 sales included in the calculation of gross revenue from the sale of food
17 does not exceed fifteen percent of all gross revenue of the restaurant.

18 Sec. 4. Section 4-207, Arizona Revised Statutes, is amended to
19 read:

20 4-207. Restrictions on licensing premises near school
21 buildings; definition

22 A. A retailer's license shall not be issued for any premises that
23 are, at the time the license application is received by the director,
24 within three hundred horizontal feet of a public or private school
25 building with kindergarten programs or any of grades one through twelve or
26 within three hundred horizontal feet of a fenced recreational area
27 adjacent to such school building. This section does not prohibit the
28 renewal of a valid license issued pursuant to this title if, on the date
29 that the original application for the license is filed, the premises were
30 not within three hundred horizontal feet of a public or private school
31 building with kindergarten programs or any of grades one through twelve or
32 within three hundred horizontal feet of a fenced recreational area
33 adjacent to such school building.

34 B. Subsection A of this section does not apply to a:

35 1. Restaurant issued a license pursuant to section 4-205.02,
36 subject to the limitations in section 4-205.02, subsection H for a permit
37 allowing for the sale of beer for consumption off of the licensed premises
38 pursuant to section 4-244, paragraph ~~32~~ 29, subdivision (c).

39 2. Special event license issued pursuant to section 4-203.02.

40 3. Hotel-motel issued a license pursuant to section 4-205.01.

41 4. Government license issued pursuant to section 4-205.03.

42 5. Playing area of a golf course issued a license pursuant to this
43 article.

44 6. Beer and wine license at a nonprofit performing arts theatre
45 with a permanent seating capacity of at least two hundred fifty persons.

1 7. Craft distillery festival license issued pursuant to section
2 4-205.11.

3 8. Farm winery festival license issued pursuant to section
4 4-203.03.

5 C. Notwithstanding subsection A of this section:

6 1. A transferable spirituous liquor license that is validly issued
7 and that is, on the date an application for a transfer is filed, within
8 three hundred horizontal feet of a public or private school building with
9 kindergarten programs or any of grades one through twelve or within three
10 hundred horizontal feet of a fenced recreational area adjacent to such
11 school building may be transferred person to person pursuant to sections
12 4-201, 4-202 and 4-203 and remains in full force until the license is
13 terminated in any manner, unless renewed pursuant to section 4-209,
14 subsection A.

15 2. A person may be issued a spirituous liquor license pursuant to
16 sections 4-201, 4-202 and 4-203 of the same class for premises that, on
17 the date the application is filed, have a valid transferable or
18 nontransferable license of the same series if the premises are, on the
19 date an application for the license is filed, within three hundred
20 horizontal feet of a public or private school building with kindergarten
21 programs or any of grades one through twelve or within three hundred
22 horizontal feet of a fenced recreational area adjacent to such school
23 building and the license remains in full force until the license is
24 terminated in any manner, unless renewed pursuant to section 4-209,
25 subsection A.

26 3. A person may be issued a liquor store license pursuant to
27 sections 4-201, 4-202, 4-203 and 4-206.01 for premises that have a beer
28 and wine store license validly issued if the premises, on the date an
29 application for such license is filed, are within three hundred horizontal
30 feet of a public or private school building with kindergarten programs or
31 any of grades one through twelve or within three hundred horizontal feet
32 of a fenced recreational area adjacent to such school building and the
33 license remains in full force until the license is terminated in any
34 manner, unless renewed pursuant to section 4-209, subsection A.

35 4. The governing body of a city or town, on a case-by-case basis,
36 may approve an exemption from the distance restrictions prescribed in this
37 section for a public or private school that is located in an area that is
38 designated an entertainment district by the governing body of that city or
39 town. A city or town with a population of at least five hundred thousand
40 persons may designate not more than three entertainment districts within
41 the boundaries of the city or town pursuant to this paragraph. A city or
42 town with a population of at least two hundred thousand persons but less
43 than five hundred thousand persons may designate not more than two
44 entertainment districts within the boundaries of the city or town pursuant
45 to this paragraph. A city or town with a population of less than two

1 hundred thousand persons may designate not more than one entertainment
2 district within the boundaries of the city or town pursuant to this
3 paragraph.

4 5. A person may be issued a beer and wine store license pursuant to
5 sections 4-201, 4-202, 4-203 and 4-206.01 for premises that have a liquor
6 store license validly issued if the premises, on the date of an
7 application for which the license is filed, are within three hundred
8 horizontal feet of a public or private school building with kindergarten
9 programs or any of grades one through twelve or within three hundred
10 horizontal feet of a fenced recreation area adjacent to such school
11 building and the license remains in full force until the license is
12 terminated in any manner, unless renewed pursuant to section 4-209,
13 subsection A.

14 D. For the purposes of this section, "entertainment district" means
15 a specific contiguous area that is designated an entertainment district by
16 a resolution adopted by the governing body of a city or town, that
17 consists of not more than one square mile, that is not less than one-
18 eighth of a mile in width and that contains a significant number of
19 entertainment, artistic and cultural venues, including music halls,
20 concert facilities, theaters, arenas, stadiums, museums, studios,
21 galleries, restaurants, bars and other related facilities.

22 Sec. 5. Section 4-209, Arizona Revised Statutes, is amended to
23 read:

24 4-209. Fees for license, application, issuance, renewal and
25 transfer; late renewal penalty; seasonal operation;
26 surcharges

27 A. A fee shall accompany an application for an original license or
28 transfer of a license, or in case of renewal, shall be paid in advance.
29 Every license expires annually, except that a license may be renewed for a
30 two-year period pursuant to subsection M of this section if no compliance
31 penalties have been issued to that location during the year before the
32 renewal. A licensee who fails to renew the license on or before the due
33 date shall pay a penalty of \$150, which the licensee shall pay with the
34 renewal fee. A license renewal that is deposited, properly addressed and
35 postage prepaid in an official depository of the United States mail on or
36 before the due date shall be deemed filed and received by the department
37 on the date shown by the postmark or other official mark of the United
38 States postal service stamped on the envelope. If the due date falls on a
39 Saturday, Sunday or other legal holiday, the renewal shall be considered
40 timely if it is received by the department on the next business day. The
41 director may waive a late renewal penalty if good cause is shown by the
42 licensee. A licensee who fails to renew the license on or before the due
43 date may not sell, purchase or otherwise deal in spirituous liquor until
44 the license is renewed. A license that is not renewed within sixty days
45 after the due date is deemed terminated. The director may renew the

1 terminated license if good cause is shown by the licensee. Except an
2 application fee for a permit pursuant to section 4-203.07 and section
3 4-205.02, subsection K and leases pursuant to sections 4-203.06 and
4 4-203.07, an application fee for an original license or the transfer of a
5 license shall be \$100, which shall be retained by this state.

6 B. Issuance fees for original licenses shall be:

7 1. For an in-state producer's license to manufacture or produce
8 spirituous liquor in this state, \$1,500.

9 2. Except as provided in paragraph 15 of this subsection, for an
10 out-of-state producer's, exporter's, importer's or rectifier's license,
11 \$200.

12 3. For a microbrewery license, \$300.

13 4. For a wholesaler's license to sell spirituous liquors, \$1,500.

14 5. For a government license issued in the name of a state agency,
15 state commission, state board, county, city, town, community college or
16 state university or the national guard, \$100.

17 6. For a bar license, which is an on-sale retailer's license to
18 sell all spirituous liquors primarily by individual portions and in the
19 original containers, \$1,500.

20 7. For a beer and wine bar license, which is an on-sale retailer's
21 license to sell beer and wine primarily by individual portions and in the
22 original containers, \$1,500.

23 8. For a conveyance license issued to an operating railroad
24 company, to sell all spirituous liquors in individual portions or in the
25 original containers on all passenger trains operated by the railroad
26 company, or to an operating airline company, to sell or serve spirituous
27 liquors solely in individual portions on all passenger planes operated by
28 the airline company, or to a boat operating in the waters of this state,
29 to sell all spirituous liquors in individual portions or in the original
30 containers for consumption on the boat, \$1,500.

31 9. For a liquor store license, which is an off-sale retailer's
32 license to sell all spirituous liquors, \$1,500.

33 10. For a beer and wine store license, which is an off-sale
34 retailer's license to sell beer and wine, \$1,500.

35 11. For a hotel-motel license issued as such, to sell and serve
36 spirituous liquors solely for consumption on the licensed premises of the
37 hotel or motel, \$1,500.

38 12. For a restaurant license issued as such, to sell and serve
39 spirituous liquors solely for consumption on the licensed premises of the
40 restaurant, \$1,500. For a permit issued under section 4-205.02,
41 subsection H allowing for the sale of beer for the consumption off the
42 licensed premises pursuant to section 4-244, paragraph ~~32~~ 29, subdivision
43 (c), the director may charge a fee. For an application for a permit
44 pursuant to section 4-203.07 and section 4-205.02, subsection K, the

1 director may charge a fee. The director may establish and charge fees for
2 lease applications pursuant to sections 4-203.06 and 4-203.07.

3 13. For a farm winery license, \$100. The director may charge a
4 licensed farm winery a fee pursuant to section 4-205.04, subsection K.

5 14. For a club license issued in the name of a bona fide club
6 qualified under this title to sell all spirituous liquors on-sale, \$1,000.

7 15. For an out-of-state winery that sells not more than two hundred
8 forty gallons of wine in this state in a calendar year, \$25.

9 16. The department may charge a fee for a craft distiller license.

10 17. The department may charge a fee for registering an alcohol
11 delivery contractor pursuant to section 4-205.13.

12 C. The department may issue licenses with staggered renewal dates
13 to distribute the renewal workload as uniformly as practicable throughout
14 the twelve months of the calendar year. If a license is issued less than
15 six months before the scheduled renewal date of the license, as provided
16 by the department's staggered license renewal system, one-half of the
17 annual license fee shall be charged.

18 D. The annual fees for licenses shall be:

19 1. For an in-state producer's license to manufacture or produce
20 spirituous liquors in this state, \$350.

21 2. Except as provided in paragraph 15 of this subsection, for an
22 out-of-state producer's, exporter's, importer's or rectifier's license,
23 \$50.

24 3. For a microbrewery license, \$300.

25 4. For a wholesaler's license, to sell spirituous liquors, \$250.

26 5. For a government license issued to a county, city or town,
27 community college or state university or the national guard, \$100.

28 6. For a bar license, which is an on-sale retailer's license to
29 sell all spirituous liquors primarily by individual portions and in the
30 original containers, \$150.

31 7. For a beer and wine bar license, which is an on-sale retailer's
32 license to sell beer and wine primarily by individual portions and in the
33 original containers, \$75.

34 8. For a conveyance license issued to an operating railroad
35 company, to sell all spirituous liquors in individual portions or in the
36 original containers on all passenger trains operated by the railroad
37 company, or to an operating airline company, to sell or serve spirituous
38 liquors solely in individual portions on all passenger planes operated by
39 the airline company, or to a boat operating in the waters of this state,
40 to sell all spirituous liquor in individual portions or in the original
41 containers for consumption on the boat, \$225.

42 9. For a liquor store license, which is an off-sale retailer's
43 license to sell all spirituous liquors, \$50.

44 10. For a beer and wine store license, which is an off-sale
45 retailer's license to sell beer and wine, \$50.

1 11. For a hotel-motel license issued as such, to sell and serve
2 spirituous liquors solely for consumption on the licensed premises of the
3 hotel or motel, \$500.

4 12. For a restaurant license issued as such, to sell and serve
5 spirituous liquors solely for consumption on the licensed premises of the
6 restaurant, \$500, and for a restaurant license that is allowed to continue
7 operating as a restaurant pursuant to section 4-213, subsection E, an
8 additional amount established by the director. The department shall
9 transfer this amount to the state treasurer for deposit in the state
10 general fund. The director may establish an annual fee for a permit
11 pursuant to section 4-203.07 and section 4-205.02, subsection K. The
12 director may charge annual lease amounts pursuant to sections 4-203.06 and
13 4-203.07.

14 13. For a farm winery license, \$100. The director may charge a
15 licensed farm winery an annual fee pursuant to section 4-205.04,
16 subsection K.

17 14. For a club license issued in the name of a bona fide club
18 qualified under this title to sell all spirituous liquors on-sale, \$150.

19 15. For an out-of-state winery that sells not more than two hundred
20 forty gallons of wine in this state in a calendar year, \$25.

21 16. The director may charge a fee for the annual renewal of a craft
22 distiller license.

23 17. The department may charge a fee for the annual registration
24 renewal of a registered alcohol delivery contractor pursuant to section
25 4-205.13.

26 E. Where the business of an on-sale retail licensee is seasonal,
27 not extending over periods of more than six months in any calendar year,
28 the licensee may designate the periods of operation and a license may be
29 granted for those periods only, on payment of one-half of the fee
30 prescribed in subsection D of this section.

31 F. Transfer fees from person to person for licenses transferred
32 pursuant to section 4-203, subsection C shall be \$300.

