

House Engrossed

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**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
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CHAPTER 214

HOUSE BILL 2810

AN ACT

AMENDING SECTIONS 46-731 AND 46-732, ARIZONA REVISED STATUTES; RELATING TO
UTILITY REPAIR AND DEPOSIT ASSISTANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 46-731, Arizona Revised Statutes, is amended to
3 read:

4 46-731. Utility assistance fund; purposes; administration;
5 nonreversion; reimbursement for administrative costs;
6 definitions

7 A. A utility assistance fund is established to provide eligible
8 recipients with assistance in making utility deposits and owner repairs or
9 replacement of utility related appliances or systems. The department shall
10 administer the fund. Eligible recipients are individuals who are in crisis
11 situations requiring utility repair, deposit assistance or replacement of
12 utility appliances or systems, OR who have a household income at or below
13 one hundred ~~twenty-five~~ FIFTY per cent of the poverty level. ~~or who are~~
14 ~~sixty years of age or older or handicapped and who have a household income at~~
15 ~~or below one hundred fifty per cent of the poverty level.~~ The need for
16 replacement of utility related appliances or systems shall be related to a
17 documented crisis situation. Replacement of utility related appliances is
18 limited to situations in which repair costs exceed replacement cost or an
19 appliance is found to be inoperable with repairs. For the purposes of this
20 subsection, the poverty level is as determined by the United States office of
21 management and budget and reported in the federal register.

22 B. A deposit, including any interest on the deposit, that is made by a
23 subscriber with a utility to secure payment or any amount that is paid in
24 advance for utility services to be furnished, less any lawful deductions or
25 any amount held by a utility that the utility has been ordered to refund by a
26 court or administrative agency, and that remains unclaimed by the subscriber
27 for more than two years after the termination of the services for which the
28 deposit or advance payment was made, or for more than two years after the
29 refund becomes payable and distribution occurs pursuant to the final order of
30 the court or administrative agency that has jurisdiction to establish the
31 terms and conditions of the refund, is presumed abandoned and shall be
32 transmitted annually to the department of revenue for deposit in the utility
33 assistance fund. Any utility that delivers these refund payments to the
34 department of revenue in good faith is relieved of all liability to the
35 extent of any refund payment delivered for any claim then existing or that
36 thereafter may arise or be made in respect to the property. This subsection
37 does not apply to any refund subject to section 44-302, subsection A,
38 paragraph 11 or to any refund that the court or agency order provides will be
39 held by a person other than the utility.

40 C. The director shall provide the use of the utility assistance fund
41 monies to designated community action or other agencies currently providing
42 energy assistance that in the judgment of the director offer assistance
43 services to individuals who are eligible under subsection A of this section
44 to receive assistance under this article. The utility assistance fund monies
45 shall be coordinated with all other state and federal energy assistance

1 programs. An amount of not more than ten per cent of the fund monies may be
2 designated for sewer and water system repairs. The director shall not
3 disburse an amount of more than thirty-five per cent of all monies to the
4 agencies during any quarter.

5 D. The agencies selected by the director shall disburse monies for
6 payment of utility deposits by checks payable to the utility. These payments
7 may be made in a batch process or transmitted electronically. The agencies
8 selected by the director shall disburse monies for the payment of owner
9 utility repairs and replacements by checks payable to the repairer or
10 replacement entity on behalf of the client on satisfactory completion of the
11 work. The client shall indicate in writing that the repairs and replacements
12 have been completed before payment is made.

13 E. The department of revenue shall annually report to the department
14 of economic security the amounts the utility assistance fund receives from
15 each utility that requires a fee to be deposited in order to receive its
16 services. The department of economic security shall report these amounts to
17 the agencies.

18 F. Refunds by the utilities for deposits made by the utility
19 assistance fund shall be transmitted to the department of revenue for deposit
20 in the fund. These refunds are subject to the established tariffs, rules and
21 procedures of the utilities.

22 G. The utilities, the department and the designated community action
23 or other agencies currently providing energy assistance shall inform the
24 public of the utility assistance fund.

25 H. Monies in the utility assistance fund do not revert to the state
26 general fund.

27 I. An amount of not more than two per cent of the utility assistance
28 fund monies, not to exceed twenty thousand dollars in any fiscal year, may be
29 used by the department and an amount of not more than eight per cent of the
30 fund monies, not to exceed eighty thousand dollars in any fiscal year, may be
31 used by the agencies to reimburse them for their administrative costs in
32 providing services under this article.

33 J. Monies that are deposited in the utility assistance fund pursuant
34 to subsection B of this section shall be used only for the purposes of this
35 section and shall not be transferred to another fund for any other purpose.

36 K. For the purposes of this section:

37 1. "Crisis situations" includes a substantial loss or reduction of
38 income, unexpected emergency expenses, a health related emergency or no
39 income in the household. The director may adopt rules that set forth other
40 crisis situations.

41 2. "Utility" means a person that, for public use, transmits, sells,
42 delivers or furnishes electricity, water, gas, sewer or telecommunications
43 services.

1 Sec. 2. Section 46-732, Arizona Revised Statutes, is amended to read:
2 46-732. Eligibility; limits
3 Individuals who are eligible for assistance under this article may
4 apply for assistance with deposits, repairs and replacements but may not
5 apply for assistance more than once during a fiscal year. Assistance
6 provided to an individual in a fiscal year may not exceed ~~nine hundred~~ TWO
7 THOUSAND dollars. An individual who uses a deposit received from the fund to
8 pay an outstanding utility bill without making a payment arrangement with the
9 utility is not eligible to receive further assistance under this article.

APPROVED BY THE GOVERNOR APRIL 25, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 25, 2006.