

State of Arizona
House of Representatives
Fifty-second Legislature
First Regular Session
2015

HOUSE BILL 2162

AN ACT

AMENDING SECTIONS 48-820 AND 48-822, ARIZONA REVISED STATUTES; ESTABLISHING A RURAL FIRE DISTRICT JOINT LEGISLATIVE STUDY COMMITTEE; RELATING TO 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 48-820, Arizona Revised Statutes, is amended to
3 read:

4 48-820. Election to merge fire districts; notice; hearing;
5 approval; joint meeting; merged district board

6 A. Except as provided in subsection K of this section, the board of
7 supervisors shall make an order calling for an election to decide whether to
8 merge fire districts when a resolution for merger from each district is
9 submitted to the board. The board of supervisors shall not make an order
10 calling for an election to merge fire districts more frequently than once
11 every two years. Whether or not the districts are merged, the fire districts
12 shall reimburse the counties for the expenses of the election, including the
13 cost of mailing any notices required pursuant to this section. If the
14 proposed district is located in more than one county, the resolutions shall
15 be submitted to the board of supervisors of the county in which the majority
16 of the assessed valuation of the proposed district is located. The words
17 appearing on the ballot shall be "(insert fire districts' names) merge as a
18 fire district--yes" and "(insert fire districts' names) merge as fire
19 district--no."

20 B. Except for a district organized pursuant to article 3 of this
21 chapter, at least six days but not more than twenty days after the election,
22 the board of supervisors shall meet and canvass the returns, and if it is
23 determined that a majority of the votes cast at the election in each of the
24 affected districts is in favor of merging the fire districts, the board shall
25 enter that fact on its minutes.

26 C. For a district organized pursuant to article 3 of this chapter,
27 within fourteen days after the election, the board of supervisors shall meet
28 and canvass the returns, and if it is determined that a majority of the votes
29 cast at the election in each of the affected districts is in favor of merging
30 the fire districts, the board shall enter the fact on its minutes.

31 D. Except as prescribed in subsection E of this section, two or more
32 fire districts may merge if the governing body of each affected fire
33 district, by a majority vote of the members of each governing body, adopts a
34 resolution declaring that a merger be considered and a public hearing be held
35 to determine if a merger would be in the best interests of the district and
36 would promote public health, comfort, convenience, necessity or welfare.
37 After each district adopts such a resolution, the governing body by first
38 class mail shall send written notice of the resolution, its purpose and
39 notice of the day, hour and place of a hearing on the proposed merger to each
40 owner of taxable property within the boundaries of the district. The notice
41 shall contain the name and description of the boundaries of each district
42 proposed to be merged and a detailed, accurate map of the area to be included
43 in the merger. The notice also shall contain an estimate of the assessed
44 value of the merged district, the estimated change in property tax liability
45 for a typical resident of the proposed merged district and a list of the

1 benefits and injuries that may result from the proposed merged district. No
2 new territory may be included as a result of the merger.

3 E. A noncontiguous county island fire district formed pursuant to
4 section 48-851 shall not merge with a fire district formed pursuant to
5 section 48-261.

6 F. The clerk of the governing body shall post notice in at least three
7 conspicuous public places in the district and shall also publish notice twice
8 in a daily newspaper of general circulation in the county in which the
9 district is located, at least ten days before the public hearing. The clerk
10 of each governing body affected by the proposed merger shall also mail notice
11 and a copy of the resolution in support of considering the merger to the
12 chairman of the board of supervisors of the county or counties in which the
13 affected districts are located. The chairman of the board of supervisors
14 shall order a review of the proposed merger and shall submit written comments
15 to the governing body of each fire district located in that county within ten
16 days after receipt of the notice.

17 G. At the hearing, each governing body of the district shall consider
18 the comments of the board of supervisors, hear those persons who appear for
19 or against the proposed merger and determine whether the proposed merger will
20 promote public health, comfort, convenience, necessity or welfare. If, after
21 the public hearing each of the governing bodies of the districts affected by
22 the proposed merger adopt a resolution by a majority vote that the merger
23 will promote public health, comfort, convenience, necessity or welfare, each
24 of the governing bodies of the districts affected by the proposed merger
25 shall submit to the board of supervisors the resolutions that call for an
26 election.

27 H. Before considering any resolution of merger pursuant to this
28 section, a governing body shall obtain written consent to the merger from any
29 single taxpayer residing within each of the affected districts who owns
30 thirty per cent or more of the net assessed valuation of the total net
31 assessed valuation of the district. If written consent contemplated by this
32 subsection is not obtained, subsections A and B apply, and the merger may
33 only be accomplished by election.

34 I. If the merger is approved as provided by subsection B or K of this
35 section, within thirty days after the approval, the governing body of the
36 affected district with the largest population shall call a joint meeting of
37 the governing bodies of all of the affected districts. At the joint meeting,
38 a majority of the members of the governing body of each affected district
39 constitutes a quorum for the purpose of transacting business. The members of
40 the governing body shall appoint a total of five persons from those currently
41 serving on the governing bodies who shall complete their regular terms of
42 office, except that no more than three of the persons appointed may serve
43 terms that end in the same year. No more than three members shall be
44 appointed from the same fire district board. Subsequent terms of office for

1 district board members shall be filled by election of board members who shall
2 be qualified electors of the merged district.

3 J. The appointed governing body shall immediately meet and organize
4 itself and elect from its members a chairman and a clerk. The appointed
5 board by resolution shall declare the districts merged and each affected
6 district joined. The governing board by resolution shall declare the name of
7 the newly merged fire district. The resolution and the names of the new
8 board members for the newly organized district shall be sent to the board of
9 supervisors, and the districts are merged effective thirty days after the
10 adoption of the resolution.