33 G. Transfer fees from location to location, as provided for in
34 section 4-203, shall be \$100.

35 H. Assignment fees for a change of agent, as provided for in
36 section 4-202, subsection A, an acquisition of control, as provided for in
37 section 4-203, subsection F, or a restructuring, as provided for in
38 section 4-203, subsection H, shall be \$100, except that where a licensee
39 holds multiple licenses and requests multiple, simultaneous changes, the
40 change of agent, acquisition of control or restructuring fee for the first
41 license shall be \$100 and the fee for all remaining licenses shall be \$50
42 each, except that the aggregate fees shall not exceed \$1,000 for all
43 change of agents, \$1,000 for all acquisitions of control and \$1,000 for
44 all restructurings.

1 I. No fee shall be charged by the department for an assignment of a
2 liquor license in probate or an assignment pursuant to the provisions of a
3 will or pursuant to a judicial decree in a domestic relations proceeding
4 that assigns ownership of a business that includes a spirituous liquor
5 license to one of the parties in the proceeding. In the case of
6 nontransferable licenses, no fee shall be charged by the department for
7 the issuance of a license for a licensed business pursuant to a transfer
8 of the business in probate or pursuant to the provisions of a will or
9 pursuant to a judicial decree in a domestic relations proceeding that
10 assigns ownership of the business to one of the parties in the proceeding.

11 J. The director shall assess a surcharge of \$30 on all licenses
12 prescribed in subsection D, paragraphs 6, 7 and 12 of this section.
13 Monies from the surcharge shall be used by the department exclusively for
14 the costs of an auditor and support staff to review compliance by
15 applicants and licensees with the requirements of section 4-205.02,
16 subsection E. The department shall assess the surcharge as part of the
17 annual license renewal fee.

18 K. The director shall assess a surcharge of \$35 on all licenses
19 prescribed in this section. Monies from the surcharge shall be used by
20 the department exclusively for the costs of an enforcement program to
21 investigate licensees who have been the subject of multiple complaints to
22 the department. The enforcement program shall respond to complaints
23 against licensees by neighborhood associations, by neighborhood civic
24 groups and from municipal and county governments. The department shall
25 assess the surcharge as part of the annual license renewal fee.

26 L. The director shall assess a surcharge of \$20 on all licenses
27 prescribed in subsection D, paragraphs 11 and 12 of this section and \$35
28 on all other licenses prescribed in this section. Monies from the
29 surcharge and from surcharges imposed pursuant to subsection K of this
30 section shall be used by the department exclusively for the costs of a
31 neighborhood association interaction and liquor enforcement management
32 unit. The unit shall respond to complaints from neighborhood
33 associations, neighborhood civic groups and local governing authorities
34 regarding liquor violations. The director shall report the unit's
35 activities and the use of monies from the surcharge or surcharges imposed
36 pursuant to subsection K of this section to the board at each board
37 meeting or as the board may direct.

38 M. Licenses may be renewed every two years with payment of license
39 fees that are twice the amount designated in subsection D of this section
40 and other applicable fees. Licensees renewing every two years must comply
41 with annual reporting requirements. The director may adopt reasonable
42 rules to allow licensees to renew every two years.

43 N. The department shall use all monies received from application
44 fees for permits issued pursuant to section 4-205.02, subsection K, leases
45 pursuant to sections 4-203.06 and 4-203.07 and registrations pursuant to

1 section 4-205.13 for administrative costs associated with the permit,
2 registration or lease and enforcement of this chapter.

3 Sec. 6. Section 4-214, Arizona Revised Statutes, is amended to
4 read:

5 4-214. Arizona wines; labeling

6 A. A ~~person licensed as a~~ farm winery LICENSED pursuant to section
7 4-205.04 or ~~licensed as~~ a producer LICENSED pursuant to section 4-203 may
8 label a wine offered for sale that states that the wine is any of the
9 following:

10 1. An Arizona wine or a wine from a particular county in this
11 state, if at least seventy-five percent of the wine by volume is produced
12 or manufactured from grapes or other fruit grown in this state and is
13 fermented, processed, bottled and labeled in this state.

14 2. A wine from a particular federally recognized viticultural area,
15 if at least eighty-five percent of the wine by volume is produced or
16 manufactured from grapes or other fruit grown in this state and is
17 fermented, processed, bottled and labeled in this state.

18 3. A wine from a particular vineyard, orchard, farm or ranch, if at
19 least ninety-five percent of the wine by volume is produced or
20 manufactured from grapes or other fruit grown in this state and is
21 fermented, processed, bottled and labeled in this state.

22 4. Estate bottled, if one hundred percent of the wine by volume is
23 produced or manufactured from a winery in a particular federally
24 recognized viticultural area in which all grapes or other fruit were
25 grown, crushed, fermented, processed, aged and bottled in a continuous
26 process, the wine at no time having left the premises of the bottling
27 winery.

28 B. A licensee that complies with subsection A of this section is
29 not subject to criminal, civil or administrative action for a violation of
30 section 4-244, paragraph ~~39~~ 36.

31 Sec. 7. Section 4-226, Arizona Revised Statutes, is amended to
32 read:

33 4-226. Exemptions

34 This title does not apply to the following:

35 1. Drugstores selling spirituous liquors only on prescription.

36 2. Any confectionery candy containing less than five percent by
37 weight of alcohol.

38 3. Ethyl alcohol intended for use or used for the following
39 purposes:

40 (a) Scientific, chemical, mechanical, industrial and medicinal
41 purposes. For the purposes of this paragraph, medicinal purposes do not
42 include ethyl alcohol or spirituous liquor that contains marijuana or
43 usable marijuana as defined in section 36-2801.

1 (b) By those authorized to procure spirituous liquor or ethyl
2 alcohol tax-free, as provided by the acts of Congress and regulations
3 promulgated under the acts of Congress.

4 (c) In the manufacture of denatured alcohol produced and used as
5 provided by the acts of Congress and regulations promulgated under the
6 acts of Congress.

7 (d) In the manufacture of patented, patent, proprietary, medicinal,
8 pharmaceutical, antiseptic, toilet, scientific, chemical, mechanical and
9 industrial preparations or products, unfit and not used for beverage
10 purposes.

11 (e) In the manufacture of flavoring extracts and syrups unfit for
12 beverage purposes.

13 4. The purchase, storage, distribution, service or consumption of
14 wine in connection with the bona fide practice of a religious belief or as
15 an integral part of a religious exercise by a church recognized by the
16 United States internal revenue service under section 501(c)(3) of the
17 internal revenue code and in a manner not dangerous to public health or
18 safety. This exemption does not apply to any alleged violation of section
19 4-244, paragraph 9, ~~34, 35 or 41~~ 31, 32 OR 38.

20 5. Beer or wine produced for personal or family use that is not for
21 sale. The beer or wine may be removed from the premises where it was made
22 and exhibited at organized affairs, exhibitions or competitions such as
23 homebrewers' or home winemakers' contests, tasting or judging.

24 6. The manufacture or sale of bitters products that have been
25 classified and approved as a nonbeverage product or unfit for beverage
26 purposes by the United States alcohol and tobacco tax and trade bureau.
27 This paragraph is consistent with the classification guidelines as
28 established and administered by the United States alcohol and tobacco tax
29 and trade bureau.

30 Sec. 8. Repeal

31 Section 4-229, Arizona Revised Statutes, is repealed.

32 Sec. 9. Section 4-244, Arizona Revised Statutes, is amended to
33 read:

34 4-244. Unlawful acts; definition

35 It is unlawful:

36 1. For a person to buy for resale, sell or deal in spirituous
37 liquors in this state without first having procured a license duly issued
38 by the board, except that the director may issue a temporary permit of any
39 series pursuant to section 4-205.05 to a trustee in bankruptcy to acquire
40 and dispose of the spirituous liquor of a debtor.

41 2. For a person to sell or deal in alcohol for beverage purposes
42 without first complying with this title.

43 3. For a distiller, vintner, brewer or wholesaler knowingly to
44 sell, dispose of or give spirituous liquor to any person other than a
45 licensee except in sampling wares as may be necessary in the ordinary

1 course of business, except in donating spirituous liquor to a nonprofit
2 organization that has obtained a special event license for the purpose of
3 charitable fundraising activities or except in donating spirituous liquor
4 with a cost to the distiller, brewer or wholesaler of up to \$500 in a
5 calendar year to an organization that is exempt from federal income taxes
6 under section 501(c) (3), (4), (6) or (7) of the internal revenue code and
7 not licensed under this title.

8 4. For a distiller, vintner or brewer to require a wholesaler to
9 offer or grant a discount to a retailer, unless the discount has also been
10 offered and granted to the wholesaler by the distiller, vintner or brewer.

11 5. For a distiller, vintner or brewer to use a vehicle for trucking
12 or transporting spirituous liquors unless there is affixed to both sides
13 of the vehicle a sign showing the name and address of the licensee and the
14 type and number of the person's license in letters not less than three and
15 one-half inches in height.

16 6. For a person to take or solicit orders for spirituous liquors
17 unless the person is a salesman or solicitor of a licensed wholesaler, a
18 salesman or solicitor of a distiller, brewer, vintner, importer or broker
19 or a registered retail agent.

20 7. For any retail licensee to purchase spirituous liquors from any
21 person other than a solicitor or salesman of a wholesaler licensed in this
22 state.

23 8. For a retailer to acquire an interest in property owned,
24 occupied or used by a wholesaler in the wholesaler's business, or in a
25 license with respect to the premises of the wholesaler.

26 9. Except as provided in paragraphs 10 and 11 of this section, for
27 a licensee or other person to sell, furnish, dispose of or give, or cause
28 to be sold, furnished, disposed of or given, to a person under the legal
29 drinking age or for a person under the legal drinking age to buy, receive,
30 have in the person's possession or consume spirituous liquor. This
31 paragraph does not prohibit the employment by an off-sale retailer of
32 persons who are at least sixteen years of age to check out, if supervised
33 by a person on the premises who is at least eighteen years of age, package
34 or carry merchandise, including spirituous liquor, in unbroken packages,
35 for the convenience of the customer of the employer, if the employer sells
36 primarily merchandise other than spirituous liquor.

37 10. For a licensee to employ a person under eighteen years of age
38 to manufacture, sell or dispose of spirituous liquors. This paragraph
39 does not prohibit the employment by an off-sale retailer of persons who
40 are at least sixteen years of age to check out, if supervised by a person
41 on the premises who is at least eighteen years of age, package or carry
42 merchandise, including spirituous liquor, in unbroken packages, for the
43 convenience of the customer of the employer, if the employer sells
44 primarily merchandise other than spirituous liquor.

1 11. For an on-sale retailer to employ a person under eighteen years
2 of age in any capacity connected with the handling of spirituous liquors.
3 This paragraph does not prohibit the employment by an on-sale retailer of
4 a person under eighteen years of age who cleans up the tables on the
5 premises for reuse, removes dirty dishes, keeps a ready supply of needed
6 items and helps clean up the premises.

7 12. For a licensee, when engaged in waiting on or serving
8 customers, to consume spirituous liquor or for a licensee or on-duty
9 employee to be on or about the licensed premises while in an intoxicated
10 or disorderly condition.

11 13. For an employee of a retail licensee, during that employee's
12 working hours or in connection with such employment, to give to or
13 purchase for any other person, accept a gift of, purchase for the employee
14 or consume spirituous liquor, except that:

15 (a) An employee of a licensee, during that employee's working hours
16 or in connection with the employment, while the employee is not engaged in
17 waiting on or serving customers, may give spirituous liquor to or purchase
18 spirituous liquor for any other person.

19 (b) An employee of an on-sale retail licensee, during that
20 employee's working hours or in connection with the employment, while the
21 employee is not engaged in waiting on or serving customers, may taste
22 samples of beer or wine of not more than four ounces per day or distilled
23 spirits of not more than two ounces per day provided by an employee of a
24 wholesaler or distributor who is present at the time of the sampling.

25 (c) An employee of an on-sale retail licensee, under the
26 supervision of a manager as part of the employee's training and education,
27 while not engaged in waiting on or serving customers may taste samples of
28 distilled spirits of not more than two ounces per educational session or
29 beer or wine of not more than four ounces per educational session, and
30 provided that a licensee does not have more than two educational sessions
31 in any thirty-day period.

32 (d) An unpaid volunteer who is a bona fide member of a club and who
33 is not engaged in waiting on or serving spirituous liquor to customers may
34 purchase for himself and consume spirituous liquor while participating in
35 a scheduled event at the club. An unpaid participant in a food
36 competition may purchase for himself and consume spirituous liquor while
37 participating in the food competition.

38 (e) An unpaid volunteer of a special event licensee under section
39 4-203.02 may purchase and consume spirituous liquor while not engaged in
40 waiting on or serving spirituous liquor to customers at the special event.
41 This subdivision does not apply to an unpaid volunteer whose
42 responsibilities include ~~verification of~~ VERIFYING a person's legal
43 drinking age, security or ~~the operation of~~ OPERATING any vehicle or heavy
44 machinery.

