

NOTICES OF RULEMAKING DOCKET OPENING

The Administrative Procedure Act (APA) requires the publication of Notices of Rulemaking Docket Opening when an agency opens a rulemaking docket to consider rulemaking. Under the APA effective January 1, 1995, agencies must submit a Notice of Rulemaking Docket Opening before beginning the formal rulemaking process.

NOTICE OF RULEMAKING DOCKET OPENING

DEPARTMENT OF ADMINISTRATION PERSONNEL ADMINISTRATION

[R07-224]

- 1. Title and its heading:** 2, Administration
Chapter and its heading: 5, Department of Administration – Personnel Administration
Articles and their headings: 1, General; 4, Benefits
Section numbers: R2-5-101, R2-5-401, R2-5-403, R2-5-404, R2-5-405, R2-5-410 through R2-5-423 (Sections may be added, modified or deleted as necessary.)
- 2. The subject matter of the proposed rules:**
This rulemaking primarily results from the Department's five-year review, approved by the Governor's Regulatory Review Council (G.R.R.C.) in September 2006. The Department proposes to amend the rules in Article 4 by adding clarifying language regarding Family and Medical Leave Act (FMLA) leave, eligibility for continued participation in the employee insurance plans while on leave, and leave accruals and accumulation limits. The Department also proposes to adjust the amount of sick leave an employee may use for an immediate family member and add grandparent-in-law to the family relationships for which an employee may use bereavement leave. This rulemaking will also remove the rules regarding insurance benefits for state officers and employees from this chapter, as these rules will be relocated to a separate chapter. R2-5-101, Definitions, will also be amended. As part of this rulemaking, the Department may add, delete, or modify Sections, as necessary.
- 3. A citation to all published notices relating to the proceeding:**
None published
- 4. The name and address of agency personnel with whom persons may communicate regarding the rules:**
Name: Christine Bronson, Human Resources Consultant
Address: ADOA Human Resources
100 N. 15th Ave., Ste. 261
Phoenix, AZ 85007
Telephone: (602) 364-1693
Fax: (602) 542-2796
E-mail: Christine.Bronson@azdoa.gov
- 5. The time during which the agency will accept written comments and the time and place where oral comments may be made:**
The Department will accept public comments during business hours of 9:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, until close of record, at contact information provided in item #4.
- 6. A timetable for agency decisions or other action on the proceeding, if known:**
To be determined

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DEPARTMENT OF ADMINISTRATION INSURANCE BENEFITS FOR STATE OFFICERS AND EMPLOYEES

[R07-225]

- 1. Title and its heading:** 2, Administration
Chapter and its heading: 6, Department of Administration – Insurance Benefits for State Officers and Employees
Articles and their headings: 1, General (New Article); 2, Plans (New Article); 3, Officers and Employees (New Article); 4, Retirees (New Article); 5, Former Elected Officials (New Article)
Section numbers: R2-6-101 through R2-6-503 (Sections may be added, modified or

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deleted as necessary.)

2. The subject matter of the proposed rules:

This rulemaking primarily results from the Department's five-year review, approved by the Governor's Regulatory Review Council (G.R.R.C.) in September 2006. The Department is relocating insurance benefit rules for state officers and employees from Title 2, Chapter 5, to Title 2, Chapter 6, Articles 1 through 5, of the *Arizona Administrative Code*. Article 1 will contain definitions, general provisions, and an applicability statement. Article 2 will contain rules designating the qualifying insurance plans. Article 3 will contain rules for current officers and employees. Article 4 will contain rules for state employees who are retired or on long-term disability. Article 5 will contain the rules for former elected officials and surviving spouses of elected officials.

