

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1243

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 48-261, Arizona Revised Statutes, is amended to
3 read:

4 48-261. District creation; procedures; notice; hearing;
5 determinations; petitions

6 A. A fire district, community park maintenance district, sanitary
7 district or hospital district for either a hospital or an urgent care center
8 shall be created by the following procedures:

9 1. Any adult person desiring to propose creation of a district shall
10 PROVIDE A LEGAL DESCRIPTION OF THE AREA PROPOSED FOR INCLUSION IN THE
11 DISTRICT TO THE COUNTY ASSESSOR OF THE COUNTY IN WHICH THE DISTRICT IS TO BE
12 LOCATED. THE COUNTY ASSESSOR SHALL PROVIDE TO THE PERSON PROPOSING FORMATION
13 OF THE DISTRICT A DETAILED LIST OF ALL TAXED PROPERTIES IN THE AREA PROPOSED
14 FOR INCLUSION IN THE DISTRICT. THE PERSON PROPOSING FORMATION OF THE
15 DISTRICT SHALL prepare and submit a district impact statement to the board of
16 supervisors of the county in which the district is to be located. Except for
17 a proposed community park maintenance district that is to be located in more
18 than one county, if a proposed district is located in more than one county,
19 the impact statement shall be submitted to the board of supervisors of the
20 county in which the majority of the assessed valuation of the proposed
21 district is located. The boards of supervisors of any other counties in
22 which a portion of the district is to be located shall provide information
23 and assistance to the responsible board of supervisors. For a community park
24 maintenance district that is to be located in more than one county, the
25 impact statement shall be submitted to the board of supervisors for each of
26 the affected counties. If the person desiring to create a district pursuant
27 to this section is unable to complete the district impact statement, the
28 board of supervisors may assist in the completion of the impact statement if
29 requested to do so, provided the bond required in subsection C of this
30 section is in an amount sufficient to cover any additional cost to the
31 county. The district impact statement shall contain at least the following
32 information:

1 (a) A legal description of the boundaries of the proposed district and
2 a ~~detailed, accurate~~ map AND A GENERAL DESCRIPTION of the area to be included
3 in the district SUFFICIENTLY DETAILED TO PERMIT A PROPERTY OWNER TO DETERMINE
4 WHETHER A PARTICULAR PROPERTY IS WITHIN THE PROPOSED DISTRICT.

5 (b) THE DETAILED LIST OF TAXED PROPERTIES PROVIDED BY THE ASSESSOR
6 PURSUANT TO THIS PARAGRAPH.

7 ~~(b)~~ (c) An estimate of the assessed valuation within the proposed
8 district.

9 ~~(e)~~ (d) An estimate of the change in the property tax liability, as a
10 result of the proposed district, of a typical resident of the proposed
11 district.

12 ~~(d)~~ (e) A list and explanation of benefits that will result from the
13 proposed district.

14 ~~(e)~~ (f) A list and explanation of the injuries that ~~will~~ MAY result
15 from the proposed district.

16 ~~(f)~~ (g) The names, addresses and occupations of the proposed members
17 of the district's organizing board of directors.

18 ~~(g)~~ (h) A description of the scope of services to be provided by the
19 district during its first five years of operation. At a minimum this
20 description shall include an estimate of anticipated capital expenditures,
21 personnel growth and enhancements to service.

22 2. On receipt of the district impact statement, the board of
23 supervisors shall set a day, not fewer than thirty nor more than sixty days
24 from that date, for a hearing on the impact statement. The board of
25 supervisors, at any time before making a determination pursuant to paragraph
26 4 of this subsection, may require that the impact statement be amended to
27 include any information that the board of supervisors deems to be relevant
28 and necessary.

29 3. On receipt of the district impact statement, the clerk of the board
30 of supervisors shall mail, by first class mail, ~~written notice of the~~
31 ~~statement, its purpose and~~ notice of the day, hour and place of the hearing
32 on the proposed district to each owner of taxable property ~~and to each~~
33 ~~household in which a qualified elector resides~~ within the boundaries of the
34 proposed district. THE WRITTEN NOTICE SHALL STATE THE PURPOSE OF THE HEARING
35 AND SHALL STATE WHERE A COPY OF THE IMPACT STATEMENT MAY BE VIEWED OR
36 REQUESTED. The clerk of the board of supervisors shall post the notice in at

1 least three conspicuous public places in the area of the proposed district
2 and shall publish twice in a daily newspaper of general circulation in the
3 area of the proposed district, at least ten days before the hearing, or, if
4 no daily newspaper of general circulation exists in the area of the proposed
5 district, at least twice at any time before the date of the hearing, a notice
6 setting forth the purpose of the impact statement, the description of the
7 area of the proposed district and the day, hour and place of the hearing.

