

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HOUSE BILL 2780

AN ACT

AMENDING SECTIONS 11-251.12, 48-261, 48-803, 48-805, 48-806, 48-807, 48-815, 48-820 AND 48-822, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 5, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 3; PROVIDING FOR THE DELAYED REPEAL OF TITLE 48, CHAPTER 5, ARTICLE 3, ARIZONA REVISED STATUTES, AS ADDED BY THIS ACT; RELATING TO NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 11-251.12, Arizona Revised Statutes, is amended to
3 read:

4 11-251.12. County islands: fire and emergency services
5 protection: intergovernmental agreement with
6 municipalities: definition

7 A. A county ~~with~~ THAT HAS a population of more than one million five
8 hundred thousand persons and that has a county island that does not form a
9 county island fire district ~~as prescribed by section 48-261, subsection H~~
10 ~~shall~~ MAY enter into an intergovernmental agreement with a municipality or
11 municipalities for fire protection and emergency medical services in that
12 county island. Notwithstanding any other law, a county is liable if the
13 county was negligent in enforcing building, zoning or other related codes in
14 a county island and a municipality that has an intergovernmental agreement to
15 provide fire and emergency medical services pursuant to this section is
16 hindered in responding to an emergency because of a building, zoning or other
17 related code issue.

18 B. If a municipality elects to provide fire and emergency medical
19 services in a county island where a private provider of fire or emergency
20 services already has facilities or provides service, the municipality and the
21 private provider shall enter into an agreement covering the roles and
22 relationships regarding mutual aid or backup agreements and any services for
23 which the municipality wishes to contract and any reimbursement or billing
24 and collection practices. The agreement shall be executed before the
25 municipality commences providing service in the county island. No agreement
26 is required if the private provider notifies the municipality that it will
27 cease service in the county island within one hundred eighty days after the
28 date the municipality commences providing service.

29 C. For the purposes of this article, "county island" means
30 unincorporated territory that is surrounded on all sides by a municipality or
31 where the unincorporated territory THAT has borders that involve a
32 combination of a municipality or municipalities and an Indian reservation.

33 Sec. 2. Section 48-261, Arizona Revised Statutes, is amended to read:

34 48-261. District creation; procedures; notice; hearing;
35 determinations; petitions

36 A. ~~Except for a county island fire district formed pursuant to~~
37 ~~subsection H of this section,~~ A fire district, community park maintenance
38 district, sanitary district or hospital district for either a hospital or an
39 urgent care center shall be created by the following procedures:

40 1. Any adult person desiring to propose creation of a district shall
41 prepare and submit a district impact statement to the board of supervisors of
42 the county in which the district is to be located. Except for a proposed
43 community park maintenance district that is to be located in more than one
44 county, if a proposed district is located in more than one county, the impact
45 statement shall be submitted to the board of supervisors of the county in

1 which the majority of the assessed valuation of the proposed district is
2 located. The boards of supervisors of any other counties in which a portion
3 of the district is to be located shall provide information and assistance to
4 the responsible board of supervisors. For a community park maintenance
5 district that is to be located in more than one county, the impact statement
6 shall be submitted to the board of supervisors for each of the affected
7 counties. If the person desiring to create a district pursuant to this
8 section is unable to complete the district impact statement, the board of
9 supervisors may assist in the completion of the impact statement if requested
10 to do so, provided the bond required in subsection C of this section is in an
11 amount sufficient to cover any additional cost to the county. The district
12 impact statement shall contain at least the following information:

13 (a) A legal description of the boundaries of the proposed district and
14 a detailed, accurate map of the area to be included in the district.

15 (b) An estimate of the assessed valuation within the proposed
16 district.

17 (c) An estimate of the change in the property tax liability, as a
18 result of the proposed district, of a typical resident of the proposed
19 district.

20 (d) A list and explanation of benefits that will result from the
21 proposed district.

22 (e) A list and explanation of the injuries that will result from the
23 proposed district.

24 (f) The names, addresses and occupations of the proposed members of
25 the district's organizing board of directors.

26 (g) A description of the scope of services to be provided by the
27 district during its first five years of operation. At a minimum this
28 description shall include an estimate of anticipated capital expenditures,
29 personnel growth and enhancements to service.

30 2. On receipt of the district impact statement, the board of
31 supervisors shall set a day, not fewer than thirty nor more than sixty days
32 from that date, for a hearing on the impact statement. The board of
33 supervisors, at any time prior to making a determination pursuant to
34 paragraph 4 of this subsection, may require that the impact statement be
35 amended to include any information that the board of supervisors deems to be
36 relevant and necessary.

37 3. ~~Upon~~ **ON** receipt of the district impact statement, the clerk of the
38 board of supervisors shall mail, by first class mail, written notice of the
39 statement, its purpose and notice of the day, hour and place of the hearing
40 on the proposed district to each owner of taxable property and to each
41 household in which a qualified elector resides within the boundaries of the
42 proposed district. The clerk of the board of supervisors shall post the
43 notice in at least three conspicuous public places in the area of the
44 proposed district and shall publish twice in a daily newspaper of general
45 circulation in the area of the proposed district, at least ten days before

1 the hearing, or, if no daily newspaper of general circulation exists in the
2 area of the proposed district, ~~then~~ at least twice at any time before the
3 date of the hearing, a notice setting forth the purpose of the impact
4 statement, the description of the area of the proposed district and the day,
5 hour and place of the hearing.

6 4. At the hearing called pursuant to paragraph 2 of this subsection,
7 the board of supervisors shall hear those who appear for and against the
8 proposed district and shall determine whether the creation of the district
9 will promote public health, comfort, convenience, necessity or welfare. If
10 the board of supervisors determines that the public health, comfort,
11 convenience, necessity or welfare will be promoted, it shall approve the
12 district impact statement and authorize the persons proposing the district to
13 circulate petitions as provided in this subsection. For a community park
14 maintenance district that is required to obtain the approval of more than one
15 county's board of supervisors, the petitions may only be circulated after
16 approval of the board of supervisors from each affected county. The order of
17 the board of supervisors shall be final, but if the request to circulate
18 petitions is denied, a subsequent request for a similar district may be
19 refiled with the board of supervisors after six months from the date of such
20 denial.

21 5. Within fifteen days after receiving the approval of the board of
22 supervisors as prescribed by paragraph 4 of this subsection, the clerk of the
23 board shall determine the minimum number of signatures required for
24 compliance with paragraph 7, ~~subdivision~~ SUBDIVISIONS (b) and (c) of this
25 subsection. After making that determination, that number of signatures shall
26 remain fixed, notwithstanding any subsequent changes in voter registration
27 records.

28 6. After receiving the approval of the board of supervisors as
29 provided in paragraph 4 of this subsection, any adult person may circulate
30 and present petitions to the board of supervisors of the county in which the
31 district is located. All petitions circulated shall be returned to the board
32 of supervisors within one year from the date of the approval of the board of
33 supervisors pursuant to paragraph 4 of this subsection. Any petition that is
34 returned more than one year from that date is void.

35 7. The petitions presented pursuant to paragraph 6 of this subsection
36 shall comply with the provisions regarding petition form in section 48-265
37 and verification in section 48-266 and shall:

38 (a) At all times, contain a legal description of the boundaries of the
39 proposed district and a detailed, accurate map of the proposed district and
40 the names, addresses and occupations of the proposed members of the
41 district's organizing board of directors. No alteration of the proposed
42 district shall be made after receiving the approval of the board of
43 supervisors as provided in paragraph 4 of this subsection.

44 (b) Be signed by more than one-half of the property owners in the area
45 of the proposed district and be signed by persons owning collectively more

1 than one-half of the assessed valuation of the property in the area of the
2 proposed district.

3 (c) If a petition of qualified electors, be signed by more than
4 one-half of the qualified electors within the boundaries of the proposed
5 district.

6 8. On receipt of the petitions, the board of supervisors shall set a
7 day, not fewer than ten nor more than thirty days from that date, for a
8 hearing on the petition.

9 9. Prior to the hearing called pursuant to paragraph 8 of this
10 subsection, the board of supervisors shall determine the validity of the
11 petitions presented.

12 10. At the hearing called pursuant to paragraph 8 of this subsection,
13 the board of supervisors, if the petitions are valid, shall order the
14 creation of the district. The board of supervisors shall enter its order
15 setting forth its determination in the minutes of the meeting, not later than
16 ten days from the day of the hearing, and a copy of the order shall be filed
17 in the county recorder's office. The order of the board of supervisors shall
18 be final, and the proposed district shall be created thirty days after the
19 board of supervisors votes to create the district, except that for a
20 community park maintenance district that is proposed for more than one
21 county, the proposed district is created thirty days after the approval of
22 the board of supervisors of the final county of the counties in which the
23 district is to be located. A decision of the board of supervisors under this
24 subsection is subject to judicial review under title 12, chapter 7,
25 article 6.

26 B. For the purpose of determining the validity of the petitions
27 presented pursuant to subsection A, paragraph 6 of this section:

28 1. Qualified electors shall be those persons qualified to vote
29 pursuant to title 16.

30 2. Property held in multiple ownership shall be treated as if it had
31 only one property owner, so that the signature of only one of the owners of
32 property held in multiple ownership is required on the formation petition.

33 3. The value of property shall be determined as follows:

34 (a) In the case of property assessed by the county assessor, values
35 shall be the same as those shown on the last assessment roll of the county
36 containing such property.

37 (b) In the case of property valued by the department of revenue, the
38 values shall be those determined by the department in the manner provided by
39 law, for municipal assessment purposes. The county assessor and the
40 department of revenue, respectively, shall furnish to the board of
41 supervisors, within twenty days after such a request, a statement in writing
42 showing the owner, the address of each owner and the appraisal or assessment
43 value of properties contained within the boundaries of the proposed district
44 as described in subsection A of this section.

1 C. The board of supervisors may require of the person desiring to
2 propose creation of a district pursuant to subsection A, paragraph 1 of this
3 section a reasonable bond to be filed with the board at the start of
4 proceedings under this section. The bond shall be in an amount sufficient to
5 cover costs incurred by the county if the district is not finally organized.
6 County costs covered by the bond include any expense incurred from completion
7 of the district impact statement, mailing of the notice of hearing to
8 district property owners and electors, publication of the notice of hearing
9 and other expenses reasonably incurred as a result of any requirements of
10 this section.

11 D. If a district is created pursuant to this section, the cost of
12 publication of the notice of hearing, the mailing of notices to electors and
13 property owners and all other costs incurred by the county as a result of ~~the~~
14 ~~provisions of~~ this section shall be a charge against the district.

15 E. If a proposed district would include property located within an
16 incorporated city or town, in addition to the other requirements of
17 subsection A of this section, the board shall approve the creation and
18 authorize the circulation of petitions only if the governing body of the city
19 or town has by ordinance or resolution endorsed such creation.

20 F. Except as provided in section 48-851 AND SECTION 48-2001,
21 subsection A, the area of a district created pursuant to this section shall
22 be contiguous.

23 G. A district organized pursuant to this section shall have an
24 organizing board of directors to administer the affairs of the district until
25 a duly constituted board of directors is elected as provided in this title.
26 The organizing board shall have all the powers, duties and responsibilities
27 of an elected board. The organizing board shall consist of the three
28 individuals named in the district impact statement and the petitions
29 presented pursuant to subsection A of this section. If a vacancy occurs on
30 the organizing board, the remaining board members shall fill the vacancy by
31 appointing an interim member. Members of the organizing board shall serve
32 without compensation but may be reimbursed for actual expenses incurred in
33 performing their duties. The organizing board shall elect from its members a
34 chairman and a clerk.

