

ARIZONA HOUSE OF REPRESENTATIVES  
Fiftieth Legislature – Second Regular Session

**COMMITTEE ON TRANSPORTATION**

Minutes of Meeting  
Thursday, March 15, 2012  
House Hearing Room 3 -- 9:00 a.m.

Chairman Williams called the meeting to order at 9:08 a.m. and roll call was taken by the secretary.

**Members Present**

Mr. Farley  
Mr. Gray R  
Ms. Hobbs

Mr. Lovas  
Mrs. McLain  
Mr. Meyer

Mr. Weiers, JP  
Ms. Fann, Vice-Chairman  
Mr. Williams, Chairman

**Members Absent**

None

**Committee Action**

SB1133 - HELD  
SB1161 - HELD  
SB1232 - DP (8-0-0-1)  
SB1313 - ~~DP~~ FAILED (3-4-0-2)

SB1403 - NOT ASSIGNED  
SB1437 - DP (7-0-0-2)  
SB1515 - DP (7-0-0-2)  
SB1519 - DPA S/E (5-2-1-1)

**CONSIDERATION OF BILLS**

**SB1161 - state institutions; technical correction(now: vehicle disabled windshield placard) - HELD  
S/E: foreclosures; deficiency protection**

**Vice-Chairman Fann announced that SB1161 will be held.**

**SB1232 - vehicle permit fees; excess weight - DO PASS**

**Vice-Chairman Fann moved that SB1232 do pass.**

Tom Kwon, Majority Intern, explained that SB1232 modifies the distribution of special single trip excess weight permit fees for commercial vehicles traveling through an international port of entry (POE) (Attachment 1). In response to a question, he related that currently 100 percent of the funds are allocated to the State Highway Fund.

Senator Gail Griffin, sponsor, said this bill relates primarily to the Santa Cruz-Nogales area where produce trucks that carry perishable goods are loaded in Mexico. Watermelons weigh more than peppers, so when the trucks reach the POE, if they are overweight, instead of unloading the truck and calling another truck to pick up what was unloaded, the trucks can go through the POE to the warehouse, turn around and return to Mexico. Many of the drivers are American.

Vice-Chairman Fann announced the names of those who signed up in support of SB1232 but did not speak:

Robert Shuler, Fresh Produce Association of the Americas

Kevin Biesty, Legislative Liaison, Arizona Department of Transportation

**Question was called on the motion that SB1232 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 2).**

**SB1519 - certificate of title; revocation; hearing - DO PASS AMENDED S/E**  
**S/E: public private partnerships; transportation omnibus**

**Vice-Chairman Fann moved that SB1519 do pass.**

**Vice-Chairman Fann moved that the Williams 45-page strike-everything amendment to SB1519 dated 03/13/2012 (Attachment 3) be adopted.**

Justin Riches, Majority Research Analyst, explained that the strike-everything amendment to SB1519 establishes regulations for toll collection and enforcement under the authority of the Arizona Department of Transportation (ADOT) as Public Private Partnerships (P3), repeals a duplicative version of statute pertaining to In God We Trust Special License Plates, establishes the Fallen Hero Special License Plate and defines *sales finance company* to include a person in the business of creating or holding retail installment contracts that exceed a total aggregate outstanding indebtedness of \$50,000 (Attachment 4).

In response to a question, Vice-Chairman Fann related that the emergency clause was included in Representative Michelle Ugenti's bill about the Fallen Hero Special License Plate, but she is amenable to removing it if the Members wish. She remarked that she worked with stakeholders to address concerns about the P3 legislation and promised to work with stakeholders over the summer on improvements. The P3 portion of the strike-everything amendment is the same as the original bill, except for minor amendments to make sure every roadway in the state is not tolled, and she also does not want to see existing roads tolled unless a huge exception is made. She noted that this legislation also contains:

- HB2042 - fallen hero special plates
- HB2272 - sales finance company; definition
- HB2062 - in God we trust plates

In response to a question, Vice-Chairman Fann indicated that Representative John Fillmore's concerns in relation to retail installment contracts are addressed in the strike-everything

amendment, which is only specific to auto dealers and does not affect retailers that Representative Fillmore was concerned about.

Mr. Meyer noted that this places Members in an awkward position because bills were combined that some Members voted against and some Members supported.

Chairman Williams responded that bills are sometimes included in omnibus legislation as time runs out and legislation is stalled or reused for various reasons. This is the best measure that could be prepared with limited time.

Vice-Chairman Fann stated she is grateful for the chance to move the P3 legislation forward after so many people worked so many hours. She apologized for placing Members in this awkward position as she knows their stance against additional special license plates. She added that she would appreciate it if the Members pass the bill and make comments on the Floor.

Chairman Williams stated that the agenda was posted and any Member can offer amendments in Committee or on the Floor.

Karen Rasmussen, President, Arizona Trucking Association, neutral on SB1519, commended Vice-Chairman Fann for working with stakeholders in the last few weeks. She said her greatest concern originally was removal of the provision for refund of the fuel taxes, which the Association agreed to give up with caveats:

- Tolling is restricted to new facilities only, with certain exceptions.
- Revision of the due process portion.
- Find a way to avoid what is happening in the rest of the country where trucks are being “gouged” on tolls (currently it costs \$47 per truck per trip to cross the Hudson River from New Jersey into New York to deliver freight).