8 4. At the hearing called pursuant to paragraph 2 of this subsection,
9 the board of supervisors shall hear those who appear for and against the
10 proposed district and shall determine whether the creation of the district
11 will promote public health, comfort, convenience, necessity or welfare. If
12 the board of supervisors determines that the public health, comfort,
13 convenience, necessity or welfare will be promoted, it shall approve the
14 district impact statement and authorize the persons proposing the district to
15 circulate petitions as provided in this subsection. For a community park
16 maintenance district that is required to obtain the approval of more than one
17 county's board of supervisors, the petitions may only be circulated after
18 approval of the board of supervisors from each affected county. The order of
19 the board of supervisors shall be final, but if the request to circulate
20 petitions is denied, a subsequent request for a similar district may be
21 refiled with the board of supervisors after six months from the date of such
22 denial. THE COUNTY BOARD OF SUPERVISORS SHALL AUTHORIZE THE CIRCULATION OF
23 PETITIONS OF ONLY ONE PROPOSED NEW DISTRICT OF THE SAME TYPE IN WHICH ANY
24 PROPERTY OWNER'S LAND IS PROPOSED FOR INCLUSION. NO NEW PETITION CIRCULATION
25 SHALL BE AUTHORIZED UNTIL THE ONE-YEAR PERIOD TO SUBMIT SIGNATURES PRESCRIBED
26 BY SECTION 48-261, SUBSECTION A, PARAGRAPH 6, OF THE ORIGINAL PETITION
27 CIRCULATION HAS EXPIRED OR HAS OTHERWISE BEEN EXTINGUISHED.

28 5. Within fifteen days after receiving the approval of the board of
29 supervisors as prescribed by paragraph 4 of this subsection, the clerk of the
30 board shall determine the minimum number of signatures AND ASSESSED VALUATION
31 required for compliance with paragraph 7 of this subsection. After making
32 that determination, ~~that~~ THE number of signatures shall remain fixed AND THE
33 ASSESSED VALUATION OF THE TAXED PROPERTIES WITHIN THE BOUNDARIES OF THE
34 PROPOSED DISTRICT SHALL REMAIN FIXED FOR PURPOSES OF DETERMINING COMPLIANCE
35 WITH THE PROPERTY VALUATION REQUIREMENT PRESCRIBED IN PARAGRAPH 7 OF THIS
36 SUBSECTION.

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

8 7. The petitions presented pursuant to paragraph 6 of this subsection
9 shall comply with the provisions regarding verification in section 48-266 and
10 shall:

11 (a) At all times, contain a ~~legal~~ MAP AND GENERAL description of the
12 boundaries of the proposed district ~~and a detailed, accurate map of the~~
13 ~~proposed district~~ SUFFICIENTLY DETAILED TO PERMIT A PROPERTY OWNER TO
14 DETERMINE WHETHER A PARTICULAR PROPERTY IS WITHIN THE PROPOSED DISTRICT and
15 the names, addresses and occupations of the proposed members of the
16 district's organizing board of directors. No alteration of the proposed
17 district shall be made after receiving the approval of the board of
18 supervisors as provided in paragraph 4 of this subsection. THE ITEMS
19 REQUIRED TO BE CONTAINED WITH THE PETITION UNDER THIS SUBSECTION SHALL BE
20 PRINTED ON THE BACK OF THE PETITION FORM REQUIRED PURSUANT TO SECTION 48-266
21 UNLESS THE SIZE OF THE ITEMS PRECLUDE THIS REQUIREMENT.

22 (b) Be signed by OWNERS OF more than one-half of the ~~property owners~~
23 TAXED PROPERTY UNITS in the area of the proposed district and be signed by
24 persons owning collectively more than one-half of the assessed valuation of
25 the property in the area of the proposed district. PROPERTY EXEMPT PURSUANT
26 TO TITLE 42, CHAPTER 11, ARTICLE 3 SHALL NOT BE CONSIDERED IN DETERMINING THE
27 TOTAL ASSESSED VALUATION OF THE PROPOSED DISTRICT NOR SHALL OWNERS OF
28 PROPERTY NOT SUBJECT TO TAXATION BE ELIGIBLE TO SIGN PETITIONS.

29 (c) AN ERROR IN THE LEGAL DESCRIPTION OF THE PROPOSED DISTRICT SHALL
30 NOT INVALIDATE THE PETITIONS IF CONSIDERED AS A WHOLE THE INFORMATION
31 PROVIDED IS SUFFICIENT TO IDENTIFY THE PROPERTY AS ILLUSTRATED IN THE MAP
32 REQUIRED PURSUANT TO SUBSECTION A OF THIS SECTION.

33 8. On receipt of the petitions, the board of supervisors shall set a
34 day, not fewer than ten nor more than thirty days from that date, for a
35 hearing on the petition. THE HEARING SHALL BE POSTPONED IF A TIMELY REQUEST
36 TO SUPPLEMENT PETITION SIGNATURES IS MADE PURSUANT TO SECTION 48-266,

1 SUBSECTION K, SO THAT ANY SUPPLEMENTAL PETITION SIGNATURES SUBMITTED PURSUANT
2 TO THAT SECTION MAY BE CONSIDERED BY THE BOARD OF SUPERVISORS. THE POSTPONED
3 HEARING SHALL BE HELD NO MORE THAN THIRTY DAYS AFTER THE SUBMISSION OF ANY
4 SUPPLEMENTAL PETITION SIGNATURES.

5 9. Before the hearing called pursuant to paragraph 8 of this
6 subsection, the board of supervisors shall determine the validity of the
7 petitions presented.

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

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

24 1. 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 THE NUMBER OF PERSONS OWNING PROPERTY INSIDE THE BOUNDARIES OF THE PROPOSED
28 DISTRICT SHALL BE DETERMINED AS FOLLOWS:

29 (a) IN THE CASE OF PROPERTY ASSESSED BY THE COUNTY ASSESSOR, THE
30 NUMBER OF PERSONS OWNING PROPERTY SHALL BE AS SHOWN ON THE MOST RECENT
31 ASSESSMENT OF PROPERTY.