3. A citation to all published notices relating to the proceeding:

None published

4. The name and address of agency personnel with whom persons may communicate regarding the rules:

Name: Joanne Carew, Benefits Operations Manager

Address: ADOA Benefit Services Division
100 N. 15th Ave., Ste. 103
Phoenix, AZ 85007

Telephone: (602) 364-1134

Fax: (602) 542-4048

E-mail: Joanne.Carew@azdoa.gov

or

Name: Christine Bronson, Human Resources Consultant

Address: ADOA Human Resources Division
100 N. 15th Ave., Ste. 261
Phoenix, AZ 85007

Telephone: (602) 364-1693

Fax: (602) 542-2796

E-mail: Christine.Bronson@azdoa.gov

5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

The Department will accept public comments during business hours of 9:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, until close of record, at contact information provided in item #4.

6. A timetable for agency decisions or other action on the proceeding, if known:

To be determined

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STATE RETIREMENT SYSTEM BOARD

[R07-215]

1. Title and its heading:

2, Administration

Chapter and its heading:

8, State Retirement System Board

Articles and their headings:

2, State Retirement Defined Contribution Program

Section Numbers:

R2-8-202 (Sections may be added, modified or deleted as necessary.)

2. The subject matter of the proposed rules:

R2-8-202 and its table constitute the Arizona State Retirement System's (ASRS) direction to the Actuary, the professional organization contracted by the ASRS under A.R.S. § 38-714(H)(2) and (3), to perform the actuarial analysis of the ASRS defined contribution plan (the "System") for financial reporting purposes and for determining the appropriateness of the current annuity amounts. The Actuary must use the mortality table and interest assumption to calculate the present value of future benefits payable from the System and to determine the funded status of the System. R2-8-202 will be amended to change the methodology of valuation of liabilities and calculation of benefits.

The agency docket number, if applicable:

2007-01

3. A citation to all published notices relating to the proceedings:

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Notice of Proposed Rulemaking: 13 A.A.R. 2384, July 6, 2007 (in this issue)

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Susanne Dobel, Manager, External Affairs

Address: State Retirement System Board
3300 N. Central Ave., 14th Fl.
Phoenix, AZ 85012

Telephone: (602) 240-2039

Fax: (602) 240-5303

E-mail: SusanneD@azasrs.gov

or

Name: Patrick M. Klein, Assistant Director, External Affairs

Address: State Retirement System Board
3300 N. Central Ave., 14th Fl.
Phoenix, AZ 85012

Telephone: (602) 240-2044

Fax: (602) 240-5303

E-mail: PatK@azasrs.gov

5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

The timetable for accepting written comments and the time and place where oral comments may be made is announced in the Notice of Proposed Rulemaking.

6. A timetable for agency decisions or other action on the proceeding, if known:

The timetable for agency decisions is announced in the Notice of Proposed Rulemaking.

NOTICE OF RULEMAKING DOCKET OPENING

**DEPARTMENT OF HEALTH SERVICES
CHILD CARE FACILITIES**

[R07-212]

1. Title and its heading:

9, Health Services

Chapter and its heading:

5, Department of Health Services – Child Care Facilities

Articles and headings:

1, General; 2, Facility Licensure; 3, Facility Administration; 4, Facility Staff; 5, Facility Program and Equipment; 6, Physical Plant of a Facility
R9-5-101, R9-5-102, R9-5-201, R9-5-202, Table 1, R9-5-203 through R9-5-209, R9-5-301 through R9-5-309, R9-5-401 through R9-5-404, R9-5-501 through R9-5-518, Table 1, and R9-5-601 through R9-5-607
(Sections may be added, deleted, or modified as necessary.)

Section numbers:

2. The subject matter of the proposed rules:

The purpose of this rulemaking is to update the licensing requirements for Child Care Facilities licensed under A.R.S. Title 36, Chapter 7.1, Article 1. A.R.S. § 36-883 requires the Arizona Department of Health Services (Department) to adopt reasonable rules necessary to ensure the health, safety, and well-being of children being cared for in a child care facility. *Arizona Administrative Code* Title 9, Chapter 5, Articles 1 through 6 implement A.R.S. § 36-883 for Child Care Facilities by providing definitions and licensing requirements.

