

House Engrossed

State of Arizona  
House of Representatives  
Forty-fifth Legislature  
First Regular Session  
2001

CHAPTER 300

# HOUSE BILL 2249

AN ACT

AMENDING SECTIONS 10-122, 10-3122, 40-108, 40-401, 40-408 AND 44-2039,  
ARIZONA REVISED STATUTES; RELATING TO CORPORATION COMMISSION FUNDING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 10-122, Arizona Revised Statutes, is amended to  
3 read:

4 10-122. Filing, service and copying fees; public access fund;  
5 expedited report filing and access

6 A. The commission shall collect and deposit, pursuant to sections  
7 35-146 and 35-147, the following fees when the documents described in this  
8 subsection are delivered to it for filing or issuance:

9	<u>Document</u>	<u>Fee</u>
10	1. Articles of incorporation	\$50
11	2. Application for use of indistinguishable name	10
12	3. Application for reserved name	10
13	4. Notice of transfer of reserved name	10
14	5. Application for registered name	10
15	6. Application for renewal of registered name	10
16	7. Agent's statement of resignation	10
17	8. Amendment of articles of incorporation	25
18	9. Restatement of articles of incorporation with	
19	amendment of articles	25
20	10. Articles of merger or share exchange	100
21	11. Articles of dissolution	25
22	12. Articles of domestication	100
23	13. Articles of revocation of dissolution	25
24	14. Application for reinstatement following	
25	administrative dissolution, in addition	
26	to other fees and penalties due	100
27	15. Application for authority	150
28	16. Application for withdrawal	25
29	17. Annual report	45
30	18. Articles of correction	25
31	19. Application for certificate of good standing	10
32	20. Any other document required or permitted	
33	to be filed by chapters 1 through 17	
34	of this title	25

35 B. The commission shall collect a fee of twenty-five dollars each time  
36 process is served on it under chapters 1 through 17 of this title. The party  
37 to a proceeding causing service of process is entitled to recover this fee  
38 as costs if the party prevails in the proceeding.

39 C. The commission shall charge and collect a reasonable fee for  
40 copying documents on request, provided the fee does not exceed the cost of  
41 providing the service as determined by the commission. The commission shall  
42 also charge a reasonable fee for certifying the copy of a filed document,  
43 provided the fee does not exceed the cost of providing the service as  
44 determined by the commission.

1 D. A penalty of one hundred dollars payable in addition to other fees  
2 accrues and is payable if a foreign corporation fails to file an amendment,  
3 restated articles that include an amendment, or articles of merger within  
4 sixty days of the time of filing in the jurisdiction in which the corporation  
5 is domiciled.

6 E. One-third of the filing fees for the annual report of domestic and  
7 foreign corporations paid pursuant to subsection A, paragraph 17 of this  
8 section shall be deposited in the Arizona arts trust fund established by  
9 section 41-983.01.

10 F. A public access fund is established consisting of the monies  
11 received pursuant to paragraphs 2, 3 and 4 of this subsection. Monies in the  
12 fund are subject to legislative appropriation. The following provisions apply  
13 to the fund:

14 1. The commission shall administer the fund and spend monies in the  
15 fund to purchase, install and maintain an improved data processing system on  
16 the premises of the commission AND FOR A PART OF THE GENERAL ADMINISTRATIVE  
17 AND LEGAL EXPENSES OF THE COMMISSION. The data processing system shall be  
18 designed to allow direct, on-line access by any person at a remote location  
19 to all public records that are filed with the commission pursuant to this  
20 title.

21 2. The commission shall provide for and establish an expedited service  
22 for the filing of all documents and services provided pursuant to this title  
23 as follows:

24 (a) The expedited filing shall be a priority same day service effected  
25 in a fast and efficient manner.

26 (b) The commission shall charge a fee for expedited services,  
27 including those requested by telefacsimile transmission. This fee is in  
28 addition to any other fees provided by law, including those in this  
29 section. The fee for expedited services shall be set by the commission to  
30 cover the cost of the service.

