

REFERENCE TITLE: public utility and corporation commission

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HCR 2034

Introduced by
Representatives Quiñonez: Crews, Ortiz, Schwiebert, Seaman, Terech

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE XIV, SECTIONS 8 AND 17, CONSTITUTION OF ARIZONA; AMENDING ARTICLE XV, SECTIONS 1, 3, 4, 5, 6, 8, 9, 12, 13, 14, 16, 17 AND 19, CONSTITUTION OF ARIZONA; RELATING TO THE CORPORATION COMMISSION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the House of Representatives of the State of Arizona,
2 the Senate concurring:

3 1. Article XIV, section 8, Constitution of Arizona, is proposed to
4 be amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 8. Filing of articles of incorporation; place of
7 business; agent for service of process; venue

8 Section 8. No domestic or foreign corporation shall do
9 any business in this state without having filed its articles
10 of incorporation or a certified copy thereof with the ARIZONA
11 PUBLIC UTILITY AND corporation commission, and without having
12 one or more known places of business and an authorized agent,
13 or agents, in the state ~~upon~~ ON whom process may be
14 served. Suit may be maintained against a foreign corporation
15 in the county where an agent of such corporation may be found,
16 or in the county where the cause of action may arise.

17 2. Article XIV, section 17, Constitution of Arizona, is proposed to
18 be amended as follows if approved by the voters and on proclamation of the
19 Governor:

20 17. Fees; reports; licensing of foreign
21 corporations

22 Section 17. Provision shall be made by law for the
23 payment of a fee to ~~the~~ THIS state by every domestic
24 corporation, ~~upon~~ ON the grant, amendment,~~—~~ or extension of
25 its charter, and by every foreign corporation ~~upon~~ ON its
26 obtaining a license to do business in this state; and also for
27 the payment, by every domestic corporation and foreign
28 corporation doing business in this state, of an annual
29 registration fee of not less than ~~ten dollars~~ \$10, which fee
30 shall be paid irrespective of any specific license or other
31 tax imposed by law ~~upon~~ ON such company for the privilege of
32 carrying on its business in this state, or ~~upon~~ ON its
33 franchise or property; and for the making, by every such
34 corporation, at the time of paying such fee, of such report to
35 the ARIZONA PUBLIC UTILITY AND corporation commission of the
36 status, business,~~—~~ or condition of such corporation, as may be
37 prescribed by law. No foreign corporation, except insurers,
38 shall have authority to do business in this state, until it
39 shall have obtained from the corporation commission a license
40 to do business in the state, ~~upon~~ ON such terms as may be
41 prescribed by law. The legislature may relieve any purely
42 charitable, social, fraternal, benevolent,~~—~~ or religious
43 institution from the payment of such annual registration fee.

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3. Heading change

The article heading of Article XV, Constitution of Arizona, is changed from "THE CORPORATION COMMISSION" to "THE ARIZONA PUBLIC UTILITY AND CORPORATION COMMISSION".

4. Article XV, section 1, Constitution of Arizona, is proposed to be amended as follows if approved by the voters and on proclamation of the Governor:

1. Term limits on Arizona public utility and corporation commission; composition; election; office vacancies; qualifications

Section 1. A. No member of the ARIZONA PUBLIC UTILITY AND corporation commission shall hold that office for more than two consecutive terms. No ARIZONA PUBLIC UTILITY AND corporation commissioner may serve again in that office until out of office for one full term. Any person who serves ~~one~~ ~~half~~ ONE-HALF or more of a term shall be considered to have served one term for purposes of this section.

B. ~~A~~ THE ARIZONA PUBLIC UTILITY AND corporation commission is hereby created to be composed of five persons who shall be elected at the general election, and whose term of office shall be four years, and who shall maintain their chief office at the state capital. The two additional commission members shall be elected at the 2002 general election for initial two-year terms beginning on the first Monday in January, 2003. Thereafter, all terms shall be four-year terms.

C. In case of vacancy in the office, the governor shall appoint a commissioner to fill the vacancy. The appointed commissioner shall fill the vacancy until a commissioner shall be elected at a general election as provided by law, and shall qualify. The qualifications of commissioners may be prescribed by law.