1 (f) A representative of a producer or wholesaler participating at a
2 special event under section 4-203.02 may consume small amounts of the
3 products of the producer or wholesaler on the premises of the special
4 event for the purpose of quality control.

5 14. For a licensee or other person to serve, sell or furnish
6 spirituous liquor to a disorderly or obviously intoxicated person, or for
7 a licensee or employee of the licensee to allow a disorderly or obviously
8 intoxicated person to come into or remain on or about the premises, except
9 that a licensee or an employee of the licensee may allow an obviously
10 intoxicated person to remain on the premises for not more than thirty
11 minutes after the state of obvious intoxication is known or should be
12 known to the licensee for a nonintoxicated person to transport the
13 obviously intoxicated person from the premises. For the purposes of this
14 section, "obviously intoxicated" means inebriated to the extent that a
15 person's physical faculties are substantially impaired and the impairment
16 is shown by significantly uncoordinated physical action or significant
17 physical dysfunction that would have been obvious to a reasonable person.

18 15. For an on-sale or off-sale retailer or an employee of such
19 retailer or an alcohol delivery contractor to sell, dispose of, deliver or
20 give spirituous liquor to a person between the hours of 2:00 a.m. and
21 6:00 a.m., except that:

22 (a) A retailer with off-sale privileges may receive and process
23 orders, accept payment or package, load or otherwise prepare spirituous
24 liquor for delivery at any time, if the actual deliveries to customers are
25 made between the hours of 6:00 a.m. and 2:00 a.m., at which time section
26 4-241, subsections A and K apply.

27 (b) The governor, in consultation with the governor's office of
28 highway safety and the public safety community in this state, may issue an
29 executive order that extends the closing time until 3:00 a.m. for
30 spirituous liquor sales in connection with a professional or collegiate
31 national sporting championship event held in this state.

32 16. For a licensee or employee to knowingly allow any person on or
33 about the licensed premises to give or furnish any spirituous liquor to
34 any person under twenty-one years of age or knowingly allow any person
35 under twenty-one years of age to have in the person's possession
36 spirituous liquor on the licensed premises.

37 17. For an on-sale retailer or an employee of such retailer to
38 allow a person to consume or possess spirituous liquors on the premises
39 between the hours of 2:30 a.m. and 6:00 a.m., except that if the governor
40 extends the closing time for a day for spirituous liquor sales pursuant to
41 paragraph 15 of this section it is unlawful for an on-sale retailer or an
42 employee of such retailer on that day to allow a person to consume or
43 possess spirituous liquor on the premises between the hours of 3:30 a.m.
44 and 6:00 a.m.

1 18. For an on-sale retailer to allow an employee or for an employee
2 to solicit or encourage others, directly or indirectly, to buy the
3 employee drinks or anything of value in the licensed premises during the
4 employee's working hours. An on-sale retailer shall not serve employees
5 or allow a patron of the establishment to give spirituous liquor to,
6 purchase liquor for or drink liquor with any employee during the
7 employee's working hours.

8 19. For an off-sale retailer or employee to sell spirituous liquor
9 except in the original unbroken container, to allow spirituous liquor to
10 be consumed on the premises or to knowingly allow spirituous liquor to be
11 consumed on adjacent property under the licensee's exclusive control.

12 20. For a person to consume spirituous liquor in a public place,
13 thoroughfare or gathering. The license of a licensee allowing a violation
14 of this paragraph on the premises shall be subject to revocation. This
15 paragraph does not apply to the sale of spirituous liquors on the premises
16 of and by an on-sale retailer. This paragraph also does not apply to a
17 person consuming beer or wine from a broken package in a public recreation
18 area or on private property with permission of the owner or lessor or on
19 the walkways surrounding such private property or to a person consuming
20 beer or wine from a broken package in a public recreation area as part of
21 a special event or festival that is conducted under a license secured
22 pursuant to section 4-203.02 or 4-203.03.

23 21. For a person to possess or to transport spirituous liquor that
24 is manufactured in a distillery, winery, brewery or rectifying plant
25 contrary to the laws of the United States and this state. Any property
26 used in transporting such spirituous liquor shall be forfeited to the
27 state and shall be seized and disposed of as provided in section 4-221.

28 22. For an on-sale retailer or employee to allow a person under the
29 legal drinking age to remain in an area on the licensed premises during
30 those hours in which its primary use is the sale, dispensing or
31 consumption of alcoholic beverages after the licensee, or the licensee's
32 employees, know or should have known that the person is under the legal
33 drinking age. An on-sale retailer may designate an area of the licensed
34 premises as an area in which spirituous liquor will not be sold or
35 consumed for the purpose of allowing underage persons on the premises if
36 the designated area is separated by a physical barrier and at no time will
37 underage persons have access to the area in which spirituous liquor is
38 sold or consumed. A licensee or an employee of a licensee may require a
39 person who intends to enter a licensed premises or a portion of a licensed
40 premises where persons under the legal drinking age are prohibited under
41 this section to exhibit an instrument of identification that is acceptable
42 under section 4-241 as a condition of entry or may use a biometric
43 identity verification device to determine the person's age as a condition
44 of entry. The director, or a municipality, may adopt rules to regulate
45 the presence of underage persons on licensed premises provided the rules

1 adopted by a municipality are more stringent than those adopted by the
2 director. The rules adopted by the municipality shall be adopted by local
3 ordinance and shall not interfere with the licensee's ability to comply
4 with this paragraph. This paragraph does not apply:

5 (a) If the person under the legal drinking age is accompanied by a
6 spouse, parent, grandparent or legal guardian of legal drinking age or is
7 an on-duty employee of the licensee.

8 (b) If the owner, lessee or occupant of the premises is a club as
9 defined in section 4-101, paragraph 8, subdivision (a) and the person
10 under the legal drinking age is any of the following:

11 (i) An active duty military service member.

12 (ii) A veteran.

13 (iii) A member of the United States army national guard or the
14 United States air national guard.

15 (iv) A member of the United States military reserve forces.

16 (c) To the area of the premises used primarily for serving food
17 during the hours when food is served.

18 23. For an on-sale retailer or employee to conduct drinking
19 contests, to sell or deliver to a person an unlimited number of spirituous
20 liquor beverages during any set period of time for a fixed price, to
21 deliver more than fifty ounces of beer, one liter of wine or four ounces
22 of distilled spirits in any spirituous liquor drink to one person at one
23 time for that person's consumption or to advertise any practice prohibited
24 by this paragraph. This paragraph does not prohibit an on-sale retailer
25 or employee from selling and delivering an opened, original container of
26 distilled spirits if:

27 (a) Service or pouring of the spirituous liquor is provided by an
28 employee of the on-sale retailer. A licensee shall not be charged for a
29 violation of this paragraph if a customer, without the knowledge of the
30 retailer, removes or tampers with a locking device on a bottle delivered
31 to the customer for bottle service and the customer pours the customer's
32 own drink from the bottle, if when the licensee becomes aware of the
33 removal or tampering of the locking device the licensee immediately
34 installs a functioning locking device on the bottle or removes the bottle
35 and lock from bottle service.

36 (b) The employee of the on-sale retailer monitors consumption to
37 ensure compliance with this paragraph. Locking devices may be used, but
38 are not required.

39 24. For a licensee or employee to knowingly allow the unlawful
40 possession, use, sale or offer for sale of narcotics, dangerous drugs or
41 marijuana on the premises. For the purposes of this paragraph, "dangerous
42 drug" has the same meaning prescribed in section 13-3401.

43 25. For a licensee or employee to knowingly allow prostitution or
44 the solicitation of prostitution on the premises.

1 26. For a licensee or employee to knowingly allow unlawful gambling
2 on the premises.

3 27. For a licensee or employee to knowingly allow trafficking or
4 attempted trafficking in stolen property on the premises.

5 28. For a licensee or employee to fail or refuse to make the
6 premises or records available for inspection and examination as provided
7 in this title or to comply with a lawful subpoena issued under this title.

8 ~~29. For any person other than a peace officer while on duty or off
9 duty or a member of a sheriff's volunteer posse while on duty who has
10 received firearms training that is approved by the Arizona peace officer
11 standards and training board, a retired peace officer as defined in
12 section 38-1113 or an honorably retired law enforcement officer who has
13 been issued a certificate of firearms proficiency pursuant to section
14 13-3112, subsection T, the licensee or an employee of the licensee acting
15 with the permission of the licensee to be in possession of a firearm while
16 on the licensed premises of an on-sale retailer. This paragraph does not
17 include a situation in which a person is on licensed premises for a
18 limited time in order to seek emergency aid and such person does not buy,
19 receive, consume or possess spirituous liquor. This paragraph does not
20 apply to:~~

21 ~~(a) Hotel or motel guest room accommodations.~~

22 ~~(b) Exhibiting or displaying a firearm in conjunction with a
23 meeting, show, class or similar event.~~

24 ~~(c) A person with a permit issued pursuant to section 13-3112 who
25 carries a concealed handgun on the licensed premises of any on-sale
26 retailer that has not posted a notice pursuant to section 4-229.~~

27 ~~30. For a licensee or employee to knowingly allow a person in
28 possession of a firearm other than a peace officer while on duty or off
29 duty or a member of a sheriff's volunteer posse while on duty who has
30 received firearms training that is approved by the Arizona peace officer
31 standards and training board, a retired peace officer as defined in
32 section 38-1113 or an honorably retired law enforcement officer who has
33 been issued a certificate of firearms proficiency pursuant to section
34 13-3112, subsection T, the licensee or an employee of the licensee acting
35 with the permission of the licensee to remain on the licensed premises or
36 to serve, sell or furnish spirituous liquor to a person in possession of a
37 firearm while on the licensed premises of an on-sale retailer. It is a
38 defense to action under this paragraph if the licensee or employee
39 requested assistance of a peace officer to remove such person. This
40 paragraph does not apply to:~~

41 ~~(a) Hotel or motel guest room accommodations.~~

42 ~~(b) Exhibiting or displaying a firearm in conjunction with a
43 meeting, show, class or similar event.~~

1 ~~(c) A person with a permit issued pursuant to section 13-3112 who~~
2 ~~carries a concealed handgun on the licensed premises of any on-sale~~
3 ~~retailer that has not posted a notice pursuant to section 4-229.~~

4 ~~31. For any person in possession of a firearm while on the licensed~~
5 ~~premises of an on-sale retailer to consume spirituous liquor. This~~
6 ~~paragraph does not prohibit the consumption of small amounts of spirituous~~
7 ~~liquor by an undercover peace officer on assignment to investigate the~~
8 ~~licensed establishment.~~

9 ~~32.~~ 29. For a licensee or employee to knowingly allow spirituous
10 liquor to be removed from the licensed premises, except in the original
11 unbroken package. This paragraph does not apply to any of the following:

12 (a) A person who removes a bottle of wine that has been partially
13 consumed in conjunction with a purchased meal from licensed premises if a
14 cork is inserted flush with the top of the bottle or the bottle is
15 otherwise securely closed.

16 (b) A person who is in licensed premises that have noncontiguous
17 portions that are separated by a public or private walkway or driveway and
18 who takes spirituous liquor from one portion of the licensed premises
19 across the public or private walkway or driveway directly to the other
20 portion of the licensed premises.

21 (c) A licensee of a bar, beer and wine bar, liquor store, beer and
22 wine store, microbrewery or restaurant that has a permit pursuant to
23 section 4-205.02, subsection H that dispenses beer only in a clean
24 container composed of a material approved by a national sanitation
25 organization with a maximum capacity that does not exceed one gallon and
26 not for consumption on the premises if:

27 (i) The licensee or the licensee's employee fills the container at
28 the tap at the time of sale.

29 (ii) The container is sealed and displays a government warning
30 label.

31 (d) A bar or liquor store licensee that prepares a mixed cocktail
32 or a restaurant licensee that leases the privilege to sell mixed cocktails
33 for consumption off the licensed premises pursuant to section 4-203.06 or
34 holds a permit pursuant to section 4-203.07 and section 4-205.02,
35 subsection K and that prepares a mixed cocktail and transfers it to a
36 clean container composed of a material approved by a national sanitation
37 organization with a maximum capacity that does not exceed thirty-two
38 ounces and not for consumption on the premises if all of the following
39 apply:

40 (i) The licensee or licensee's employee fills the container with
41 the mixed cocktail on the licensed premises of the bar, liquor store or
42 restaurant.

43 (ii) The container is tamperproof sealed by the licensee or the
44 licensee's employee and displays a government warning label.

1 (iii) The container clearly displays the bar's, liquor store's or
2 restaurant's logo or name.

3 (iv) For a restaurant licensee licensed pursuant to section
4 4-205.02, the sale of mixed cocktails for consumption off the licensed
5 premises is accompanied by the sale of menu food items for consumption on
6 or off the licensed premises.

7 ~~33.~~ 30. For a person who is obviously intoxicated to buy or
8 attempt to buy spirituous liquor from a licensee or employee of a licensee
9 or to consume spirituous liquor on licensed premises.

