

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 41
HOUSE BILL 2274

AN ACT

AMENDING SECTIONS 30-108, 30-201, 30-203 AND 30-204, ARIZONA REVISED
STATUTES; RELATING TO THE ARIZONA POWER AUTHORITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 30-108, Arizona Revised Statutes, is amended to
3 read:

4 30-108. Powers and duties of commission; annual report

5 A. The members of the commission shall devote to their duties as
6 members such time and attention as is necessary to effectuate the purposes
7 of this chapter and to carry out their duties and exercise their powers.
8 The commission shall designate a person or persons who shall execute all
9 documents and instruments on behalf of the authority.

10 B. The commission shall acquire suitable offices, furnishings and
11 articles of equipment and necessary supplies.

12 C. Subject to title 41, chapter 4, article 4, the commission may
13 employ a person in the capacity of director, manager or chief engineer who
14 shall be a duly licensed engineer, but who need not be a resident or
15 licensed in this state. The person shall be actively engaged in the
16 practice of the person's profession and trained and experienced in the
17 performance of the person's duties. The person shall not hold any other
18 public office or have any interest in a business that may be adversely
19 affected by the operation of the authority in the exercise of the
20 authority's powers and discharge of the authority's duties.

21 D. The commission shall make and submit to the governor, the
22 president of the senate, the speaker of the house of representatives, the
23 chairman of the senate natural resources, energy and water committee and
24 the chairman of the house of representatives energy, environment and
25 natural resources committee, or their successor committees, on or before
26 ~~December~~ JANUARY 1 each year a report containing a full and complete
27 account of the commission's transactions and proceedings for the preceding
28 fiscal year, together with other facts, suggestions and recommendations
29 deemed of public value.

30 Sec. 2. Section 30-201, Arizona Revised Statutes, is amended to
31 read:

32 30-201. Administrative and operation budgets

33 A. The authority shall on or before ~~July 1 in~~ SEPTEMBER 30 each
34 ~~fiscal~~ year adopt an administrative budget for the next succeeding fiscal
35 year. The budget shall ~~not exceed the amount of seventy-five thousand~~
36 ~~dollars for each fiscal year, and shall~~ consist of ~~a complete statement of~~
37 ~~administrative expenditures from the fund during the past fiscal year and~~
38 an estimate of the ~~different amounts which~~ EXPENDITURES THAT may be deemed
39 necessary to meet administrative requirements of the authority for the
40 ensuing fiscal year, ~~fixing the amounts proposed for all recurring items~~
41 ~~of expense and an amount for contingencies or emergencies not~~
42 ~~anticipated. No administrative expenditures shall be made therefrom in~~
43 ~~excess of the total amount of the budget.~~ Economies resulting in
44 remaining balances for any fiscal year shall be available for subsequent
45 administration or operating purposes.

1 B. The authority shall ~~likewise~~ ALSO for each ~~similar period~~ FISCAL
2 YEAR prepare an operation budget covering operations and ~~including~~ capital
3 items. ~~The budget shall consist of a full and complete statement of all~~
4 ~~incoming receipts and expenditures for the past fiscal year and an~~
5 ~~estimate of anticipated income and expenditures for the next ensuing~~
6 ~~period. The budget shall also give a complete asset and liability~~
7 ~~statement and statement of profit and loss, together with an itemized~~
8 ~~statement of cash on hand, commitments, reserves and obligations~~
9 ~~anticipated for the ensuing fiscal year, together with such other~~
10 ~~information as will give a full and complete disclosure of the current~~
11 ~~financial condition of the authority.~~

12 C. The original budgets shall be filed with the department of
13 administration and copies ~~thereof~~ OF THE BUDGETS with the governor and
14 state treasurer.

15 D. THE AUTHORITY'S BUDGET AND AUDIT FISCAL YEARS SHALL BE BASED ON
16 THE FEDERAL FISCAL YEAR OF OCTOBER 1 THROUGH SEPTEMBER 30.

17 Sec. 3. Section 30-203, Arizona Revised Statutes, is amended to
18 read:

19 30-203. Receipt of monies; disbursements; operation of
20 accounting system; annual audit

21 A. Monies due the authority under agreements for the sale of
22 electric power or other service, proceeds of revenue bond issues or any
23 other obligations may be made payable at the office of the authority. All
24 monies derived from operations of the authority of any nature and received
25 by any officer, agent or employee of the authority shall be deposited,
26 pursuant to sections 35-146 and 35-147, in the APPROPRIATE Arizona power
27 authority fund. All operation monies of the authority received shall be
28 accounted for and kept separate from any monies made available to the
29 authority by any legislative appropriation and shall be paid out only in
30 accordance with the regularly adopted authority operation budget on
31 warrants in discharge of claims and obligations approved by the authority
32 commission, signed by the authority chairman and countersigned by the
33 authority director or other duly authorized authority officer.

34 B. The appropriate claim vouchers shall be regularly entered in the
35 operations accounting system of the authority and preserved and exhibited
36 for auditing purposes. The operations accounting system set up by the
37 authority shall conform as nearly as practicable to the uniform accounting
38 system prescribed for public service corporations.

39 C. The department of administration may at any time examine the
40 books, accounts and vouchers of the authority. On notice from the
41 authority, the state treasurer shall invest and divest monies in the fund
42 as provided by section 35-313, and monies earned from investment shall be
43 credited to the fund.

1 Sec. 4. Section 30-204, Arizona Revised Statutes, is amended to
2 read:

3 30-204. Audit of operation funds and collateral deposits

4 A. ~~AT THE AUTHORITY'S REQUEST~~, A district and state agencies
5 authorized to issue revenue bonds subject to approval of the state
6 certification board shall cause an ~~annual~~ audit to be made of their
7 respective operation funds. Districts, state agencies and municipalities
8 pledging any assessments, funds or property presently owned or to be
9 provided, accumulated or acquired shall similarly cause an audit to be
10 made of their respective collateral deposits. The audits shall be made by
11 a certified public accountant within ~~thirty~~ SIXTY days after the close of
12 the respective fiscal years of the districts, state agencies and
13 municipalities, and each shall file a certified copy ~~thereof~~ OF THE AUDITS
14 with the auditor general.

15 B. The auditor general ~~may, if he deems it advisable~~, at the
16 expense of the district, state agency or municipality concerned, MAY make
17 ~~such~~ further audits and examinations as ~~he~~ THE AUDITOR GENERAL deems
18 necessary and take appropriate action in relation ~~thereto~~ TO THE AUDITS as
19 provided by title 41, chapter 7, article 10.1. Unless the auditor general
20 takes official action within thirty days after filing the audit, ~~it~~ THE
21 AUDIT shall be deemed sufficient.

22 C. The audits shall be in lieu of all other official audits of all
23 operation funds or collateral deposits of the districts, state agencies
24 and municipalities, except as ordered by a court of competent
25 jurisdiction.

APPROVED BY THE GOVERNOR APRIL 1, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 1, 2019.