5. Article XV, section 3, Constitution of Arizona, is proposed to be amended as follows if approved by the voters and on proclamation of the Governor:

3. Power of commission as to classifications, rates and charges, rules, contracts and accounts; local regulation

Section 3. The ARIZONA PUBLIC UTILITY AND corporation commission shall have full power to, and shall, prescribe just and reasonable classifications to be used and just and reasonable rates and charges to be made and collected, by public service corporations within ~~the~~ THIS state for service rendered ~~therein~~ IN THIS STATE, and make reasonable rules, regulations, ~~and~~ and orders, by which such corporations shall be

1 governed in the transaction of business within ~~the~~ THIS state,
2 and may prescribe the forms of contracts and the systems of
3 keeping accounts to be used by such corporations in
4 transacting such business, and make and enforce reasonable
5 rules, regulations,~~;~~ and orders for the convenience,
6 comfort,~~;~~ and safety, and the preservation of the health, of
7 the employees and patrons of such corporations; Provided, that
8 incorporated cities and towns may be authorized by law to
9 exercise supervision over public service corporations doing
10 business therein, including the regulation of rates and
11 charges to be made and collected by such corporations;
12 Provided further, that classifications, rates, charges, rules,
13 regulations, orders,~~;~~ and forms or systems prescribed or made
14 by ~~said~~ THE ARIZONA PUBLIC UTILITY AND corporation commission
15 may from time to time be amended or repealed by such
16 commission.

17 6. Article XV, section 4, Constitution of Arizona, is proposed to
18 be amended as follows if approved by the voters and on proclamation of the
19 Governor:

20 4. Power to inspect and investigate
21 Section 4. The ARIZONA PUBLIC UTILITY AND corporation
22 commission, and the several members thereof, shall have power
23 to inspect and investigate the property, books, papers,
24 business, methods,~~;~~ and affairs of any corporation whose stock
25 shall be offered for sale to the public and of any public
26 service corporation doing business within ~~the~~ THIS state, and
27 for the purpose of the commission, and of the several members
28 thereof, shall have the power of a court of general
29 jurisdiction to enforce the attendance of witnesses and the
30 production of evidence by subpoena, attachment,~~;~~ and
31 punishment, which said power shall extend throughout ~~the~~ THIS
32 state. Said commission shall have power to take testimony
33 under commission or deposition either within or without ~~the~~
34 THIS state.

35 7. Article XV, section 5, Constitution of Arizona, is proposed to
36 be amended as follows if approved by the voters and on proclamation of the
37 Governor:

38 5. Power to issue certificates of incorporation and
39 licenses
40 Section 5. A. The ARIZONA PUBLIC UTILITY AND
41 corporation commission shall have the sole power to issue
42 certificates of incorporation to companies organizing under
43 the laws of this state, and to issue licenses to foreign
44 corporations to do business in this state, except as insurers,
45 as may be prescribed by law.

1 B. Domestic and foreign insurers shall be subject to
2 licensing, control and supervision by ~~a~~ THE department of
3 insurance AND FINANCIAL INSTITUTIONS as prescribed by law.
4 ~~A~~ THE director of the department of insurance AND FINANCIAL
5 INSTITUTIONS shall be appointed by the governor with the
6 consent of the senate in the manner prescribed by law for a
7 term, which may be prescribed by law.

8 8. Article XV, section 6, Constitution of Arizona, is proposed to
9 be amended as follows if approved by the voters and on proclamation of the
10 Governor:

11 6. Enlargement of powers by legislature; rules and
12 regulations

13 Section 6. The ~~law-making~~ LAWMAKING power may enlarge
14 the powers and extend the duties of the ARIZONA PUBLIC UTILITY
15 AND corporation commission, and may prescribe rules and
16 regulations to govern proceedings instituted by and before
17 it, ~~but,~~ until such rules and regulations are provided by
18 law, the commission may make rules and regulations to govern
19 such proceedings.

20 9. Article XV, section 8, Constitution of Arizona, is proposed to
21 be amended as follows if approved by the voters and on proclamation of the
22 Governor:

23 8. Transportation by connecting carriers

24 Section 8. Every public service corporation doing a
25 transportation business within ~~the~~ THIS state shall receive
26 and transport, without delay or discrimination, cars loaded or
27 empty, property, ~~or~~ passengers delivered to it by any other
28 public service corporation doing a similar business, and
29 deliver cars, loaded or empty, without delay or
30 discrimination, to other transportation corporations, under
31 such regulations as shall be prescribed by the ARIZONA PUBLIC
32 UTILITY AND corporation commission, or by law.

33 10. Article XV, section 9, Constitution of Arizona, is proposed to
34 be amended as follows if approved by the voters and on proclamation of the
35 Governor:

36 9. Transmission of messages by connecting carriers

37 Section 9. Every public service corporation engaged in
38 the business of transmitting messages for profit shall receive
39 and transmit, without delay or discrimination, any messages
40 delivered to it by any other public service corporation
41 engaged in the business of transmitting messages for profit,
42 and shall, with its lines, make physical connection with the
43 lines of any public service corporation engaged in the
44 business of transmitting messages for profit, under such rules
45 and regulations as shall be prescribed by the ARIZONA PUBLIC

1 UTILITY AND corporation commission, or by law; Provided, that
2 such public service corporations shall deliver messages to
3 other such corporations, without delay or discrimination,
4 under such rules and regulations as shall be prescribed by the
5 ARIZONA PUBLIC UTILITY AND corporation commission, or by law.