35 ~~H. For a county island fire district only:~~

36 ~~1. Any person may petition the board of supervisors for the county in~~
37 ~~which the county island fire district is proposed to be located. The~~
38 ~~petitions shall comply with section 48-265 regarding petition form and shall~~
39 ~~be verified as prescribed in section 48-266. If the petitions submitted are~~
40 ~~verified as having the signatures of more than one-half of the aggregate~~
41 ~~number of owners of all of the real property located in the county islands in~~
42 ~~the proposed district as prescribed by section 48-805, subsection E,~~
43 ~~paragraph 1, after a hearing, the board of supervisors may certify the~~
44 ~~establishment of the county island fire district. The county island fire~~
45 ~~district shall be governed by a five member elected district board pursuant~~

1 ~~to section 48-803, but shall be governed initially by a board appointed by~~
2 ~~the county board of supervisors from among qualified electors of the county.~~
3 ~~On formation of the district, the surrounding city or town shall provide fire~~
4 ~~protection services and emergency medical services to the district. The~~
5 ~~initial appointed board shall schedule an election to be held on the next~~
6 ~~consolidated election date as prescribed by section 16-204. That election~~
7 ~~shall be held as otherwise provided by law. The county island fire district~~
8 ~~board shall also notify the county board of supervisors of the cost of~~
9 ~~providing fire protection services and emergency medical services for each~~
10 ~~household or other structure in the district.~~

11 ~~2. In any legal action challenging the validity of this subsection or~~
12 ~~seeking to oppose or enjoin the creation or formation of a district~~
13 ~~contemplated by this subsection, the following apply:~~

14 ~~(a) The board of supervisors of the county that certified the~~
15 ~~establishment of the district, after consultation with the district board,~~
16 ~~may advance funds necessary for the representation of named parties and~~
17 ~~defense of the action.~~

18 ~~(b) A defendant that is a prevailing party in a legal challenge~~
19 ~~contemplated by this paragraph shall be awarded its costs and reasonable~~
20 ~~attorney fees against any party who challenged the validity of this~~
21 ~~subsection or district formation.~~

22 ~~3. Where district formation is contemplated by this subsection, the~~
23 ~~county in which the district or proposed district is located may enter into~~
24 ~~an intergovernmental agreement pursuant to title 11, chapter 7, article 3,~~
25 ~~with the district or proposed district for any purpose not inconsistent with~~
26 ~~this subsection.~~

27 ~~I. H.~~ For the purposes of this section assessed valuation does not
28 include the assessed valuation of property that is owned by a county, this
29 state or the United States government and in the case of multiple ownership
30 of a single parcel of property, any one property owner constitutes the entire
31 ownership interest.

32 ~~J. For the purposes of this section, "county island fire district"~~
33 ~~means a fire district that is formed or proposed to be formed only in those~~
34 ~~unincorporated areas of a single county that are surrounded by a single city~~
35 ~~or town or that are surrounded by a single city or town in combination with~~
36 ~~other publicly owned or sovereign land, and in which the existing private~~
37 ~~fire service provider has issued a notice to the residents of the county~~
38 ~~island that it plans to discontinue or substantially reduce service.~~

39 Sec. 3. Section 48-803, Arizona Revised Statutes, is amended to read:

40 48-803. District administered by a district board

41 A. In a district ~~which~~ THAT the board of supervisors estimates has a
42 population of fewer than four thousand inhabitants, the district board may
43 consist of three or five members. In a district ~~which~~ THAT the board of
44 supervisors estimates has a population of four thousand or more inhabitants,
45 the district board shall consist of five members, and for a **NONCONTIGUOUS**

1 county island fire district formed pursuant to section ~~48-261, subsection H~~
2 ~~48-851~~, the board shall consist of five members. The estimate of population
3 by the board of supervisors is conclusive and shall be based on available
4 census information, school attendance statistics, election or voter
5 registration statistics, estimates provided by state agencies or the county
6 assessor, or other information as deemed appropriate by the board of
7 supervisors. If the board of supervisors determines, at any time prior to
8 one hundred twenty days before the next regular scheduled election for
9 members of a district board, that the population of a fire district
10 administered by a district board consisting of three members exceeds four
11 thousand inhabitants, estimated as provided in this section, the board of
12 supervisors shall order an increase in the number of members of the district
13 board. If the board of supervisors determines at any time prior to one
14 hundred eighty days before the next regularly scheduled election for members
15 of a district board that the population of a fire district administered by a
16 district board that consists of five members exceeds fifty thousand
17 inhabitants as prescribed in this section, the board of supervisors shall
18 inform the district board that it may expand to seven members. Any expansion
19 to seven members shall occur by majority vote of the district board. The
20 increase is effective for the election of the additional members at the next
21 regular election of members of the district board.

22 B. If a vacancy occurs on the district board other than from
23 expiration of a term, the remaining board members shall fill the vacancy by
24 appointment of an interim member. If the entire board resigns or for any
25 reason cannot fulfill its duties, the board of supervisors shall appoint an
26 administrator to administer the district with the same duties and obligations
27 of the elected board. If the board of supervisors fails to appoint an
28 administrator within thirty days, a special election shall be held to fill
29 the vacancies on the fire district board.

30 C. Members of the district board shall serve without compensation, but
31 may be reimbursed for actual expenses incurred in performing duties required
32 by law.

33 D. ~~Except for a county island~~ THE BOARD OF A fire district ~~formed~~
34 ~~pursuant to section 48-261, subsection H, the board~~ shall appoint or hire a
35 fire chief.

36 E. The DISTRICT board shall elect from its members a chairman and a
37 clerk.

38 F. Of the members first elected to DISTRICT boards consisting of three
39 members, the two people receiving the first and second highest number of
40 votes shall be elected to four-year terms, and the person receiving the third
41 highest number of votes shall be elected to a two-year term. Of the members
42 first elected to DISTRICT boards consisting of five members, the three people
43 receiving the first, second and third highest number of votes shall be
44 elected to four-year terms, and the two people receiving the fourth and fifth
45 highest number of votes shall be elected to two-year terms. Thereafter, the

1 term of office of each DISTRICT board member shall be four years from the
2 first day of the month next following such member's election. Of the members
3 elected as additional members to a five member DISTRICT board, the person
4 with the highest number of votes is elected to a four-year term and the
5 person with the second highest number of votes is elected to a two-year term.
6 If a district resolves to increase the governing board to seven members
7 pursuant to subsection A, the governing board may appoint two additional
8 members to serve until the next general election. After the general election
9 at which the two additional members are elected, the newly elected member
10 with the highest number of votes serves a four-year term and the other member
11 serves a two-year term. Thereafter, the term of office for these two new
12 members is four years.

13 Sec. 4. Section 48-805, Arizona Revised Statutes, is amended to read:

14 48-805. Fire district; powers and duties

15 A. A fire district, through its board or elected chief and
16 secretary-treasurer, shall:

17 1. Hold public meetings at least once each calendar month.

18 2. Prepare an annual budget ~~containing~~ THAT CONTAINS detailed
19 estimated expenditures for each fiscal year ~~which shall~~ AND THAT clearly show
20 SHOWS salaries payable to employees of the district, including the elected or
21 appointed chief. The budget shall be posted in three public places and
22 published in a newspaper of general circulation in the district thirty days
23 ~~prior to~~ BEFORE a public hearing at a meeting called by the board or elected
24 chief to adopt the budget. Copies of the budget shall also be available to
25 members of the public ~~upon~~ ON written request to the district. Following the
26 public hearing, the district board or elected chief and secretary-treasurer
27 shall adopt a budget.

28 3. Determine the compensation payable to district personnel.

29 4. Require probationary employees in a paid sworn firefighter
30 position, a reserve firefighter position or a volunteer firefighter position
31 to submit a full set of fingerprints to the fire district. The fire district
32 shall submit the fingerprints to the department of public safety for the
33 purpose of obtaining a state and federal criminal records check pursuant to
34 section 41-1750 and Public Law 92-544. The department of public safety may
35 exchange this fingerprint data with the federal bureau of investigation.

36 B. A fire district, through its board or elected fire chief and
37 secretary-treasurer, may:

38 1. Employ any personnel and provide services deemed necessary for fire
39 protection, for preservation of life and for carrying out its other powers
40 and duties, including providing ambulance transportation services when
41 authorized to do so pursuant to title 36, chapter 21.1, article 2, but a
42 member of a district board shall not be an employee of the district. The
43 merger of two or more fire districts pursuant to section 48-820 or the
44 consolidation with one or more fire districts pursuant to section 48-822

1 shall not expand the boundaries of an existing certificate of necessity
2 unless authorized pursuant to title 36, chapter 21.1, article 2.

3 2. Construct, purchase, lease, lease-purchase or otherwise acquire the
4 following or any interest therein and, in connection with such construction
5 or other acquisition, purchase, lease, lease-purchase or grant a lien on any
6 or all of its present or future property, including:

7 (a) Apparatus, water and rescue equipment, including ambulances and
8 equipment related to any of the foregoing.

9 (b) Land, buildings, equipment and furnishings to house equipment and
10 personnel necessary or appropriate to carry out its purposes.

11 3. Finance the acquisition of property as provided in this section and
12 costs incurred in connection with the issuance of bonds as provided in
13 section 48-806. Bonds shall not be issued without the consent of a majority
14 of the electors of the district voting at an election held for that purpose.
15 For the purposes of an election held under this ~~paragraph~~ SUBSECTION, all
16 persons who are eligible to vote in fire district elections under section
17 48-802 are eligible to vote.

18 4. Enforce the fire code adopted by the district, if any, and assist
19 the state fire marshal in the enforcement of fire protection standards of
20 this state within the fire district including enforcement of a nationally
21 recognized fire code when expressly authorized by the state fire marshal.

22 5. After the approval of the qualified electors of the fire district
23 voting at a regular district election or at a special election called for
24 such purpose by the district board or the elected chief and
25 secretary-treasurer, as appropriate, or at any election held in the county
26 which encompasses the fire district, adopt the _____ fire code, which is
27 a nationally recognized fire code approved by the state fire marshal. The
28 words appearing ~~upon~~ ON the ballots shall be "Should _____ fire
29 district adopt the _____ fire code, which is a nationally recognized
30 fire code approved by the state fire marshal--yes", "Should _____
31 fire district adopt the _____ fire code, which is a nationally
32 recognized fire code approved by the state fire marshal--no". Such code
33 shall be enforced by the county attorney in the same manner as any other law
34 or ordinance of the county. Any inspection or enforcement costs are the
35 responsibility of the fire district involved. The district shall keep on
36 file such code which shall be open to public inspection for a period of
37 thirty days prior to any election for the purpose of adopting a fire code.
38 Copies of the order of election shall be posted in three public places in the
39 district not less than twenty days before the date of the election, and if a
40 newspaper is published in the county having a general circulation in the
41 district, the order shall be published in the newspaper not less than once a
42 week during each of the three calendar weeks preceding the calendar week of
43 the election.

44 6. Amend or revise the adopted fire code, including replacement of the
45 adopted fire code with an alternative nationally recognized fire code, with

1 the approval of the state fire marshal and after a hearing held pursuant to
2 posted and published notice as prescribed by subsection A, paragraph 2 of
3 this section. The district shall keep three copies of the adopted code,
4 amendments and revisions on file for public inspection.

5 7. Enter into an agreement procuring the services of an organized
6 private fire protection company or a fire department of a neighboring city,
7 town, district or settlement without impairing the fire district's powers.

8 8. Contract with a city or town for fire protection services for all
9 or part of the city or town area until the city or town elects to provide
10 regular fire department services to the area.

11 9. Retain a certified public accountant to perform an annual audit of
12 district books.

13 10. Retain private legal counsel.

14 11. Accept gifts, contributions, bequests and grants and comply with
15 any requirements of such gifts, contributions, bequests and grants not
16 inconsistent with this article.

17 12. Appropriate and expend annually such monies as are necessary for
18 the purpose of fire districts belonging to and paying dues in the Arizona
19 fire district association and other professional affiliations or entities.

20 13. Adopt resolutions establishing fee schedules both within and
21 outside of the jurisdictional boundaries of the district for providing fire
22 protection services and services for the preservation of life, including
23 emergency fire and emergency medical services, plan reviews, standby charges,
24 fire cause determination, users' fees, facilities benefit assessments or any
25 other fee schedule that may be required.