32 (b) IN THE CASE OF PROPERTY VALUED BY THE DEPARTMENT OF REVENUE, THE
33 NUMBER OF PERSONS OWNING PROPERTY SHALL BE AS SHOWN ON THE MOST RECENT
34 VALUATION OF PROPERTY.

35 (c) IF AN UNDIVIDED PARCEL OF PROPERTY IS OWNED BY MULTIPLE OWNERS,
36 THOSE OWNERS ARE DEEMED TO BE ONE OWNER FOR THE PURPOSES OF THIS SECTION.

1 (d) IF A PERSON OWNS MULTIPLE PARCELS OF PROPERTY, THAT OWNER IS
2 DEEMED TO BE A SINGLE OWNER FOR THE PURPOSES OF THIS SECTION.

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

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

7 (b) In the case of property valued by the department of revenue, the
8 values shall be those determined by the department in the manner provided by
9 law, for municipal assessment purposes. The county assessor and the
10 department of revenue, respectively, shall furnish to the board of
11 supervisors, within twenty days after such a request, a statement in writing
12 showing the owner, the address of each owner and the appraisal or assessment
13 value of properties contained within the boundaries of the proposed district
14 as described in subsection A of this section.

15 C. The board of supervisors may require of the person desiring to
16 propose creation of a district pursuant to subsection A, paragraph 1 of this
17 section a reasonable bond to be filed with the board at the start of
18 proceedings under this section. The bond shall be in an amount sufficient to
19 cover costs incurred by the county if the district is not finally organized.
20 County costs covered by the bond include any expense incurred from completion
21 of the district impact statement, mailing of the notice of hearing to
22 district property owners ~~and electors~~, publication of the notice of hearing
23 and other expenses reasonably incurred as a result of any requirements of
24 this section.

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

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

34 F. Except as provided in section 48-851 and section 48-2001,
35 subsection A, the area of a district created pursuant to this section shall
36 be contiguous.

1 G. A district organized pursuant to this section shall have an
2 organizing board of directors to administer the affairs of the district until
3 a duly constituted board of directors is elected as provided in this title.
4 The organizing board shall have all the powers, duties and responsibilities
5 of an elected board. The organizing board shall consist of the three
6 individuals named in the district impact statement and the petitions
7 presented pursuant to subsection A of this section. If a vacancy occurs on
8 the organizing board, the remaining board members shall fill the vacancy by
9 appointing an interim member. Members of the organizing board shall serve
10 without compensation but may be reimbursed for actual expenses incurred in
11 performing their duties. The organizing board shall elect from its members a
12 chairman and a clerk.

13 H. For the purposes of this section assessed valuation does not
14 include ~~the assessed valuation of property that is owned by a county, this~~
15 ~~state or the United States government and in the case of multiple ownership~~
16 ~~of a single parcel of property, any one property owner constitutes the entire~~
17 ~~ownership interest~~ PROPERTY EXEMPT PURSUANT TO TITLE 42, CHAPTER 11,
18 ARTICLE 3.

19 Sec. 2. Section 48-262, Arizona Revised Statutes, is amended to read:
20 48-262. District boundary changes; procedures; notice; hearing;
21 determinations; petitions

22 A. Except as prescribed by subsection I of this section, a fire
23 district, community park maintenance district or sanitary district shall
24 change its boundaries by the following procedures:

25 1. Any adult person desiring to propose any change to the boundaries
26 of a district shall PROVIDE A LEGAL DESCRIPTION OF THE AREA PROPOSED FOR
27 INCLUSION IN THE DISTRICT TO THE COUNTY ASSESSOR OF THE COUNTY IN WHICH THE
28 DISTRICT IS TO BE LOCATED. THE COUNTY ASSESSOR SHALL PROVIDE TO THE PERSON
29 PROPOSING ANY CHANGE TO THE BOUNDARIES OF THE DISTRICT A DETAILED LIST OF ALL
30 TAXED PROPERTIES IN THE AREA PROPOSED FOR INCLUSION IN THE DISTRICT. THE
31 PERSON PROPOSING ANY CHANGE TO THE BOUNDARIES OF THE DISTRICT SHALL prepare
32 and submit a boundary change impact statement to the governing body of the
33 district. The boundary change impact statement shall contain at least the
34 following information:

35 (a) A legal description of the boundaries of the area to be included
36 within the proposed change and a ~~detailed, accurate~~ map AND GENERAL

1 DESCRIPTION of the area SUFFICIENTLY DETAILED TO PERMIT A PROPERTY OWNER TO
2 DETERMINE WHETHER A PARTICULAR PROPERTY IS WITHIN THE PROPOSED DISTRICT. The
3 boundaries of the proposed change shall not overlap with the boundaries of
4 any other proposed new district of the same type or any annexation by a
5 district of the same type for which petitions are being circulated on the
6 date that the boundary change impact statement is filed with the governing
7 body.

8 (b) THE DETAILED LIST OF TAXED PROPERTIES PROVIDED BY THE ASSESSOR
9 PURSUANT TO THIS PARAGRAPH.

10 ~~(b)~~ (c) An estimate of the assessed valuation within the boundaries
11 of the proposed change.

12 ~~(e)~~ (d) An estimate of the change in the tax rate of the district if
13 the proposed change is made.

