

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HOUSE BILL 2486

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING
SECTION 9-461.17; RELATING TO MUNICIPAL PLANNING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 9, chapter 4, article 6, Arizona Revised Statutes, is
3 amended by adding section 9-461.17, to read:

4 9-461.17. Telecommunications utility relocation: cost
5 reimbursement: liability: definitions

6 A. TO THE FULLEST EXTENT ALLOWED BY LAW, IF ANY CONSTRUCTION PROJECT
7 IN ANY MUNICIPALITY THAT IS UNDERTAKEN INDIVIDUALLY OR JOINTLY BY AN
8 INTERGOVERNMENTAL CONTRACT AND THAT IS FUNDED IN WHOLE OR IN PART BY
9 VOTER-APPROVED MUNICIPAL BOND PROCEEDS REQUIRES THAT A TELECOMMUNICATIONS
10 UTILITY ADJUST OR OTHERWISE RELOCATE THE TELECOMMUNICATIONS UTILITY'S
11 FACILITIES, THE MUNICIPALITY SHALL REIMBURSE THE TELECOMMUNICATIONS UTILITY,
12 OR CAUSE THE TELECOMMUNICATIONS UTILITY TO BE REIMBURSED, FOR THE
13 TELECOMMUNICATIONS UTILITY'S RELOCATION COSTS INCURRED ON FACILITIES LOCATED
14 WITHIN THE MUNICIPAL BOUNDARIES.

15 B. IF THE TELECOMMUNICATIONS UTILITY HAS EXISTING LAND RIGHTS, THE
16 MUNICIPALITY SHALL PROVIDE AT THE MUNICIPALITY'S EXPENSE THE
17 TELECOMMUNICATIONS UTILITY WITH EQUAL LAND RIGHTS IN THE NEW LOCATION OF THE
18 RELOCATED FACILITIES. IF THE TELECOMMUNICATIONS UTILITY'S EXISTING
19 FACILITIES ARE LOCATED IN THE RIGHT-OF-WAY UNDER A PERMIT, THE MUNICIPALITY
20 SHALL PROVIDE AT THE MUNICIPALITY'S EXPENSE THE TELECOMMUNICATIONS UTILITY
21 WITH RIGHTS IN THE NEW LOCATION OF THE RELOCATED FACILITIES EQUIVALENT TO THE
22 TELECOMMUNICATIONS UTILITY'S EXISTING RIGHTS UNDER THE PERMIT.

23 C. A TELECOMMUNICATIONS UTILITY SHALL SUBMIT A VERIFIED ITEMIZED CLAIM
24 TO THE MUNICIPALITY FOR REIMBURSEMENT OF RELOCATION COSTS WITHIN ONE HUNDRED
25 EIGHTY DAYS AFTER EACH CALENDAR QUARTER IN WHICH A TELECOMMUNICATIONS UTILITY
26 INCURS RELOCATION COSTS.

27 D. THE MUNICIPALITY SHALL:

28 1. REVIEW EACH VERIFIED ITEMIZED CLAIM SUBMITTED PURSUANT TO
29 SUBSECTION C OF THIS SECTION. THE REVIEW MAY INCLUDE AN AUDIT CONDUCTED
30 PURSUANT TO STANDARD INDUSTRY ACCOUNTING PRINCIPLES.

31 2. REIMBURSE THE TELECOMMUNICATIONS UTILITY FOR THE RELOCATION COSTS
32 WITHIN NINETY DAYS AFTER RECEIPT OF THE VERIFIED ITEMIZED CLAIM.

33 3. REIMBURSE VERIFIED ITEMIZED CLAIMS FROM ALL AFFECTED
34 TELECOMMUNICATIONS UTILITIES IN THE ORDER OF RECEIPT.

35 E. THE REIMBURSEMENT LIMITATION FOR PAID CLAIMS OF RELOCATION COSTS
36 FOR TELECOMMUNICATIONS UTILITY FACILITIES FOR WHICH THERE ARE NO EXISTING
37 LAND RIGHTS IS NOT MORE THAN TWO PERCENT OF THE TOTAL PROJECT MONIES. THE
38 TOTAL PROJECT MONIES IS THE TOTAL DOLLAR AMOUNT OF ALL VOTER-APPROVED BOND
39 PROCEEDS THAT FUND A CONSTRUCTION PROJECT FROM TIME TO TIME.

40 F. THE TOTAL AMOUNT OF REIMBURSEMENT PAID FOR CLAIMS OF RELOCATION
41 COSTS OF ALL TELECOMMUNICATIONS UTILITY FACILITIES FOR WHICH THERE ARE NO
42 EXISTING LAND RIGHTS MAY NOT EXCEED THE REIMBURSEMENT LIMITATION.