26 14. Adopt resolutions for a schedule for financial reimbursement to
27 taxpayers for installation of certain fire protection systems such as
28 sprinklers and monitored alarms. Any resolution to offer reimbursements
29 shall include all of the following:

30 (a) A nationally recognized analysis of the cost savings to the
31 district by using the fire protection systems.

32 (b) The specifications of all qualifying systems.

33 (c) The requirements for claiming reimbursement. The amount of
34 reimbursement offered shall bear a reasonable relationship to the cost
35 savings that accrue to the district as a result of the installation of
36 qualifying systems.

37 (d) The requirement that the resolution to offer reimbursements
38 expires one year after its adoption unless specifically readopted by the
39 governing board. A resolution to readopt a schedule for financial
40 reimbursement shall additionally include a statement as to the program's
41 effectiveness. The statement shall include the amount of reimbursements paid
42 to each taxpayer for the installation of the fire protection system.

43 15. The governing board of a fire district, with the approval of two of
44 the three members of a three member board, four of the five members of a five
45 member board or five of the seven members of a seven member board, may change

1 the district's name and on so doing shall give written notice to the board of
2 supervisors of the change.

3 16. Require all employees to submit a full set of fingerprints as
4 prescribed by subsection A, paragraph 4 of this section.

5 17. Enter into intergovernmental agreements or contracts as follows:

6 (a) Enter into an intergovernmental agreement with another political
7 subdivision for technical or administrative services or to provide fire
8 services to the property owned by the political subdivision, including
9 property that is outside the district boundary.

10 (b) Enter into a contract with individuals to~~+~~

11 ~~(i)~~ provide technical or administrative services.

12 ~~(ii)~~ (c) **ENTER INTO A CONTRACT WITH INDIVIDUALS TO** provide fire
13 protection services **OR EMERGENCY MEDICAL SERVICES, OR BOTH, TO THE EXTENT NOT**
14 **REGULATED BY TITLE 36, CHAPTER 21.1** to property owned by the individual
15 located outside the district boundaries if the individual's property is not
16 located in a county island as defined in section 11-251.12 and at least one
17 of the following apply:

18 ~~(aa)~~ (i) The existing fire service provider where the individual's
19 property is located has issued a notice to the individual that the provider
20 plans to discontinue service.

21 ~~(bb)~~ (ii) Fire service is not available to the individual's property.

22 ~~(cc)~~ (iii) Fire service is offered pursuant to a contract or
23 subscription and the individual has not obtained service for a period of
24 twenty-four months before the date of the contract with the district.

25 ~~(e)~~ (d) Enter into a contract with individuals to provide fire
26 services to property owned by the individual located outside the district
27 boundaries, where the individual's property is located in a county island as
28 defined in section 11-251.12, if both of the following apply:

29 (i) The existing fire service provider where the individual's property
30 is located has issued a notice to the residents of the county island and the
31 individual that the provider plans to discontinue or substantially reduce
32 service.

33 (ii) The district offers contracts to all residents and property
34 owners of the county island who will be affected by the discontinuance or
35 substantial reduction in service by the current fire service provider.

36 ~~(d)~~ (e) For **THE** purposes of subdivision (a), (b), ~~or~~ (c) **OR** (d) of
37 this paragraph, a district may contract with any public or private fire
38 service provider to provide some or all of the contractual services the
39 district is contracting to deliver.

40 ~~(e)~~ (f) Any contract entered into pursuant to subdivisions (b), ~~and~~
41 (c) **AND** (d) of this paragraph shall include a provision setting forth the
42 cost of service and performance criteria.

43 C. The chairman and clerk of the district board or their respective
44 designees or the elected chief and secretary-treasurer, as applicable, shall
45 draw warrants on the county treasurer for money required to operate the

1 district in accordance with the budget and, as so drawn, the warrants shall
2 be sufficient to authorize the county treasurer to pay from the fire district
3 fund.

4 D. The district shall not incur any debt or liability in excess of
5 taxes levied and to be collected and the money actually available and
6 unencumbered at the time in the fund, except as provided in subsection B,
7 paragraph 2 of this section and in sections 48-806 and 48-807.

8 E. ~~For a county island fire district formed pursuant to section~~
9 ~~48-261, subsection H, the following apply:~~

10 ~~1. The district may be formed only in county islands that are located~~
11 ~~in an area that is within the 911 service provider district in which the~~
12 ~~largest city has a population of more than three hundred ninety-five thousand~~
13 ~~persons but less than five hundred thousand persons and that is located~~
14 ~~within the municipal planning area of a town with a population of one hundred~~
15 ~~thousand or more persons as designated in the land use map of the~~
16 ~~municipality's general plan. The district may only be formed if the district~~
17 ~~contains all of the county islands that are prescribed in this paragraph and~~
18 ~~after compliance with the petition requirements prescribed by section 48-261,~~
19 ~~subsection H.~~

20 ~~2. The district is authorized only to receive fire protection services~~
21 ~~and emergency medical services from the adjacent city or town government or~~
22 ~~some other provider of fire protection and emergency medical services. A~~
23 ~~county island fire district has no authority to provide fire protection~~
24 ~~services or emergency medical services by any method other than as prescribed~~
25 ~~by this subsection. The city or town shall charge a reasonable rate to the~~
26 ~~county island fire district to recover the costs of the service and excluding~~
27 ~~the costs of any awards made pursuant to section 48-261, subsection H,~~
28 ~~paragraph 2, and~~ The district board may assess and levy a secondary property
29 tax pursuant to this article to pay for the costs of ~~the service~~ FIRE
30 PROTECTION SERVICES OR EMERGENCY MEDICAL SERVICES EXCEPT FOR SERVICES
31 REGULATED PURSUANT TO TITLE 36, CHAPTER 21.1. ~~The amount charged by the city~~
32 ~~or town is limited as follows:~~

33 ~~(a) For each residence or commercial building, an amount to buy into~~
34 ~~service from the city or town. The amount chargeable pursuant to this~~
35 ~~paragraph is limited to the portion of any new home impact fee being charged~~
36 ~~by that city or town that is designated for fire protection, and that amount~~
37 ~~shall be deferred and payable over a three year period.~~

38 ~~(b) If additional infrastructure is reasonably necessary to provide~~
39 ~~service to the county island fire district, the city or town may charge a fee~~
40 ~~of up to seventy-five dollars per year for each household or other structure~~
41 ~~for up to five years.~~

42 ~~(c) An operation and maintenance charge that is determined by~~
43 ~~calculating the annual operation and maintenance charge for the city or town~~
44 ~~and dividing that amount by the sum of the number of households and~~

1 ~~commercial buildings located in the city or town and the number of households~~
2 ~~and commercial buildings located in the county island fire district.~~

3 ~~(d) Administrative costs of up to five per cent of the annual~~
4 ~~operating and maintenance costs per year but not more than twenty five~~
5 ~~dollars per household or commercial building per year.~~

6 ~~3. Within ten business days after the appointment of the board of~~
7 ~~directors for the district, the district shall issue a request for proposals~~
8 ~~for providers of fire protection and emergency medical services for the~~
9 ~~county island fire district. Notwithstanding any other law, the request for~~
10 ~~proposals is deemed a lawful procurement if the district provides for~~
11 ~~expedited public notice of the request for proposals, the due date and the~~
12 ~~terms of the request for proposals. If there are no responsive and qualified~~
13 ~~bidders on the request for proposals or if the service provider withdraws~~
14 ~~from its contract, the fire protection and emergency medical services shall~~
15 ~~be provided by the adjacent city or town. The request for proposals shall~~
16 ~~provide that the service provider shall be paid not more than the monies~~
17 ~~prescribed by this subsection and shall also provide for a maximum of thirty~~
18 ~~days for the receipt of proposals from service providers. The request for~~
19 ~~proposals shall include the following provisions:~~

20 ~~(a) A successful bidder shall post a ten million dollar performance~~
21 ~~bond, which shall be forfeited if the successful bidder does not fully~~
22 ~~perform the contract or terminates the contract with less than one year's~~
23 ~~notice.~~

24 ~~(b) The performance standards for fire protection and emergency~~
25 ~~services shall conform to those of surrounding municipalities.~~

26 ~~(c) Any municipality that bids to provide services is exempt from the~~
27 ~~performance bond prescribed by subdivision (a) of this paragraph.~~

28 ~~(d) Nothing in the request for proposals shall preclude a private fire~~
29 ~~service provider from submitting and being eligible for a bid for the~~
30 ~~proposed services.~~

31 ~~F. Until formation of a county island fire district is certified by~~
32 ~~the county board of supervisors, a city or town fire service provider is not~~
33 ~~liable for any fire protection services for any areas outside of the city's~~
34 ~~or town's jurisdiction and a city or town has no legal obligation to provide~~
35 ~~fire protection services to residents of the county who are not located~~
36 ~~within the boundaries of the city or town.~~

37 ~~G. Notwithstanding any other law, a city or town is liable if the city~~
38 ~~or town is grossly negligent in providing fire or emergency medical services~~
39 ~~to a county island fire district formed pursuant to this section. For~~
40 ~~purposes of title 23, chapter 6, for a city or town that provides fire or~~
41 ~~emergency medical services to a county island fire district pursuant to this~~
42 ~~section, the providers of those services are acting within the scope of their~~
43 ~~duties to the city or town while providing those services to a county island~~
44 ~~fire district and the city or town shall provide workers' compensation~~
45 ~~coverage to those providers.~~

1 ~~H. Subsection E of this section does not apply to and a county island~~
2 ~~fire district cannot be formed to include real property owned by a public~~
3 ~~service corporation that is regulated by the corporation commission or real~~
4 ~~property owned by a special taxing district organized pursuant to title 48,~~
5 ~~chapter 17.~~

6 ~~I.~~ F. The county attorney may advise and represent the district when
7 in the county attorney's judgment such advice and representation are
8 appropriate and not in conflict with the county attorney's duties under
9 section 11-532. If the county attorney is unable to advise and represent the
10 district due to a conflict of interest, the district may retain private legal
11 counsel or may request the attorney general to represent it, or both.

12 Sec. 5. Section 48-806, Arizona Revised Statutes, is amended to read:
13 48-806. Bond election; issuance and sale of bonds

14 A. EXCEPT FOR A DISTRICT FORMED PURSUANT TO SECTION 48-851, the
15 district board or the elected chief and secretary-treasurer may order an
16 election by the qualified electors of the district to be held pursuant to
17 title 16, chapter 2, article 1 to determine whether bonds shall be issued on
18 behalf of the district. The order shall specify the maximum principal amount
19 of bonds to be issued, the maximum number of years bonds of any issue or
20 series may run from their date not exceeding thirty years, the purpose for
21 which the bonds are to be issued, the maximum rate of interest which the
22 bonds are to bear, the date and hours of the election and the location of the
23 polling places. Copies of the order shall be posted in three public places
24 within the district not less than twenty days prior to the date of the
25 election, and if a newspaper is published within the county having a general
26 circulation within the district, the order shall be published in the
27 newspaper not less than once a week during each of the three calendar weeks
28 preceding the calendar week of the election.

29 B. A DISTRICT BOARD FORMED PURSUANT TO SECTION 48-851 SHALL NOT ORDER
30 AN ELECTION FOR OR ISSUE BONDS UNDER THIS SECTION.

31 ~~B.~~ C. Instead of publishing the notice described in subsection A OF
32 THIS SECTION, the board of directors may mail a notice of election to each
33 household containing a qualified elector of the district. The notice shall
34 contain the same information described in subsection A OF THIS SECTION except
35 that the notice shall not contain the location of all the polling places for
36 that election. The notice shall contain the location of the polling place
37 for that household's qualified electors. The notice shall be mailed at least
38 thirty-five days before the election.