31 3. The commission may charge persons who access the commission's data  
32 processing system from remote locations and persons requesting special  
33 computer generated printouts, reports and tapes a reasonable fee that does  
34 not exceed the cost of the time, equipment and personnel necessary to provide  
35 this service or product as determined by the commission.

36 4. In addition to any fee charged pursuant to this section, the  
37 commission may charge and collect the following fees to help defray the cost  
38 of the improved data processing system:

39 (a) Filing articles of incorporation of a domestic corporation, ten  
40 dollars.

41 (b) Filing an application of a foreign corporation for authority to  
42 transact business in this state, twenty-five dollars.

43 5. All monies received pursuant to paragraphs 2, 3 and 4 of this  
44 subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the  
45 public access fund. The commission shall use the monies deposited in the

1 fund for the purposes provided in this section. Fees charged pursuant to  
2 this section are exempt from section 39-121.03, subsection A, paragraph 3,  
3 relating to a charge for value of a reproduction on the commercial market.  
4 Monies in the fund are exempt from the provisions of section 35-190 relating  
5 to lapsing of appropriations, except that any unencumbered monies in excess  
6 of two hundred thousand dollars at the end of each fiscal year revert to the  
7 state general fund.

8 6. When sufficient monies have been collected pursuant to paragraphs  
9 2, 3 and 4 of this subsection to pay for the purchase and installation of the  
10 data processing system, the commission shall not charge and collect the fees  
11 prescribed in paragraph 4 of this subsection.

12 Sec. 2. Section 10-3122, Arizona Revised Statutes, is amended to read:  
13 10-3122. Filing, service and copying fees; public access fund;

14 expedited report filing and access

15 A. The commission shall collect and deposit, pursuant to sections  
16 35-146 and 35-147, in the state general fund the following fees when the  
17 documents described in this subsection are delivered for filing or issuance:

18	<u>Document</u>	<u>Fee</u>
19	1. Articles of incorporation	\$ 30
20	2. Application for use of indistinguishable name	\$ 10
21	3. Application for reserved name	\$ 10
22	4. Notice of transfer of reserved name	\$ 10
23	5. Application for registered name	\$ 10
24	6. Application for renewal of registered name	\$ 10
25	7. Agent's statement of resignation	\$ 10
26	8. Amendment of articles of incorporation	\$ 25
27	9. Restatement of articles of incorporation	
28	with amendment of articles	\$ 25
29	10. Articles of merger or membership exchange	\$100
30	11. Articles of dissolution	\$ 25
31	12. Articles of domestication	\$100
32	13. Articles of revocation of dissolution	\$ 25
33	14. Application for reinstatement following	
34	administrative dissolution or revocation in	
35	addition to other fees and penalties due	\$ 25
36	15. Application for authority	\$150
37	16. Application for withdrawal	\$ 25
38	17. Annual report	\$ 10
39	18. Articles of correction	\$ 25
40	19. Application for certificate of good standing	\$ 10

41 B. The commission shall collect a fee of twenty-five dollars each time  
42 process is served on it under chapters 24 through 40 of this title. The  
43 party to a proceeding causing service of process is entitled to recover this  
44 fee as costs if the party prevails in the proceeding. The fee collected

1 pursuant to this subsection shall be deposited, pursuant to sections 35-146  
2 and 35-147, in the state general fund.

3 C. The commission shall charge and collect fifty cents per page for  
4 copying documents on request. The commission shall also charge five dollars  
5 plus fifty cents per page for certifying the copy of a filed document. The  
6 fees collected pursuant to this subsection shall be deposited, pursuant to  
7 sections 35-146 and 35-147, in the state general fund.