6 11. Article XV, section 12, Constitution of Arizona, is proposed to
7 be amended as follows if approved by the voters and on proclamation of the
8 Governor:

9 12. Charges for service; discrimination; free or
10 reduced rate transportation

11 Section 12. All charges made for service rendered, or
12 to be rendered, by public service corporations within this
13 state shall be just and reasonable, and no discrimination in
14 charges, service, or facilities shall be made between persons
15 or places for rendering a like and contemporaneous service,
16 except that the granting of free or reduced rate
17 transportation may be authorized by law, or by the ARIZONA
18 PUBLIC UTILITY AND corporation commission, to the classes of
19 persons described in the act of Congress approved February 11,
20 1887, entitled An Act to Regulate Commerce, and the amendments
21 thereto, as those to whom free or reduced rate transportation
22 may be granted.

23 12. Article XV, section 13, Constitution of Arizona, is proposed to
24 be amended as follows if approved by the voters and on proclamation of the
25 Governor:

26 13. Reports to commission

27 Section 13. All public service corporations and
28 corporations whose stock shall be offered for sale to the
29 public shall make such reports to the ARIZONA PUBLIC UTILITY
30 AND corporation commission, under oath, and provide such
31 information concerning their acts and operations as may be
32 required by law, or by the ARIZONA PUBLIC UTILITY AND
33 corporation commission.

34 13. Article XV, section 14 Constitution of Arizona, is proposed to
35 be amended as follows if approved by the voters and on proclamation of the
36 Governor:

37 14. Value of property of public service
38 corporations

39 Section 14. The ARIZONA PUBLIC UTILITY AND corporation
40 commission shall, to aid it in the proper discharge of its
41 duties, ascertain the fair value of the property within ~~the~~
42 ~~THIS~~ state of every public service corporation doing business
43 ~~therein;~~ IN THIS STATE and every public service corporation
44 doing business within ~~the~~ THIS state shall furnish to the
45 commission all evidence in its possession, and all assistance

1 in its power, requested by the commission in aid of the
2 determination of the value of the property within ~~the~~ THIS
3 state of such public service corporation.

4 14. Article XV, section 16, Constitution of Arizona, is proposed to
5 be amended as follows if approved by the voters and on proclamation of the
6 Governor:

7 16. Forfeitures for violations

8 Section 16. If any public service corporation ~~shall~~
9 ~~violate~~ VIOLATES any of the rules, regulations, orders, or
10 decisions of the ARIZONA PUBLIC UTILITY AND corporation
11 commission, such corporation shall forfeit and pay to ~~the~~ THIS
12 state not less than ~~one hundred dollars nor \$100 OR~~ more than
13 ~~five thousand dollars~~ \$5,000 for each such violation, to be
14 recovered before any court of competent jurisdiction.

15 15. Article XV, section 17, Constitution of Arizona, is proposed to
16 be amended as follows if approved by the voters and on proclamation of the
17 Governor:

18 17. Appeal to courts

19 Section 17. Nothing herein shall be construed as
20 denying to public service corporations the right of appeal to
21 the courts of ~~the~~ THIS state from the rules, regulations,
22 orders, or decrees fixed by the ARIZONA PUBLIC UTILITY AND
23 corporation commission, but the rules, regulations,
24 orders, or decrees so fixed shall remain in force pending the
25 decision of the courts.

26 16. Article XV, section 19, Constitution of Arizona, is proposed to
27 be amended as follows if approved by the voters and on proclamation of the
28 Governor:

29 19. Power to impose fines

30 Section 19. The ARIZONA PUBLIC UTILITY AND corporation
31 commission ~~shall have~~ HAS the power and authority to enforce
32 its rules, regulations, and orders by the imposition of such
33 fines as it may deem just, within the limitations prescribed
34 in section 16 of this article.

35 17. Conforming legislation

36 The legislative council staff shall prepare proposed legislation
37 confirming the Arizona Revised Statutes to provisions of this act if the
38 provisions of this act are approved by the voters and proclaimed by the
39 governor.

40 18. The Secretary of State shall submit this proposition to the
41 voters at the next general election as provided by article XXI,
42 Constitution of Arizona.