39 ~~C.~~ D. At the election the ballot shall contain the phrases "for the
40 bonds" and "against the bonds". There shall be placed a square or other
41 designated marking space in the same manner as used for candidates on
42 ballots. The voter shall indicate a vote "for the bonds" or "against the
43 bonds". No other question, word or figure need be printed on the ballot.
44 The ballot need not be any particular size, nor need sample ballots be
45 printed, posted or distributed but ballots shall comply with standards

1 otherwise provided by law including requirements for electronic voting, if
2 applicable.

3 ~~D~~ E. If a majority of the qualified electors of the district voting
4 at the election approves the issuance of bonds, the district board or the
5 elected chief and secretary-treasurer, as appropriate, may issue bonds in an
6 aggregate principal amount not exceeding the lesser of six per cent of the
7 value of the taxable property in the district as shown on the last property
8 tax assessment roll before issuing the bonds or the maximum amount specified
9 in the election order.

10 ~~E~~ F. Bonds may be in such denominations, may be in registered or
11 bearer form either as to principal or interest, or both, may mature at such
12 times not exceeding the maximum maturity specified in the election order and
13 may be subject to redemption prior to maturity, all as specified by the
14 district board or elected chief and secretary-treasurer, as appropriate, as
15 provided in subsection ~~D~~ E OF THIS SECTION. The district may engage the
16 services of a depository to administer a book entry system for the bonds.
17 The costs and expenses of such depository and any registrar or paying agent
18 for the bonds shall be deemed to be interest expenses that may also be paid
19 from the tax levy made pursuant to subsection ~~H~~ I OF THIS SECTION.

20 ~~F~~ G. Bonds shall be executed by the manual or facsimile signatures
21 of the chairman and clerk of the district board or elected chief and
22 secretary-treasurer of the district. Coupons attached to the bonds shall
23 bear the facsimile signature of the chairman of the district board or the
24 elected chief of the district, as appropriate.

25 ~~G~~ H. The district board may sell the bonds at public or private sale
26 or through an on-line bidding process. In addition, the district board may
27 negotiate loan agreements or loan repayment agreements with the greater
28 Arizona development authority in lieu of selling bonds where authority to
29 sell bonds has been granted by the district's voters. The proceeds of sale
30 on the bonds shall be deposited in an account of the fire district fund to be
31 known as the capital fund to be applied for the purpose for which the bonds
32 were issued.

33 ~~H~~ I. After the bonds are issued, the district board or elected chief
34 and secretary-treasurer, as appropriate, shall enter on the district's
35 minutes a record of the bonds sold and shall annually determine the amount of
36 the tax levy to pay the bonds and certify such amount to the board of
37 supervisors of the county. The board of supervisors shall annually cause to
38 be levied and collected a tax, at the same time and in the same manner as
39 other taxes are levied and collected upon all taxable property in the
40 district, sufficient to pay principal of and interest on the bonds as they
41 become due and payable. Monies derived from the levy of the tax when
42 collected shall be deposited in the debt service fund and shall be applied
43 only to payment of the principal of and interest on the bonds. On payment of
44 the outstanding bonded indebtedness of the district, any monies remaining in

1 the debt service fund shall be used to reduce the district's property tax
2 levy in the next fiscal year.

3 Sec. 6. Section 48-807, Arizona Revised Statutes, is amended to read:
4 48-807. County fire district assistance tax; annual budget

5 A. The board of supervisors of a county shall levy, at the time of
6 levying other property taxes, a county fire district assistance tax on the
7 taxable property in the county of not ~~to exceed~~ MORE THAN ten cents per one
8 hundred dollars of assessed valuation. The tax levy provided for in this
9 subsection shall be a levy of secondary property taxes and shall not be
10 subject to title 42, chapter 17, article 2. The county treasurer shall pay
11 to each FIRE district, INCLUDING A FIRE DISTRICT FORMED PURSUANT TO SECTION
12 48-851, in the county from the proceeds of the tax an amount equal to twenty
13 per cent of the property tax levy adopted by the district for the fiscal year
14 in which the tax will be levied, except that:

15 1. The amount of assistance from the county to a fire district shall
16 be reduced as follows:

17 (a) By the dollar amount that the fire district receives from the fire
18 district assistance tax that exceeds three hundred thousand dollars from and
19 after June 30 of each fiscal year.

20 (b) Except as provided in paragraph 2, if the total amount to be paid
21 to all districts in the county under this paragraph exceeds the amount to be
22 raised by the levy of ten cents per one hundred dollars assessed valuation,
23 then the county treasurer shall pay an amount less than twenty per cent of
24 the property tax levy of each district. The amount to be paid by the county
25 treasurer to each district shall be determined by multiplying the proceeds of
26 the county fire district assistance tax against the proportion that twenty
27 per cent of the property tax levy of each district bears to the total of
28 twenty per cent of the property tax levies of all fire districts in the
29 county.

30 2. For fiscal years beginning from and after July 1, 1992, the amount
31 of assistance from the county to a fire district shall not be less than the
32 assistance provided from and after June 30, 1991 through June 30, 1992, if,
33 for the fiscal year in which the tax will be levied, the district levies a
34 tax, in addition to any tax levied under section 48-806, of three dollars per
35 one hundred dollars of assessed valuation and the assessed valuation is at
36 least ninety per cent of the assessed valuation for the 1991 tax year. This
37 paragraph does not apply to fire districts subject to paragraph 1,
38 subdivision (a).

39 B. For the purpose of subsection A of this section, the property tax
40 levy of the fire district shall include in lieu contributions pursuant to
41 chapter 1, article 8 of this title but shall not include property tax levies
42 to be applied to the payment of principal and interest on bonds issued
43 pursuant to section 48-806.

44 C. Notwithstanding subsection A of this section, if two or more fire
45 districts merge to form a consolidated district, the last amount received by

1 each fire district from the fire district assistance tax prior to the merger
2 shall be combined and if the combined amount exceeds three hundred thousand
3 dollars, the consolidated district may continue to receive that amount from
4 the fire district assistance tax.

5 D. If two or more fire districts merge to form a consolidated district
6 and the total of the amounts received by each fire district from the fire
7 district assistance tax is less than three hundred thousand dollars, the
8 consolidated district may continue to receive monies until its receipts total
9 three hundred thousand dollars, as prescribed in subsection A of this
10 section.

11 E. Not more than ten days after the perfection of the organization of
12 a fire district, and thereafter not later than August 1 of each year, the
13 chief and the secretary-treasurer of the district, or if there is a district
14 board, the chairman of the board, shall submit to the board of supervisors an
15 estimate, certified by items, of the amount of money required for the
16 equipment and maintenance of the district for the ensuing year.

17 F. The board, based on the budget submitted by the district, shall
18 levy, in addition to any tax levied as provided in section 48-806, a tax not
19 to exceed three dollars twenty-five cents per one hundred dollars of assessed
20 valuation against all property situated within the district boundaries and
21 appearing ~~upon~~ ON the last assessment roll. The levy shall be made and the
22 taxes collected in the manner, at the time and by the officers provided by
23 law for the collection of general county taxes.

24 G. The county treasurer shall keep the money received from ~~such~~ taxes
25 LEVIED PURSUANT TO SUBSECTION F OF THIS SECTION in a separate fund known as
26 the "fire district fund" of the ~~town or settlement~~ DISTRICT for which
27 collected. Any surplus remaining in the fund at the end of the fiscal year
28 shall be credited to the fire district fund of the ~~town or settlement~~
29 DISTRICT for which collected for the succeeding fiscal year.

30 H. When a fire district has adopted a budget and the board of
31 supervisors has levied a fire district tax as provided in subsection F of
32 this section and the district has insufficient money in its fund with the
33 county treasurer to operate the district, the elected chief and the
34 secretary-treasurer, or if there is a district board, the chairman of the
35 board, on or after August 1 of each year, may draw warrants for the purposes
36 prescribed in section 48-805 on the county treasurer, payable on November 1
37 of that year or on April 1 of the succeeding year. The aggregate amounts of
38 the warrants may not exceed ninety per cent of the taxes levied by the county
39 for the district's current fiscal year. If the treasurer cannot pay a
40 warrant for lack of funds in the fire district fund, the warrant shall be
41 endorsed, be registered, bear interest and be redeemed as provided by law for
42 county warrants, except that the warrants are payable only from the fire
43 district fund.

1 Sec. 7. Section 48-815, Arizona Revised Statutes, is amended to read:
2 48-815. Dissolution of fire district; disposition of claims and
3 fund balance

4 A. If a petition is filed with the governing body of the fire district
5 containing the signatures of at least ten per cent of the qualified electors
6 of the district, which asks for dissolution of the district, the governing
7 body of the district shall call an election as provided in section 48-802
8 within the district to decide whether the district shall be dissolved. The
9 words appearing upon the ballots shall be "dissolution of _____
10 fire district -- yes", "dissolution of _____ fire district
11 -- no".

12 B. The elected chief or the chairman of the district board shall
13 execute a certificate, attested by the secretary-treasurer or the clerk of
14 the district board, setting forth the results of the election of the district
15 and within five days thereafter file it with the clerk of the board of
16 supervisors. The board of supervisors at its next regular meeting shall make
17 a written order reciting the facts of the certificate and if the district is
18 dissolved list the unpaid valid claims against the district, which shall
19 thereupon be paid by the county treasurer upon warrants drawn from the money
20 available in the fire district fund. The order shall be signed and attested
21 and the original thereof filed in the office of the county recorder, and
22 recorded in the miscellaneous records.

23 C. Upon the recording thereof the fire district shall be abolished,
24 and all money remaining in such fire district fund, after the payment of all
25 valid claims against the district, shall be transferred to the general fund
26 of the county, but if all of the fire district has been included within the
27 corporate limits of a city or town, then, upon disbanding as provided by this
28 section, the equipment, assets and liabilities of the district shall be
29 transferred to such city or town.

30 D. Taxes shall continue to be levied as provided in section 48-806,
31 subsection ~~H~~ I on all the taxable property within the formal boundaries of
32 the district to pay the principal or any interest on outstanding bonds of the
33 district.

34 Sec. 8. Section 48-820, Arizona Revised Statutes, is amended to read:
35 48-820. Election to merge fire districts; notice; hearing;
36 approval; joint meeting; merged district board

37 A. Except as provided in subsection ~~I~~ J OF THIS SECTION, the board of
38 supervisors shall make an order calling for an election to decide whether to
39 merge fire districts when a resolution for merger from each district is
40 submitted to the board. The board of supervisors shall not make an order
41 calling for an election to merge fire districts more frequently than once
42 every two years. Whether or not the districts are merged, the fire districts
43 shall reimburse the counties for the expenses of the election, including the
44 cost of mailing any notices required pursuant to this section. If the
45 proposed district is located in more than one county, the resolutions shall

1 be submitted to the board of supervisors of the county in which the majority
2 of the assessed valuation of the proposed district is located. The words
3 appearing on the ballot shall be "(insert fire districts' names) merge as a
4 fire district--yes" and "(insert fire districts' names) merge as fire
5 district--no."

6 B. Within fourteen days after the election, the board of supervisors
7 shall meet and canvass the returns, and if it is determined that a majority
8 of the votes cast at the election in each of the affected districts is in
9 favor of merging the fire districts, the board shall enter that fact on its
10 minutes.

11 C. EXCEPT AS PRESCRIBED IN SUBSECTION D OF THIS SECTION, two or more
12 fire districts may merge if the governing body of each affected fire
13 district, by a majority vote of the members of each governing body, adopts a
14 resolution declaring that a merger be considered and a public hearing be held
15 to determine if a merger would be in the best interests of the district and
16 would promote public health, comfort, convenience, necessity or welfare.
17 After each district adopts such a resolution, the governing body by first
18 class mail shall send written notice of the resolution, its purpose and
19 notice of the day, hour and place of a hearing on the proposed merger to each
20 owner of taxable property within the boundaries of the district. The notice
21 shall contain the name and description of the boundaries of each district
22 proposed to be merged and a detailed, accurate map of the area to be included
23 in the merger. No new territory may be included as a result of the merger.