8 D. A penalty of one hundred dollars payable in addition to other fees  
9 accrues and is payable if a foreign corporation fails to file an amendment,  
10 restated articles that include an amendment, or articles of merger within  
11 sixty days of the time of filing in the jurisdiction in which the corporation  
12 is domiciled. The penalty collected pursuant to this subsection shall be  
13 deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

14 E. The commission shall deposit, pursuant to sections 35-146 and  
15 35-147, the monies received pursuant to paragraphs 2, 3 and 4 of this  
16 subsection in the public access fund established by section 10-122. Monies  
17 in the fund are subject to legislative appropriation. The following  
18 provisions apply to the fund:

19 1. The commission shall administer the fund and spend monies in the  
20 fund to purchase, install and maintain an improved data processing system on  
21 the premises of the commission AND FOR PART OF THE GENERAL ADMINISTRATIVE AND  
22 LEGAL EXPENSES OF THE COMMISSION. The data processing system shall be  
23 designed to allow direct, on-line access by any person at a remote location  
24 to all public records that are filed with the commission pursuant to this  
25 title.

26 2. The commission shall provide for and establish an expedited service  
27 for the filing of articles of incorporation, application of foreign  
28 corporations for authority to conduct affairs in this state, amendments,  
29 articles of merger or consolidation, statements of intent to dissolve,  
30 application of withdrawal of foreign corporations, annual reports and  
31 applications to reserve corporate name, as follows:

32 (a) The expedited filing shall be a priority same day service effected  
33 in a fast and efficient manner.

34 (b) The commission shall charge a fee for expedited services,  
35 including those requested by telefacsimile transmission. This fee is in  
36 addition to any other fees provided by law, including those in this  
37 section. The fee for expedited services shall be set by the commission to  
38 cover the cost of the service.

39 3. The commission may charge persons who access the commission's data  
40 processing system from remote locations and persons requesting special  
41 computer generated printouts, reports and tapes a reasonable fee that does  
42 not exceed the cost of the time, equipment and personnel necessary to provide  
43 this service or product as determined by the commission.



1 B. The assessment required pursuant to subsection A of this section  
2 shall be prescribed annually by the commission at a rate sufficient to raise  
3 monies equal to the amount computed as follows:

4 1. Determine the amount appropriated by the legislature for operating  
5 the utilities division AND A PART OF THE ADMINISTRATION, HEARING AND LEGAL  
6 DIVISIONS for the following fiscal year.

7 2. Multiply the amount determined in paragraph 1 by 1.2.

8 3. Subtract the monies estimated to remain unexpended in the utility  
9 regulation revolving fund at the end of the current fiscal year. The  
10 difference computed is the amount to be raised by the assessment.

11 C. The assessment rate prescribed pursuant to subsection B of this  
12 section shall be applied to the gross operating revenues derived from  
13 intrastate operations during the preceding calendar year of any such  
14 corporation if the gross operating revenues of the corporation exceeded two  
15 hundred fifty thousand dollars during that preceding calendar year. In no  
16 event may the sum of the assessment rates under this section and section  
17 40-401.01 exceed two-tenths of one per cent of any such corporation's gross  
18 operating revenues derived from intrastate operations during the preceding  
19 calendar year.

20 D. The assessment prescribed by subsections A and B of this section  
21 shall be levied by the commission not later than June 15 and shall be paid  
22 within fifteen days after mailing by registered mail to any such corporation  
23 notice thereof and a statement of the amount.

24 E. ON OR BEFORE JANUARY 10 each public service corporation with gross  
25 operating revenues greater than two hundred fifty thousand dollars shall ~~on~~  
26 ~~or before January 10~~, file with the commission a statement showing its  
27 estimated gross operating revenues derived from intrastate operations during  
28 the preceding calendar year.

29 F. ON OR BEFORE MAY 1 each public service corporation shall, ~~on or~~  
30 ~~before May 1~~, file with the commission, under oath, a statement showing its  
31 gross operating revenues derived from intrastate operations during the  
32 preceding calendar year.

33 Sec. 5. Section 40-408, Arizona Revised Statutes, is amended to read:

34 40-408. Disposition of assessment proceeds; utility regulation  
35 revolving fund; exemption from lapsing

36 A. The utility regulation revolving fund is established.

37 B. All monies received by the commission under the provisions of  
38 section 40-401 shall be deposited, pursuant to sections 35-146 and 35-147,  
39 in the utility regulation revolving fund.