14 ~~(d)~~ (e) An estimate of the change in the property tax liability, as a
15 result of the proposed change, of a typical resident of a portion of the
16 district, not in the area of the proposed change, before and after the
17 proposed change and of a typical resident of the area of the proposed change.

18 ~~(e)~~ (f) A list and explanation of benefits that will result from the
19 proposed change to the residents of the area and of the remainder of the
20 district.

21 ~~(f)~~ (g) A list and explanation of the injuries that ~~will~~ MAY result
22 from the proposed change to residents of the area and of the remainder of the
23 district.

24 2. On receipt of the boundary change impact statement, the governing
25 body shall set a day, not fewer than twenty nor more than thirty days from
26 that date, for a hearing on the boundary change impact statement. The board
27 of supervisors may at any time prior to making a determination pursuant to
28 paragraph 5 of this subsection require that the impact statement be amended
29 to include any information that the board of supervisors deems to be relevant
30 and necessary.

31 3. On receipt of the boundary change impact statement, the clerk of
32 the governing body shall mail, by first class mail, written notice of the
33 statement, its purpose and notice of the day, hour and place of the hearing
34 on the proposed change to each owner of taxable property within the
35 boundaries of the proposed change. The clerk of the governing body shall
36 post the notice in at least three conspicuous public places in the area of

1 the proposed change and also publish twice in a daily newspaper of general
2 circulation in the area of the proposed change, at least ten days before the
3 hearing, or if no daily newspaper of general circulation exists in the area
4 of the proposed change, at least twice at any time before the date of the
5 hearing, a notice setting forth the purpose of the impact statement, the
6 description of the boundaries of the proposed change and the day, hour and
7 place of the hearing.

8 4. On receipt of the boundary change impact statement the clerk shall
9 also mail notice, as provided in paragraph 3 of this subsection, to the
10 chairman of the board of supervisors of the county in which the district is
11 located. The chairman of the board of supervisors shall order a review of
12 the proposed change and may submit written comments to the governing body of
13 the district within ten days of receipt of the notice.

14 5. At the hearing called pursuant to paragraph 2 of this subsection,
15 the governing body shall consider the comments of the board of supervisors,
16 hear those who appear for and against the proposed change and determine
17 whether the proposed change will promote the public health, comfort,
18 convenience, necessity or welfare. If the governing body determines that the
19 public health, comfort, convenience, necessity or welfare will be promoted,
20 it shall approve the impact statement and authorize the persons proposing the
21 change to circulate petitions as provided in this subsection. The order of
22 the governing body shall be final, but if the request to circulate petitions
23 is denied, a subsequent request for a similar change may be refiled with the
24 governing body after six months from the date of such denial. **THE COUNTY
25 BOARD OF SUPERVISORS SHALL AUTHORIZE THE CIRCULATION OF PETITIONS FOR ONLY
26 ONE BOUNDARY CHANGE OF A DISTRICT OF THE SAME TYPE IN WHICH ANY PROPERTY
27 OWNER'S LAND IS PROPOSED FOR INCLUSION. NO NEW PETITION CIRCULATION SHALL BE
28 AUTHORIZED UNTIL THE ONE-YEAR PERIOD TO SUBMIT SIGNATURES SET BY
29 SUBSECTION B, PARAGRAPH 3 OF THIS SECTION OF THE ORIGINAL PETITION
30 CIRCULATION HAS EXPIRED OR HAS OTHERWISE BEEN EXTINGUISHED.**

31 6. **EXCEPT AS PROVIDED BY SECTION 48-851,** the governing body shall not
32 approve a proposed annexation if the property to be annexed is not contiguous
33 with the district's existing boundary. For purposes of determining whether
34 or not the proposed addition is contiguous, the addition is deemed contiguous
35 if land that is owned by or under the jurisdiction of the United States
36 government, this state or any political subdivision of this state, other than

1 an incorporated city or town, intervenes between the proposed addition and
2 the current district boundary.

3 7. The governing body shall not approve a proposed annexation if the
4 area proposed to be annexed surrounds any unincorporated territory and that
5 unincorporated territory is not also included in the district.

6 8. After receiving the approval of the governing body as provided in
7 paragraph 5 of this subsection and provided no appeal filed pursuant to
8 paragraph 14 of this subsection remains unresolved, any adult person may
9 circulate and present petitions to the governing body of the district.

10 9. Within fifteen days after receiving the approval of the governing
11 body as prescribed by paragraph 5 of this subsection, the clerk of the board
12 shall determine the minimum number of signatures AND THE ASSESSED VALUATION
13 required to comply with paragraph 10, subdivision (b) of this
14 subsection. After making that determination, ~~that~~ THE number of signatures
15 shall remain fixed AND THE ASSESSED VALUATION OF THE TAXED PROPERTIES WITHIN
16 THE BOUNDARIES OF THE PROPOSED CHANGE SHALL REMAIN FIXED FOR PURPOSES OF
17 DETERMINING COMPLIANCE, notwithstanding any subsequent changes in ownership
18 of the property within the boundaries of the proposed change.