24 D. A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT FORMED PURSUANT TO
25 SECTION 48-851 SHALL NOT MERGE WITH A FIRE DISTRICT FORMED PURSUANT TO
26 SECTION 48-261.

27 ~~D.~~ E. The clerk of the governing body shall post notice in at least
28 three conspicuous public places in the district and shall also publish notice
29 twice in a daily newspaper of general circulation in the county in which the
30 district is located, at least ten days before the public hearing. The clerk
31 of each governing body affected by the proposed merger shall also mail notice
32 and a copy of the resolution in support of the merger to the chairman of the
33 board of supervisors of the county or counties in which the affected
34 districts are located. The chairman of the board of supervisors shall order
35 a review of the proposed merger and shall submit written comments to the
36 governing body of each fire district located in that county within ten days
37 after receipt of the notice.

38 ~~E.~~ F. At the hearing, the governing body of the district shall
39 consider the comments of the board of supervisors, hear those persons who
40 appear for or against the proposed merger and determine whether the proposed
41 merger will promote public health, comfort, convenience, necessity or
42 welfare. If, after the public hearing each of the governing bodies of the
43 districts affected by the proposed merger adopt a resolution by a
44 three-fourths vote that the merger will promote public health, comfort,
45 convenience, necessity or welfare, each of the governing bodies of the

1 districts affected by the proposed merger shall submit the resolutions to the
2 board of supervisors.

3 ~~F.~~ G. Before considering any resolution of merger pursuant to this
4 section, a governing body shall obtain written consent to the merger from any
5 single taxpayer residing within each of the affected districts who owns
6 thirty per cent or more of the net assessed valuation of the total net
7 assessed valuation of the district. If written consent contemplated by this
8 subsection is not obtained, then the provisions of subsections A and B apply,
9 and the merger may only be accomplished by election.

10 ~~G.~~ H. If the proposal for merger is approved as provided by
11 subsection B OF THIS SECTION, the governing body of the affected district
12 with the largest population within thirty days shall call a joint meeting of
13 the governing bodies of all of the affected districts. At the joint meeting,
14 a majority of the members of the governing body of each affected district
15 constitutes a quorum for the purpose of transacting business. The members of
16 the governing body shall appoint a total of five persons from those currently
17 serving on the governing bodies who shall complete their regular terms of
18 office, except that no more than three of the persons appointed may serve
19 terms that end in the same year. No more than three members shall be
20 appointed from the same fire district board. Subsequent terms of office for
21 district board members shall be filled by election of board members who shall
22 be qualified electors of the merged district.

23 ~~H.~~ I. The appointed governing body shall immediately meet and
24 organize itself and elect from its members a chairman and a clerk. The
25 appointed board by resolution shall declare the districts merged and each
26 affected district joined. The governing board by resolution shall declare
27 the name of the newly merged fire district. The resolution and the names of
28 the new board members for the newly organized district shall be sent to the
29 board of supervisors, and the merger shall be deemed completed thirty days
30 after the adoption of the resolution.

31 ~~I.~~ J. If the requirements of subsection ~~F.~~ G OF THIS SECTION are met
32 and each of the governing body votes required by subsections C and ~~E.~~ F OF
33 THIS SECTION are unanimous, ~~then~~ subsections A and B ~~shall~~ OF THIS SECTION DO
34 not apply.

35 Sec. 9. Section 48-822, Arizona Revised Statutes, is amended to read:

36 48-822. Election to consolidate fire districts; resolution;
37 impact statement; hearing

38 A. Except as provided in subsection ~~D.~~ E of this section, the board of
39 supervisors shall make an order calling for an election to decide whether to
40 consolidate fire districts when a resolution for consolidation of fire
41 districts from the requesting district is submitted to the board. The board
42 of supervisors shall not make an order calling for an election to consolidate
43 fire districts more frequently than once every two years. Whether or not the
44 districts are consolidated, the fire districts shall reimburse the counties
45 for the expenses of the election, including the cost of mailing any notices.

1 If the proposed district is located in more than one county, the resolutions
2 shall be submitted to the board of supervisors of the county in which the
3 majority of the assessed valuation of the proposed district is located. The
4 words appearing on the ballot shall be "(insert fire districts' names)
5 consolidate as a fire district--yes" and "(insert fire districts' names)
6 consolidate as fire district--no."

7 B. Within fourteen days after the election, the board of supervisors
8 shall meet and canvass the returns, and if it is determined that a majority
9 of the votes cast at the election in each of the affected districts is in
10 favor of consolidating the fire districts, the board shall enter that fact on
11 its minutes.

12 C. EXCEPT AS PROSCRIBED BY SUBSECTION D OF THIS SECTION, a fire
13 district may consolidate with one or more other fire districts formed
14 pursuant to section 48-261 as follows:

15 1. A resolution requesting the consolidation of one fire district is
16 passed by a majority vote of the governing body requesting consolidation into
17 another fire district. The requesting district shall send by first class
18 mail the notice of request to consolidate districts to the fire district in
19 which the consolidation is requested.

20 2. On receipt of the resolution requesting consolidation, and on
21 approval by majority vote of the governing body receiving the request, the
22 fire districts by mutual agreement shall prepare a consolidation impact
23 statement that includes the following:

24 (a) A legal description of the boundaries of the proposed consolidated
25 district and a detailed, accurate map of the area to be included in the
26 consolidated district. No new territory may be included as a result of a
27 district consolidation.

28 (b) An estimate of the assessed valuation in the proposed consolidated
29 district.

30 (c) An estimate of the change in the property tax liability of a
31 typical resident of the proposed consolidated district as a result of the
32 proposed consolidated district.

33 (d) A list and explanation of benefits that will result from the
34 proposed consolidated district.

35 (e) A list and explanation of the injuries that will result from the
36 proposed consolidated district.

37 3. On completion of the consolidation impact statement, the governing
38 body of each fire district shall set a day for a hearing on the impact
39 statement that is not fewer than sixty nor more than ninety days after the
40 date of the completion and approval of the consolidation impact statement.
41 The district governing bodies at any time before making a determination
42 pursuant to paragraph ~~4~~ 5 of this subsection may require that the impact
43 statement be amended to include any information that the board deems to be
44 relevant and necessary.

1 4. On setting the date for hearing on the consolidated district impact
2 statement, the clerk of each governing body shall send by first class mail
3 written notice of the statement, its purpose and notice of the day, hour and
4 place of the hearing on the proposed consolidated district to each owner of
5 taxable property within the boundaries of the respective fire districts. At
6 least ten days before the hearing, the clerk of each governing body shall
7 post the notice in at least three conspicuous public places in the respective
8 districts and shall publish notice twice in a daily newspaper of general
9 circulation in the area of the proposed consolidated district.

10 5. At the hearing called pursuant to paragraph 3 of this subsection,
11 the governing body shall hear those persons who appear for and against the
12 proposed consolidated district and shall determine whether the creation of
13 the district will promote public health, comfort, convenience, necessity or
14 welfare. If the governing body of each district determines that the public
15 health, comfort, convenience, necessity or welfare will be promoted, it shall
16 approve the consolidated district impact statement.

17 6. Within fifteen days after the approval of the board as prescribed
18 by paragraph 5 of this subsection, the clerk of the board of the district
19 requesting consolidation shall send by first class mail notice of the
20 approval to the fire district in which the consolidation is requested.

21 7. After receiving the approval of the requesting governing body to
22 consolidate districts as provided in paragraph 6 of this subsection, the
23 governing body of the district into which consolidation was requested shall
24 set a day for a hearing on the consolidation of the districts. The hearing
25 shall be held not fewer than thirty nor more than sixty days after the date
26 of the approval by the requesting governing body.

27 8. At the hearing called pursuant to paragraph 7 of this subsection,
28 the governing body shall determine if the creation of the consolidated
29 district will promote public health, comfort, convenience, necessity or
30 welfare. If the governing body of the district determines that the public
31 health, comfort, convenience, necessity or welfare will be promoted, it shall
32 by resolution declare the districts consolidated and each affected district
33 joined.

34 9. The governing body shall submit the resolution of consolidation to
35 the board of supervisors.

36 10. Those persons currently serving as the governing body of the
37 district into which consolidation was requested shall serve as the governing
38 body of the newly consolidated district and complete their regular terms of
39 office. The newly consolidated district governing body shall consist of at
40 least five members.

41 11. If the consolidation results in a new district population that is
42 greater than fifty thousand persons, the new governing board may appoint an
43 additional two members to serve until the next general election at which time
44 the newly elected member with the highest number of votes serves a four year

1 term and the other member serves a two year term. Thereafter, the term of
2 office for these two new members is four years.

3 12. The governing body by resolution shall declare the name of the
4 newly consolidated fire district.

5 13. If a newly consolidated fire district has a combined population
6 that exceeds fifty thousand persons, the governing body of the newly
7 consolidated fire district by resolution may declare the name of the newly
8 consolidated fire district to include within the name the title of fire
9 authority.

10 14. If a proposed consolidated district would include property located
11 in an incorporated city or town, in addition to the other requirements of
12 this section, the governing body of the district shall approve the creation
13 of the consolidated district only if the governing body of the city or town
14 endorses the creation by ordinance or resolution.

15 15. Before considering any resolution of consolidation pursuant to this
16 section, a governing body shall obtain written consent to the consolidation
17 from any single taxpayer residing within each of the affected districts who
18 owns thirty per cent or more of the net assessed valuation of the total net
19 assessed valuation of the district.

20 D. A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT FORMED PURSUANT TO
21 SECTION 48-851 SHALL NOT CONSOLIDATE WITH A FIRE DISTRICT FORMED PURSUANT TO
22 SECTION 48-261.

23 ~~D.~~ E. If the requirements of subsection C, paragraph 15 of this
24 section are met and each of the governing body votes required by this section
25 are unanimous, ~~then~~ subsections A and B of this section ~~shall~~ DO not apply.

26 Sec. 10. Title 48, chapter 5, Arizona Revised Statutes, is amended by
27 adding article 3, to read:

28 ARTICLE 3. NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICTS

29 48-851. Noncontiguous county island fire district; formation;
30 definition

31 A. A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT SHALL BE FORMED BY THE
32 FOLLOWING PROCEDURES:

33 1. ONE OR MORE PERSONS WHO WISH TO PETITION FOR A NONCONTIGUOUS COUNTY
34 ISLAND FIRE DISTRICT SHALL REQUEST AND THE COUNTY ASSESSOR SHALL PROVIDE A
35 MAP OF ALL OF THE COUNTY ISLAND AREAS THAT ARE CONTAINED WITHIN THE MUNICIPAL
36 PLANNING AREA OF A CITY.

37 2. WITHIN THIRTY DAYS AFTER RECEIVING A MAP FROM THE COUNTY ASSESSOR,
38 THE PERSON SHALL SUBMIT A REVISED MAP THAT INDICATES THOSE COUNTY ISLAND
39 AREAS THAT ARE PROPOSED TO BE INCLUDED IN THE NONCONTIGUOUS COUNTY ISLAND
40 FIRE DISTRICT AND SHALL SUBMIT THE NAMES AND ADDRESSES OF THREE PERSONS WHO
41 ARE PROPOSED TO SERVE AS THE ORGANIZING BOARD OF THE DISTRICT.

42 3. ON RECEIPT OF THE REVISED MAP AND THE PROPOSED ORGANIZING BOARD'S
43 MEMBERSHIP, THE BOARD OF SUPERVISORS SHALL SET A DAY FOR A HEARING ON THE
44 PROPOSED DISTRICT FORMATION.

