

House Engrossed

utility relocation; funding; bonds

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

HOUSE BILL 2610

AN ACT

AMENDING SECTION 9-461.17, ARIZONA REVISED STATUTES; RELATING TO MUNICIPAL PLANNING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 9-461.17, Arizona Revised Statutes, is amended
3 to read:

4 9-461.17. Telecommunications utility relocation; cost
5 reimbursement; definitions

6 A. ~~To the fullest extent allowed by law,~~ If any construction
7 project in any municipality that is undertaken individually or jointly by
8 an intergovernmental contract and that is funded in whole or in part by
9 voter-approved municipal bond proceeds requires that a telecommunications
10 utility adjust or otherwise relocate the telecommunications utility's
11 facilities, the municipality shall reimburse the telecommunications
12 utility, or cause the telecommunications utility to be reimbursed, for the
13 telecommunications utility's relocation costs incurred on facilities
14 located within the municipal boundaries.

15 B. If the telecommunications utility has existing land rights, the
16 municipality shall provide at the municipality's expense the
17 telecommunications utility with equal land rights in the new location of
18 the relocated facilities. If the telecommunications utility's existing
19 facilities are located in the right-of-way under a permit, the
20 municipality shall provide at the municipality's expense the
21 telecommunications utility with rights in the new location of the
22 relocated facilities equivalent to the telecommunications utility's
23 existing rights under the permit.

24 C. A telecommunications utility shall submit a verified itemized
25 claim to the municipality for reimbursement of relocation costs within one
26 hundred eighty days after each calendar quarter in which a
27 telecommunications utility incurs relocation costs.

28 D. The municipality shall:

29 1. Review each verified itemized claim submitted pursuant to
30 subsection C of this section. The review may include an audit conducted
31 pursuant to standard industry accounting principles.

32 2. Reimburse the telecommunications utility for the relocation
33 costs within ninety days after receipt of the verified itemized claim.

34 3. Reimburse verified itemized claims from all affected
35 telecommunications utilities in the order of receipt.

36 4. AT LEAST THIRTY DAYS BEFORE A REQUEST TO RELOCATE A
37 TELECOMMUNICATIONS UTILITY'S FACILITY, PROVIDE THE TELECOMMUNICATIONS
38 UTILITY WITH PUBLIC NOTICE OF ANY VOTER-APPROVED MUNICIPAL BOND PROJECT.

39 5. DEVELOP A REIMBURSEMENT PROCESS FOR A TELECOMMUNICATIONS UTILITY
40 TO APPLY FOR REIMBURSEMENT OF THE RELOCATION COSTS OF THE
41 TELECOMMUNICATIONS UTILITY'S FACILITIES.

42 E. The reimbursement limitation for paid claims of relocation costs
43 for telecommunications utility facilities for which there are no existing
44 land rights is not more than two percent of the total project monies. The
45 total of the project monies is the total dollar amount of all

1 voter-approved municipal bond proceeds that fund a construction project
2 from time to time.

3 F. The total amount of reimbursement paid for claims of relocation
4 costs of all telecommunications utility facilities for which there are no
5 existing land rights may not exceed the reimbursement limitation.

6 G. If a verified itemized claim causes the total amount of all
7 claims for telecommunications utility relocation costs to exceed the
8 reimbursement limitation, that claim shall be reduced so that the total
9 amount of reimbursement paid for all claims for which there are no
10 existing land rights equals the reimbursement limitation.

11 H. If the dollar amount of the reimbursement limitation increases
12 as a result of an increase in total project funds after the previous
13 reimbursement limitation is exhausted, within thirty days after the
14 reimbursement limitation is increased the municipality shall resume
15 processing previously submitted and new verified itemized claims under
16 this section.

17 I. The reimbursement limitation does not apply to any claims for
18 reimbursement of relocation costs for telecommunications utility
19 facilities with existing land rights or any amounts paid by the
20 municipality to provide equivalent land or permit rights. These claims and
21 amounts are excluded from the reimbursement limitation.

22 J. This section does not:

23 1. Apply to a construction project funded in whole or in part with
24 voter-approved municipal bond proceeds if approval of the bonds was
25 referred to the voters, or the initiative petition for the bonds was
26 applied for, before January 1, 2017.

27 2. Prohibit a municipality from complying with other applicable
28 law, or with an agreement, that requires the municipality to reimburse a
29 telecommunications utility for more relocation costs than this section
30 provides.

31 K. For the purposes of this section:

32 1. "Intergovernmental contract" means the joint exercise of powers
33 authorized by title 11, chapter 7, article 3.

34 2. "Municipality" includes a charter city.

35 3. "Relocation costs" means all costs of relocating a
36 telecommunications utility's facilities that the telecommunications
37 utility incurs as a direct result of the construction and operation of a
38 construction project. Relocation costs do not include profit but may
39 include a reasonable allocation of general overhead expenses.

40 4. "Telecommunications utility" means any public service
41 corporation, licensed cable television operator, video service provider,
42 telephone line or telegraph line corporation, agricultural improvement
43 district or other person engaged in the transmission, sale or delivery of
44 telecommunications, telephone, cable television, video, internet or
45 telegraph service directly to the public or to other users as to be
46 effectively available directly to the public.