19 10. The petitions presented pursuant to paragraph 8 of this subsection
20 shall comply with the provisions regarding petition form in section 48-266
21 and shall:

22 (a) At all times, contain a ~~legal~~ MAP AND GENERAL description of the
23 boundaries of the area to be included within the proposed change ~~and a~~
24 ~~detailed, accurate map of the area~~ SUFFICIENTLY DETAILED TO PERMIT A PROPERTY
25 OWNER TO DETERMINE WHETHER A PARTICULAR PROPERTY IS included within the
26 proposed change. No alteration of the described area shall be made after
27 receiving the approval of the governing body as provided in paragraph 5 of
28 this subsection. THE ITEMS REQUIRED TO BE CONTAINED WITH THE PETITION UNDER
29 THIS SUBSECTION SHALL BE PRINTED ON THE BACK OF THE PETITION FORM REQUIRED
30 PURSUANT TO SECTION 48-266 UNLESS THE SIZE OF THE ITEMS PRECLUDE THIS
31 REQUIREMENT.

32 (b) Be signed by OWNERS OF more than one-half of the ~~property owners~~
33 TAXED PROPERTY UNITS within the boundaries of the proposed change and be
34 signed by persons owning collectively more than one-half of the assessed
35 valuation of the property within the boundaries of the proposed change.
36 PROPERTY EXEMPT PURSUANT TO TITLE 42, CHAPTER 11, ARTICLE 3 SHALL NOT BE

1 CONSIDERED IN DETERMINING THE TOTAL ASSESSED VALUATION OF THE PROPOSED CHANGE
2 NOR SHALL OWNERS OF PROPERTY NOT SUBJECT TO TAXATION BE ELIGIBLE TO SIGN
3 PETITIONS.

4 (c) AN ERROR IN THE LEGAL DESCRIPTION OF THE PROPOSED CHANGE SHALL NOT
5 INVALIDATE THE PETITIONS IF CONSIDERED AS A WHOLE THE INFORMATION PROVIDED IS
6 SUFFICIENT TO IDENTIFY THE PROPERTY AS ILLUSTRATED IN THE MAP REQUIRED
7 PURSUANT TO SUBSECTION A OF THIS SECTION.

8 11. On receipt of the petitions, the governing body shall set a day,
9 not fewer than ten nor more than thirty days from that date, for a hearing on
10 the request. THE HEARING SHALL BE POSTPONED IF A TIMELY REQUEST TO
11 SUPPLEMENT PETITION SIGNATURES IS MADE PURSUANT TO SECTION 48-266,
12 SUBSECTION K, SO THAT ANY SUPPLEMENTAL PETITION SIGNATURES SUBMITTED PURSUANT
13 TO THAT SECTION MAY BE CONSIDERED BY THE BOARD OF SUPERVISORS. THE POSTPONED
14 HEARING SHALL BE HELD NO MORE THAN THIRTY DAYS AFTER THE SUBMISSION OF ANY
15 SUPPLEMENTAL PETITION SIGNATURES.

16 12. Prior to the hearing called pursuant to paragraph 11 of this
17 subsection, the board of supervisors shall determine the validity of the
18 petitions presented pursuant to subsection B of this section.

19 13. At the hearing called pursuant to paragraph 11 of this subsection,
20 the governing body, if the petitions are valid, shall order the change to the
21 boundaries. The governing body shall enter its order setting forth its
22 determination in the minutes of the meeting, not later than ten days from the
23 day of the hearing, and a copy of the order shall be sent to the officer in
24 charge of elections and a copy shall be recorded in the county recorder's
25 office. The order of the governing body shall be final, and the proposed
26 change shall be made to the district boundaries thirty days after the
27 governing body votes.

28 14. On filing a verified complaint with the superior court, the
29 attorney general, the county attorney or any other interested party may
30 question the validity of the annexation for failure to comply with this
31 section. The complaint shall include a description of the alleged
32 noncompliance and shall be filed within thirty days after the governing body
33 of the district adopts a resolution that annexes the territory of the
34 district. The burden of proof is on the plaintiff to prove the material
35 allegations of the verified complaint. An action shall not be brought to
36 question the validity of an annexation resolution unless it is filed within

1 the time and for the reasons prescribed in this subsection. All hearings
2 that are held pursuant to this paragraph and all appeals of any orders shall
3 be preferred and shall be heard and determined in preference to all other
4 civil matters, except election actions. If more than one complaint
5 questioning the validity of an annexation resolution is filed, all such
6 complaints shall be consolidated for the hearing.

7 B. For the purpose of determining the validity of the petitions
8 presented pursuant to subsection A, paragraph 8 of this section:

9 1. Property held in multiple ownership shall be treated as if it had
10 only one property owner, so that the signature of only one of the owners of
11 property held in multiple ownership is required on the boundary change
12 petition. THE NUMBER OF PERSONS OWNING PROPERTY INSIDE THE BOUNDARIES OF THE
13 BOUNDARY CHANGE SHALL BE DETERMINED AS FOLLOWS:

14 (a) IN THE CASE OF PROPERTY ASSESSED BY THE COUNTY ASSESSOR, THE
15 NUMBER OF PERSONS OWNING PROPERTY SHALL BE AS SHOWN ON THE MOST RECENT
16 ASSESSMENT OF PROPERTY.

17 (b) IN THE CASE OF PROPERTY VALUED BY THE DEPARTMENT OF REVENUE, THE
18 NUMBER OF PERSONS OWNING PROPERTY SHALL BE AS SHOWN ON THE MOST RECENT
19 VALUATION OF PROPERTY.

