

Senate Engrossed

broadband service district authority; formation

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1661

AN ACT

AMENDING TITLE 11, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 15;
RELATING TO BROADBAND SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 11, Arizona Revised Statutes, is amended by adding
3 chapter 15, to read:

4 CHAPTER 15

5 BROADBAND SERVICE DISTRICT AUTHORITIES

6 ARTICLE 1. GENERAL PROVISIONS

7 11-2001. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "AUTHORITY" MEANS A BROADBAND SERVICE DISTRICT AUTHORITY THAT IS
10 RESPONSIBLE FOR FACILITATING BROADBAND DEPLOYMENT AND CONNECTIVITY FOR
11 AGRICULTURAL PURPOSES.

12 2. "BOARD" MEANS THE GOVERNING BODY OF A BROADBAND SERVICE DISTRICT
13 AUTHORITY.

14 3. "BROADBAND SERVICE" MEANS HIGH-SPEED INTERNET ACCESS THAT
15 ENABLES A USER TO TRANSMIT AND RECEIVE DATA, VIDEO AND OTHER DIGITAL
16 COMMUNICATION.

17 4. "DISTRICT" MEANS A DESIGNATED GEOGRAPHIC AREA ESTABLISHED FOR
18 BROADBAND SERVICE IMPROVEMENTS.

19 5. "INFRASTRUCTURE":

20 (a) MEANS COMPONENTS NECESSARY FOR BROADBAND DEPLOYMENT.

21 (b) INCLUDES TRANSMISSION EQUIPMENT, NETWORK FACILITIES, DATA
22 TRANSPORT SYSTEMS AND RELATED UTILITIES.

23 11-2002. Formation of broadband authority district; purpose;
24 funding

25 A. A GROUP OF INDIVIDUALS, BUSINESSES OR ORGANIZATIONS IN A COUNTY
26 WITH A POPULATION OF MORE THAN TWO HUNDRED THOUSAND PERSONS AND LESS THAN
27 TWO HUNDRED TEN THOUSAND PERSONS MAY PETITION THE COUNTY BOARD OF
28 SUPERVISORS TO FORM A BROADBAND AUTHORITY DISTRICT FOR ANY OF THE
29 FOLLOWING PURPOSES:

30 1. FACILITATING THE EXPANSION AND MAINTENANCE OF BROADBAND
31 INFRASTRUCTURE.

32 2. SECURING AND MANAGING FUNDING FOR BROADBAND PROJECTS.

33 3. ESTABLISHING GUIDELINES AND GOALS FOR BROADBAND PERFORMANCE AND
34 ACCESSIBILITY.

35 4. SUPPORTING POLICIES AND INITIATIVES THAT PROMOTE BROADBAND
36 DEPLOYMENT.

37 B. THE DISTRICT MAY RECEIVE FUNDING FROM ONLY EITHER OF THE
38 FOLLOWING:

39 1. GRANTS FROM GOVERNMENT AGENCIES OR PRIVATE ORGANIZATIONS.

40 2. SERVICES FEES THAT ARE CHARGED TO THE USERS OF THE BROADBAND
41 SERVICES WHO HAVE ELECTED TO RECEIVE AND USE THE BROADBAND SERVICES AND
42 THAT ARE USED TO MAINTAIN AND OPERATE THE BROADBAND SERVICES.

43 C. THE DISTRICT MAY NOT DEPLOY LAST MILE RESIDENTIAL BROADBAND.

44 D. THE DISTRICT MAY NOT LEVY ANY NEW TAXES. THE DISTRICT MAY
45 COLLECT AND REMIT APPLICABLE TAXES.

1 E. A BROADBAND AUTHORITY DISTRICT ORGANIZED UNDER THIS CHAPTER IS A
2 PUBLIC, POLITICAL AND MUNICIPAL CORPORATION TO THE EXTENT OF THE POWERS
3 AND PRIVILEGES CONFERRED BY THIS CHAPTER OR GRANTED GENERALLY TO MUNICIPAL
4 CORPORATIONS BY THE CONSTITUTION AND LAWS OF THIS STATE, INCLUDING
5 IMMUNITY OF ITS PROPERTY AND REVENUE TAXATION.