Ms. Rasmussen related that the bill provides for a minimum public hearing before a P3 is entered into. She indicated that she suggested to ADOT that there are some good models in the country, such as the Oklahoma Turnpike. She added that she would like the bill to move forward; there is a challenge to fund highways in Arizona in the future and all alternatives need to be considered.

Chairman Williams asked if the language relating to how tolls will be set with public hearings, etc., is sufficient. Ms. Rasmussen replied that one hearing may be sufficient for initially setting tolls, but she would also like to see a public process for adjusting tolls going forward.

Chairman Williams expressed concern about the power and authority this legislation gives to ADOT, almost as a taxing authority without restraints from the Legislature or Proposition 108 (constitutional amendment stating that the Legislature cannot raise taxes without a two-thirds majority).

Ms. Rasmussen answered that ADOT and the Association work together as partners on many issues. This is not only about trucking tolls, but tolls for the general public and the ability of the public to know what they are paying for and what they are getting in the future.

Bobbi Sparrow, Government Relations Director, Arizona Automobile Dealers Association (AADA), testified in support of the strike-everything amendment to SB1519. She indicated that the last few pages are the result of an agreement between the Attorney General's Office, the Department of Financial Institutions and the AADA to clean up language from 2001 before title lending companies existed. The intent is to separate title lending companies so the legislation is only about motor vehicle dealers and has nothing to do with any other retail.

Vice-Chairman Fann announced the names of those who signed up in support of the strike-everything amendment to SB1519 but did not speak:

Kevin Biesty, Legislative Liaison, ADOT

Kevin Adam, Rural Transportation Liaison, Rural Transportation Advocacy Council

Steve Trussell, Arizona Rock Products

Amanda McGennis, Vice President, Arizona Associated General Contractors

David Martin, Lobbyist, Arizona Associated General Contractors

Rebecca Timmer, representing self

Richard Hubbard, President/CEO, Valley Partnership

Michelle Bolton, Vice President of Public Affairs, Greater Phoenix Chamber of Commerce

Jason Soronson, Lobbyist, East Valley Chambers of Commerce Alliance

Kenneth Smith, representing self

Vice-Chairman Fann announced the names of those who signed up in opposition to the strike-everything amendment to SB1519 but did not speak:

Seth Apfel, representing self

Vice-Chairman Fann announced the names of those who signed up as neutral on the strike-everything amendment to SB1519 but did not speak:

Wendy Briggs, Arizona Trucking Association

Mr. Farley indicated that he would like to strike language on page 11, lines 6 through 33, and page 12, lines 1 through 16, relating to the Fallen Hero Special License Plate.

Mr. Riches advised that verbal amendment cannot be offered; according to Committee Rule 7, any substantive amendment or any amendment over one page in length must be submitted by 12:00 p.m. the day prior to Committee. Discussion followed, after which Mr. Farley requested an opinion from the Rules Attorney on whether the Chairman can change the Committee Rules.

Chairman Williams announced that Brian Townsend, Majority Leadership Staff, indicated that the Committee Chairman does not have to waive the rules, which he has no intention of doing, so the Committee will move forward with the vote.

**Question was called on the motion that the Williams 45-page strike-everything amendment to SB1519 dated 03/13/2012 (Attachment 3) be adopted. The motion carried.**

**Vice-Chairman Fann moved that SB1519 as amended do pass. The motion carried by a roll call vote of 5-2-1-1 (Attachment 5).**

**SB1313 - intersection; definition - DO PASS- FAILED**

**Vice-Chairman Fann moved that SB1313 do pass.**

Tom Kwon, Majority Intern, explained that SB1313 modifies the definition of *intersection* when at a location controlled by a traffic control signal (Attachment 6).

Senator Frank Antenori, sponsor, stated this bill establishes the definition of *intersection* that about 95 percent of motorists in Arizona already believe exists. He provided a handout depicting the current definition of an *intersection* and the definition of an *expanded intersection* as proposed in SB1313 (Attachment 7). He said many motorists pull into the proposed expanded intersection, the light changes to red and they proceed to clear the intersection, but they are cited for running the red light because they were not in the area currently defined as the *intersection*. The majority of states use the Manual of Uniform Traffic Control Devices (MUTCD), which is the recommendation that for signaled intersections, the stop line or the crosswalk line be used as the designation. Arizona is adopting that standard, but it has to be changed in statute to match the MUTCD. This bill requires the state to comply with the current recommendation of the MUTCD on signaled intersections and protect the crosswalk by establishing the stop line as the intersection, which will reduce and eliminate confusion.

Mr. Farley asked if this expands the definition of *intersection* to the point that it provides a defense for bad actors. Senator Antenori responded that a bill was sponsored to require timing of the intersections to be adjusted to accommodate that phenomenon. There will be adequate time when the light is red to allow people to clear the intersection; if they do not, when the light turns green, they are running the red light.

