

REFERENCE TITLE: power; public utilities; securities; repeal

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HB 2540

Introduced by
Representative Mathis

AN ACT

REPEALING TITLE 30, CHAPTER 8, ARIZONA REVISED STATUTES; REPEALING TITLE 40, CHAPTER 3, ARIZONA REVISED STATUTES; AMENDING SECTION 47-9109, ARIZONA REVISED STATUTES; RELATING TO PUBLIC UTILITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Title 30, chapter 8, Arizona Revised Statutes and title 40, chapter
4 3, Arizona Revised Statutes, are repealed.

5 Sec. 2. Section 47-9109, Arizona Revised Statutes, is amended to
6 read:

7 47-9109. Scope

8 A. Except as otherwise provided in subsections C and D of this
9 section, this chapter applies to:

10 1. A transaction, regardless of its form, that creates a security
11 interest in personal property or fixtures by contract;

12 2. An agricultural lien;

13 3. A sale of accounts, chattel paper, payment intangibles or
14 promissory notes;

15 4. A consignment;

16 5. A security interest arising under section 47-2401 or 47-2505,
17 section 47-2711, subsection C or section 47-2A508, subsection E, as
18 provided in section 47-9110; and

19 6. A security interest arising under section 47-4210 or 47-5118.

20 B. The application of this article to a security interest in a
21 secured obligation is not affected by the fact that the obligation is
22 itself secured by a transaction or interest to which this chapter does not
23 apply.

24 C. This chapter does not apply to the extent that:

25 1. A statute, regulation or treaty of the United States preempts
26 this article;

27 2. A statute of a foreign country or a governmental unit of a
28 foreign country, other than a statute generally applicable to security
29 interests, expressly governs creation, perfection, priority or enforcement
30 of a security interest created by that country or governmental unit; or

31 3. The rights of a transferee beneficiary or nominated person under
32 a letter of credit are independent and superior under section 47-5114.

33 D. This chapter does not apply to:

34 1. A landlord's lien, other than an agricultural lien;

35 2. A lien, other than an agricultural lien, given by statute or
36 other rule of law for services or materials, but section 47-9333 applies
37 with respect to priority of the lien;

38 3. An assignment of a claim for wages, salary or other compensation
39 of an employee;

40 4. A sale of accounts, chattel paper, payment intangibles or
41 promissory notes as part of a sale of the business out of which they
42 arose;

43 5. An assignment of accounts, chattel paper, payment intangibles or
44 promissory notes that is for the purpose of collection only;

1 6. An assignment of a right to payment under a contract to an
2 assignee that is also obligated to perform under the contract;

3 7. An assignment of a single account, payment intangible or
4 promissory note to an assignee in full or partial satisfaction of a
5 preexisting indebtedness;

6 8. A transfer of an interest in or an assignment of a claim under a
7 policy of insurance, other than an assignment by or to a health care
8 provider of a health-care-insurance receivable and any subsequent
9 assignment of the right to payment, but sections 47-9315 and 47-9322 apply
10 with respect to proceeds and priorities in proceeds;

11 9. An assignment of a right represented by a judgment, other than a
12 judgment taken on a right to payment that was collateral;

13 10. A right of recoupment or setoff, but:

14 (a) Section 47-9340 applies with respect to the effectiveness of
15 rights of recoupment or setoff against deposit accounts; and

16 (b) Section 47-9404 applies with respect to defenses or claims of
17 an account debtor;

18 11. The creation or transfer of an interest in or lien on real
19 property, including a lease or rents thereunder, except to the extent that
20 provision is made for:

21 (a) Liens on real property in sections 47-9203 and 47-9308;

22 (b) Fixtures in section 47-9334;

23 (c) Fixture filings in sections 47-9501, 47-9502, 47-9512, 47-9516
24 and 47-9519; and

25 (d) Security agreements covering personal and real property in
26 section 47-9604;

27 12. An assignment of a claim arising in tort, other than a
28 commercial tort claim, but sections 47-9315 and 47-9322 apply with respect
29 to proceeds and priorities in proceeds;

30 13. An assignment of a deposit account in a consumer transaction,
31 but sections 47-9315 and 47-9322 apply with respect to proceeds and
32 priorities in proceeds;

33 14. A transfer, pledge, assignment, grant or similar action by this
34 state, another state or a governmental unit of this state or another
35 state;

36 15. A claim or right to receive compensation for injuries or
37 sickness as described in 26 United States Code section 104a(1) or (2); or

38 16. A claim or right to receive benefits under a special needs
39 trust as described in 42 United States Code section 1396p(d)(4); ~~or~~

40 ~~17. A security interest that is subject to section 30-1006 or~~
41 ~~40-607.~~