This rulemaking is being initiated as a result of a five-year-review report approved by the Governor's Regulatory Review Council on July 1, 2003.

The Department is deleting unnecessary and obsolete provisions and reorganizing the Child Care Facilities licensing rules to make the rules more clear, concise, and understandable.

Changes will conform to rulemaking format and style requirements of the Governor's Regulatory Review Council and the Office of the Secretary of State.

The agency docket number:

RE-014-07

3. A citation to all published notices relating to the proceeding:

None

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4. The name and address of agency personnel with whom persons may communicate regarding the rules:

Name: Lourdes B. Ochoa, State Licensing Manager

Address: Department of Health Services
Division of Licensing Services
Office of Child Care Licensing
150 N. 18th Ave., Ste. 400
Phoenix, AZ 85007

Telephone: (602) 364-2539

Fax: (602) 364-4768

E-mail: ochoal@azdhs.gov

or

Name: Kathleen Phillips, Rules Administrator and Administrative Counsel

Address: Department of Health Services
Office of Administrative Rules and Counsel
1740 W. Adams, Ste. 200
Phoenix, AZ 85007

Telephone: (602) 542-1264

Fax: (602) 364-1150

E-mail: phillik@azdhs.gov

5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

Written comments will be accepted at the addresses listed in item #4 until the close of record, which has not yet been determined. The Department has not scheduled any oral proceedings at this time.

6. A timetable for agency decisions or other action on the proceeding, if known:

None

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STATE LAND DEPARTMENT

[R07-211]

1. Title and its heading:

12, Natural Resources

Chapter and its heading:

5, State Land Department

Article and its heading:

21, Oil and Gas Leases

Section numbers:

R12-5-2101, R12-5-2104, R12-5-2105, R12-5-2106, R12-5-2115,
R12-5-2118, R12-5-2120, R12-5-2122

2. Subject matter of the proposed rule:

In 1980 and 1982, the statutes governing oil and gas leasing on state lands were extensively revised, thus rendering the majority of the rules for competitive oil and gas leases obsolete or ineffective (Laws 1980, Ch., 80, § 1; Laws 1982, Ch.299, § 2). The remaining oil and gas rules are generally applicable to non-competitive oil and gas leases. The non-competitive oil and gas rules are, in part, repetitive or inconsistent with statute, contain antiquated language and require updating to meet current Secretary of State's rulewriting standards.

3. Citation to all published notices relating to the proceeding:

None

4. Name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Richard B. Oxford, Director
L.I.T. & T. Division

Address: 1616 W. Adams
Phoenix, AZ 85007

Telephone: (602) 542-4602

Fax: (602) 542-5223

E-mail: roxford@land.az.gov

or

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Name: Mike Rice, Manager
Minerals Section
Address: 1616 W. Adams
Phoenix, AZ 85007
Telephone: (602) 542-4628
Fax: (602) 542-3407
E-mail: mrice@land.az.gov

5. The time and location where written submissions on the proposed rule may be inspected:

Written comments: 8:00 a.m. – 4:30 p.m., Monday – Friday

Oral comments: 8:00 a.m. – 4:30 p.m., Monday – Friday
State Land Department
1616 W. Adams
Phoenix, AZ 85007

6. A timetable for agency decisions or other action in the proceeding:

The following outlines a tentative timetable for the rule development schedule:

June 2007 – Notice of Proposed Rule Making submitted to Secretary of State

July 2007 – Submission of final rule to Governor’s Regulatory Review Council

September 2007 – Governor’s Regulatory Review Council consideration of rule.

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**DEPARTMENT OF TRANSPORTATION
TITLE, REGISTRATION, AND DRIVER LICENSES**

[R07-220]

1. Title and its heading:

17, Transportation

Chapter and its heading:

4, Department of Transportation – Title, Registration, and Driver Licenses

Article and its heading:

5, Safety

Section numbers:

R17-4-512 (Sections may be added, deleted, or modified as necessary.)