10 ~~34.~~ 31. For a person who is under twenty-one years of age to drive
11 or be in physical control of a motor vehicle while there is any spirituous
12 liquor in the person's body.

13 ~~35.~~ 32. For a person who is under twenty-one years of age to
14 operate or be in physical control of a motorized watercraft that is
15 underway while there is any spirituous liquor in the person's body. For
16 the purposes of this paragraph, "underway" has the same meaning prescribed
17 in section 5-301.

18 ~~36.~~ 33. For a licensee, manager, employee or controlling person to
19 purposely induce a voter, by means of alcohol, to vote or abstain from
20 voting for or against a particular candidate or issue on an election day.

21 ~~37.~~ 34. For a licensee to fail to report an occurrence of an act
22 of violence to either the department or a law enforcement agency.

23 ~~38.~~ 35. For a licensee to use a vending machine for the purpose of
24 dispensing spirituous liquor.

25 ~~39.~~ 36. For a licensee to offer for sale a wine carrying a label
26 including a reference to Arizona or any Arizona city, town or geographic
27 location unless at least seventy-five percent by volume of the grapes used
28 in making the wine were grown in Arizona.

29 ~~40.~~ 37. For a retailer to knowingly allow a customer to bring
30 spirituous liquor onto the licensed premises, except that an on-sale
31 retailer may allow a wine and food club to bring wine onto the premises
32 for consumption by the club's members and guests of the club's members in
33 conjunction with meals purchased at a meeting of the club that is
34 conducted on the premises and that at least seven members attend. An
35 on-sale retailer that allows wine and food clubs to bring wine onto its
36 premises under this paragraph shall comply with all applicable provisions
37 of this title and any rules adopted pursuant to this title to the same
38 extent as if the on-sale retailer had sold the wine to the members of the
39 club and their guests. For the purposes of this paragraph, "wine and food
40 club" means an association that has more than twenty bona fide members
41 paying at least \$6 per year in dues and that has been in existence for at
42 least one year.

43 ~~41.~~ 38. For a person who is under twenty-one years of age to have
44 in the person's body any spirituous liquor. In a prosecution for a
45 violation of this paragraph:

1 (a) Pursuant to section 4-249, it is a defense that the spirituous
2 liquor was consumed in connection with the bona fide practice of a
3 religious belief or as an integral part of a religious exercise and in a
4 manner not dangerous to public health or safety.

5 (b) Pursuant to section 4-226, it is a defense that the spirituous
6 liquor was consumed for a bona fide medicinal purpose and in a manner not
7 dangerous to public health or safety.

8 ~~42.~~ 39. For an employee of a licensee to accept any gratuity,
9 compensation, remuneration or consideration of any kind to either:

10 (a) Allow a person who is under twenty-one years of age to enter
11 any portion of the premises where that person is prohibited from entering
12 pursuant to paragraph 22 of this section.

13 (b) Sell, furnish, dispose of or give spirituous liquor to a person
14 who is under twenty-one years of age.

15 ~~43.~~ 40. For a person to purchase, offer for sale or use any
16 device, machine or process that mixes spirituous liquor with pure oxygen
17 or another gas to produce a vaporized product for the purpose of
18 consumption by inhalation or to allow patrons to use any item for the
19 consumption of vaporized spirituous liquor.

20 ~~44.~~ 41. For a retail licensee or an employee of a retail licensee
21 to sell spirituous liquor to a person if the retail licensee or employee
22 knows the person intends to resell the spirituous liquor.

23 ~~45.~~ 42. Except as authorized by paragraph ~~32~~ 29, subdivision (c)
24 of this section, for a person to reuse a bottle or other container
25 authorized for use by the laws of the United States or any agency of the
26 United States for the packaging of distilled spirits or for a person to
27 increase the original contents or a portion of the original contents
28 remaining in a liquor bottle or other authorized container by adding any
29 substance.

30 ~~46.~~ 43. For a direct shipment licensee, a farm winery licensee or
31 an employee of those licensees to sell, dispose of, deliver or give
32 spirituous liquor to an individual purchaser between the hours of
33 2:00 a.m. and 6:00 a.m., except that a direct shipment licensee or a farm
34 winery licensee may receive and process orders, accept payment, package,
35 load or otherwise prepare wine for delivery at any time without complying
36 with section 4-241, subsections A and K, if the actual deliveries to
37 individual purchasers are made between the hours of 6:00 a.m. and
38 2:00 a.m. and in accordance with section 4-203.04 for direct shipment
39 licensees and section 4-205.04 for farm winery licensees.

40 ~~47.~~ 44. For a supplier to coerce or attempt to coerce a wholesaler
41 to accept delivery of beer or any other commodity that has not been
42 ordered by the wholesaler or for which the order was canceled. A supplier
43 may impose reasonable inventory requirements on a wholesaler if the
44 requirements are made in good faith and are generally applied to other
45 similarly situated wholesalers that have an agreement with the supplier.

1 Sec. 10. Section 4-246, Arizona Revised Statutes, is amended to
2 read:

3 4-246. Violation; classification; fine; civil penalty

4 A. A person violating any provision of this title is guilty of a
5 class 2 misdemeanor unless another classification is prescribed.

6 B. A person violating section 4-242.01, subsection A or section
7 4-244, paragraph 9, 14, ~~34, 42 or 44~~ 31, 39 OR 41 is guilty of a class 1
8 misdemeanor.

9 ~~C. A person violating section 4-229, subsection B or section 4-244,~~
10 ~~paragraph 31 is guilty of a class 3 misdemeanor.~~

11 ~~D.~~ C. In addition to any other penalty prescribed by law, the
12 court may suspend the privilege to drive of a person who is under eighteen
13 years of age for a period of up to one hundred eighty days on receiving
14 the record of the person's first conviction for a violation of section
15 4-244, paragraph 9.

16 ~~E.~~ D. In addition to any other penalty prescribed by law, a person
17 who is convicted of a violation of section 4-244, paragraph ~~42~~ 39 shall
18 pay a fine of at least \$500.

19 ~~F.~~ E. In addition to any other penalty prescribed by law, a person
20 who is convicted of a violation of section 4-241, subsection L, M or N
21 shall pay a fine of at least \$250.

22 ~~G.~~ F. A person that violates section 4-244, paragraph ~~47~~ 44 is
23 subject to a civil penalty as prescribed in section 4-210.01.

24 Sec. 11. Section 4-251, Arizona Revised Statutes, is amended to
25 read:

26 4-251. Spirituos liquor in motor vehicles; prohibitions;
27 violation; classification; exceptions; definitions

28 A. It is unlawful for any person to:

29 1. Consume spirituous liquor while operating or while within the
30 passenger compartment of a motor vehicle that is located on any public
31 highway or right-of-way of a public highway in this state.

32 2. Possess an open container of spirituous liquor within the
33 passenger compartment of a motor vehicle that is located on any public
34 highway or right-of-way of a public highway in this state.

35 B. A person who violates subsection A of this section is guilty of
36 a class 2 misdemeanor.

37 C. This section does not apply to:

38 1. A passenger in any bus, limousine, taxi or transportation
39 network company vehicle as defined in section 28-9551 while the vehicle is
40 being used to provide transportation network services as defined in
41 section 28-9551.

42 2. A passenger in the living quarters of a motor home as defined in
43 section 28-4301.

1 D. For the purposes of this section:

2 1. "Motor vehicle" means any vehicle that is driven or drawn by
3 mechanical power and that is designed primarily for use on public
4 highways. Motor vehicle does not include a vehicle operated exclusively on
5 rails.

6 2. "Open container" means any bottle, can, jar, container dispensed
7 pursuant to section 4-244, paragraph ~~32~~ 29, subdivision (c) or other
8 receptacle that contains spirituous liquor and that has been opened, has
9 had its seal broken or the contents of which have been partially removed.

10 3. "Passenger compartment" means the area of a motor vehicle
11 designed for the seating of the driver and other passengers of the
12 vehicle. Passenger compartment includes an unlocked glove compartment and
13 any unlocked portable devices within the immediate reach of the driver or
14 any passengers. Passenger compartment does not include the trunk, a
15 locked glove compartment or the area behind the last upright seat of a
16 motor vehicle that is not equipped with a trunk.

17 4. "Public highway or right-of-way of a public highway" means the
18 entire width between and immediately adjacent to the boundary lines of
19 every way maintained by the federal government, this state or a county,
20 city or town if any part of the way is generally open to the use of the
21 public for purposes of vehicular travel.

22 Sec. 12. Section 5-395.03, Arizona Revised Statutes, is amended to
23 read:

24 5-395.03. Test for alcohol concentration or drug content;
25 refusal; civil penalty

26 A. Any person who operates a motorized watercraft that is underway
27 within this state gives consent, subject to section 4-244, paragraph ~~35~~
28 32, section 5-395 or section 5-396, to a test or tests of the person's
29 blood, breath, urine or other bodily substance for the purpose of
30 determining alcohol concentration or drug content if the person is
31 arrested for any offense arising out of acts alleged to have been
32 committed in violation of this chapter or section 4-244, paragraph ~~35~~ 32
33 while the person was operating or in actual physical control of a
34 motorized watercraft that was underway while under the influence of
35 intoxicating liquor or drugs. The test or tests chosen by the law
36 enforcement agency shall be administered at the direction of a law
37 enforcement officer having reasonable grounds to believe the person to
38 have been operating or in actual physical control of a motorized
39 watercraft that is underway within this state while under the influence of
40 intoxicating liquor or drugs, or if the person is under twenty-one years
41 of age, with spirituous liquor in the person's body.

42 B. Following an arrest a violator shall be requested to submit to
43 and successfully complete any test or tests prescribed by subsection A of
44 this section, and, if the violator refuses to submit to or complete the
45 test or tests, the violator shall be informed that the violator is subject

1 to a civil penalty. The case shall proceed as provided in title 28,
2 chapter 5, article 4.

3 C. A person who refuses any test or tests prescribed by subsection
4 A of this section is subject to a civil penalty of ~~seven hundred fifty~~
5 ~~dollars~~ \$750 and:

6 1. An additional civil penalty of ~~five hundred dollars~~ \$500 to be
7 deposited by the state treasurer in the prison construction and operations
8 fund established by section 41-1651. The civil penalty authorized
9 pursuant to this paragraph is not subject to any surcharge. If the civil
10 penalty authorized pursuant to this paragraph is imposed by the superior
11 court or a justice court, the court shall transmit the amount collected to
12 the county treasurer. If the civil penalty authorized pursuant to this
13 paragraph is imposed by a municipal court, the court shall transmit the
14 amount collected to the city treasurer. The city or county treasurer
15 shall transmit the monies received pursuant to this paragraph to the state
16 treasurer.

17 2. If the person is convicted or adjudicated of any offense arising
18 out of acts committed in violation of this chapter or section 4-244,
19 paragraph ~~35~~ 32 while the person was operating or in actual physical
20 control of a motorized watercraft that was underway while under the
21 influence of intoxicating liquor or drugs, an additional assessment of
22 ~~five hundred dollars~~ \$500 to be deposited by the state treasurer in the
23 law enforcement and boating safety fund established by section 5-383. The
24 assessment imposed pursuant to this paragraph is not subject to any
25 surcharge. If the conviction or adjudication occurred in the superior
26 court or a justice court, the court shall transmit the assessed monies to
27 the county treasurer. If the conviction or adjudication occurred in a
28 municipal court, the court shall transmit the assessed monies to the city
29 treasurer. The city or county treasurer shall transmit the monies
30 received pursuant to this paragraph to the state treasurer.

31 D. If a person under arrest refuses to submit to the test
32 designated by the law enforcement agency as provided in subsection A of
33 this section none shall be given, except as provided in section 5-395,
34 subsection L or pursuant to a search warrant.