1 4. THE CLERK OF THE BOARD OF SUPERVISORS SHALL MAIL, BY FIRST CLASS
2 MAIL, WRITTEN NOTICE OF THE STATEMENT, ITS PURPOSE AND NOTICE OF THE DAY,
3 HOUR AND PLACE OF THE HEARING ON THE PROPOSED DISTRICT TO EACH OWNER OF
4 TAXABLE PROPERTY AND TO EACH HOUSEHOLD IN WHICH A QUALIFIED ELECTOR RESIDES
5 WITHIN THE BOUNDARIES OF THE PROPOSED DISTRICT. THE CLERK OF THE BOARD OF
6 SUPERVISORS SHALL POST THE NOTICE IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES
7 IN THE AREA OF THE PROPOSED DISTRICT AND SHALL PUBLISH TWICE IN A DAILY
8 NEWSPAPER OF GENERAL CIRCULATION IN THE AREA OF THE PROPOSED DISTRICT, AT
9 LEAST TEN DAYS BEFORE THE HEARING, OR, IF NO DAILY NEWSPAPER OF GENERAL
10 CIRCULATION EXISTS IN THE AREA OF THE PROPOSED DISTRICT, AT LEAST TWICE AT
11 ANY TIME BEFORE THE DATE OF THE HEARING, A NOTICE SETTING FORTH THE PURPOSE
12 OF THE PROPOSED DISTRICT FORMATION, THE DESCRIPTION OF THE AREA OF THE
13 PROPOSED DISTRICT AND THE DAY, HOUR AND PLACE OF THE HEARING.

14 5. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION,
15 THE BOARD OF SUPERVISORS SHALL HEAR THOSE WHO APPEAR FOR AND AGAINST THE
16 PROPOSED DISTRICT AND SHALL DETERMINE WHETHER THE CREATION OF THE DISTRICT
17 WILL PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF
18 THE BOARD OF SUPERVISORS DETERMINES THAT THE PUBLIC HEALTH, COMFORT,
19 CONVENIENCE, NECESSITY OR WELFARE WILL BE PROMOTED, IT SHALL AUTHORIZE THE
20 PERSONS PROPOSING THE DISTRICT TO CIRCULATE PETITIONS AS PROVIDED IN THIS
21 SUBSECTION. THE ORDER OF THE BOARD OF SUPERVISORS SHALL BE FINAL, BUT IF THE
22 REQUEST TO CIRCULATE PETITIONS IS DENIED, A SUBSEQUENT REQUEST FOR A SIMILAR
23 DISTRICT MAY BE REFILED WITH THE BOARD OF SUPERVISORS AFTER SIX MONTHS FROM
24 THE DATE OF THE DENIAL.

25 6. WITHIN FIFTEEN DAYS AFTER RECEIVING THE APPROVAL OF THE BOARD OF
26 SUPERVISORS AS PRESCRIBED BY PARAGRAPH 5 OF THIS SUBSECTION, THE CLERK OF THE
27 BOARD SHALL DETERMINE THE MINIMUM NUMBER OF SIGNATURES REQUIRED FOR
28 COMPLIANCE WITH PARAGRAPH 8, SUBDIVISIONS (b) AND (c) OF THIS SUBSECTION.
29 AFTER MAKING THAT DETERMINATION, THAT NUMBER OF SIGNATURES SHALL REMAIN
30 FIXED, NOTWITHSTANDING ANY SUBSEQUENT CHANGES IN VOTER REGISTRATION RECORDS.

31 7. AFTER RECEIVING THE APPROVAL OF THE BOARD OF SUPERVISORS AS
32 PROVIDED IN PARAGRAPH 5 OF THIS SUBSECTION, ANY ADULT PERSON MAY CIRCULATE
33 AND PRESENT PETITIONS TO THE BOARD OF SUPERVISORS OF THE COUNTY IN WHICH THE
34 DISTRICT IS LOCATED. ALL PETITIONS CIRCULATED SHALL BE RETURNED TO THE BOARD
35 OF SUPERVISORS WITHIN ONE YEAR FROM THE DATE OF THE APPROVAL OF THE BOARD OF
36 SUPERVISORS PURSUANT TO PARAGRAPH 5 OF THIS SUBSECTION. ANY PETITION THAT IS
37 RETURNED MORE THAN ONE YEAR FROM THAT DATE IS VOID.

38 8. THE PETITIONS PRESENTED PURSUANT TO PARAGRAPH 7 OF THIS SUBSECTION
39 SHALL COMPLY WITH THE PROVISIONS REGARDING PETITION FORM IN SECTION 48-265
40 AND VERIFICATION IN SECTION 48-266 AND SHALL:

41 (a) AT ALL TIMES, CONTAIN A LEGAL DESCRIPTION OF THE BOUNDARIES OF THE
42 PROPOSED DISTRICT AND A DETAILED, ACCURATE MAP OF THE PROPOSED DISTRICT AND
43 THE NAMES, ADDRESSES AND OCCUPATIONS OF THE PROPOSED MEMBERS OF THE
44 DISTRICT'S ORGANIZING BOARD OF DIRECTORS. NO ALTERATION OF THE PROPOSED

1 DISTRICT SHALL BE MADE AFTER RECEIVING THE APPROVAL OF THE BOARD OF
2 SUPERVISORS AS PROVIDED IN PARAGRAPH 5 OF THIS SUBSECTION.

3 (b) BE SIGNED BY MORE THAN ONE-HALF OF THE AGGREGATE NUMBER OF
4 PROPERTY OWNERS IN THE COUNTY ISLAND AREAS CONTAINED IN THE PROPOSED
5 DISTRICT.

6 9. ON RECEIPT OF THE PETITIONS, THE BOARD OF SUPERVISORS SHALL SET A
7 DAY, NOT MORE THAN THIRTY DAYS FROM THAT DATE, FOR A HEARING ON THE PETITION.

8 10. PRIOR TO THE HEARING CALLED PURSUANT TO PARAGRAPH 9 OF THIS
9 SUBSECTION, THE BOARD OF SUPERVISORS SHALL DETERMINE THE VALIDITY OF THE
10 PETITION SIGNATURES PRESENTED. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 9
11 OF THIS SUBSECTION, THE BOARD OF SUPERVISORS, IF THE PETITIONS ARE VALID,
12 SHALL ORDER THE FORMATION OF THE DISTRICT. THE BOARD OF SUPERVISORS SHALL
13 ENTER ITS ORDER SETTING FORTH ITS DETERMINATION IN THE MINUTES OF THE
14 MEETING, NOT LATER THAN TEN DAYS FROM THE DAY OF THE HEARING, AND A COPY OF
15 THE ORDER SHALL BE FILED IN THE COUNTY RECORDER'S OFFICE. THE ORDER OF THE
16 BOARD OF SUPERVISORS SHALL BE FINAL, AND THE PROPOSED DISTRICT IS FORMED
17 THIRTY DAYS AFTER THE BOARD OF SUPERVISORS VOTES TO FORM THE DISTRICT. A
18 DECISION OF THE BOARD OF SUPERVISORS UNDER THIS SUBSECTION IS SUBJECT TO
19 JUDICIAL REVIEW UNDER TITLE 12, CHAPTER 7, ARTICLE 6.

20 B. FOR THE PURPOSE OF DETERMINING THE VALIDITY OF THE PETITIONS
21 PRESENTED PURSUANT TO SUBSECTION A, PARAGRAPH 7 OF THIS SECTION:

22 1. QUALIFIED ELECTORS SHALL BE THOSE PERSONS QUALIFIED TO VOTE
23 PURSUANT TO TITLE 16.

24 2. PROPERTY HELD IN MULTIPLE OWNERSHIP SHALL BE TREATED AS IF IT HAD
25 ONLY ONE PROPERTY OWNER, SO THAT THE SIGNATURE OF ONLY ONE OF THE OWNERS OF
26 PROPERTY HELD IN MULTIPLE OWNERSHIP IS REQUIRED ON THE FORMATION PETITION.

27 C. IF A DISTRICT IS FORMED PURSUANT TO THIS SECTION, THE COST OF
28 PUBLICATION OF THE NOTICE OF HEARING, THE MAILING OF NOTICES TO ELECTORS AND
29 PROPERTY OWNERS AND ALL OTHER COSTS INCURRED BY THE COUNTY AS A RESULT OF
30 THIS SECTION SHALL BE A CHARGE AGAINST THE DISTRICT.

31 D. A DISTRICT ORGANIZED PURSUANT TO THIS SECTION SHALL HAVE AN
32 ORGANIZING BOARD OF DIRECTORS TO ADMINISTER THE AFFAIRS OF THE DISTRICT UNTIL
33 A DULY CONSTITUTED BOARD OF DIRECTORS IS ELECTED AS PROVIDED IN THIS TITLE.
34 THE ORGANIZING BOARD SHALL HAVE ALL THE POWERS, DUTIES AND RESPONSIBILITIES
35 OF AN ELECTED BOARD. THE ORGANIZING BOARD SHALL CONSIST OF THE THREE
36 INDIVIDUALS NAMED IN THE PETITIONS PRESENTED PURSUANT TO SUBSECTION A OF THIS
37 SECTION. IF A VACANCY OCCURS ON THE ORGANIZING BOARD, THE REMAINING BOARD
38 MEMBERS SHALL FILL THE VACANCY BY APPOINTING AN INTERIM MEMBER. MEMBERS OF
39 THE ORGANIZING BOARD SHALL SERVE WITHOUT COMPENSATION BUT MAY BE REIMBURSED
40 FOR ACTUAL EXPENSES INCURRED IN PERFORMING THEIR DUTIES. THE ORGANIZING
41 BOARD SHALL ELECT FROM ITS MEMBERS A CHAIRPERSON AND A CLERK. FOR ANY
42 CHALLENGE TO THE FORMATION OF THE DISTRICT, THE DISTRICT BOARD IS A PROPER
43 PARTY TO THE CHALLENGE AND ANY PETITION CIRCULATORS ARE NOT PROPER PARTIES.

44 E. FOR THE PURPOSES OF THIS ARTICLE, "NONCONTIGUOUS COUNTY ISLAND FIRE
45 DISTRICT" MEANS A DISTRICT THAT IS FORMED PURSUANT TO THIS SECTION IN A

1 COUNTY THAT HAS A POPULATION OF AT LEAST ONE MILLION FIVE HUNDRED THOUSAND
2 PERSONS AND FOR WHICH ALL OF THE FOLLOWING APPLY:

3 1. THE DISTRICT CONSISTS OF ONLY NONCONTIGUOUS COUNTY ISLANDS IN A
4 GEOGRAPHIC BOUNDARY AREA THAT IS CONTAINED IN A MUNICIPAL PLANNING AREA AND
5 WITHIN THE BOUNDARIES OF AN AUTOMATIC AID CONSORTIUM WHERE THERE IS NO
6 PRIVATE PROVIDER OF FIRE PROTECTION SERVICE AT THE TIME OF THE DISTRICT'S
7 FORMATION.

8 2. FIRE PROTECTION SERVICES ARE NOT FUNDED PURSUANT TO SECTION 48-807
9 OR BY A SUBSCRIPTION SERVICE AS OF JANUARY 1, 2007.

10 3. THERE IS ONLY ONE FIRE DISTRICT WITHIN THE GEOGRAPHIC AREA OF THE
11 MUNICIPAL PLANNING AREA FOR ANY ONE CITY OR TOWN.

12 48-852. District board governance; elections

13 A. A FIRE DISTRICT FORMED PURSUANT TO THIS ARTICLE SHALL BE GOVERNED
14 BY A FIVE MEMBER ELECTED BOARD, BUT SHALL BE GOVERNED INITIALLY BY A BOARD
15 APPOINTED BY THE COUNTY BOARD OF SUPERVISORS FROM AMONG QUALIFIED ELECTORS OF
16 THE PROPOSED COUNTY ISLAND FIRE DISTRICT. THE INITIAL APPOINTED BOARD SHALL
17 SCHEDULE AN ELECTION TO BE HELD ON THE NEXT GENERAL ELECTION DATE. THE
18 ELECTION SHALL BE HELD AS OTHERWISE PROVIDED BY LAW.