20 (c) IF AN UNDIVIDED PARCEL OF PROPERTY IS OWNED BY MULTIPLE OWNERS,
21 THOSE OWNERS ARE DEEMED TO BE ONE OWNER FOR THE PURPOSE OF THIS SECTION.

22 (d) IF A PERSON OWNS MULTIPLE PARCELS OF PROPERTY, THAT OWNER IS
23 DEEMED TO BE A SINGLE OWNER FOR THE PURPOSES OF THIS SECTION.

24 2. The value of property shall be determined as follows:

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

28 (b) In the case of property valued by the department of revenue, the
29 values shall be those determined by the department in the manner provided by
30 law, for municipal assessment purposes. The county assessor and the
31 department of revenue, respectively, shall furnish to the governing body,
32 within twenty days after such a request, a statement in writing showing the
33 owner, the address of each owner and the appraisal or assessment value of
34 properties contained within the area of a proposed change as described in
35 subsection A of this section.

1 3. All petitions circulated shall be returned to the governing body of
2 the district within one year from the date of the approval given by the
3 governing body pursuant to subsection A, paragraph 5 of this section. Any
4 petition returned more than one year from that date is void. If an appeal is
5 filed pursuant to subsection A, paragraph 14 of this section, this time
6 period for gathering signatures is tolled beginning on the date an action is
7 filed in superior court and continuing until the expiration of the time
8 period for any further appeal.

9 C. For the purposes of determining whether or not the proposed
10 addition is contiguous, the addition is deemed contiguous if land that is
11 owned by or under the jurisdiction of the United States government, this
12 state or any political subdivision of this state, other than an incorporated
13 city or town, intervenes between the proposed addition and the current
14 district boundary. Property shall not be approved for annexation if the area
15 proposed to be annexed surrounds any unincorporated territory and that
16 unincorporated territory is not also included in the district.

17 D. If the change in the boundaries proposed pursuant to subsection A
18 of this section would result in a withdrawal of territory from an existing
19 district, the petitions shall be approved by the governing body only if the
20 proposed withdrawal would not result in a noncontiguous portion of the
21 district that is less than one square mile in size.

22 E. If the impact statement described in subsection A of this section
23 relates to the withdrawal of property from a district, in addition to the
24 other requirements of subsection A of this section, the governing body shall
25 also determine:

26 1. If the district has any existing outstanding bonds or other
27 evidences of indebtedness.

28 2. If those bonds were authorized by an election and issued during the
29 time the property to be withdrawn was lawfully included within the district.

30 F. If the conditions of subsection E of this section are met:

31 1. The property withdrawn from the district shall remain subject to
32 taxes, special assessments or fees levied or collected to meet the contracts
33 and covenants of the bonds. The board of supervisors shall provide for the
34 levy and collection of such taxes, special assessments or fees.

35 2. The governing body shall:

1 (a) Annually determine the amount of special property taxes, special
2 assessments or fees that must be levied and collected from property withdrawn
3 from the district and the mechanism by which such amount is to be collected.

4 (b) Notify the board of supervisors on or before the third Monday in
5 July of the amount determined in subdivision (a) of this paragraph.

6 3. Property withdrawn from an existing district shall not be subject
7 to any further taxes, special assessments or fees arising from the
8 indebtedness of such district except as provided in this subsection.

9 G. If the statement described in subsection A, paragraph 1 of this
10 section requests the annexation of property located within an incorporated
11 city or town, in addition to the other requirements of subsection A of this
12 section, the governing body shall approve the district boundary change impact
13 statement and authorize the circulation of petitions only if the governing
14 body of the city or town has by ordinance or resolution endorsed such
15 annexation and such annexation is authorized pursuant to this title.

16 H. Except as provided in subsection D of this section, [SECTION 48-851](#)
17 and section 48-2002, no change in the boundaries of a district pursuant to
18 this section shall result in a district which contains area that is not
19 contiguous.

20 I. Notwithstanding subsection A of this section, any property owner,
21 including a county, this state or the United States government, whose land is
22 within a county that contains a sanitary district or fire district and whose
23 land is contiguous to the boundaries of the sanitary district or fire
24 district may request in writing that the governing body of the district amend
25 the district boundaries to include that property owner's land. If the
26 property is located in an incorporated city or town, in addition to the other
27 requirements prescribed in this subsection, the governing body of the fire
28 district or sanitary district may approve the boundary change only if the
29 governing body of the affected city or town by ordinance or resolution has
30 approved the inclusion of the property in the district. A request made
31 pursuant to this subsection shall be made before the county board of
32 supervisors orders the creation of a proposed new district of the same type
33 or the district governing body orders the annexation by a district of the
34 same type in which the property owner's land is proposed for inclusion and
35 for which petitions are being circulated. If the governing body determines
36 that the inclusion of that property will benefit the district and the

1 property owner, the boundary change may be made by order of the governing
2 body and is final on the recording of the governing body's order that
3 includes a legal description of the property that is added to the district.
4 If the governing body does not order the boundary change, the land shall be
5 included in the boundaries of the proposed new district of the same type or
6 annexation by a district of the same type in which the property owner's land
7 is proposed for inclusion and for which petitions are being circulated. A
8 petition and impact statement are not required for an amendment to a sanitary
9 district's or fire district's boundaries made pursuant to this subsection.

10 J. A fire district shall not annex or otherwise add territory that is
11 already included in another existing fire district, unless deannexed pursuant
12 to subsections D, E and F of this section.