35 Sec. 13. Section 13-3102, Arizona Revised Statutes, is amended to
36 read:

37 13-3102. Misconduct involving weapons; defenses;
38 classification; definitions

39 A. A person commits misconduct involving weapons by knowingly:

40 1. Carrying a deadly weapon except a pocket knife concealed on his
41 person or within his immediate control in or on a means of transportation:

42 (a) In the furtherance of a serious offense as defined in section
43 13-706, a violent crime as defined in section 13-901.03 or any other
44 felony offense; or

- 1 (b) When contacted by a law enforcement officer and failing to
2 accurately answer the officer if the officer asks whether the person is
3 carrying a concealed deadly weapon; or
4 2. Carrying a deadly weapon except a pocket knife concealed on his
5 person or concealed within his immediate control in or on a means of
6 transportation if the person is under twenty-one years of age; or
7 3. Manufacturing, possessing, transporting, selling or transferring
8 a prohibited weapon, except that if the violation involves dry ice, a
9 person commits misconduct involving weapons by knowingly possessing the
10 dry ice with the intent to cause injury to or death of another person or
11 to cause damage to the property of another person; or
12 4. Possessing a deadly weapon or prohibited weapon if such person
13 is a prohibited possessor; or
14 5. Selling or transferring a deadly weapon to a prohibited
15 possessor; or
16 6. Defacing a deadly weapon; or
17 7. Possessing a defaced deadly weapon knowing the deadly weapon was
18 defaced; or
19 8. Using or possessing a deadly weapon during the commission of any
20 felony offense included in chapter 34 of this title; or
21 9. Discharging a firearm at an occupied structure in order to
22 assist, promote or further the interests of a criminal street gang, a
23 criminal syndicate or a racketeering enterprise; or
24 10. Unless specifically authorized by law, entering any public
25 establishment or attending any public event and carrying a deadly weapon
26 on his person after a reasonable request by the operator of the
27 establishment or the sponsor of the event or the sponsor's agent to remove
28 his weapon and place it in the custody of the operator of the
29 establishment or the sponsor of the event for temporary and secure storage
30 of the weapon pursuant to section 13-3102.01; or
31 11. Unless specifically authorized by law, entering an election
32 polling place on the day of any election carrying a deadly weapon; or
33 12. Possessing a deadly weapon on school grounds; or
34 13. Unless specifically authorized by law, entering a nuclear or
35 hydroelectric generating station carrying a deadly weapon on his person or
36 within the immediate control of any person; or
37 14. Supplying, selling or giving possession or control of a firearm
38 to another person if the person knows or has reason to know that the other
39 person would use the firearm in the commission of any felony; or
40 15. Using, possessing or exercising control over a deadly weapon in
41 furtherance of any act of terrorism as defined in section 13-2301 or
42 possessing or exercising control over a deadly weapon knowing or having
43 reason to know that it will be used to facilitate any act of terrorism as
44 defined in section 13-2301; or

1 16. Trafficking in weapons or explosives for financial gain in order
2 to assist, promote or further the interests of a criminal street gang, a
3 criminal syndicate or a racketeering enterprise.

4 B. Subsection A, paragraph 2 of this section shall not apply to:

5 1. A person in his dwelling, on his business premises or on real
6 property owned or leased by that person or that person's parent,
7 grandparent or legal guardian.

8 2. A member of the sheriff's volunteer posse or reserve
9 organization who has received and passed firearms training that is
10 approved by the Arizona peace officer standards and training board and who
11 is authorized by the sheriff to carry a concealed weapon pursuant to
12 section 11-441.

13 3. A firearm that is carried in:

14 (a) A manner where any portion of the firearm or holster in which
15 the firearm is carried is visible.

16 (b) A holster that is wholly or partially visible.

17 (c) A scabbard or case designed for carrying weapons that is wholly
18 or partially visible.

19 (d) Luggage.

20 (e) A case, holster, scabbard, pack or luggage that is carried
21 within a means of transportation or within a storage compartment, map
22 pocket, trunk or glove compartment of a means of transportation.

23 C. Subsection A, paragraphs 2, 3, 7, 10, 11, 12 and 13 of this
24 section shall not apply to:

25 1. A peace officer or any person summoned by any peace officer to
26 assist and while actually assisting in the performance of official duties;
27 or

28 2. A member of the military forces of the United States or of any
29 state of the United States in the performance of official duties; or

30 3. A warden, deputy warden, community correctional officer,
31 detention officer, special investigator or correctional officer of the
32 state department of corrections or the department of juvenile corrections;
33 or

34 4. A person specifically licensed, authorized or permitted pursuant
35 to a statute of this state or of the United States.

36 D. Subsection A, paragraph 10 of this section does not apply to an
37 elected or appointed judicial officer in the court facility where the
38 judicial officer works if the judicial officer has demonstrated competence
39 with a firearm as prescribed in section 13-3112, subsection ~~N~~ M, except
40 that the judicial officer shall comply with any rule or policy adopted by
41 the presiding judge of the superior court while in the court facility.
42 For the purposes of this subsection, appointed judicial officer does not
43 include a hearing officer or a judicial officer pro tempore who is not a
44 full-time officer.

1 E. Subsection A, paragraphs 3 and 7 of this section shall not apply
2 to:

3 1. The possessing, transporting, selling or transferring of weapons
4 by a museum as a part of its collection or an educational institution for
5 educational purposes or by an authorized employee of such museum or
6 institution, if:

7 (a) Such museum or institution is operated by the United States or
8 this state or a political subdivision of this state, or by an organization
9 described in 26 United States Code section 170(c) as a recipient of a
10 charitable contribution; and

11 (b) Reasonable precautions are taken with respect to theft or
12 misuse of such material.

13 2. The regular and lawful transporting as merchandise; or

14 3. Acquisition by a person by operation of law such as by gift,
15 devise or descent or in a fiduciary capacity as a recipient of the
16 property or former property of an insolvent, incapacitated or deceased
17 person.

18 F. Subsection A, paragraph 3 of this section shall not apply to the
19 merchandise of an authorized manufacturer of or dealer in prohibited
20 weapons, when such material is intended to be manufactured, possessed,
21 transported, sold or transferred solely for or to a dealer, a regularly
22 constituted or appointed state, county or municipal police department or
23 police officer, a detention facility, the military service of this or
24 another state or the United States, a museum or educational institution or
25 a person specifically licensed or permitted pursuant to federal or state
26 law.

27 G. Subsection A, paragraph 10 of this section shall not apply to
28 shooting ranges or shooting events, hunting areas or similar locations or
29 activities.

30 H. Subsection A, paragraph 12 of this section shall not apply to a
31 weapon if ~~such~~ THE weapon is possessed for the purposes of preparing for,
32 conducting or participating in hunter or firearm safety courses.

33 I. Subsection A, paragraph 12 of this section shall not apply to
34 the possession of a:

35 1. Firearm that is not loaded and that is carried within a means of
36 transportation under the control of an adult provided that if the adult
37 leaves the means of transportation the firearm shall not be visible from
38 the outside of the means of transportation and the means of transportation
39 shall be locked.

40 2. Firearm for use on the school grounds in a program approved by a
41 school.

42 3. Firearm by a person who possesses a certificate of firearms
43 proficiency pursuant to section 13-3112, subsection ~~F~~ S and who is
44 authorized to carry a concealed firearm pursuant to the law enforcement

1 officers safety act of 2004 (P.L. 108-277; 118 Stat. 865; 18 United States
2 Code sections 926B and 926C).

3 J. Subsection A, paragraphs 2, 3, 7 and 13 of this section shall
4 not apply to commercial nuclear generating station armed nuclear security
5 guards during the performance of official duties or during any security
6 training exercises sponsored by the commercial nuclear generating station
7 or local, state or federal authorities.

8 K. The operator of the establishment or the sponsor of the event or
9 the employee of the operator or sponsor or the agent of the sponsor,
10 including a public entity or public employee, is not liable for acts or
11 omissions pursuant to subsection A, paragraph 10 of this section unless
12 the operator, sponsor, employee or agent intended to cause injury or was
13 grossly negligent.

14 L. If a law enforcement officer contacts a person who is in
15 possession of a firearm, the law enforcement officer may take temporary
16 custody of the firearm for the duration of that contact.

17 M. Misconduct involving weapons under subsection A, paragraph 15 of
18 this section is a class 2 felony. Misconduct involving weapons under
19 subsection A, paragraph 9, 14 or 16 of this section is a class 3 felony.
20 Misconduct involving weapons under subsection A, paragraph 3, 4, 8 or 13
21 of this section is a class 4 felony. Misconduct involving weapons under
22 subsection A, paragraph 12 of this section is a class 1 misdemeanor unless
23 the violation occurs in connection with conduct that violates section
24 13-2308, subsection A, paragraph 5, section 13-2312, subsection C, section
25 13-3409 or section 13-3411, in which case the offense is a class 6 felony.
26 Misconduct involving weapons under subsection A, paragraph 1, subdivision
27 (a) of this section or subsection A, paragraph 5, 6 or 7 of this section
28 is a class 6 felony. Misconduct involving weapons under subsection A,
29 paragraph 1, subdivision (b) of this section or subsection A, paragraph 10
30 or 11 of this section is a class 1 misdemeanor. Misconduct involving
31 weapons under subsection A, paragraph 2 of this section is a class 3
32 misdemeanor.

33 N. For the purposes of this section:

34 1. "Contacted by a law enforcement officer" means a lawful traffic
35 or criminal investigation, arrest or detention or an investigatory stop by
36 a law enforcement officer that is based on reasonable suspicion that an
37 offense has been or is about to be committed.

38 2. "Public establishment" means a structure, vehicle or craft that
39 is owned, leased or operated by this state or a political subdivision of
40 this state.

41 3. "Public event" means a specifically named or sponsored event of
42 limited duration that is either conducted by a public entity or conducted
43 by a private entity with a permit or license granted by a public entity.
44 Public event does not include an unsponsored gathering of people in a
45 public place.

1 the United States armed forces, the United States armed forces reserve or
2 a state national guard.

3 3. Is not under indictment for and has not been convicted in any
4 jurisdiction of a felony unless that conviction has been expunged, set
5 aside or vacated or the applicant's rights have been restored and the
6 applicant is currently not a prohibited possessor under state or federal
7 law.

8 4. Does not suffer from mental illness and has not been adjudicated
9 mentally incompetent or committed to a mental institution.

10 5. Is not unlawfully present in the United States.

11 6. Has ever demonstrated competence with a firearm as prescribed by
12 subsection ~~N~~ M of this section and provides adequate documentation that
13 the person has satisfactorily completed a training program or demonstrated
14 competence with a firearm in any state or political subdivision in the
15 United States. For the purposes of this paragraph, "adequate
16 documentation" means:

17 (a) A current or expired permit issued by the department of public
18 safety pursuant to this section.

19 (b) An original or copy of a certificate, card or document that
20 shows the applicant has ever completed any course or class prescribed by
21 subsection ~~N~~ M of this section or an affidavit from the instructor,
22 school, club or organization that conducted or taught the course or class
23 attesting to the applicant's completion of the course or class.

24 (c) An original or a copy of a United States department of defense
25 form 214 (DD-214) indicating an honorable discharge or general discharge
26 under honorable conditions, a certificate of completion of basic training
27 or any other document demonstrating proof of the applicant's current or
28 former service in the United States armed forces as prescribed by
29 subsection ~~N~~ M, paragraph 5 of this section.

30 (d) An original or a copy of a concealed weapon, firearm or handgun
31 permit or a license as prescribed by subsection ~~N~~ M, paragraph 6 of this
32 section.

33 ~~F~~ E. The application shall be completed on a form prescribed by
34 the department of public safety. The form shall not require the applicant
35 to disclose the type of firearm for which a permit is sought. The
36 applicant shall attest under penalty of perjury that all of the statements
37 made by the applicant are true, that the applicant has been furnished a
38 copy of this chapter and chapter 4 of this title and that the applicant is
39 knowledgeable about the provisions contained in those chapters. The
40 applicant shall submit the application to the department with any
41 documentation prescribed by subsection ~~E~~ D of this section, two sets of
42 fingerprints and a reasonable fee determined by the director of the
43 department.

44 ~~G~~ F. On receipt of a concealed weapon permit application, the
45 department of public safety shall conduct a check of the applicant's

1 criminal history record pursuant to section 41-1750. The department of
2 public safety may exchange fingerprint card information with the federal
3 bureau of investigation for federal criminal history record checks.

4 ~~H.~~ G. The department of public safety shall complete all of the
5 required qualification checks within sixty days after receiving the
6 application and shall issue a permit within fifteen working days after
7 completing the qualification checks if the applicant meets all of the
8 conditions specified in subsection ~~F.~~ D of this section. If a permit is
9 denied, the department of public safety shall notify the applicant in
10 writing within fifteen working days after completing all of the required
11 qualification checks and shall state the reasons why the application was
12 denied. On receipt of the notification of the denial, the applicant has
13 twenty days to submit any additional documentation to the department. On
14 receipt of the additional documentation, the department shall reconsider
15 its decision and inform the applicant within twenty days of the result of
16 the reconsideration. If denied, the applicant shall be informed that the
17 applicant may request a hearing pursuant to title 41, chapter 6,
18 article 10. For the purposes of this subsection, "receiving the
19 application" means the first day that the department has physical control
20 of the application and that is presumed to be on the date of delivery as
21 evidenced by proof of delivery by the United States postal service or a
22 written receipt, which shall be provided by the department on request of
23 the applicant.

24 ~~I.~~ H. On issuance, a permit is valid for five years, except a
25 permit that is held by a member of the United States armed forces,
26 including a member of the Arizona national guard or a member of the
27 reserves of any military establishment of the United States, who is on
28 federal active duty and who is deployed overseas shall be extended until
29 ninety days after the end of the member's overseas deployment.

30 ~~J.~~ I. The department of public safety shall maintain a
31 computerized permit record system that is accessible to criminal justice
32 agencies for the purpose of confirming the permit status of any person who
33 is contacted by a law enforcement officer and who claims to hold a valid
34 permit issued by this state. This information and any other records that
35 are maintained regarding applicants, permit holders or instructors shall
36 not be available to any other person or entity except on an order from a
37 state or federal court. A criminal justice agency shall not use the
38 computerized permit record system to conduct inquiries on whether a person
39 is a concealed weapons permit holder unless the criminal justice agency
40 has reasonable suspicion to believe the person is carrying a concealed
41 weapon and the person is subject to a lawful criminal investigation,
42 arrest, detention or investigatory stop.

