

The Arizona State Legislature adjourned *sine die* on June 14, 2013. The following bills were passed and signed into law by Governor Janice K. Brewer. If you have questions relating to the bills below please contact the Department's Legislative Liaison at [ldetorre@azdfi.gov](mailto:ldetorre@azdfi.gov). The general effective date for legislation is September 11, 2013 unless otherwise stated.

*Please be advised that this list is not comprehensive and therefore may not include all bills that directly or indirectly affect DFI licensees. Please visit the state legislature's website at [www.azleg.gov](http://www.azleg.gov) for more information.*

#### **HB 2180 Vehicle liens; certificates of title**

If vehicle liens, encumbrances or title retention documents are delivered to a registering officer or authorized third party provider within 30 calendar days, instead of 30 business days, after the date of execution, the constructive notice dates from the time of execution. The time stamp on vehicle liens, encumbrances or title retention documents administered by the registering officer or authorized third party provider, electronically or otherwise, is conclusive as to the time and date of delivery of the documents. *HB 2180 was signed by the Governor on June 19, 2013.*

ARS Titles Affected: [28](#)

#### **HB 2267 public consignment auction dealer; requirements**

Public consignment auction dealers are required to obtain documentation that the seller of a vehicle is the legal owner of the vehicle. Public consignment auction dealers in violation of statutory requirements are subject to license suspension or cancellation and/or a civil penalty of at least \$1,000 but not more than \$3,000. To establish entitlement to the transaction privilege tax deduction for auction sales of motor vehicles to nonresidents for use outside Arizona, a public consignment auction dealer is required to submit the valid certificate to the Department of Revenue and retain a copy for its records. The list of authorized disclosure of tax-related confidential information is expanded to include disclosure to the Department of Transportation for its use in administering penalties prescribed by statute. *HB 2267 was signed by the Governor on April 4, 2013.*

ARS Titles Affected: [28-4410.01](#), [42-2003](#), [42-5009](#)

#### **HB 2311 restitution lien; administrative hearing**

Restitution liens cannot be perfected against a titled motor vehicle. The Department of Transportation is authorized to remove a restitution lien from a vehicle record after a hearing, if the Department finds that a person purchased the vehicle without any knowledge that the vehicle was subject to a filed restitution line, and the vehicle seller is an obligor under a filed restitution lien who sold the vehicle without disclosing the lien to the purchaser. The Department is required to place a code on the obligor's record that automatically restores the restitution lien on any vehicle that is subsequently titled and/or registered by the obligor. *HB 2311 was signed by the Governor on March 28, 2013.*

ARS Titles Affected: [13-804](#), [13-806](#), [28-2137](#)

**HB 2372 motor vehicle dealers**

Various changes relating to motor vehicle dealers. The application for licensure as a motor vehicle dealer must include a copy of the dealer's current transaction privilege tax license. Movement of a vehicle between licensed motor vehicle dealers is eligible for a one trip registration permit if the dealer does not have valid dealer license plates. Wholesale motor vehicle dealers are required to conspicuously post a sign stating that a person who purchases a vehicle from that dealer is prohibited from selling the vehicle in Arizona without a dealer license. The Department of Transportation ("ADOT") is authorized to cancel a motor vehicle dealer license if ADOT documents that the licensee has ceased operating as a motor vehicle dealer. ADOT must give notice of the cancellation to the licensee and the licensee may request a hearing within 30 days. Beginning January 1, 2014, a wholesale motor vehicle dealer is required to electronically submit within 48 hours any documents requested by ADOT during business hours and that are required by statute. Expands the list of circumstances under which a dealer plate may be used on a dealer owned vehicle. ADOT is authorized to issue a specified number of dealer license plates to new, used and wholesale motor vehicle dealers based on reported sales in the previous license year. A request for dealer license plates cannot be combined with a request for a personalized special plate. Statutes regulating vehicle service transporter license plates are repealed. *HB 2372 was signed by the Governor on April 10, 2013.*

ARS Title Affected: [28](#)

**HB 2393 State Agencies; licensure; time frames**

A person who is or could be required to obtain a license may petition the Governor's Regulatory Review Council to require an agency to consider including a recommendation for reducing a licensing time frame in its five-year report. *HB 2393 was signed by the Governor on April 5, 2013.*

ARS Titles Affected: [41](#)

**SB 1232 trusts and estates**

Various changes relating to trusts and estates. Except in the case of a special needs trust, a settlor who is a trustee of a trust that confers on the trustee power to make discretionary distributions to a beneficiary may exercise the power only in accordance with a standard relating to the beneficiary's health, education, support or maintenance as defined in federal law. The list of property exempt from execution, attachment or sale on any process issued from a court is expanded to include an interest in a 529 college savings plan, either as the owner or beneficiary, except for money contributed within two years before a debtor files for bankruptcy. For non-judicial settlement agreements, the court may either approve or decline to approve the agreement, but is prohibited from disapproving or denying the effectiveness of the agreement, unless the interested person asks the court to rule without regard to this provision. *SB 1232 was signed by the Governor on April 16, 2013.*

ARS Titles Affected: [14](#), [33](#)