

House Engrossed Senate Bill

FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
Senate
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 107

SENATE BILL 1060

AN ACT

AMENDING TITLE 30, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 30-110; REPEALING SECTION 41-3016.12, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3024.16; RELATING TO THE ARIZONA POWER AUTHORITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 30, chapter 1, article 1, Arizona Revised Statutes,
3 is amended by adding section 30-110, to read:

4 30-110. Appealable agency actions; office of administrative
5 hearings; exception; definition

6 A. NOTWITHSTANDING SECTION 41-1092.01, SUBSECTION F, THE OFFICE OF
7 ADMINISTRATIVE HEARINGS SHALL CONDUCT ALL ADMINISTRATIVE HEARINGS RELATED TO
8 APPEALABLE AGENCY ACTIONS AS DEFINED IN SECTION 41-1092 THAT RELATE TO THE
9 PROCEEDINGS, ORDERS OR ACTIONS OF THE AUTHORITY.

10 B. THIS SECTION DOES NOT APPLY TO APPEALS ARISING FROM THE POST-2017
11 HOOVER POWER ALLOCATION PROCESS.

12 C. FOR THE PURPOSES OF THIS SECTION, "POST-2017 HOOVER POWER" MEANS
13 THE CAPACITY AND FIRM ENERGY ALLOCATED TO ENTITIES IN SECTIONS 2(a), 2(b),
14 2(c) AND 2(d) OF THE HOOVER POWER ALLOCATION ACT OF 2011 (P.L. 112-72; 125
15 STAT. 777; 43 UNITED STATES CODE SECTION 619a), FOR DELIVERY COMMENCING
16 OCTOBER 1, 2017, TO BE FURTHER ALLOCATED BY THE AUTHORITY TO ENTITIES IN THIS
17 STATE.

18 Sec. 2. Repeal

19 Section 41-3016.12, Arizona Revised Statutes, is repealed.

20 Sec. 3. Title 41, chapter 27, article 2, Arizona Revised Statutes, is
21 amended by adding section 41-3024.16, to read:

22 41-3024.16. Arizona power authority; conditional termination
23 July 1, 2024

24 A. THE ARIZONA POWER AUTHORITY TERMINATES ON JULY 1, 2024, AND TITLE
25 30, CHAPTER 1, ARTICLE 1 IS REPEALED ON JANUARY 1, 2025, IF THE AUTHORITY:

26 1. HAS NO OUTSTANDING CONTRACTUAL OBLIGATIONS WITH THE UNITED STATES
27 OR ANY UNITED STATES AGENCY.

28 2. HAS NO DEBTS OR OBLIGATIONS THAT WERE ISSUED TO FINANCE THE COST OF
29 THE HOOVER POWER PLANT MODIFICATIONS PROJECT, THE HOOVER POWER PLANT UPRATING
30 PROJECT OR OTHER FACILITIES RELATED TO THE BOULDER CANYON PROJECT.

31 3. HAS OTHERWISE PROVIDED FOR PAYING OR RETIRING THESE DEBTS OR
32 OBLIGATIONS.

33 B. IF ANY CONTRACTUAL DEBT OR OBLIGATION LISTED IN SUBSECTION A OF
34 THIS SECTION EXISTS AND A SATISFACTORY PROVISION HAS NOT BEEN MADE TO PAY OR
35 RETIRE THE DEBT OR OBLIGATION, THE AUTHORITY, AND TITLE 30, CHAPTER 1,
36 ARTICLE 1, SHALL CONTINUE IN EXISTENCE UNTIL THE DEBT OR OBLIGATION IS FULLY
37 SATISFIED.

38 Sec. 4. Performance audit; report; delayed repeal

39 A. The auditor general shall conduct a performance audit, as defined
40 in section 41-1278, Arizona Revised Statutes, of the Arizona power authority
41 to determine whether the authority is achieving the objectives established by
42 the legislature and managing the authority's resources in an effective,
43 economical and efficient manner. The auditor general shall submit a report
44 of the performance audit to the president of the senate and speaker of the
45 house of representatives on or before December 31, 2016.

1 B. This section is repealed from and after September 30, 2017.

2 Sec. 5. Purpose

3 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
4 the legislature continues the Arizona power authority to bargain for, take
5 and receive electrical or other forms of energy and make these forms of
6 energy available for the benefit of this state.

7 Sec. 6. Retroactivity

8 Sections 2 and 3 of this act are effective retroactively to July 1,
9 2016.

10 Sec. 7. Legislative intent

11 It is the intent of the legislature to ensure that the Arizona power
12 authority's post-2017 Hoover power allocation process is not jeopardized and
13 that contracts are issued and the process is completed by October 1, 2017.
14 This act is not intended to obstruct, delay or modify the post-2017 Hoover
15 power allocation and contract process.

16 Sec. 8. Emergency

17 This act is an emergency measure that is necessary to preserve the
18 public peace, health or safety and is operative immediately as provided by
19 law.

APPROVED BY THE GOVERNOR MAY 6, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 6, 2016.

Passed the House April 26, 2016,

Passed the Senate February 8, 2016,

by the following vote: 56 Ayes,

by the following vote: 30 Ayes,

0 Nays, 3 Not Voting
with emergency *1 excused*

0 Nays, 0 Not Voting

[Signature]

[Signature]

Speaker of the House
Pro Tempore

President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

~~Approved this _____ day of~~

~~_____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Governor of Arizona~~

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

S.B. 1060

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate May 4, 2016

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting
u/Emergency

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

4th day of May, 2016

at 4:26 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 6th day of

May

at 3:29 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 6th day of May, 2016

at 5:05 o'clock P. M.

[Signature]
Secretary of State

S.B. 1060