



ARIZONA STATE SENATE
Fifty-Fifth Legislature, First Regular Session

FACT SHEET FOR S.B. 1096

commercial driver licenses; third parties

Purpose

An emergency measure that allows authorized third-party driver license providers (third-party providers) to perform functions related to the issuance and renewal of commercial driver licenses.

Background

The Director of the Arizona Department of Transportation (ADOT) is allowed to authorize third-party providers to perform functions carried out by the Motor Vehicle Division, including: 1) title and registration; 2) motor carrier licensing and tax reporting; 3) dealer licensing; and 4) driver licensing if other requirements are met ([A.R.S. § 28-5101](#)). For a third-party provider to be authorized to issue and renew driver licenses, the third-party provider must provide documentation that it has: 1) been in operation for at least three years; 2) conducted at least 1,000 retention transactions per month in the previous calendar year; 3) good standing with ADOT; and 4) a proper facility plan. A third-party provider applicant must also submit a bond for initial and additional applications, and documentation that the applicant has at least one certified processor to handle outlined functions ([A.R.S. § 28-5101.01](#)).

The Arizona Administrative Code sets forth additional requirements for third-party providers if the third-party provider wishes to engage in activities related to commercial driver license examinations. Requirements include: 1) photographs of the principal place of business and test site to ensure compliance with ADOT specifications; 2) possession of a valid Arizona driver license of the same class for which an examination will be administered; 3) at least three years of experience pertaining to the operation of appropriate class of commercial vehicles; and 4) compliance with state and federal vehicle safety requirements ([A.A.C. R17-7-603 – R17-7-605](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Allows authorized third-party providers to perform administrative and testing functions for the issuance and renewal of commercial driver licenses as authorized by the Director of ADOT.
2. Makes technical changes.
3. Becomes effective on signature of the Governor, if the emergency clause is enacted.