43 G. IF A VERIFIED ITEMIZED CLAIM CAUSES THE TOTAL AMOUNT OF ALL CLAIMS
44 FOR TELECOMMUNICATIONS UTILITY RELOCATION COSTS TO EXCEED THE REIMBURSEMENT
45 LIMITATION, THAT CLAIM SHALL BE REDUCED SO THAT THE TOTAL AMOUNT OF

1 REIMBURSEMENT PAID FOR ALL CLAIMS FOR WHICH THERE ARE NO EXISTING LAND RIGHTS
2 EQUALS THE REIMBURSEMENT LIMITATION.

3 H. IF THE DOLLAR AMOUNT OF THE REIMBURSEMENT LIMITATION INCREASES AS A
4 RESULT OF AN INCREASE IN TOTAL PROJECT FUNDS AFTER THE PREVIOUS REIMBURSEMENT
5 LIMITATION IS EXHAUSTED, WITHIN THIRTY DAYS AFTER THE REIMBURSEMENT
6 LIMITATION IS INCREASED THE MUNICIPALITY SHALL RESUME PROCESSING PREVIOUSLY
7 SUBMITTED AND NEW VERIFIED ITEMIZED CLAIMS UNDER THIS SECTION.

8 I. THE REIMBURSEMENT LIMITATION DOES NOT APPLY TO ANY CLAIMS FOR
9 REIMBURSEMENT OF RELOCATION COSTS FOR TELECOMMUNICATIONS UTILITY FACILITIES
10 WITH EXISTING LAND RIGHTS OR ANY AMOUNTS PAID BY THE MUNICIPALITY TO PROVIDE
11 EQUIVALENT LAND OR PERMIT RIGHTS. THESE CLAIMS AND AMOUNTS ARE EXCLUDED FROM
12 THE REIMBURSEMENT LIMITATION.

13 J. THIS SECTION DOES NOT:

14 1. APPLY TO A CONSTRUCTION PROJECT FUNDED IN WHOLE OR IN PART WITH
15 VOTER-APPROVED MUNICIPAL BOND PROCEEDS IF APPROVAL OF THE BONDS WAS REFERRED
16 TO THE VOTERS, OR THE INITIATIVE PETITION FOR THE BONDS WAS APPLIED FOR,
17 BEFORE JANUARY 1, 2017.

18 2. PROHIBIT A MUNICIPALITY FROM COMPLYING WITH OTHER APPLICABLE LAW,
19 OR WITH AN AGREEMENT, THAT REQUIRES THE MUNICIPALITY TO REIMBURSE A
20 TELECOMMUNICATIONS UTILITY FOR MORE RELOCATION COSTS THAN THIS SECTION
21 PROVIDES.

22 K. FOR THE PURPOSES OF THIS SECTION:

23 1. "INTERGOVERNMENTAL CONTRACT" MEANS THE JOINT EXERCISE OF POWERS
24 AUTHORIZED BY TITLE 11, CHAPTER 7, ARTICLE 3.

25 2. "MUNICIPALITY" INCLUDES A CHARTER CITY.

26 3. "RELOCATION COSTS" MEANS ALL COSTS OF RELOCATING A
27 TELECOMMUNICATIONS UTILITY'S FACILITIES THAT THE TELECOMMUNICATIONS UTILITY
28 INCURS AS A DIRECT RESULT OF THE CONSTRUCTION AND OPERATION OF A CONSTRUCTION
29 PROJECT. RELOCATION COSTS DO NOT INCLUDE PROFIT BUT MAY INCLUDE A REASONABLE
30 ALLOCATION OF GENERAL OVERHEAD EXPENSES.

31 4. "TELECOMMUNICATIONS UTILITY" MEANS ANY PUBLIC SERVICE CORPORATION,
32 LICENSED CABLE SYSTEM OPERATOR, TELEPHONE LINE OR TELEGRAPH LINE CORPORATION,
33 AGRICULTURAL IMPROVEMENT DISTRICT OR OTHER PERSON ENGAGED IN THE
34 TRANSMISSION, SALE OR DELIVERY OF TELECOMMUNICATIONS, TELEPHONE, CABLE
35 TELEVISION, INTERNET OR TELEGRAPH SERVICE DIRECTLY TO THE PUBLIC OR TO OTHER
36 USERS AS TO BE EFFECTIVELY AVAILABLE DIRECTLY TO THE PUBLIC.