

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)

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

1       3. Heading change

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

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

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

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

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

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

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

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

39       Section 3. The ARIZONA PUBLIC UTILITY AND corporation  
40       commission shall have full power to, and shall, prescribe  
41       just and reasonable classifications to be used and just and  
42       reasonable rates and charges to be made and collected, by  
43       public service corporations within ~~the~~ THIS state for service  
44       rendered ~~therein~~ IN THIS STATE, and make reasonable rules,  
45       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 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 ~~the~~ THE department of  
3 insurance **AND FINANCIAL INSTITUTIONS** as prescribed by law.  
4 ~~the~~ 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~~ or by the **ARIZONA**  
18        **PUBLIC UTILITY AND** corporation commission, ~~or~~ 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 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.