

Senate Engrossed House Bill

**FILED**  
**MICHELE REAGAN**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-second Legislature  
Second Regular Session  
2016

CHAPTER 259

## **HOUSE BILL 2486**

AN ACT

AMENDING TITLE 9, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 9-461.17; 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. Title 9, chapter 4, article 6, Arizona Revised Statutes, is  
3 amended by adding section 9-461.17, to read:

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

6 A. TO THE FULLEST EXTENT ALLOWED BY LAW, IF ANY CONSTRUCTION PROJECT  
7 IN ANY MUNICIPALITY THAT IS UNDERTAKEN INDIVIDUALLY OR JOINTLY BY AN  
8 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 UTILITY,  
12 OR CAUSE THE TELECOMMUNICATIONS UTILITY TO BE REIMBURSED, FOR THE  
13 TELECOMMUNICATIONS UTILITY'S RELOCATION COSTS INCURRED ON FACILITIES LOCATED  
14 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 THE  
18 RELOCATED FACILITIES. IF THE TELECOMMUNICATIONS UTILITY'S EXISTING  
19 FACILITIES ARE LOCATED IN THE RIGHT-OF-WAY UNDER A PERMIT, THE MUNICIPALITY  
20 SHALL PROVIDE AT THE MUNICIPALITY'S EXPENSE THE TELECOMMUNICATIONS UTILITY  
21 WITH RIGHTS IN THE NEW LOCATION OF THE RELOCATED FACILITIES EQUIVALENT TO THE  
22 TELECOMMUNICATIONS UTILITY'S EXISTING RIGHTS UNDER THE PERMIT.

23 C. A TELECOMMUNICATIONS UTILITY SHALL SUBMIT A VERIFIED ITEMIZED CLAIM  
24 TO THE MUNICIPALITY FOR REIMBURSEMENT OF RELOCATION COSTS WITHIN ONE HUNDRED  
25 EIGHTY DAYS AFTER EACH CALENDAR QUARTER IN WHICH A TELECOMMUNICATIONS UTILITY  
26 INCURS RELOCATION COSTS.

27 D. THE MUNICIPALITY SHALL:

28 1. REVIEW EACH VERIFIED ITEMIZED CLAIM SUBMITTED PURSUANT TO  
29 SUBSECTION C OF THIS SECTION. THE REVIEW MAY INCLUDE AN AUDIT CONDUCTED  
30 PURSUANT TO STANDARD INDUSTRY ACCOUNTING PRINCIPLES.

31 2. REIMBURSE THE TELECOMMUNICATIONS UTILITY FOR THE RELOCATION COSTS  
32 WITHIN NINETY DAYS AFTER RECEIPT OF THE VERIFIED ITEMIZED CLAIM.

33 3. REIMBURSE VERIFIED ITEMIZED CLAIMS FROM ALL AFFECTED  
34 TELECOMMUNICATIONS UTILITIES IN THE ORDER OF RECEIPT.

35 E. THE REIMBURSEMENT LIMITATION FOR PAID CLAIMS OF RELOCATION COSTS  
36 FOR TELECOMMUNICATIONS UTILITY FACILITIES FOR WHICH THERE ARE NO EXISTING  
37 LAND RIGHTS IS NOT MORE THAN TWO PERCENT OF THE TOTAL PROJECT MONIES. THE  
38 TOTAL PROJECT MONIES IS THE TOTAL DOLLAR AMOUNT OF ALL VOTER-APPROVED BOND  
39 PROCEEDS THAT FUND A CONSTRUCTION PROJECT FROM TIME TO TIME.

40 F. THE TOTAL AMOUNT OF REIMBURSEMENT PAID FOR CLAIMS OF RELOCATION  
41 COSTS OF ALL TELECOMMUNICATIONS UTILITY FACILITIES FOR WHICH THERE ARE NO  
42 EXISTING LAND RIGHTS MAY NOT EXCEED THE REIMBURSEMENT LIMITATION.

43 G. IF A VERIFIED ITEMIZED CLAIM CAUSES THE TOTAL AMOUNT OF ALL CLAIMS  
44 FOR TELECOMMUNICATIONS UTILITY RELOCATION COSTS TO EXCEED THE REIMBURSEMENT  
45 LIMITATION, THAT CLAIM SHALL BE REDUCED SO THAT THE TOTAL AMOUNT OF

1 REIMBURSEMENT PAID FOR ALL CLAIMS FOR WHICH THERE ARE NO EXISTING LAND RIGHTS  
2 EQUALS THE REIMBURSEMENT LIMITATION.

3 H. IF THE DOLLAR AMOUNT OF THE REIMBURSEMENT LIMITATION INCREASES AS A  
4 RESULT OF AN INCREASE IN TOTAL PROJECT FUNDS AFTER THE PREVIOUS REIMBURSEMENT  
5 LIMITATION IS EXHAUSTED, WITHIN THIRTY DAYS AFTER THE REIMBURSEMENT  
6 LIMITATION IS INCREASED THE MUNICIPALITY SHALL RESUME PROCESSING PREVIOUSLY  
7 SUBMITTED AND NEW VERIFIED ITEMIZED CLAIMS UNDER THIS SECTION.