43 ~~K.~~ J. A permit issued pursuant to this section is renewable every
44 five years. At least sixty days before the expiration date of a permit,
45 the department of public safety shall send a renewal reminder notice and

1 renewal application form to the permit holder. Before a permit may be
2 renewed, a criminal history records check shall be conducted pursuant to
3 section 41-1750 within sixty days after receipt of the application for
4 renewal. For the purposes of permit renewal, the permit holder is not
5 required to submit additional fingerprints.

6 ~~F.~~ K. Applications for renewal shall be accompanied by a fee
7 determined by the director of the department of public safety.

8 ~~M.~~ L. The department of public safety shall suspend or revoke a
9 permit issued under this section if the permit holder becomes ineligible
10 pursuant to subsection ~~F.~~ D of this section. The department of public
11 safety shall notify the permit holder in writing within fifteen working
12 days after the revocation or suspension and shall state the reasons for
13 the revocation or suspension.

14 ~~N.~~ M. An applicant shall demonstrate competence with a firearm
15 through any of the following:

16 1. Completion of any firearms safety or training course or class
17 that is available to the general public, that is offered by a law
18 enforcement agency, a junior college, a college or a private or public
19 institution, academy, organization or firearms training school and that is
20 approved by the department of public safety or that uses instructors who
21 are certified by the national rifle association.

22 2. Completion of any hunter education or hunter safety course
23 approved by the Arizona game and fish department or a similar agency of
24 another state.

25 3. Completion of any national rifle association firearms safety or
26 training course.

27 4. Completion of any law enforcement firearms safety or training
28 course or class that is offered for security guards, investigators,
29 special deputies or other divisions or subdivisions of law enforcement or
30 security enforcement and that is approved by the department of public
31 safety.

32 5. Evidence of current military service or proof of honorable
33 discharge or general discharge under honorable conditions from the United
34 States armed forces.

35 6. A valid current or expired concealed weapon, firearm or handgun
36 permit or license that is issued by another state or a political
37 subdivision of another state and that has a training or testing
38 requirement for initial issuance.

39 7. Completion of any governmental police agency firearms training
40 course and qualification to carry a firearm in the course of normal police
41 duties.

42 8. Completion of any other firearms safety or training course or
43 class that is conducted by a department of public safety approved or
44 national rifle association certified firearms instructor.

1 ~~Q.~~ N. The department of public safety shall maintain information
2 comparing the number of permits requested, the number of permits issued
3 and the number of permits denied. The department shall annually report
4 this information electronically to the governor and the legislature.

5 ~~P.~~ O. The director of the department of public safety shall adopt
6 rules for the purpose of implementing and administering this section
7 including fees relating to permits that are issued pursuant to this
8 section.

9 ~~P.~~ P. This state and any political subdivision of this state shall
10 recognize a concealed weapon, firearm or handgun permit or license that is
11 issued by another state or a political subdivision of another state if
12 both:

13 1. The permit or license is recognized as valid in the issuing
14 state.

15 2. The permit or license holder is all of the following:

16 (a) Legally present in this state.

17 (b) Not legally prohibited from possessing a firearm in this state.

18 ~~R.~~ Q. For the purpose of establishing mutual permit or license
19 recognition with other states, the department of public safety shall enter
20 into a written agreement if another state requires a written agreement.
21 The department of public safety shall submit an electronic report to the
22 governor and the legislature each year that includes any changes that were
23 made in the previous year to a written agreement with another state.

24 ~~S.~~ R. Notwithstanding the provisions of this section, a person
25 with a concealed weapons permit from another state may not carry a
26 concealed weapon in this state if the person is under twenty-one years of
27 age or is under indictment for, or has been convicted of, a felony offense
28 in any jurisdiction, unless that conviction is expunged, set aside or
29 vacated or the person's rights have been restored and the person is
30 currently not a prohibited possessor under state or federal law.

31 ~~T.~~ S. The department of public safety may issue certificates of
32 firearms proficiency according to the Arizona peace officer standards and
33 training board firearms qualification for the purposes of implementing the
34 law enforcement officers safety act of 2004 (P.L. 108-277; 118 Stat.
35 865; 18 United States Code sections 926B and 926C). A law enforcement or
36 prosecutorial agency shall issue to a qualified retired law enforcement
37 officer who has honorably retired a photographic identification that
38 states that the officer has honorably retired from the agency. A person
39 who was a municipal, county or state prosecutor is deemed to meet the
40 qualifications of 18 United States Code section 926C(c)(2). The chief law
41 enforcement officer shall determine whether an officer has honorably
42 retired and the determination is not subject to review. A law enforcement
43 or prosecutorial agency has no obligation to revoke, alter or modify the
44 honorable discharge photographic identification based on conduct that the
45 agency becomes aware of or that occurs after the officer has separated

1 from the agency. For the purposes of this subsection, "qualified retired
2 law enforcement officer" has the same meaning prescribed in 18 United
3 States Code section 926C.

4 ~~4.~~ T. The initial and renewal application fees collected pursuant
5 to this section shall be deposited, pursuant to sections 35-146 and
6 35-147, in the concealed weapons permit fund established by section
7 41-1722.

8 Sec. 15. Title 13, chapter 31, Arizona Revised Statutes, is amended
9 by adding section 13-3123, to read:

10 13-3123. Carrying of firearms; exceptions

11 NOTWITHSTANDING ANY OTHER LAW, A PERSON MAY NOT BE PROHIBITED FROM
12 POSSESSING A FIREARM EXCEPT AS PROVIDED IN SECTIONS 13-3102 AND 13-3119 OR
13 AS FOLLOWS:

- 14 1. IN A JAIL, CORRECTIONAL FACILITY OR JUVENILE DETENTION FACILITY.
- 15 2. BY ORDER OF ANY OF THE FOLLOWING:
 - 16 (a) THE PRESIDING JUDGE OR JUSTICE WHEN ATTENDING ANY COURT THAT IS
17 ESTABLISHED PURSUANT TO THE CONSTITUTION OF ARIZONA OR TITLE 12.
 - 18 (b) A JUSTICE COURT WHEN ENTERING A JUSTICE COURT.
 - 19 (c) A MUNICIPAL COURT WHEN ENTERING A MUNICIPAL COURT.
- 20 3. IN A SECURED POLICE FACILITY.
- 21 4. IN A LOCATION PROHIBITED BY FEDERAL LAW.
- 22 5. PURSUANT TO A COURT ORDER.
- 23 6. PURSUANT TO ANY STATE OR FEDERAL LAW THAT MAKES THE PERSON A
24 PROHIBITED POSSESSOR.

25 Sec. 16. Section 28-1321, Arizona Revised Statutes, is amended to
26 read:

27 28-1321. Implied consent; tests; refusal to submit to test;
28 order of suspension; hearing; review; temporary
29 permit; notification of suspension; special
30 ignition interlock restricted driver license

31 A. A person who operates a motor vehicle in this state gives
32 consent, subject to section 4-244, paragraph ~~34~~ 31 or section 28-1381,
33 28-1382 or 28-1383, to a test or tests of the person's blood, breath,
34 urine or other bodily substance for the purpose of determining alcohol
35 concentration or drug content if the person is arrested for any offense
36 arising out of acts alleged to have been committed in violation of this
37 chapter or section 4-244, paragraph ~~34~~ 31 while the person was driving or
38 in actual physical control of a motor vehicle while under the influence of
39 intoxicating liquor as prescribed in section 28-1381 or drugs. The test
40 or tests chosen by the law enforcement agency shall be administered at the
41 direction of a law enforcement officer having reasonable grounds to
42 believe that the person was driving or in actual physical control of a
43 motor vehicle in this state either:

- 44 1. While under the influence of intoxicating liquor as prescribed
45 in section 28-1381 or drugs.

1 2. If the person is under twenty-one years of age, with spirituous
2 liquor in the person's body.

3 B. After an arrest a violator shall be requested to submit to and
4 successfully complete any test or tests prescribed by subsection A of this
5 section, and if the violator refuses the violator shall be informed that
6 the violator's license or permit to drive will be suspended or denied for
7 twelve months, or for two years for a second or subsequent refusal within
8 a period of eighty-four months, unless the violator expressly agrees to
9 submit to and successfully completes the test or tests. A failure to
10 expressly agree to the test or successfully complete the test is deemed a
11 refusal. The violator shall also be informed that:

12 1. If the test results show a blood or breath alcohol concentration
13 of 0.08 or more, if the results show a blood or breath alcohol
14 concentration of 0.04 or more and the violator was driving or in actual
15 physical control of a commercial motor vehicle or if the results show
16 there is any drug defined in section 13-3401 or its metabolite in the
17 person's body and the person does not possess a valid prescription for the
18 drug, the violator's license or permit to drive will be suspended or
19 denied for not less than ninety consecutive days.

20 2. The violator's driving privilege, license, permit, right to
21 apply for a license or permit or nonresident operating privilege may be
22 issued or reinstated following the period of suspension only if the
23 violator completes alcohol or other drug screening.

24 C. A person who is dead, unconscious or otherwise in a condition
25 rendering the person incapable of refusal is deemed not to have withdrawn
26 the consent provided by subsection A of this section and the test or tests
27 may be administered, subject to section 4-244, paragraph ~~34~~ 31 or section
28 28-1381, 28-1382 or 28-1383.

29 D. If a person under arrest refuses to submit to the test
30 designated by the law enforcement agency as provided in subsection A of
31 this section:

32 1. The test shall not be given, except as provided in section
33 28-1388, subsection E or pursuant to a search warrant.

34 2. The law enforcement officer directing the administration of the
35 test shall:

36 (a) File a certified report of the refusal with the department.

37 (b) On behalf of the department, serve an order of suspension on
38 the person that is effective thirty days after the date the order is
39 served.

40 (c) Require the immediate surrender of any license or permit to
41 drive that is issued by this state and that is in the possession or
42 control of the person. The law enforcement agency may do either of the
43 following to a driver license or permit taken into possession under this
44 subdivision:

1 (i) In compliance with sections 41-151.15 and 41-151.19, destroy
2 the driver license or permit.

3 (ii) Forward the driver license or permit to the department within
4 five days after the issuance of the notice of suspension.

5 (d) If the license or permit is not surrendered, state the reason
6 why it is not surrendered.

7 (e) If a valid license or permit is surrendered, issue a temporary
8 driving permit that is valid for thirty days.

9 (f) Forward the certified report of refusal, a copy of the
10 completed notice of suspension and a copy of any completed temporary
11 permit to the department within five days after the issuance of the notice
12 of suspension.

13 E. The certified report is subject to the penalty for perjury as
14 prescribed by section 28-1561 and shall state all of the following:

15 1. The officer's reasonable grounds to believe that the arrested
16 person was driving or in actual physical control of a motor vehicle in
17 this state either:

18 (a) While under the influence of intoxicating liquor as prescribed
19 in section 28-1381 or drugs.

20 (b) If the person is under twenty-one years of age, with spirituous
21 liquor in the person's body.

22 2. The manner in which the person refused to submit to the test or
23 tests.

24 3. That the person was advised of the consequences of refusal.

25 F. On receipt of the certified report of refusal and a copy of the
26 order of suspension and on the effective date stated on the order, the
27 department shall enter the order of suspension on its records unless a
28 written or online request for a hearing as provided in this section has
29 been filed by the accused person. If the department receives only the
30 certified report of refusal, the department shall notify the person named
31 in the report in writing sent by mail that:

32 1. Thirty days after the date of issuance of the notice the
33 department will suspend the person's license or permit, driving privilege
34 or nonresident driving privilege.

35 2. The department will provide an opportunity for a hearing if the
36 person requests a hearing in writing or online and the request is received
37 by the department within thirty days after the notice is sent.

38 G. The order of suspension issued by a law enforcement officer or
39 the department under this section shall notify the person that:

40 1. The person may submit a written or online request for a hearing.

41 2. The request for a hearing must be received by the department
42 within thirty days after the date of the notice or the order of suspension
43 will become final.

44 3. The affected person's license or permit to drive or right to
45 apply for a license or permit or any nonresident operating privilege will

1 be suspended for twelve months from that date or for two years from that
2 date for a second or subsequent refusal within a period of eighty-four
3 months.

4 4. The person's driving privilege, license, permit, right to apply
5 for a license or permit or nonresident operating privilege may be issued
6 or reinstated following the period of suspension only if the person
7 completes alcohol or other drug screening.

8 H. The order for suspension shall:

9 1. Be accompanied by printed forms that are ready to mail to the
10 department, that may be filled out and signed by the person to indicate
11 the person's desire for a hearing and that advise the person that the
12 person may alternatively submit an online request for a hearing.

13 2. Advise the person that unless the person has surrendered any
14 driver license or permit issued by this state the person's hearing request
15 will not be accepted, except that the person may certify pursuant to
16 section 28-3170 that the license or permit is lost or destroyed.

