

House Engrossed

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
House of Representatives
Fifty-first Legislature
First Regular Session
2013

CHAPTER 176

HOUSE BILL 2482

AN ACT

AMENDING SECTION 40-285, ARIZONA REVISED STATUTES; RELATING TO PUBLIC SERVICE CORPORATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 40-285, Arizona Revised Statutes, is amended to
3 read:

4 40-285. Disposition of plant by public service corporations;
5 acquisition of capital stock of public service
6 corporation by other public service corporations;
7 exemption

8 A. A public service corporation shall not sell, lease, assign,
9 mortgage or otherwise dispose of or encumber the whole or any part of its
10 railroad, line, plant, or system necessary or useful in the performance of
11 its duties to the public, or any franchise or permit or any right thereunder,
12 nor shall such corporation merge such system or any part thereof with any
13 other public service corporation without first having secured from the
14 commission an order authorizing it so to do. Every such disposition,
15 encumbrance or merger made other than in accordance with the order of the
16 commission authorizing it is void.

17 B. The approval or permit of the commission under this section shall
18 not revive or validate any lapsed or invalid franchise or permit, or enlarge
19 or add to the powers or privileges contained in the grant of any franchise or
20 permit, or waive any forfeiture.

21 C. ~~Nothing in~~ This section shall DOES NOT prevent the sale, lease or
22 other disposition by any such corporation of property ~~which~~ THAT is not
23 necessary or useful in the performance of its duties to the public, and any
24 sale of its property by such corporation shall be conclusively presumed to
25 have been of property ~~which~~ THAT is not useful or necessary in the
26 performance of its duties to the public as to any purchaser of the property
27 in good faith for value.

28 D. A public service corporation shall not purchase, acquire, take or
29 hold any part of the capital stock of any other public service corporation
30 organized or existing under the laws of this state without a permit from the
31 commission.

32 E. Every assignment, transfer, contract, or agreement for assignment
33 or transfer of any stock in violation of the provisions of this section is
34 void, and the transfer shall not be made on the books of any public service
35 corporation.

36 F. THIS SECTION DOES NOT APPLY TO A TELECOMMUNICATIONS CORPORATION
37 WHOSE RETAIL TELECOMMUNICATIONS SERVICES ARE ALL CLASSIFIED AS COMPETITIVE BY
38 THE COMMISSION, EXCEPT AS MAY OTHERWISE BE DETERMINED BY A COMMISSION ORDER
39 AFTER THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

APPROVED BY THE GOVERNOR MAY 2, 2013.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 2, 2013.

Passed the House February 28, 2013

Passed the Senate May 1, 2013

by the following vote: 56 Ayes,

by the following vote: 28 Ayes,

0 Nays, 4 Not Voting

0 Nays, 2 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

1 day of May, 2013

at 2:25 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 2nd day of

May

at 3:12 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 2nd day of May, 2013

at 4:55 o'clock P M.

[Signature]
acting Secretary of State