13 K. A fire district, community park maintenance district or sanitary
14 district may appropriate and spend monies as necessary or reasonably required
15 to assist one or more individuals or entities to change the district's
16 boundaries pursuant to this section.

17 L. Notwithstanding subsection A of this section, if an incorporated
18 city or town has previously adopted a resolution designating a fire district
19 as the fire service agency for the city or town, the jurisdictional
20 boundaries of the fire district without further notice or election shall be
21 changed to include any property annexed into the city or town. If the
22 annexation occurs pursuant to a joint petition for annexation, any joint
23 petition for annexation shall clearly indicate in its title and in the notice
24 required in the petition that the property to be annexed will be subject to
25 the jurisdiction of both the city or town and the fire district. A joint
26 petition for annexation shall comply with both section 9-471 and this
27 section. Any fire district boundary change that occurs through city or town
28 annexation pursuant to this subsection is effective on the effective date of
29 the annexation by the incorporated city or town. If an incorporated city or
30 town that has designated a fire district as the fire service agency for that
31 city or town annexes property that is already part of another fire district,
32 the annexed property shall remain part of the fire district in which it was
33 located before the city or town's annexation.

34 M. For the purposes of this section, assessed valuation does not
35 include ~~the assessed valuation of property that is owned by a county, this~~

1 ~~state or the United States government~~ PROPERTY EXEMPT PURSUANT TO TITLE 42,
2 CHAPTER 11, ARTICLE 3.

3 Sec. 3. Section 48-266, Arizona Revised Statutes, is amended effective
4 from and after January 1, 2013, to read:

5 48-266. Petitions of property owners; form; verification

6 A. THE SECRETARY OF STATE SHALL PROMULGATE SAMPLE PETITION FORMS, WITH
7 INSTRUCTIONS FOR COMPLETING THE FORM, THAT COMPLY WITH THE REQUIREMENTS OF
8 THIS STATUTE. PETITIONS THAT CONFORM TO THE SAMPLE FORM WILL BE DEEMED TO
9 HAVE COMPLIED WITH SECTIONS B, C, AND D OF THIS SECTION. PETITIONS THAT DO
10 NOT CONFORM TO THE SAMPLE PETITION ARE VOID AND SHALL NOT BE COUNTED IN
11 DETERMINING THE LEGAL SUFFICIENCY OF THE PETITION.

12 ~~A.~~ B. A petition of property owners that is submitted to comply with
13 section 48-261, subsection A, paragraph 7 shall contain a heading that
14 clearly identifies the type of petition circulated and a statement that
15 clearly describes the type of action being proposed. The petition shall be
16 in a form that is substantially similar to the following:

17 Special taxing district creation petition

18 To the board of supervisors of (insert name) county:

19 We the undersigned, property owners of (insert name of
20 county), state of Arizona and owning property within the
21 boundaries as illustrated and defined on the attached exhibit(s),
22 legal description and map of the proposed boundaries, petition
23 the county board of supervisors to create a (insert description
24 of district) as described in the attached exhibit(s). I have
25 personally signed this petition with my first and last names. I
26 have not signed any other petition for the same measure. I am a
27 property owner of the state of Arizona, county of _____.

28 Notice: this is only a description of the district sought
29 to be created by the sponsor of the measure. It may not include
30 every provision contained in the measure. Before signing, make
31 sure the exhibits are attached. You have the right to read or
32 examine the district impact statement before signing.

33 Warning

34 It is a class 1 misdemeanor for any person to knowingly do
35 any of the following:

36 1. Sign a district creation petition with a name other

1 than the person's own name, except in a circumstance where the
2 person signs for another person, in the presence of and at the
3 specific request of that person, who is incapable of signing that
4 person's own name because of physical infirmity.

5 2. Sign the person's name more than once for the same
6 measure.

7 3. Sign a district creation petition if the person is not
8 a property owner.

9	Signature	Name	Actual	Arizona	City or Date
10	(first and	Address	Post Office	Town	
11	last name	(street &	Address	(if any)	
12	printed)	no. and if	& Zip		
13		no street	Code		
14		address,			
15		describe			
16		residence			
17		location)			

18 (Fifteen numbered lines for signatures)

19 ~~B.~~ C. A petition of property owners that is submitted to comply with
20 section 48-262, subsection A, paragraph 10 shall contain a heading that
21 clearly identifies the type of petition circulated and a statement that
22 clearly describes the type of action being proposed. The petition shall be
23 in a form substantially similar to the following:

24 Special taxing district annexation petition

25 To the governing body of the (insert name) district:

26 We the undersigned, property owners of (insert name of
27 county), state of Arizona and owning property within the
28 boundaries as illustrated and defined on the attached exhibit(s),
29 legal description and map of the proposed boundaries, petition
30 the district to annex the territory as described in the attached
31 exhibit(s). The area petitioning for annexation, if approved by
32 the governing body of the district, shall become part of the
33 annexing district and subject to all relevant provisions of the
34 Arizona revised statutes. I have personally signed this petition
35 with my first and last names. I have not signed any other
36 petition for the same measure. I am a property owner of the

1 state of Arizona, county of _____.

2 Notice: this is only a description of the territory sought
3 to be annexed by the sponsor of the measure. It may not include
4 every provision contained in the measure. Before signing, make
5 sure the exhibits are attached. You have the right to read or
6 examine the boundary change impact statement before signing.