8 I. THE REIMBURSEMENT LIMITATION DOES NOT APPLY TO ANY CLAIMS FOR  
9 REIMBURSEMENT OF RELOCATION COSTS FOR TELECOMMUNICATIONS UTILITY FACILITIES  
10 WITH EXISTING LAND RIGHTS OR ANY AMOUNTS PAID BY THE MUNICIPALITY TO PROVIDE  
11 EQUIVALENT LAND OR PERMIT RIGHTS. THESE CLAIMS AND AMOUNTS ARE EXCLUDED FROM  
12 THE REIMBURSEMENT LIMITATION.

13 J. THIS SECTION DOES NOT:

14 1. APPLY TO A CONSTRUCTION PROJECT FUNDED IN WHOLE OR IN PART WITH  
15 VOTER-APPROVED MUNICIPAL BOND PROCEEDS IF APPROVAL OF THE BONDS WAS REFERRED  
16 TO THE VOTERS, OR THE INITIATIVE PETITION FOR THE BONDS WAS APPLIED FOR,  
17 BEFORE JANUARY 1, 2017.

18 2. PROHIBIT A MUNICIPALITY FROM COMPLYING WITH OTHER APPLICABLE LAW,  
19 OR WITH AN AGREEMENT, THAT REQUIRES THE MUNICIPALITY TO REIMBURSE A  
20 TELECOMMUNICATIONS UTILITY FOR MORE RELOCATION COSTS THAN THIS SECTION  
21 PROVIDES.

22 K. FOR THE PURPOSES OF THIS SECTION:

23 1. "INTERGOVERNMENTAL CONTRACT" MEANS THE JOINT EXERCISE OF POWERS  
24 AUTHORIZED BY TITLE 11, CHAPTER 7, ARTICLE 3.

25 2. "MUNICIPALITY" INCLUDES A CHARTER CITY.

26 3. "RELOCATION COSTS" MEANS ALL COSTS OF RELOCATING A  
27 TELECOMMUNICATIONS UTILITY'S FACILITIES THAT THE TELECOMMUNICATIONS UTILITY  
28 INCURS AS A DIRECT RESULT OF THE CONSTRUCTION AND OPERATION OF A CONSTRUCTION  
29 PROJECT. RELOCATION COSTS DO NOT INCLUDE PROFIT BUT MAY INCLUDE A REASONABLE  
30 ALLOCATION OF GENERAL OVERHEAD EXPENSES.

31 4. "TELECOMMUNICATIONS UTILITY" MEANS ANY PUBLIC SERVICE CORPORATION,  
32 LICENSED CABLE SYSTEM OPERATOR, TELEPHONE LINE OR TELEGRAPH LINE CORPORATION,  
33 AGRICULTURAL IMPROVEMENT DISTRICT OR OTHER PERSON ENGAGED IN THE  
34 TRANSMISSION, SALE OR DELIVERY OF TELECOMMUNICATIONS, TELEPHONE, CABLE  
35 TELEVISION, INTERNET OR TELEGRAPH SERVICE DIRECTLY TO THE PUBLIC OR TO OTHER  
36 USERS AS TO BE EFFECTIVELY AVAILABLE DIRECTLY TO THE PUBLIC.

APPROVED BY THE GOVERNOR MAY 17, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 17, 2016.

Passed the House February 18, 2016

Passed the Senate March 24, 2016

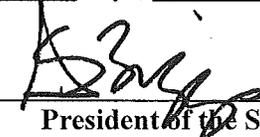
by the following vote: 57 Ayes,

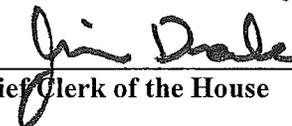
by the following vote: 29 Ayes,

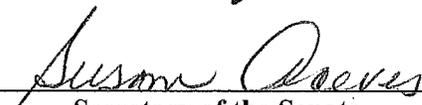
0 Nays, 3 Not Voting

0 Nays, 1 Not Voting

  
\_\_\_\_\_  
Speaker of the House  
 Pro Tempore

  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Chief Clerk of the House

  
\_\_\_\_\_  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

H.B. 2486

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

May 6, 2016,

by the following vote: 56 Ayes,

0 Nays, 4 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this  
7 day of May, 2016,

at 1:18 o'clock A. M.

[Signature]  
Secretary to the Governor

Approved this 17th day of

May, 2016,

at 10:49 o'clock A. M.

[Signature]  
Governor of Arizona

H.B. 2486

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State  
this 17th day of May, 2016,

at 11:40 o'clock A. M.

[Signature]  
Secretary of State