6 11-2003. Formation of the district; application; notice;
7 hearing

8 A. PETITIONERS SEEKING TO FORM A BROADBAND AUTHORITY DISTRICT SHALL
9 SUBMIT AN APPLICATION TO THE BOARD OF SUPERVISORS IN THE COUNTY WHERE THE
10 PROPOSED DISTRICT IS LOCATED. THE APPLICATION SHALL INCLUDE ALL OF THE
11 FOLLOWING:

- 12 1. A DESCRIPTION OF THE PROPOSED DISTRICT BOUNDARIES.
- 13 2. THE NAMES OF THE PETITIONERS.
- 14 3. THE METHODOLOGY FOR THE SELECTION OF THE MEMBERS OF THE DISTRICT
15 BOARD.
- 16 4. THE PROPOSED NAME OF THE DISTRICT.

17 B. THE COUNTY BOARD OF SUPERVISORS SHALL HOLD A PUBLIC HEARING ON
18 THE APPLICATION WITHIN SIX WEEKS AFTER THE SUBMISSION OF THE APPLICATION.
19 NOTICE OF THE PUBLIC HEARING SHALL BE PUBLISHED IN A PUBLICATION OF
20 GENERAL CIRCULATION IN THE COUNTY WHERE THE PROPOSED DISTRICT BOUNDARIES
21 ARE LOCATED AT LEAST TWO WEEKS BEFORE THE PUBLIC HEARING.

22 C. INDIVIDUALS WHO OWN PROPERTY IN THE PROPOSED DISTRICT BOUNDARIES
23 OR OTHER INTERESTED PARTIES MAY JOIN THE PETITION AFTER THE FILING OF THE
24 PETITION AND AT ANY TIME DURING THE BOARD OF SUPERVISORS' CONSIDERATION OF
25 THE PETITION.

26 D. FOLLOWING THE PUBLIC HEARING REQUIRED PURSUANT TO THIS SECTION,
27 THE BOARD OF SUPERVISORS MAY EITHER:

- 28 1. APPROVE OR DENY THE FORMATION OF THE DISTRICT.
- 29 2. APPROVE A MODIFICATION OF THE PROPOSED DISTRICT BOUNDARIES.
- 30 3. APPROVE THE METHODOLOGY FOR SELECTION OF THE DISTRICT BOARD
31 MEMBERS.

32 11-2004. Board members; bylaws; qualifications; powers and
33 duties; annual report

34 A. THE BOARD SHALL CONSIST OF NOT FEWER THAN FIVE AND NOT MORE THAN
35 SEVEN MEMBERS. THE BOARD MEMBERS SHALL REPRESENT INTERESTED STAKEHOLDERS
36 FROM THE DISTRICT. THE BOARD SHALL DO ALL OF THE FOLLOWING:

- 37 1. ADOPT BYLAWS FOR THE OPERATION OF THE DISTRICT.
- 38 2. HOLD REGULAR MEETINGS AND MAINTAIN RECORDS OF ALL BOARD
39 DECISIONS.
- 40 3. ESTABLISH TERMS OF OFFICE AND PROCEDURES FOR SELECTING BOARD
41 MEMBERS.

42 B. THE BOARD SHALL HAVE THE AUTHORITY TO DO ALL OF THE FOLLOWING:

- 43 1. ENTER INTO CONTRACTS TO FACILITATE BROADBAND INFRASTRUCTURE
44 DEVELOPMENT AND MAINTENANCE.
- 45 2. MANAGE AND ALLOCATE MONIES FOR DISTRICT PROJECTS.

1 3. ACQUIRE, HOLD AND DISPOSE OF PROPERTY NECESSARY FOR DISTRICT
2 ACTIVITIES.

3 4. REPRESENT THE DISTRICT IN LEGAL MATTERS.

4 5. MONITOR AND REPORT ON THE PERFORMANCE AND IMPACT OF BROADBAND
5 DEPLOYMENT EFFORTS.

6 C. THE BOARD SHALL PREPARE AN ANNUAL REPORT DETAILING THE FINANCIAL
7 ACTIVITIES AND PROGRESS OF THE DISTRICT. THE REPORT SHALL BE DISTRIBUTED
8 TO MEMBERS OF THE DISTRICT AND THE COUNTY BOARD OF SUPERVISORS AT LEAST
9 SIXTY DAYS BEFORE THE BEGINNING OF EACH FISCAL YEAR.