

IN THE SUPREME COURT OF THE STATE OF ARIZONA

In the Matter of:)	
)	
AMENDING ARIZONA CODE)	Administrative Order
OF JUDICIAL)	No. 2019 - <u>26</u>
ADMINISTRATION § 7-205:)	(Affecting Administrative
DEFENSIVE DRIVING)	Order No. 2018-38)
)	

On March 22, 2018 at the request of the Certification and Licensing Division (the “Division”) the Arizona Judicial Council approved amendments to ACJA § 7-205 including one requiring each defensive driving school provide a surety bond equal to the greater of \$20,000 or the cumulative state and court fees for a consecutive six-month period.

After the amendments were adopted, several defensive driving school owners advised the Division that surety bond requirement would be cost prohibitive and requested that the amount be lowered. This Court entered Administrative Order No. 2018-96 staying the surety bond requirement while the issue was studied.

On October 25, 2018, at the request of Division staff, the Arizona Judicial Council approved an ACJA amendment changing the surety bond requirement and authorizing the Division Director to remove defensive driving schools from the Court’s website and IVR for failure to make timely payment of state and court fees or failure to provide information to the Division.

Therefore, pursuant to Article VI, Section 3, of the Arizona Constitution and A.R.S. § 28-3395(B)(4),

IT IS ORDERED that the amendments to ACJA § 7-205 as indicated on the attached document are adopted effective May 1, 2019. All other provisions of § 7-205 remain unchanged and in effect.

Dated this 13th day of March, 2019.

SCOTT BALES
Chief Justice

ARIZONA CODE OF JUDICIAL ADMINISTRATION

Part 7: Administrative Office of the Courts

Chapter 2: Certification and Licensing Programs

§ 7-205: Defensive Driving

A. through D(4)(i) [No Changes]

- j. The division director shall remove the school from the website and IVR upon: (i) the school's failure to pay some or all state fees and state surcharges to the AOC within fourteen days of the due date; (ii) failure to pay \$1,000 or more of diversion fees to the appropriate limited jurisdiction court or courts within fourteen days of the due date; (iii) discovery of facts that lead the division director or designee to reasonably believe the school is not paying or may not pay state fees or limited jurisdiction fees as the fees become due; or (iv) failure of the school to provide to the division school financial and bank records upon demand. Upon removal of a school from the website and IVR pursuant to this subsection, division staff shall schedule an expedited hearing to be held within 10 days. The hearing shall be held pursuant to the provisions of ACJA § 7-201(H)(21). The sole subject of the hearing shall be whether the division director had probable cause to remove the school from the website and IVR. The division director shall not add the school to the website or IVR until (i) the school has demonstrated to the satisfaction of the division director that the nonpayment was inadvertent and not the result of procedural inadequacies or intentional wrongdoing; (ii) the school has demonstrated the ability to pay all fees as the fees become due, and (iii) the school has provided all requested financial and bank records. If nonpayment was the result of procedural inadequacies or wrongdoing, the division director shall not add the school to the website or IVR until those issues are resolved to the division director's satisfaction.
- k. If the division director removes a school from the website and IVR pursuant to subsection (j), the division staff shall ensure that notice of the division director's action and notice of the hearing are immediately served on the certificate holder.

D(5) through E(1)(h)(1) [No Changes]

(2) Surety bond:

- (a) The surety bond shall name as insureds the state of Arizona, the Supreme Court and the Arizona Superior Court and all Arizona limited jurisdiction courts;
- (b) The insurer shall hold a valid license to do business in the state of Arizona with minimum ratings as specified by the Arizona Department of Administration;
- (c) If the applicant is part of a self-insured government entity, the applicant shall submit documentation from the government entity stating the applicant's coverage; and
- (d) The surety bond shall be in the amount of \$20,000 or an amount equal to the ~~cumulative amount~~ sum of the highest two months during the preceding six

months of all state and limited jurisdiction fees collected by the school ~~during~~
~~the last six calendar months~~, whichever is higher.

E(1)(h)(i) through End [No Changes]