



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

Senate: NREW DP 5-0-2-0 | 3rd Read 24-5-1-0

SB 1345: Arizona power authority; continuation
Sponsor: Senator Kerr, LD 25
Committee on Natural Resources, Energy & Water

Overview

Continues the Arizona Power Authority (APA) for eight years.

History

APA

In 1944, the Arizona Legislature established the APA as a result of the Boulder Canyon Project Act of 1928 that allocated a portion of power produced from the Boulder Canyon Project (Hoover Dam and Power Plant). In order to receive and distribute Arizona's share of hydroelectric power from the Hoover Dam, the APA may acquire or construct and operate electric transmission systems, standby or auxiliary plants and facilities and generate, store, produce, sell at wholesale, transmit and deliver such electric power to qualified purchasers (A.R.S. §§ [30-102](#), [30-121](#)).

Sunset Review Process

The sunset review process provides a system for the Legislature to evaluate the need to continue the existence of state agencies which are reviewed by a legislative committee of reference (COR). The COR is required to hold a public hearing, receive testimony from agency officials and the public and consider certain sunset factors in determining whether to recommend continuing, consolidating or terminating the agency ([A.R.S. § 41-2954](#)).

The Senate Natural Resources, Energy and Water and the House Land, Agriculture & Rural Affairs COR held a public meeting on January 11, 2024 and recommended that the Legislature continue the APA for eight years. The APA terminates on July 1, 2024, unless continued by the Legislature ([A.R.S. § 41-3024.16](#)).

Provisions

1. Continues, retroactive to July 1, 2024, the APA until July 1, 2032. (Sec. 1, 2, 4)
2. Repeals the APA on January 1, 2033, if the APA:
 - a) has no outstanding contractual obligations with the United States or any United States agency;
 - b) has no debts or obligations that were issued to finance the cost of the Hoover Power Plant Modifications Project, the Hoover Power Plant Upgrading Project or other facilities related to the Boulder Canyon Project; and
 - c) has otherwise provided for paying or retiring these debts or obligations. (Sec 2)
3. Requires the APA continue until any existing contractual debt or obligation is fully satisfied. (Sec. 2)
4. Contains a purpose statement. (Sec. 3)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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