2. The subject matter of the proposed rule:

This rulemaking action arises from a five-year-review report approved by the Governor’s Regulatory Review Council on February 3, 2004. The Division proposes to repeal the existing child restraint systems rule as the existing rule is simply repeating the current statute, which references the governing federal statute.

3. A citation to all published notices relating to the proceeding:

Notice of Rulemaking Docket Opening: 13 A.A.R. 1053, March 23, 2007

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Celeste M. Cook, Administrative Rules Analyst

Address: Administrative Rule Unit
Department of Transportation, Motor Vehicle Division
1801 W. Jefferson St., Mail Drop 530M
Phoenix, AZ 85007

Telephone: (602) 712-7624

Fax: (602) 712-3081

E-mail: ccook@azdot.gov

Please visit the ADOT web site to track progress of this rule and any other agency rulemaking matters at www.mvd.azdot.gov/mvd/MVDRules/rules.asp.

5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

Written and oral comments will be accepted at the address provided in item #4 between 8:00 a.m. and 5:00 p.m., Monday through Friday, with the exception of state holidays.

6. A timetable for agency decisions or other action on the proceeding, if known:

To be determined

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DEPARTMENT OF TRANSPORTATION
PROFESSIONAL DRIVER TRAINING SCHOOLS

[R07-223]

- 1. Title and its heading:** 17, Transportation
Chapter and its heading: 10, Department of Transportation – Professional Driver Training Schools
Article and its heading: 1, Definitions; 2, School Licensing; 3, Instructor Licensing; 4, Traffic Survival School; 5, Audits; and 6, Compliance; Notification; Hearings
Section numbers: To be determined
- 2. Subject matter of the proposed rule:**
New rules will be promulgated which regulate Professional Driver Training Schools, to include Traffic Survival Schools.
- 3. A citation to all published notices relating to the proceeding:**
None
- 4. The name and address of agency personnel to whom persons may communicate regarding the rule:**
Name: Janette M. Quiroz, Administrative Rules Analyst
Address: Administrative Rules Unit
Department of Transportation, Mail Drop 530M
1801 W. Jefferson St., Rm. 407
Phoenix, AZ 85007
Telephone: (602) 712-8996
Fax: (602) 712-3081
E-mail: jmquiroz@azdot.gov
Please visit the ADOT web site to track progress of this rule and any other agency rulemaking matters at <http://www.azdot.gov/mvd/mvdrules/index.asp>
- 5. The time during which the agency will accept written comments and the time and place where oral comments may be made:**
The Motor Vehicle Division will accept written comments Monday through Friday, 8:00 a.m. to 5:00 p.m. at the address indicated in Item #4.
- 6. A timetable for agency decisions or other action on the proceeding, if known:**
To be determined

NOTICE OF RULEMAKING DOCKET OPENING

INDUSTRIAL COMMISSION OF ARIZONA

[R07-222]

- 1. Title and its heading:** 20, Commerce, Financial Institutions, and Insurance
Chapter and its heading: 5, Industrial Commission of Arizona
Articles and their heading: 1, Workers' Compensation Practice and Procedure
Section numbers: R20-5-121 (Sections may be added, deleted, or modified as necessary.)
- 2. The subject matter of the proposed rules:**
Under A.R.S. § 23-1067 the Industrial Commission of Arizona ("Commission") is directed to promulgate rules for determining the present value of any award that is commuted to a lump sum payment. In calculating the present value, the current rule determines the interest rate from a formula that is based on an average of U.S. Treasury interest rates at five points in time:
 - a. Close of business on May 15,
 - b. Close of business on the day before May 15,
 - c. Close of business on May 15 of the prior year,
 - d. The 12 month high interest rate, and
 - e. The 12 month low interest rate.The Commission has determined that the current interest rate calculation is too heavily weighted to the "close of business" on and the day before May 15. By substituting the current formula with the formula that uses the mean average of the three-month Treasury Bill interest rate over the past five years, the resultant rate is a more accurate and fair calculation. The proposed rule will determine the interest rate by calculating the mean average of the three-month Treasury Bill interest rate on December 31 of each of the five years prior to July 1st of the current year.

