

REFERENCE TITLE: public utility and corporation commission

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

SCR 1016

Introduced by
Senator Kuby: Representative Garcia

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)

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

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

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

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

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

17. Fees; reports; licensing of foreign corporations

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

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~~ 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~~ and orders for the convenience,
6 comfort, ~~and~~ 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~~ 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~~ 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~~ 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.

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

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

6. Enlargement of powers by legislature; rules and regulations

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

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

8. Transportation by connecting carriers

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

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

9. Transmission of messages by connecting carriers

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

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

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

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

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

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

13. Reports to commission

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

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

14. Value of property of public service corporations

Section 14. The ARIZONA PUBLIC UTILITY AND corporation commission shall, to aid it in the proper discharge of its duties, ascertain the fair value of the property within ~~the~~ THIS state of every public service corporation doing business ~~therein;~~ IN THIS STATE and every public service corporation doing business within ~~the~~ THIS state shall furnish to the 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 HAVE the right of
 21 appeal to the courts of ~~the~~ THIS state from the rules,
 22 regulations, orders, or decrees fixed by the ARIZONA PUBLIC
 23 UTILITY AND corporation commission, but the rules,
 24 regulations, orders, or decrees so fixed shall remain in
 25 force pending the 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 conforming the Arizona Revised Statutes to the provisions of this act if
 38 the provisions of this act are approved by the voters and proclaimed by
 39 the 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.