7 Warning

8 It is a class 1 misdemeanor for any person to knowingly do
9 any of the following:

10 1. Sign a district annexation petition with a name other
11 than the person's own name, except in a circumstance where the
12 person signs for another person, in the presence of and at the
13 specific request of that person, who is incapable of signing that
14 person's own name because of physical infirmity.

15 2. Sign the person's name more than once for the same
16 measure.

17 3. Sign a district annexation petition if the person is
18 not a property owner.

19	Signature	Name	Actual	Arizona	City or Date
20	(first and	Address	Post Office	Town	
21	last name	(street &	Address	(if any)	
22	printed)	no. and if	& Zip		
23		no street	Code		
24		address,			
25		describe			
26		residence			
27		location)			

28 (Fifteen numbered lines for signatures)

29 ~~C.~~ D. Each petition sheet shall have printed in capital letters in no
30 less than twelve point bold-faced type in the upper right-hand corner of the
31 face of the petition sheet the following:

32 "_____ paid circulator" "_____ volunteer"

33 ~~D.~~ E. A circulator of petitions shall state whether the circulator is
34 a paid circulator or volunteer by checking the appropriate line on the
35 petition form before circulating the petition for signatures

1 ~~F.~~ F. Signatures obtained on petitions in violation of subsection C
2 of this section are void and shall not be counted in determining the legal
3 sufficiency of the petition. The presence of signatures that are invalidated
4 under this subsection on a petition does not invalidate other signatures on
5 the petition that were obtained as prescribed by this section.

6 ~~F.~~ G. At the time of signing, the property owner shall sign the
7 property owner's first and last names in the spaces provided and the property
8 owner so signing for the person circulating the petition shall print the
9 first and last names and write, in the appropriate spaces following the
10 signature, the signer's residence address, giving street and number, and if
11 property owner has no street address, a description of the residence
12 location. The property owner so signing or the person circulating the
13 petition shall write, in the appropriate spaces following the property
14 owner's address, the date on which the property owner signed the petition.

15 ~~G.~~ H. The title and text of petitions shall be in at least eight
16 point type.

17 ~~H.~~ I. The eight point type required by subsection G of this section
18 does not apply to maps, charts or other graphics.

19 ~~I.~~ J. The board of supervisors or other governing body of a political
20 subdivision that receives a petition pursuant to this section shall submit a
21 copy of the signature sheets to the county assessor for verification. The
22 county assessor shall:

23 1. Verify that the petition contains the names of more than one-half
24 of the property owners in the area of the proposed district.

25 2. Determine the total assessed valuation of the property owned by the
26 persons whose names are signed on the petition.

27 ~~J.~~ K. The county assessor shall report the results of the
28 verification to the board of supervisors or other governing body within ten
29 days after receiving the copy of the signature sheets, not including
30 Saturdays, Sundays and other legal holidays.

31 L. IF THE REPORT OF THE COUNTY ASSESSOR PREPARED PURSUANT TO
32 SUBSECTION J OF THIS SECTION DETERMINES THAT THE VALID SIGNATURES SUBMITTED
33 ARE INSUFFICIENT TO MEET THE REQUIREMENTS OF SECTION 48-261, SUBSECTION A,
34 PARAGRAPH 7, SUBDIVISION (b) AND THE ONE-YEAR PERIOD TO SUBMIT SIGNATURES
35 PURSUANT TO SECTION 48-261, SUBSECTION A, PARAGRAPH 6 HAS NOT YET EXPIRED OR
36 SECTION 48-262, SUBSECTION A, PARAGRAPH 10, SUBDIVISION (b), AND THE ONE-YEAR

1 PERIOD TO SUBMIT SIGNATURES PURSUANT TO SECTION 48-262, SUBSECTION B,
2 PARAGRAPH 3 HAS NOT YET EXPIRED, THE PERSON SUBMITTING THE PETITIONS MAY
3 REQUEST THAT ANY HEARING ON THE PETITIONS BE EXTENDED BY A PERIOD OF UP TO
4 THIRTY DAYS TO PERMIT SUBMISSION OF ADDITIONAL PETITION SIGNATURES. THE
5 REQUEST TO EXTEND MUST BE MADE WITHIN FIVE DAYS FROM THE PREPARATION OF THE
6 COUNTY ASSESSOR'S REPORT OR BEFORE THE CONCLUSION OF THE BOARD OF
7 SUPERVISORS' HEARING ON THE PETITIONS, WHICHEVER IS EARLIER. ONLY ONE
8 REQUEST TO EXTEND MAY BE MADE, AND ONLY ONE ADDITIONAL SUBMISSION OF
9 PETITIONS MAY BE MADE DURING THE EXTENSION PERIOD. THE ADDITIONAL SUBMISSION
10 MUST BE MADE WITHIN THE ONE-YEAR PERIOD TO SUBMIT SIGNATURES SET BY
11 SECTION 48-261, SUBSECTION A, PARAGRAPH 6 OR SECTION 48-262, SUBSECTION B,
12 PARAGRAPH 3. IF ADDITIONAL SIGNATURES ARE SUBMITTED, THEY SHALL BE SUBMITTED
13 TO THE COUNTY ASSESSOR FOR VERIFICATION PURSUANT TO SUBSECTIONS I AND J OF
14 THIS SECTION.

15 Amend title to conform

JACK HARPER

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3/8/12
1:16 PM
H:lae