17 I. On the receipt of a request for a hearing, the department shall
18 set the hearing within sixty days. The department may hold the hearing in
19 person, by telephone or by videoconference. If the department holds the
20 hearing in person, the hearing shall be held in the county in which the
21 person named in the report resides unless the law enforcement agency
22 filing the certified report of refusal pursuant to subsection D of this
23 section requests at the time of its filing that the hearing be held in the
24 county where the refusal occurred.

25 J. A timely request for a hearing stays the suspension until a
26 hearing is held, except that the department shall not return any
27 surrendered license or permit to the person but may issue temporary
28 permits to drive that expire not later than when the department has made
29 its final decision. If the person is a resident without a license or
30 permit or has an expired license or permit, the department may allow the
31 person to apply for a restricted license or permit. If the department
32 determines the person is otherwise entitled to the license or permit, the
33 department shall issue and retain a restricted license or permit subject
34 to this section.

35 K. Hearings requested under this section shall be conducted in the
36 same manner and under the same conditions as provided in section 28-3306.
37 For the purposes of this section, the scope of the hearing shall include
38 only the issues of whether:

39 1. A law enforcement officer had reasonable grounds to believe that
40 the person was driving or was in actual physical control of a motor
41 vehicle in this state either:

42 (a) While under the influence of intoxicating liquor as prescribed
43 in section 28-1381 or drugs.

44 (b) If the person is under twenty-one years of age, with spirituous
45 liquor in the person's body.

1 2. The person was placed under arrest.

2 3. The person refused to submit to the test.

3 4. The person was informed of the consequences of refusal.

4 L. If the department determines at the hearing to suspend the
5 affected person's privilege to operate a motor vehicle, the suspension
6 provided in this section is effective thirty days after giving written
7 notice of the suspension, except that the department may issue or extend a
8 temporary license that expires on the effective date of the suspension.
9 If the person is a resident without a license or permit or has an expired
10 license or permit to operate a motor vehicle in this state, the department
11 shall deny to the person the issuance of a license or permit for a period
12 of twelve months after the order of suspension becomes effective or for a
13 period of two years after the order of suspension becomes effective for a
14 second or subsequent refusal within a period of eighty-four months, and
15 may reinstate the person's driving privilege, license, permit, right to
16 apply for a license or permit or nonresident operating privilege following
17 the period of suspension only if the person completes alcohol or other
18 drug screening.

19 M. If the suspension order is sustained after the hearing, a motion
20 for rehearing is not required. Within thirty days after a suspension
21 order is sustained, the affected person may file a petition in the
22 superior court to review the final order of suspension or denial by the
23 department in the same manner provided in section 28-3317. The court
24 shall hear the review of the final order of suspension or denial on an
25 expedited basis.

26 N. If the suspension or determination that there should be a denial
27 of issuance is not sustained, the ruling is not admissible in and has no
28 effect on any administrative, civil or criminal court proceeding.

29 O. If it has been determined under the procedures of this section
30 that a nonresident's privilege to operate a motor vehicle in this state
31 has been suspended, the department shall give information either in
32 writing or by electronic means of the action taken to the motor vehicle
33 administrator of the state of the person's residence and of any state in
34 which the person has a license.

35 P. After completing any alcohol or other drug screening that is
36 ordered by the department pursuant to this chapter, a person whose driving
37 privilege is suspended pursuant to this section may apply to the
38 department for a special ignition interlock restricted driver license
39 pursuant to section 28-1401. Unless the certified ignition interlock
40 period is extended by the department pursuant to section 28-1461, a person
41 who is issued a special ignition interlock restricted driver license as
42 provided in this subsection shall maintain a functioning certified
43 ignition interlock device in compliance with this chapter during the
44 remaining period of the suspension prescribed by this section. This

1 subsection does not apply to a person whose driving privilege is suspended
2 for a second or subsequent refusal within a period of eighty-four months.

3 Q. Notwithstanding section 28-1401, the department may issue a
4 special ignition interlock restricted driver license to a person for an
5 offense described in subsection A of this section. A person who applies
6 for and who is issued a special ignition interlock restricted driver
7 license pursuant to this subsection agrees to the administrative action
8 taken by the department against the person's license. Once the department
9 issues a special ignition interlock restricted driver license pursuant to
10 this subsection, the person waives any right to an administrative hearing
11 contesting the administrative action against the person's license pursuant
12 to this section or section 28-1385.

13 Sec. 17. Section 28-1385, Arizona Revised Statutes, is amended to
14 read:

15 28-1385. Administrative license suspension for driving under
16 the influence or for homicide or assault involving
17 a motor vehicle; report; hearing; summary review;
18 ignition interlock device requirement

19 A. A law enforcement officer shall forward to the department a
20 certified report as prescribed in subsection B of this section, subject to
21 the penalty for perjury prescribed by section 28-1561, if both of the
22 following occur:

23 1. The officer arrests a person for a violation of section 4-244,
24 paragraph ~~34~~ 31, section 28-1381, section 28-1382 or section 28-1383 or
25 for a violation of title 13, chapter 11 or section 13-1201 or 13-1204
26 involving a motor vehicle.

27 2. The person submits to a test of the person's blood, breath,
28 urine or other bodily substance that is allowed by section 28-1321 or any
29 other law or a sample of blood is obtained pursuant to section 28-1388 and
30 the results are either not available or the results indicate any of the
31 following:

32 (a) 0.08 or more alcohol concentration in the person's blood or
33 breath.

34 (b) 0.04 or more alcohol concentration in the person's blood or
35 breath if the person was driving or in actual physical control of a
36 commercial motor vehicle.

37 (c) Any drug defined in section 13-3401 or its metabolite is in the
38 person's body except if the person possesses a valid prescription for the
39 drug.

40 B. The officer shall make the certified report required by
41 subsection A of this section on forms supplied or approved by the
42 department. The report shall state information that is relevant to the
43 enforcement action, including:

44 1. Information that adequately identifies the arrested person.

1 2. A statement of the officer's grounds for belief that the person
2 was driving or in actual physical control of a motor vehicle in violation
3 of section 4-244, paragraph ~~34~~ 31, section 28-1381, section 28-1382 or
4 section 28-1383 or committed a violation of title 13, chapter 11 or
5 section 13-1201 or 13-1204 involving a motor vehicle.

6 3. A statement that the person was arrested for a violation of
7 section 4-244, paragraph ~~34~~ 31, section 28-1381, section 28-1382 or
8 section 28-1383 or for a violation of title 13, chapter 11 or section
9 13-1201 or 13-1204 involving a motor vehicle.

10 4. A report of the results of the blood or breath alcohol test that
11 was administered, if the results are available.

12 C. If a breath test is administered, a law enforcement agency shall
13 forward the certified report that is required by subsection A of this
14 section to the department within thirty days after the arrest occurs. If
15 a sample of blood, urine or other bodily substance is obtained, the law
16 enforcement agency shall forward the certified report that is required by
17 subsection A of this section to the department within thirty days after
18 the date the report of the analysis is provided to the law enforcement
19 agency. If a report is not forwarded to the department within the time
20 limit prescribed by this subsection, the report is inadmissible in a
21 hearing held pursuant to this section unless the violation listed in
22 subsection A of this section resulted in death or serious physical injury.
23 For the purposes of this subsection, "serious physical injury" has the
24 same meaning prescribed in section 13-105.

25 D. The officer shall also serve an order of suspension on the
26 person on behalf of the department. The order of suspension:

27 1. Is effective thirty days after the date it is served.

28 2. Shall require the immediate surrender of any license or permit
29 to drive that is issued by this state and that is in the possession or
30 control of the person.

31 3. Shall contain information concerning the right to a summary
32 review and hearing, including information concerning the hearing as
33 required by section 28-1321, subsections G and H.

34 4. Shall be accompanied by printed forms that are ready to mail to
35 the department, that the person may fill out and sign to indicate the
36 person's desire for a hearing or summary review and that advise the person
37 that the person may alternatively submit an online request for a hearing
38 or summary review.

39 5. Shall be entered on the department's records on receipt of the
40 report by the officer and a copy of the order of suspension.

41 6. Shall inform the person that the person's driving privilege,
42 license, permit, right to apply for a license or permit or nonresident
43 operating privilege may be issued or reinstated following the period of
44 suspension or issuance of a special ignition interlock restricted driver
45 license only if the person completes alcohol or other drug screening.

1 7. Shall contain information on alcohol or other drug education and
2 treatment programs that are provided by a facility approved by the
3 department of health services.

4 E. If the blood test result is unavailable at the time the test is
5 administered, the result shall be forwarded to the department before the
6 hearing held pursuant to this section in a form prescribed by the
7 director.

8 F. If the license or permit is not surrendered pursuant to
9 subsection D of this section, the officer shall state the reason for the
10 nonsurrender. If a valid license or permit is surrendered, the officer
11 shall issue a temporary driving permit that is valid for thirty days. The
12 officer shall forward a copy of the completed order of suspension and a
13 copy of any completed temporary permit to the department within five days
14 after the issuance of the order of suspension along with the report. The
15 law enforcement agency may do either of the following with a valid license
16 or permit that is surrendered pursuant to this section:

17 1. In compliance with sections 41-151.15 and 41-151.19, destroy the
18 license or permit.

19 2. Forward the license or permit to the department within five days
20 after the issuance of the notice of suspension.

21 G. The department shall suspend the affected person's license or
22 permit to drive or right to apply for a license or permit or any
23 nonresident operating privilege for not less than ninety consecutive days
24 from that date. If the person is otherwise qualified, the department may
25 reinstate the person's driving privilege, license, permit, right to apply
26 for a license or permit or nonresident operating privilege following the
27 period of suspension only if the violator completes alcohol or other drug
28 screening.

29 H. Notwithstanding subsections A, B, C, D, E, F and G of this
30 section and except as provided in subsection I of this section, the
31 department shall suspend the driving privileges of the person described in
32 subsection A of this section for at least thirty consecutive days and
33 shall restrict the person's driving privileges as prescribed in section
34 28-144 for at least sixty consecutive additional days if the person:

35 1. Did not cause death or serious physical injury as defined in
36 section 13-105 to another person during the course of conduct out of which
37 the current action arose.

38 2. Has not been convicted of a violation of section 4-244,
39 paragraph ~~34~~ 31, section 28-1381, section 28-1382 or section 28-1383
40 within eighty-four months of the date of commission of the acts out of
41 which the current action arose. The dates of commission of the acts are
42 the determining factor in applying the eighty-four month provision.

43 3. Provides satisfactory evidence to the department of the person's
44 completion of alcohol or other drug screening that is ordered by the
45 department. If the person does not complete alcohol or other drug

1 screening, the department may impose a ninety day suspension pursuant to
2 this section.

3 I. In lieu of a driving privilege suspension pursuant to subsection
4 H of this section, on a person's request, the department shall issue a
5 special ignition interlock restricted driver license to the person if the
6 requirements set forth in subsection H, paragraphs 1, 2 and 3 are met.

7 J. Notwithstanding section 28-1401, the department may issue a
8 special ignition interlock restricted driver license to a person for an
9 offense described in subsection A of this section. A person who applies
10 for and who is issued a special ignition interlock restricted driver
11 license pursuant to this subsection agrees to the administrative action
12 taken by the department against the person's license. Once the department
13 issues a special ignition interlock restricted driver license pursuant to
14 this subsection, the person waives any right to an administrative hearing
15 contesting the administrative action against the person's license pursuant
16 to this section or section 28-1321.

17 K. If the officer does not serve an order of suspension pursuant to
18 subsection D of this section and if the department does not receive the
19 report of the results of the blood or breath alcohol test pursuant to
20 subsection B, paragraph 4 of this section, but subsequently receives the
21 results and the results indicate 0.08 or more alcohol concentration in the
22 person's blood or breath, a blood or breath alcohol concentration of 0.04
23 or more and the person was driving or in actual physical control of a
24 commercial motor vehicle or any drug defined in section 13-3401 or its
25 metabolite in the person's body and the person does not possess a valid
26 prescription for the drug, the department shall notify the person named in
27 the report in writing sent by mail that thirty days after the date of
28 issuance of the notice the department will suspend the person's license or
29 permit, driving privilege or nonresident driving privilege. The notice
30 shall also state that the department will provide an opportunity for a
31 hearing and summary review if the person requests a hearing or review in
32 writing and the request is received by the department within thirty days
33 after the notice is sent.

34 L. A timely request for a hearing stays the suspension until a
35 hearing is held, except that the department shall not return any
36 surrendered license or permit to the person but may issue temporary
37 permits to drive that expire not later than when the department has made
38 its final decision. If the person is a resident without a license or
39 permit or has an expired license or permit, the department may allow the
40 person to apply for a restricted license or permit. If the department
41 determines the person is otherwise entitled to the restricted license or
42 permit, the department shall issue, but retain, the license or permit,
43 subject to this section. All hearings requested under this section shall
44 be conducted in the same manner and under the same conditions as provided
45 in section 28-3306.