19 B. IF A VACANCY OCCURS ON THE DISTRICT BOARD OTHER THAN FROM
20 EXPIRATION OF A TERM, THE REMAINING BOARD MEMBERS SHALL FILL THE VACANCY BY
21 APPOINTMENT OF AN INTERIM MEMBER. IF THE ENTIRE BOARD RESIGNS OR FOR ANY
22 REASON CANNOT FULFILL ITS DUTIES, THE BOARD OF SUPERVISORS SHALL APPOINT AN
23 ADMINISTRATOR TO ADMINISTER THE DISTRICT WITH THE SAME DUTIES AND OBLIGATIONS
24 OF THE ELECTED BOARD. IF THE BOARD OF SUPERVISORS FAILS TO APPOINT AN
25 ADMINISTRATOR WITHIN THIRTY DAYS, A SPECIAL ELECTION SHALL BE HELD TO FILL
26 THE VACANCIES ON THE FIRE DISTRICT BOARD.

27 C. MEMBERS OF THE DISTRICT BOARD SHALL SERVE WITHOUT COMPENSATION, BUT
28 MAY BE REIMBURSED FOR ACTUAL EXPENSES INCURRED IN PERFORMING DUTIES REQUIRED
29 BY LAW.

30 D. THE DISTRICT BOARD SHALL ELECT FROM ITS MEMBERS A CHAIRPERSON AND A
31 CLERK.

32 E. OF THE MEMBERS FIRST ELECTED TO THE DISTRICT BOARD, THE THREE
33 PEOPLE RECEIVING THE FIRST, SECOND AND THIRD HIGHEST NUMBER OF VOTES SHALL BE
34 ELECTED TO FOUR YEAR TERMS, AND THE TWO PEOPLE RECEIVING THE FOURTH AND FIFTH
35 HIGHEST NUMBER OF VOTES SHALL BE ELECTED TO TWO YEAR TERMS. THEREAFTER, THE
36 TERM OF OFFICE OF EACH DISTRICT BOARD MEMBER SHALL BE FOUR YEARS FROM THE
37 FIRST DAY OF THE MONTH NEXT FOLLOWING SUCH MEMBER'S ELECTION.

38 48-853. District board; powers and duties; intergovernmental
39 agreements; contract; administration; definition

40 A. A FIRE DISTRICT FORMED PURSUANT TO THIS ARTICLE, THROUGH ITS BOARD
41 SHALL:

42 1. HOLD PUBLIC MEETINGS AT LEAST ONCE EACH CALENDAR MONTH.

43 2. PREPARE AN ANNUAL BUDGET THAT CONTAINS DETAILED ESTIMATED
44 EXPENDITURES FOR EACH FISCAL YEAR AND THAT CLEARLY SHOWS EXPENSES OF THE
45 DISTRICT. THE BUDGET SHALL BE POSTED IN THREE PUBLIC PLACES AND PUBLISHED IN

1 A NEWSPAPER OF GENERAL CIRCULATION IN THE DISTRICT THIRTY DAYS BEFORE A
2 PUBLIC HEARING AT A MEETING CALLED BY THE BOARD OR FIRE CHIEF TO ADOPT THE
3 BUDGET. COPIES OF THE BUDGET SHALL ALSO BE AVAILABLE TO MEMBERS OF THE
4 PUBLIC ON WRITTEN REQUEST TO THE DISTRICT. FOLLOWING THE PUBLIC HEARING, THE
5 DISTRICT BOARD OR APPOINTED CHIEF SHALL ADOPT A BUDGET.

6 3. REQUIRE PROBATIONARY EMPLOYEES IN A PAID SWORN FIREFIGHTER
7 POSITION, A RESERVE FIREFIGHTER POSITION OR A VOLUNTEER FIREFIGHTER POSITION
8 OF A PROVIDER OF FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES TO SUBMIT A
9 FULL SET OF FINGERPRINTS TO THE FIRE DISTRICT. THE FIRE DISTRICT SHALL
10 SUBMIT THE FINGERPRINTS TO THE DEPARTMENT OF PUBLIC SAFETY FOR THE PURPOSE OF
11 OBTAINING A STATE AND FEDERAL CRIMINAL RECORDS CHECK PURSUANT TO SECTION
12 41-1750 AND PUBLIC LAW 92-544. THE DEPARTMENT OF PUBLIC SAFETY MAY EXCHANGE
13 THIS FINGERPRINT DATA WITH THE FEDERAL BUREAU OF INVESTIGATION.

14 4. APPOINT THE FIRE CHIEF OF THE FIRE SERVICE PROVIDER SELECTED
15 PURSUANT TO PARAGRAPH 8 OF THIS SUBSECTION, EITHER PUBLIC OR PRIVATE, AS THE
16 FIRE CHIEF FOR THE DISTRICT.

17 5. ADOPT THE FIRE CODE OF THE MUNICIPALITY WHOSE MUNICIPAL PLANNING
18 AREA INCLUDES THE DISTRICT EXCEPT THAT THE FIRE DISTRICT'S AUTHORITY TO
19 CONDUCT INSPECTIONS SHALL APPLY ONLY TO COMMERCIAL AND INDUSTRIAL PROPERTIES
20 AND SHALL NOT APPLY TO RESIDENTIAL PROPERTIES.

21 6. KEEP THREE COPIES OF THE APPLICABLE FIRE CODE, AMENDMENTS AND
22 REVISIONS ON FILE FOR PUBLIC INSPECTION.

23 7. NOTIFY THE COUNTY BOARD OF SUPERVISORS OF THE COST OF PROVIDING
24 FIRE PROTECTION SERVICE AND EMERGENCY MEDICAL SERVICE FOR EACH HOUSEHOLD OR
25 OTHER STRUCTURE IN THE DISTRICT IF THE DISTRICT PROVIDES SERVICE PURSUANT TO
26 PARAGRAPH 8, SUBDIVISION (a) OR (b) OF THIS SUBSECTION.

27 8. ACT WITHIN SIXTY DAYS AFTER THE FORMATION OF THE DISTRICT TO DO ANY
28 OF THE FOLLOWING:

29 (a) ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH A MUNICIPAL
30 PROVIDER FOR FIRE PROTECTION SERVICES FOR THE DISTRICT. A MUNICIPAL PROVIDER
31 SEEKING TO ENTER INTO AGREEMENT WITH THE DISTRICT SHALL MAKE A FORMAL
32 EXPRESSION OF INTENT TO ENTER INTO AN AGREEMENT WITH THE DISTRICT WITHIN
33 TWENTY-ONE DAYS OF DISTRICT FORMATION.

34 (b) ISSUE A REQUEST FOR PROPOSALS FOR NONMUNICIPAL PRIVATE PROVIDERS
35 OF FIRE PROTECTION SERVICES FOR THE DISTRICT. A REQUEST FOR PROPOSALS MAY
36 ONLY BE ISSUED IF NO MUNICIPAL PROVIDERS OF FIRE PROTECTION SERVICES HAVE
37 MADE AN EXPRESSION OF INTENT SEEKING TO ENTER INTO A FIRE PROTECTION
38 AGREEMENT WITH THE DISTRICT. NOTWITHSTANDING ANY OTHER LAW, MUNICIPAL
39 ANNEXATION SHALL NOT BE UNDERTAKEN DURING THE TERM OF ANY CONTRACT ENTERED
40 INTO BETWEEN THE DISTRICT AND A PRIVATE FIRE SERVICE PROVIDER, EXCEPT THAT IN
41 THE ONE HUNDRED EIGHTY DAY PERIOD BEFORE THE END OF THE CONTRACT, THE
42 MUNICIPALITY SHALL NOTIFY THE RESIDENTS OF THE OPPORTUNITY TO ANNEX INTO THE
43 MUNICIPALITY. A RESIDENT SHALL NOTIFY THE DISTRICT AND THE MUNICIPALITY
44 WITHIN NINETY DAYS BEFORE THE END OF THE CONTRACT THAT THE RESIDENT IS
45 ANNEXING INTO THE MUNICIPALITY AND SHALL COMPLETE THE ANNEXATION WITHIN TEN

1 DAYS AFTER THE COMPLETION OF THE CONTRACT. IF NO DISTRICT RESIDENTS NOTIFY
2 THE MUNICIPALITY THAT THE RESIDENT IS ANNEXING, THE DISTRICT MAY RENEW THE
3 CONTRACT AUTOMATICALLY. IF A RESIDENT PROPOSES TO ANNEX INTO THE
4 MUNICIPALITY, THE DISTRICT SHALL ISSUE A REQUEST FOR PROPOSALS AGAIN AS
5 PRESCRIBED IN THIS SUBDIVISION.

6 (c) BEFORE APPLYING THIS SUBDIVISION, THE DISTRICT SHALL REQUEST AN
7 INDEPENDENT REVIEW BY THE COUNTY ATTORNEY OF THE NEGOTIATIONS, IF ANY, THAT
8 WERE CONDUCTED AS PRESCRIBED IN SUBDIVISION (a) OF THIS PARAGRAPH AND THE
9 REQUEST FOR PROPOSALS AND RESULTING BIDS. AFTER THE INDEPENDENT REVIEW, THE
10 COUNTY ATTORNEY SHALL CERTIFY WHETHER THE NEGOTIATIONS AND PROPOSALS WERE
11 BASED ON COMMERCIALLY REASONABLE ASSUMPTIONS. IF THE COUNTY ATTORNEY
12 CERTIFIES THAT ANY ONE OR MORE OF THE PROVISIONS ARE NOT COMMERCIALY
13 REASONABLE, THE DISTRICT AND THE OTHER PARTY TO THE NEGOTIATIONS HAVE TEN
14 DAYS TO CURE AND CONTINUE NEGOTIATIONS BEFORE RESUBMITTING INFORMATION ON THE
15 NEGOTIATIONS AND PROPOSALS TO THE COUNTY ATTORNEY FOR CERTIFICATION.
16 NOTWITHSTANDING ANY OTHER LAW, THE COUNTY ATTORNEY SHALL HAVE ACCESS TO
17 SEALED BIDS FOR PURPOSES OF THIS SUBDIVISION. THE COUNTY ATTORNEY SHALL
18 REVIEW AND ISSUE A CERTIFICATION PURSUANT TO THIS SUBDIVISION WITHIN THIRTY
19 DAYS AFTER THE INFORMATION AND DOCUMENTS REGARDING NEGOTIATIONS AND PROPOSALS
20 ARE SUBMITTED TO THE COUNTY ATTORNEY. IF A FIRE DISTRICT DOES NOT ENTER INTO
21 AN INTERGOVERNMENTAL AGREEMENT PURSUANT TO SUBDIVISION (a) OF THIS PARAGRAPH
22 OR ENTER INTO A CONTRACT PURSUANT TO SUBDIVISION (b) OF THIS PARAGRAPH, THE
23 SURROUNDING MUNICIPALITY SHALL PROVIDE FIRE PROTECTION AND EMERGENCY MEDICAL
24 SERVICES EXCEPT FOR SERVICES REGULATED PURSUANT TO TITLE 36, CHAPTER 21.1 IN
25 THE DISTRICT IMMEDIATELY ON REQUEST BY THE DISTRICT, FOLLOWING FINAL
26 CERTIFICATION BY THE COUNTY ATTORNEY. THE MUNICIPALITY SHALL BE COMPENSATED
27 BY THE DISTRICT AS FOLLOWS:

28 (i) A THREE PERSON BOARD SHALL SET THE SECONDARY PROPERTY TAX RATE FOR
29 THE DISTRICT. THE DISTRICT SHALL APPOINT ONE PERSON TO THE BOARD, THE
30 SURROUNDING MUNICIPALITY SHALL APPOINT ONE PERSON TO THE BOARD, AND THE TWO
31 APPOINTEES SHALL AGREE ON A THIRD PERSON FOR THE BOARD. IF THE TWO
32 APPOINTEES CANNOT AGREE ON A THIRD APPOINTEE WITHIN FIVE DAYS AFTER THE TWO
33 PERSONS ARE APPOINTED, THE COUNTY BOARD OF SUPERVISORS SHALL APPOINT THE
34 THIRD PERSON TO THE BOARD.