40 C. Subject to legislative appropriation, the commission shall use the  
41 monies in the utility regulation revolving fund for attorneys AND OTHER LEGAL  
42 STAFF employed pursuant to section 40-106, and all expenses of the utilities  
43 division, including compensation of auditors, economists and other staff,  
44 including staff with expertise in the area of corporate accounting, finance

1 and management efficiency of all types of public service corporations, AND  
2 A PART OF THE EXPENSES FOR THE ADMINISTRATIVE AND HEARING DIVISIONS.

3 D. Monies in the utility regulation revolving fund do not revert to  
4 the state general fund pursuant to section 35-190.

5 E. Monies not appropriated or expended from the utility regulation  
6 revolving fund at the end of the fiscal year shall be used to calculate the  
7 annual assessment prescribed in section 40-401.

8 F. The utilities division shall not use any monies from the utility  
9 regulation revolving fund unless such monies are appropriated by the  
10 legislature.

11 Sec. 6. Section 44-2039, Arizona Revised Statutes, is amended to read:  
12 44-2039. Securities regulatory and enforcement fund; purpose

13 A. A securities regulatory and enforcement fund is established and  
14 shall be administered by the commission under the conditions and for the  
15 purposes provided by this section. Monies in the fund are exempt from the  
16 provisions of section 35-190, relating to lapsing.

17 B. Fees collected pursuant to section 44-1861, subsection A,  
18 paragraphs 1 and 2 and subsections D and P shall be deposited, pursuant to  
19 sections 35-146 and 35-147, in the securities regulatory and enforcement  
20 fund.

21 C. Monies in the fund are subject to legislative appropriation. The  
22 commission shall use the monies in the fund for education and regulatory,  
23 investigative and enforcement operations in the securities division AND A  
24 PART OF GENERAL ADMINISTRATIVE AND HEARING EXPENSES OF THE COMMISSION.

25 D. On or before January 15, April 15, July 15 and October 15, the  
26 commission shall cause to be filed with the governor, with copies to the  
27 director of the department of administration, the president of the senate and  
28 the speaker of the house of representatives, a full and complete account of  
29 the receipts and disbursements from the fund in the previous calendar  
30 quarter.

APPROVED BY THE GOVERNOR MAY 1, 2001.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 1, 2001.

Passed the House February 27, 2001,

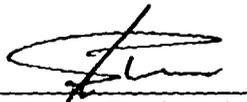
Passed the Senate April 26, 2001,

by the following vote: 60 Ayes,

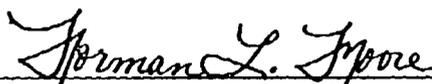
by the following vote: 28 Ayes,

0 Nays, 0 Not Voting

0 Nays, 2 Not Voting

  
Speaker of the House

  
President of the Senate

  
Chief Clerk of the House

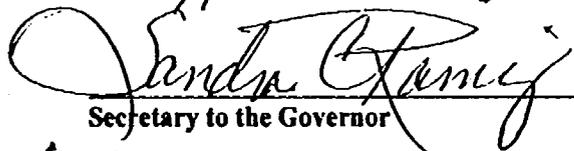
  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

30 day of April, 2001.

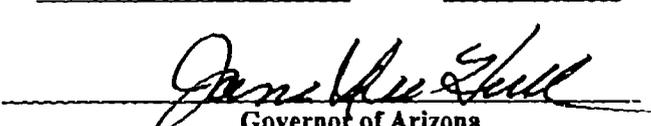
at 11:09 o'clock A M.

  
Secretary to the Governor

Approved this first day of

May, 2001,

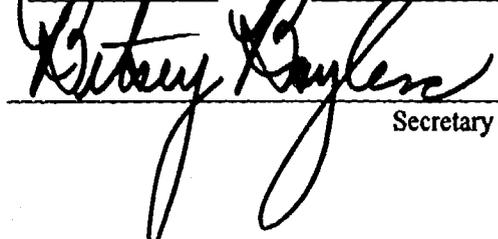
at 2:05 o'clock P M.

  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State  
this 1 day of May, 2001,

at 4:45 o'clock P M.

  
Secretary of State

H.B. 2249