

PROPOSED AMENDMENT  
SENATE AMENDMENTS TO H.B. 2444  
(Reference to House Engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 28-5104, Arizona Revised Statutes, is amended to  
3 read:

4 28-5104. Bond requirement

5 A. Except as provided in SUBSECTION F OF THIS SECTION AND sections  
6 28-5101.01 and 28-5101.02, a person who applies for authorization pursuant to  
7 this article shall submit with the application a bond in a form to be  
8 approved by the director and in an amount of at least one hundred thousand  
9 dollars for each location.

10 B. A surety company authorized to transact business in this state  
11 shall execute the bond with the applicant as principal obligor on the bond  
12 and the state as obligee. The bond shall be conditioned that the applicant  
13 will faithfully comply with all of the provisions of law and that the bond is  
14 noncancellable without at least sixty days' prior notice to the director.  
15 Any future liability of the surety company terminates on the director's  
16 termination of a third party's authorization.

17 C. The bond inures to the benefit of any person who suffers loss  
18 because of any of the following:

19 1. Nonpayment by the authorized person of any fee or tax paid to the  
20 third party by that person.

21 2. Insolvency or discontinuance of business.

22 3. Failure of the authorized third party to comply with the authorized  
23 third party's duties pursuant to this article.

24 D. The aggregate liability of a surety company for any breach of the  
25 conditions of a bond required pursuant to this section shall not exceed the  
26 amount of the bond.

27 E. The bond requirement of this section does not apply to:

28 1. A department, an agency or a political subdivision of this state.

29 2. An Arizona court.

30 3. An Arizona law enforcement agency or department.

1           4. A financial institution or enterprise under the jurisdiction of the  
2 department of financial institutions or a federal monetary authority.

3           5. The federal government or any of its agencies.

4           6. A motor vehicle dealer that is licensed and bonded by the  
5 department of transportation or a state organization of licensed and bonded  
6 motor vehicle dealers.

7           7. A manufacturer, an importer, a factory branch or a distributor  
8 licensed by the department of transportation.

9           8. An insurer under the jurisdiction of the department of insurance.

10          9. An owner or a registrant of a fleet of one hundred or more  
11 vehicles.

12          10. A public utility.

13          11. A tribal government.

14          12. An employer or association that has at least five hundred  
15 employees or members.

16           F. A TOWING COMPANY EMPLOYEE WHO CONDUCTS A LEVEL ONE MOTOR VEHICLE  
17 INSPECTION DESCRIBED IN SECTION 28-2011 AND WHO APPLIES FOR AUTHORIZATION  
18 PURSUANT TO THIS ARTICLE SHALL SUBMIT WITH THE APPLICATION A BOND IN A FORM  
19 TO BE APPROVED BY THE DIRECTOR AND IN AN AMOUNT NOT TO EXCEED TWENTY-FIVE  
20 THOUSAND DOLLARS. THE BOND ISSUED PURSUANT TO THIS SUBSECTION COVERS EVERY  
21 LOCATION IN WHICH THE TOWING COMPANY IS LOCATED."

22 Amend title to conform

BOB WORSLEY

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