1 M. For the purposes of this section, the scope of the hearing shall
2 include only the following issues:

3 1. Whether the officer had reasonable grounds to believe the person
4 was driving or was in actual physical control of a motor vehicle while
5 under the influence of intoxicating liquor as prescribed in section
6 28-1381 or drugs.

7 2. Whether the person was placed under arrest for a violation of
8 section 4-244, paragraph ~~34~~ 31, section 28-1381, section 28-1382 or
9 section 28-1383 or for a violation of title 13, chapter 11 or section
10 13-1201 or 13-1204 involving a motor vehicle.

11 3. Whether a test was taken, the results of which indicated any of
12 the following:

13 (a) An alcohol concentration in the person's blood or breath at the
14 time the test was administered of either:

15 (i) 0.08 or more.

16 (ii) 0.04 or more if the person was driving or in actual physical
17 control of a commercial motor vehicle.

18 (b) Any drug defined in section 13-3401 or its metabolite in the
19 person's body except if the person possesses a valid prescription for the
20 drug.

21 4. Whether the testing method used was valid and reliable.

22 5. Whether the test results were accurately evaluated.

23 N. The results of the blood or breath alcohol test shall be
24 admitted on establishing the requirements in section 28-1323 or 28-1326.

25 O. If the department determines at the hearing to suspend the
26 affected person's privilege to operate a motor vehicle, the suspension
27 provided in this section is effective thirty days after giving written
28 notice of the suspension, except that the department may issue or extend a
29 temporary license that expires on the effective date of the suspension. If
30 the person is a resident without a license or permit or has an expired
31 license or permit to operate a motor vehicle in this state, the department
32 shall deny the issuance of a license or permit to the person for not less
33 than ninety consecutive days. The department may reinstate the person's
34 driving privilege, license, permit, right to apply for a license or permit
35 or nonresident operating privilege following the period of suspension only
36 if the violator completes alcohol or other drug screening.

37 P. A person may request a summary review of an order issued
38 pursuant to this section instead of a hearing at any time before the
39 effective date of the order. A timely request for summary review stays
40 the suspension until a decision is issued. The person shall submit the
41 request in writing to the department together with any written explanation
42 as to why the department should not suspend the driving privilege. The
43 department shall review all reports submitted by the officer and any
44 written explanation submitted by the person and shall determine if the
45 order of suspension should be sustained or voided. The department shall

1 not hold a hearing, and the review is not subject to title 41, chapter 6.
2 The department shall notify the person of its decision.

3 Q. If the suspension or determination that there should be a denial
4 of issuance is not sustained after a hearing or review, the ruling is not
5 admissible in and does not have any effect on any civil or criminal court
6 proceeding.

7 R. If it has been determined under the procedures of this section
8 that a nonresident's privilege to operate a motor vehicle in this state
9 has been suspended, the department shall give information either in
10 writing or by electronic means of the action taken to the motor vehicle
11 administrator of the state of the person's residence and of any state in
12 which the person has a license.

13 Sec. 18. Section 28-3320, Arizona Revised Statutes, is amended to
14 read:

15 28-3320. Suspension of license for persons under eighteen
16 years of age; notice; definition

17 A. In addition to the grounds for mandatory suspension or
18 revocation provided for in chapters 3, 4 and 5 of this title, the
19 department shall immediately suspend the driver license or privilege to
20 drive or refuse to issue a driver license or privilege to drive of a
21 person who commits an offense while under eighteen years of age as
22 follows:

23 1. For a period of two years on receiving the record of the
24 person's conviction for a violation of section 4-244, paragraph ~~34~~ 31,
25 section 28-1381 or section 28-1382.

26 2. For a period of three years on receiving the record of the
27 person's conviction for a violation of section 28-1383.

28 3. Until the person's eighteenth birthday on receiving the record
29 of the person's conviction for a violation of section 13-1602, subsection
30 A, paragraph 1 or section 13-1604, subsection A involving the damage or
31 disfigurement of property by graffiti.

32 4. Until the person's eighteenth birthday on receiving the record
33 of the person's conviction of criminal damage pursuant to section 13-1602,
34 subsection A, paragraph 5 or a violation of a city or town ordinance that
35 prohibits the type of criminal action prescribed in section 13-1602,
36 subsection A, paragraph 5.

37 5. Until the person's eighteenth birthday on receiving the record
38 of the person's conviction for a violation of any statute or ordinance
39 involving the purchase or possession of materials used for graffiti.

40 6. Until the person's eighteenth birthday on receiving the record
41 of the person's conviction for a violation of any provision of title 13,
42 chapter 34.

43 7. Until the person's eighteenth birthday or for a period of two
44 years on receiving the record of the person's conviction for a second or

1 subsequent violation of section 4-244, paragraph 9, if ordered by the
2 court.

3 8. Until the person's eighteenth birthday on receiving the record
4 of the person's conviction of theft of a motor vehicle pursuant to section
5 13-1802, unlawful use of means of transportation pursuant to section
6 13-1803 or theft of means of transportation pursuant to section 13-1814.

7 B. If ordered by the court, the department shall restrict the
8 person's privilege to drive between the person's home, school and place of
9 employment during specified periods of time according to the person's
10 school and employment schedule.

11 C. If a person commits an offense prescribed in subsection A,
12 paragraph 1 of this section and the person's privilege to drive is
13 restricted as prescribed in subsection B of this section, the department
14 shall issue a special ignition interlock restricted driver license to the
15 person pursuant to section 28-1401.

16 D. If ordered by the court pursuant to section 4-246, subsection
17 ~~D~~ C, the department shall suspend the driving privilege of a person under
18 eighteen years of age for a period of up to one hundred eighty days on
19 receiving the record of the person's first conviction for a violation of
20 section 4-244, paragraph 9.

21 E. For the purposes of this section, "conviction" means a final
22 conviction or judgment, including an order of the juvenile court finding
23 that a juvenile violated any provision of this title or committed a
24 delinquent act that if committed by an adult would constitute a criminal
25 offense.

26 Sec. 19. Section 28-3322, Arizona Revised Statutes, is amended to
27 read:

28 28-3322. Suspension of license for persons eighteen, nineteen
29 and twenty years of age; definition

30 A. In addition to the grounds for mandatory suspension or
31 revocation provided for in chapters 3, 4 and 5 of this title, the
32 department shall immediately suspend the driver license or privilege to
33 drive or refuse to issue a driver license or privilege to drive of a
34 person who commits a violation of section 4-244, paragraph ~~34~~ 31 while the
35 person is eighteen, nineteen or twenty years of age on receipt of the
36 record of the person's conviction for a violation of section 4-244,
37 paragraph ~~34~~ 31 for a period of two years.

38 B. If ordered by the court, the department shall restrict the
39 person's privilege to drive between the person's home, school and place of
40 employment during specified periods of time according to the person's
41 school and employment schedule.

42 C. If a person's privilege to drive is restricted as prescribed in
43 subsection B of this section, the department shall issue a special
44 ignition interlock restricted driver license to the person pursuant to
45 section 28-1401.

1 D. For the purposes of this section, "conviction" means a final
2 conviction or judgment, including an order of the juvenile court finding
3 that a juvenile violated any provision of this title or committed a
4 delinquent act that if committed by an adult would constitute a criminal
5 offense.

6 Sec. 20. Section 28-3511, Arizona Revised Statutes, is amended to
7 read:

8 28-3511. Removal and immobilization or impoundment of
9 vehicle; Arizona crime information center database

10 A. A peace officer shall cause the removal and either
11 immobilization or impoundment of a vehicle if the peace officer determines
12 that:

13 1. A person is driving the vehicle while any of the following
14 applies:

15 (a) Except as otherwise provided in this subdivision, the person's
16 driving privilege is revoked for any reason. A peace officer shall not
17 cause the removal and either immobilization or impoundment of a vehicle
18 pursuant to this subdivision if the person's privilege to drive is valid
19 in this state.

20 (b) The person has ~~not ever~~ NEVER been issued a valid driver
21 license or permit by this state and the person does not produce evidence
22 of ever having a valid driver license or permit issued by another
23 jurisdiction. This subdivision does not apply to the operation of an
24 implement of husbandry.

25 (c) The person is subject to an ignition interlock device
26 requirement pursuant to chapter 4 of this title and the person is
27 operating a vehicle without a functioning certified ignition interlock
28 device. This subdivision does not apply to the operation of a vehicle due
29 to a substantial emergency as defined in section 28-1464.

30 (d) In furtherance of the illegal presence of an alien in the
31 United States and in violation of a criminal offense, the person is
32 transporting or moving or attempting to transport or move an alien in this
33 state in a vehicle if the person knows or recklessly disregards the fact
34 that the alien has come to, has entered or remains in the United States in
35 violation of law.

36 (e) The person is concealing, harboring or shielding or attempting
37 to conceal, harbor or shield from detection an alien in this state in a
38 vehicle if the person knows or recklessly disregards the fact that the
39 alien has come to, entered or remains in the United States in violation of
40 law.

41 2. A person is driving ~~a~~ THE vehicle in violation of section
42 28-693 and the peace officer reasonably believes that allowing the person
43 to continue driving the vehicle would expose other persons to the risk of
44 serious bodily injury or death.

1 3. A person is driving ~~a~~ THE vehicle in violation of section
2 28-708 and the peace officer reasonably believes that allowing the person
3 to continue driving the vehicle would expose other persons to the risk of
4 serious bodily injury or death.

5 4. A person is obstructing a highway or other public thoroughfare
6 in violation of section 13-2906 and the peace officer reasonably believes
7 that allowing the person to continue driving the vehicle would expose
8 other persons to the risk of serious bodily injury or death.

9 5. The vehicle is displayed for sale or for transfer of ownership
10 with a vehicle identification number that has been destroyed, removed,
11 covered, altered or defaced.

12 B. A peace officer shall cause the removal and impoundment of a
13 vehicle if the peace officer determines that a person is driving the
14 vehicle and if all of the following apply:

15 1. The person's driving privilege is canceled or revoked for any
16 reason or the person has ~~not ever~~ NEVER been issued a driver license or
17 permit by this state and the person does not produce evidence of ever
18 having a driver license or permit issued by another jurisdiction.

19 2. The person is not in compliance with the financial
20 responsibility requirements of chapter 9, article 4 of this title.

21 3. The person is driving a vehicle that is involved in an accident
22 that results in either property damage or injury to or death of another
23 person.

24 C. Except as provided in subsection D of this section, while a
25 peace officer has control of the vehicle the peace officer shall cause the
26 removal and either immobilization or impoundment of the vehicle if the
27 peace officer has probable cause to arrest the driver of the vehicle for a
28 violation of section 4-244, paragraph ~~34~~ 31 or section 28-1382 or 28-1383.

29 D. A peace officer shall not cause the removal and either the
30 immobilization or impoundment of a vehicle pursuant to subsection C of
31 this section if all of the following apply:

32 1. The peace officer determines that the vehicle is currently
33 registered and that the driver or the vehicle is in compliance with the
34 financial responsibility requirements of chapter 9, article 4 of this
35 title.

36 2. Another person is with the driver at the time of the arrest.

37 3. The peace officer has reasonable grounds to believe that the
38 other person who is with the driver at the time of the arrest meets all of
39 the following:

40 (a) Has a valid driver license.

41 (b) Is not impaired by intoxicating liquor, any drug, a vapor
42 releasing substance containing a toxic substance or any combination of
43 liquor, drugs or vapor releasing substances.

44 (c) Does not have any spirituous liquor in the person's body if the
45 person is under twenty-one years of age.

1 4. The other person who is with the driver at the time of the
2 arrest notifies the peace officer that the person will drive the vehicle
3 from the place of arrest to the driver's home or other place of safety.

4 5. The other person drives the vehicle as prescribed by paragraph 4
5 of this subsection.

6 E. Except as provided in subsection H of this section and as
7 otherwise provided in this article, a vehicle that is removed and either
8 immobilized or impounded pursuant to subsection A, B or C of this section
9 shall be immobilized or impounded for twenty days. An insurance company
10 does not have a duty to pay any benefits for charges or fees for
11 immobilization or impoundment.

12 F. The owner of a vehicle that is removed and either immobilized or
13 impounded pursuant to subsection A, B or C of this section, the spouse of
14 the owner and each person who has provided the department with indicia of
15 ownership as prescribed in section 28-3514 or other interest in the
16 vehicle that exists immediately before the immobilization or impoundment
17 shall be provided with an opportunity for an immobilization or poststorage
18 hearing pursuant to section 28-3514.

19 G. A law enforcement agency that employs the peace officer who
20 removes and either immobilizes or impounds a vehicle pursuant to this
21 section shall enter information about the removal and either
22 immobilization or impoundment of the vehicle in the Arizona crime
23 information center database within three business days after the removal
24 and either immobilization or impoundment.

25 H. A vehicle that is removed and either immobilized or impounded
26 pursuant to subsection A, paragraph 4 of this section shall be immobilized
27 or impounded for seven days.