Mrs. McLain asked if the problem is mainly because of red light cameras and whether police officers are citing people in this instance. Senator Antenori said yes, it is mainly a left-turn situation; crosswalks are currently not protected by a stop light because of the lagging left-turn issue.

Mr. Gray said his wife received a ticket in Peoria. She thought she was in the intersection when the light changed and she turned.

Ryan Denke, representing self, in support of SB1313, said he studied traffic safety and engineering for the last few years and discovered that someone driving across the country from California to Maine would need a trailer full of law books in order to know all of the traffic laws in each state. He emphasized that utility of standards is important for universal items like transportation; it is essential to adopt national standards like the MUTCD because it makes sense. In the near future, cars may drive themselves, and, in order to make that work, standards will be needed that agree with the rest of the country.

John Wayne Gonzales, Legislative Liaison, City of Phoenix, opposed SB1313. He expressed concern about how the bill will impact the City's current red light camera program. There are approximately 12 cameras at intersections identified as high-accident zones, and the Phoenix City Council made an investment in those cameras hoping to reduce accidents, which has occurred. He introduced Officer Wally Olsen.

Wally Olsen, Police Officer, City of Phoenix, opposed SB1313. He related that red light running is a huge problem in the U.S., particularly in Arizona. According to the National Highway Traffic Safety Administration, the number one way people are most likely to be injured in a traffic crash is by a red light runner, and approximately one-half of the people killed in red light running crashes are not the people who run the red light. Defining an *intersection* as a much larger area will impact all intersections in the state; it will not be safer for the motoring public, but more dangerous. It will also not be safer for pedestrians.

**Question was called on the motion that SB1313 do pass. The motion failed by a roll call vote of 3-4-0-2 (Attachment 8).**

### **SB1515 - drivers licenses; distinguishing marks; veterans - DO PASS**

**Mr. Gray moved that SB1515 do pass.**

Tom Kwon, Majority Intern, explained that SB1515 allows a veteran to obtain a marked operating or non-operating license through the Arizona Department of Transportation (ADOT) (Attachment 9).

Senator Jerry Lewis, sponsor, indicated this is a means to identify veterans by adding *veteran* beside their name on their drivers license. There will be no cost to the state and it will cost veterans \$12 to renew their drivers license. It is a convenience for those who do so much for this country.

Mr. Gray announced the names of those who signed up as neutral on SB1515 but did not speak: Kevin Biesty, Legislative Liaison, ADOT

Mr. Gray announced the names of those who signed up in support of SB1515 but did not speak: David Trotter, representing self

**Question was called on the motion that SB1515 do pass. The motion carried by a roll call vote of 7-0-0-2 (Attachment 10).**

### **SB1437 - motor vehicles; towing; storage charges - DO PASS**

**Mr. Gray moved that SB1437 do pass.**

Justin Riches, Majority Research Analyst, explained that SB1437 sets the daily storage fee at \$15 for vehicles that are immobilized or impounded (Attachment 11).

Tom Dorn, Lobbyist, United Road Towing, opposed SB1437. He indicated that he is supportive of the concept, but would prefer a delayed effective date. There are currently procurements out on the street in some cities, and there is concern about potential litigation, i.e., whether a bidder should present a proposal or how a city will evaluate proposals, based on the current law or this legislation. It is reasonable to have a postponed implementation to allow procurements to run their course and then have the \$15 storage fee implemented on January 1, 2013, which will help cities save money on litigation, as well as towing companies.

Jeff Dunn, ACT Towing, LLC, spoke in favor of SB1437. He related that this is a cleanup and equality bill. Law enforcement currently tows a vehicle under A.R.S. § 28-872 when people do not do anything wrong or A.R.S. § 28-3511 when people do something wrong. Under current statute there is a storage fee of up to \$15 per day so bidders can bid less if they are required to bid. Under A.R.S. § 28-872 tows, however, many municipalities impute the storage charges so they could be three times the storage charge under A.R.S. § 28-3511, which is inequitable. This forces the towing company to place an undue burden on someone who did not do anything wrong and is towed under A.R.S. § 28-872 to balance out what the towing company is unable to recoup on an A.R.S. § 28-3511 tow. As far as the argument relative to litigation, he opined that it would be irresponsible for a towing company to manipulate a bid based upon what may happen at the Legislature. He contended that this bill will make the system equitable and clarified that he does not support a delayed effective date.

Brian Tassinari, Lobbyist, All City Towing, in support of SB1437, offered to answer questions.

Mr. Gray said he was asked to offer an amendment regarding the delayed effective date, but he found out that the sponsor is opposed, so it will not be offered.

**Question was called on the motion that SB1437 do pass. The motion carried by a roll call vote of 7-0-0-2 (Attachment 12).**

**SB1133 - motor vehicle dealer licensing; exemption - HELD**

**Chairman Williams announced that SB1133 will be held.**

Without objection, the meeting adjourned at 10:36 p.m.

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Linda Taylor, Committee Secretary  
April 23, 2012

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at <http://www.azleg.gov>)