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The proposed rule will also update the life expectancy table in the United States Life Tables, National Vital Statistics Report to reflect the most current table.

The agency docket number, if applicable:

Not applicable

3. A citation to all published notices relating to the proceedings:

None

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Nancy O. Johnson, Attorney
Legal Division, Industrial Commission of Arizona

Address: 800 W. Washington St.
Phoenix, AZ 85007

Telephone: (602) 542-5948

Fax: (602) 542-6783

E-mail: njohnson@ica.state.az.us

5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

The Commission will accept written comments at the locations listed in item #4 until the close of record, to be announced in the Notice of Proposed Rulemaking. The Commission has not scheduled any oral proceedings at this time.

6. A timetable for agency decisions or other action on the proceeding, if known:

To be announced in the Notice of Proposed Rulemaking

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DEPARTMENT OF INSURANCE

[R07-213]

- 1. Title and its heading:** 20, Commerce, Financial Institutions, and Insurance
Chapter and its heading: 6, Department of Insurance
Articles and their headings: 3, Financial Provisions and Procedures
Section numbers: To be determined

2. Subject matter of the proposed rule:

The director will propose rulemaking action on Article 3 in response to a five-year review approved by the Governor's Regulatory Review Council on February 6, 2007. This rulemaking will improve the clarity, conciseness and understandability of these Sections. The rules may also be revised to implement substantive changes that the Department determines necessary.

3. A citation to all published notices relating to the proceeding:

None

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Margaret L. McClelland

Address: Department of Insurance
2910 N. 44th St., Ste. 210
Phoenix, AZ 85018

Telephone: (602) 364-3471

Fax: (602) 364-3470

5. The time during which written submission may be made and the time and place where oral comments may be made:

The Department will accept written comments during a public comment period that will be noticed in the publication of the proposed rulemaking. The Department will schedule oral proceedings, within the statutorily mandated time-frame, to be noticed in the *Arizona Administrative Register*.

6. A timetable for agency decisions or other action in the proceeding:

The Department expects to file a Notice of Proposed Rulemaking by the third quarter of 2007.

NOTICE OF RULEMAKING DOCKET OPENING

DEPARTMENT OF INSURANCE

[R07-214]

- 1. Title and its heading:** 20, Commerce, Financial Institutions, and Insurance
Chapter and its heading: 6, Department of Insurance
Articles and their headings: 22, Military Personnel
Section numbers: To be determined

2. Subject matter of the proposed rule:

The Department proposes to adopt a new Article, Article 22, Military Personnel, and a new Section, in response to Congress' direction in Section 9 of the Military Personnel Financial Services Protection Act (Pub. L. No. 109-290). The new Section will set forth standards to protect service members of the United States Armed Forces from dishonest and predatory insurance sales practices by declaring certain identified practices to be false, misleading, deceptive or unfair. The Department will propose to incorporate by reference the National Association of Insurance Commissioners (NAIC) Military Sales Practices Model Regulation for uniformity with the other states in response to Congress' direction in Section 9 of the Military Personnel Financial Services Protection Act (Pub. L. No. 109-290).

3. A citation to all published notices relating to the proceeding:

None

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Margaret L. McClelland
Address: Department of Insurance
2910 N. 44th St., Ste. 210
Phoenix, AZ 85018
Telephone: (602) 364-3471
Fax: (602) 364-3470

The time during which written submission may be made and the time and place where oral comments may be made:

The Department will accept written comments during a public comment period that will be noticed in the publication of the proposed rulemaking. The Department will schedule oral proceedings, within the statutorily mandated time-frame, to be noticed in the *Arizona Administrative Register*.

6. A timetable for agency decisions or other action in the proceeding:

The Department expects to file a Notice of Proposed Rulemaking by the third quarter of 2007.