35 (ii) THE THREE PERSON BOARD SHALL MEET AND SET THE TAX RATE WITHIN
36 THIRTY DAYS AFTER THE THIRD PERSON IS APPOINTED TO THE BOARD.

37 (iii) THE DISTRICT SHALL LEVY THE TAX AT THE RATE AS DETERMINED BY THE
38 THREE PERSON BOARD AND THE TAX SHALL BE COLLECTED AS OTHER PROPERTY TAXES ARE
39 COLLECTED. ON RECEIPT OF MONIES FROM THE PROPERTY TAX LEVIED, THE DISTRICT
40 SHALL REIMBURSE THE COUNTY FOR THE COSTS ASSOCIATED WITH THE FORMATION OF THE
41 DISTRICT, INCLUDING ADMINISTRATIVE EXPENSES, AND SHALL TRANSFER THE REMAINING
42 MONIES TO THE SURROUNDING MUNICIPALITY.

43 9. REQUIRE THAT ANY INTERGOVERNMENTAL AGREEMENT OR CONTRACT BETWEEN
44 THE DISTRICT AND A PROVIDER OF FIRE PROTECTION SERVICES TO INCLUDE:

45 (a) A TERM OF DURATION BETWEEN THREE AND FIVE YEARS.

1 (b) A PROVISION SETTING FORTH THE COST OF SERVICE AND PERFORMANCE
2 CRITERIA.

3 (c) AN ACKNOWLEDGMENT OF THE RIGHT OF THE MUNICIPALITY TO DETERMINE
4 THE LOCATION OF FUTURE INFRASTRUCTURE IF THE DISTRICT IS IN THE
5 MUNICIPALITY'S PLANNING AREA AT THE TIME OF THE EXECUTION OF THE CONTRACT.

6 10. IF NECESSARY, ISSUE A REQUEST FOR PROPOSALS FOR PROVIDERS OF
7 EMERGENCY MEDICAL SERVICES AND ENTER INTO AN INTERGOVERNMENTAL AGREEMENT OR
8 CONTRACT WITH A PROVIDER OF EMERGENCY MEDICAL SERVICES EXCEPT FOR THOSE
9 SERVICES REGULATED BY TITLE 36, CHAPTER 21.1.

10 11. ASSESS AND LEVY A SECONDARY PROPERTY TAX TO PAY FOR THE COSTS OF
11 THE FIRE PROTECTION SERVICE OR EMERGENCY MEDICAL SERVICE EXCEPT FOR THOSE
12 SERVICES REGULATED BY TITLE 36, CHAPTER 21.1. A SECONDARY PROPERTY TAX
13 ASSESSED PURSUANT TO THIS SECTION IS NOT SUBJECT TO THE LEVY LIMITATION
14 PRESCRIBED BY SECTION 48-807.

15 12. DEFEND, INDEMNIFY AND HOLD HARMLESS A MUNICIPAL PROVIDER OR ANY
16 OTHER PROVIDER OF FIRE PROTECTION FROM AND AGAINST ANY CLAIMS OR EXPENSES TO
17 WHICH IT MAY BE SUBJECTED BY REASON OF INJURY OR DEATH OF ANY PERSON OR LOSS
18 OR DAMAGE TO ANY PROPERTY DIRECTLY ATTRIBUTABLE TO THE PROVISION OF THE
19 SERVICES UNLESS THE SERVICES WERE PROVIDED IN A GROSSLY NEGLIGENT MANNER.
20 THE FIRE DISTRICT SHALL SECURE INSURANCE SUFFICIENT TO COVER LIABILITY
21 EXPOSURE.

22 B. A FIRE DISTRICT FORMED PURSUANT TO THIS ARTICLE, THROUGH ITS BOARD
23 OR FIRE CHIEF AND SECRETARY-TREASURER, MAY:

24 1. CONTRACT FOR ADMINISTRATIVE STAFF SERVICES, IF ANY, DEEMED
25 NECESSARY OR APPROPRIATE TO CARRY OUT ITS POWERS AND DUTIES, BUT A MEMBER OF
26 A DISTRICT BOARD, SHALL NOT BE AN EMPLOYEE OF THE DISTRICT.

27 2. RETAIN A CERTIFIED PUBLIC ACCOUNTANT TO PERFORM AN ANNUAL AUDIT OF
28 DISTRICT BOOKS.

29 3. RETAIN PRIVATE LEGAL COUNSEL.

30 4. SUE AND BE SUED.

31 5. ACCEPT GIFTS, CONTRIBUTIONS, BEQUESTS AND GRANTS AND COMPLY WITH
32 ANY REQUIREMENTS OF SUCH GIFTS, CONTRIBUTIONS, BEQUESTS AND GRANTS NOT
33 INCONSISTENT WITH THIS ARTICLE.

34 6. APPROPRIATE AND EXPEND ANNUALLY SUCH MONIES AS ARE NECESSARY FOR
35 THE PURPOSE OF FIRE DISTRICTS BELONGING TO AND PAYING DUES IN THE ARIZONA
36 FIRE DISTRICT ASSOCIATION AND OTHER PROFESSIONAL AFFILIATIONS OR ENTITIES.

37 C. THE COUNTY ATTORNEY MAY ADVISE AND REPRESENT THE DISTRICT WHEN IN
38 THE COUNTY ATTORNEY'S JUDGMENT SUCH ADVICE AND REPRESENTATION ARE APPROPRIATE
39 AND NOT IN CONFLICT WITH THE COUNTY ATTORNEY'S DUTIES UNDER SECTION 11-532.
40 IF THE COUNTY ATTORNEY IS UNABLE TO ADVISE AND REPRESENT THE DISTRICT DUE TO
41 A CONFLICT OF INTEREST, THE DISTRICT MAY RETAIN PRIVATE LEGAL COUNSEL OR MAY
42 REQUEST THE ATTORNEY GENERAL TO REPRESENT IT, OR BOTH.

43 D. THE CHAIRPERSON AND CLERK OF THE DISTRICT BOARD OR THEIR RESPECTIVE
44 DESIGNEES OR THE CHIEF AND SECRETARY-TREASURER, AS APPLICABLE, SHALL DRAW
45 WARRANTS ON THE COUNTY TREASURER FOR MONEY REQUIRED TO OPERATE THE DISTRICT

1 IN ACCORDANCE WITH THE BUDGET AND, AS SO DRAWN, THE WARRANTS SHALL BE
2 SUFFICIENT TO AUTHORIZE THE COUNTY TREASURER TO PAY FROM THE FIRE DISTRICT
3 FUND.

4 E. THE DISTRICT SHALL NOT INCUR ANY DEBT OR LIABILITY IN EXCESS OF
5 TAXES LEVIED AND TO BE COLLECTED AND THE MONEY ACTUALLY AVAILABLE AND
6 UNENCUMBERED AT THE TIME IN THE FUND, EXCEPT AS PROVIDED IN SECTION 48-807.

7 F. IF A DISTRICT FORMED UNDER SECTION 48-851 AGREES TO PROVIDE FIRE
8 AND EMERGENCY MEDICAL SERVICES IN A COUNTY ISLAND WHERE A PRIVATE PROVIDER OF
9 FIRE OR EMERGENCY SERVICES ALREADY HAS FACILITIES OR PROVIDES SERVICE, THE
10 DISTRICT AND THE PRIVATE PROVIDER SHALL ENTER INTO AN AGREEMENT COVERING THE
11 ROLES AND RELATIONSHIPS REGARDING MUTUAL AID OR BACKUP AND ANY SERVICES FOR
12 WHICH THE DISTRICT WISHES TO CONTRACT AND ANY REIMBURSEMENT OR BILLING AND
13 COLLECTION PRACTICES. THE AGREEMENT SHALL BE EXECUTED BEFORE THE DISTRICT
14 BEGINS PROVIDING SERVICE IN THE COUNTY ISLAND. A DISTRICT MAY ENTER INTO AN
15 INTERGOVERNMENTAL AGREEMENT WITH APPROPRIATE REGIONAL AUTOMATIC AID DISPATCH
16 SYSTEMS.

17 G. FOR THE PURPOSES OF THIS ARTICLE, "FIRE SERVICE" AND "FIRE
18 PROTECTION" INCLUDE FIRE PREVENTION, EMERGENCY MEDICAL SERVICES, INSPECTION
19 OF COMMERCIAL OR INDUSTRIAL PROPERTY WHERE A KNOWN CODE VIOLATION EXISTS AND
20 ENFORCEMENT.

21 48-854. Municipality as service provider; indemnity;
22 intergovernmental agreement

23 A. IF A MUNICIPALITY OR ANY OTHER BIDDER INTENDS TO SUBMIT A RESPONSE
24 TO THE REQUEST FOR PROPOSALS UNDER SECTION 48-853, THE MUNICIPALITY OR OTHER
25 BIDDER MAY DO ANY OF THE FOLLOWING BEFORE SUBMITTING ITS RESPONSE:

26 1. INSPECT THE COUNTY ISLAND PROPERTY IN ITS MUNICIPAL PLANNING AREA,
27 INCLUDING INSPECTIONS FOR HAZARDOUS MATERIALS.

28 2. OBTAIN REPORTS FROM THE UNITED STATES ENVIRONMENTAL PROTECTION
29 AGENCY AND THE ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY.

30 3. OBTAIN REPORTS FROM ANY OTHER INDUSTRY THAT IDENTIFIES ANY
31 HAZARDOUS MATERIALS OR CONDITIONS IN THE AREAS OF THE FIRE DISTRICT IN THE
32 MUNICIPALITY'S PLANNING AREA.

33 B. THIS SECTION DOES NOT PROHIBIT A MUNICIPALITY FROM ENTERING INTO AN
34 INTERGOVERNMENTAL AGREEMENT WITH ANOTHER MUNICIPALITY OR A PRIVATE PROVIDER
35 TO PROVIDE FIRE AND EMERGENCY MEDICAL SERVICES TO A FIRE DISTRICT FORMED
36 PURSUANT TO THIS ARTICLE.

37 C. A MUNICIPALITY THAT PROVIDES FIRE OR EMERGENCY MEDICAL SERVICES
38 PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT WITH A FIRE DISTRICT FORMED
39 PURSUANT TO SECTION 48-851 SHALL PROVIDE THE SERVICE PARTICULAR TO EACH
40 COUNTY ISLAND CONSISTENT WITH THE GEOGRAPHY OF THE COUNTY ISLAND, LOCATION OF
41 FIRE STATIONS, CURRENT INFRASTRUCTURE, WATER ACCESS, STREETS AND BUILDING
42 CODES OF THE COUNTY ISLAND PROPERTY FOR WHICH SERVICE IS PROVIDED.

43 D. IF A MUNICIPALITY OR ANY OTHER PROVIDER CONTRACTS WITH A FIRE
44 DISTRICT FORMED PURSUANT TO THIS ARTICLE, THE MUNICIPALITY OR OTHER PROVIDER

1 IS LIABLE ONLY IF THE MUNICIPALITY OR OTHER PROVIDER IS GROSSLY NEGLIGENT IN
2 PROVIDING FIRE OR EMERGENCY MEDICAL SERVICES TO THE FIRE DISTRICT.

3 Sec. 11. Delayed conditional repeal; exception

4 A. If section 48-853, subsection A, paragraph 8, subdivision (a) or
5 section 48-853, subsection A, paragraph 8, subdivision (b), Arizona Revised
6 Statutes, is invoked, title 48, chapter 5, article 3, Arizona Revised
7 Statutes, as added by this act, is repealed from and after August 31, 2020.

8 B. If section 48-853, subsection A, paragraph 8, subdivision (c),
9 Arizona Revised Statutes, is invoked, there is no delayed conditional repeal
10 of title 48, chapter 5, article 3.

11 C. The board of the fire district shall notify the legislative council
12 in writing as soon as practicable as to which subdivision of section 48-853,
13 subsection A, paragraph 8, Arizona Revised Statutes, is invoked.

14 Sec. 12. Emergency

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