11 K. If the requirements of subsection H of this section are met and
12 each of the governing body votes required by subsections D and G of this
13 section are unanimous, the following apply:

14 1. The governing bodies of each district may choose to merge by
15 unanimous resolution without an election and subsections A and B of this
16 section do not apply.

17 2. The governing bodies of each district may choose to hold an
18 election on the question of merger and subsections A and B of this section
19 apply.

20 L. IF THE MERGER IS APPROVED PURSUANT TO SUBSECTION B OR K OF THIS
21 SECTION, THE GOVERNING BODY OF THE NEWLY MERGED DISTRICT MAY ADOPT A
22 NATIONALLY RECOGNIZED FIRE CODE WITH THE APPROVAL OF THE STATE FIRE MARSHAL
23 AND AFTER A HEARING HELD PURSUANT TO POSTED AND PUBLISHED NOTICE AS
24 PRESCRIBED BY SECTION 48-805.02, SUBSECTION A. THE DISTRICT SHALL KEEP A
25 COPY OF THE ADOPTED FIRE CODE ON FILE FOR PUBLIC INSPECTION.

26 Sec. 2. Section 48-822, Arizona Revised Statutes, is amended to read:
27 48-822. Election to consolidate fire districts; resolution;
28 hearing

29 A. Except as provided in subsection E of this section, the board of
30 supervisors shall make an order calling for an election to decide whether to
31 consolidate fire districts when a resolution for consolidation of fire
32 districts from each district is submitted to the board of supervisors. The
33 board of supervisors shall not make an order calling for an election to
34 consolidate fire districts more frequently than once every two years.
35 Whether or not the districts are consolidated, the fire districts shall
36 reimburse the counties for the expenses of the election, including the cost
37 of mailing any notices. If the proposed district is located in more than one
38 county, the resolutions shall be submitted to the board of supervisors of the
39 county in which the majority of the assessed valuation of the proposed
40 district is located. The words appearing on the ballot shall be "(insert
41 fire districts' names) consolidate as a fire district--yes" and "(insert fire
42 districts' names) consolidate as fire district--no."

43 B. Within fourteen days after the election, the board of supervisors
44 shall meet and canvass the returns, and if it is determined that a majority
45 of the votes cast at the election in each of the affected districts is in

1 favor of consolidating the fire districts, the board shall enter that fact on
2 its minutes.

3 C. Except as proscribed by subsection D of this section, a fire
4 district may consolidate with one or more other fire districts formed
5 pursuant to section 48-261 as follows:

6 1. A resolution requesting the consolidation of a fire district is
7 passed by a majority vote of the governing body requesting consolidation into
8 another fire district. The requesting district shall send by first class
9 mail the notice of request to consolidate districts to the fire district in
10 which the consolidation is requested.

11 2. On receipt of the resolution requesting consolidation, and on
12 approval by majority vote of the governing body receiving the request, two or
13 more fire districts may consolidate if the governing body of each affected
14 fire district by a majority vote of the members of each governing body adopts
15 a resolution declaring that a consolidation be considered and a public
16 hearing be held to determine if a consolidation would be in the best interest
17 of the districts and would promote the public health, comfort, convenience,
18 necessity or welfare. After each district adopts such a resolution, the
19 governing body by first class mail shall send written notice of the
20 resolution, its purpose and notice of the day, hour and place of a hearing on
21 the proposed consolidation to each owner of taxable property within the
22 boundaries of the district. The notice shall contain the name and
23 description of the boundaries of each district that is proposed to be
24 consolidated and a detailed, accurate map of the area to be included in the
25 consolidation. The notice also shall contain an estimate of the assessed
26 value of the consolidated district, the estimated change in the property tax
27 liability for a typical resident of the proposed consolidated district and a
28 list of the benefits and injuries that may result from the proposed
29 consolidated district. No new territory may be included as a result of the
30 consolidation.

31 3. The clerk of the governing body of the fire districts affected by
32 the proposed consolidation shall post notice in at least three conspicuous
33 public places in the district and also shall publish notice twice in a daily
34 newspaper of general circulation in the county in which the district is
35 located at least ten days before the public hearing. The clerk of each
36 governing body affected by the proposed consolidation shall also mail notice
37 and a copy of the resolution in support of considering consolidation to the
38 chairman of the board of supervisors of the county or counties in which the
39 affected districts are located. The chairman of the board of supervisors
40 shall order a review of the proposed consolidation and shall submit written
41 comments to the governing body of each fire district located in the county
42 within ten days after receipt of the notice.

43 4. At the hearing, the governing body of the district shall consider
44 the comments of the board of supervisors, hear those persons who appear for
45 or against the proposed consolidation and determine whether the proposed

1 consolidation will promote the public health, comfort, convenience, necessity
2 or welfare. If, after the public hearing, each of the governing bodies of
3 the districts affected by the proposed consolidation adopt a resolution by a
4 majority vote that the consolidation will promote the public health, comfort,
5 convenience, necessity or welfare, each of the governing bodies of the
6 districts affected by the proposed consolidation shall submit the resolutions
7 calling for an election to the board of supervisors.

8 5. If the proposal for consolidation is approved as provided in
9 subsections A and B of this section, the governing body of the district into
10 which consolidation was requested shall by resolution declare the district
11 consolidated and each affected district joined. Those persons currently
12 serving as the governing body of the district into which consolidation was
13 requested shall serve as the governing body of the newly consolidated
14 district and complete their regular terms of office. The newly consolidated
15 district governing body shall consist of at least five members.

16 6. If the consolidation results in a new district population that is
17 greater than fifty thousand persons, the new governing board may appoint an
18 additional two members to serve until the next general election at which time
19 the newly elected member with the highest number of votes serves a four year
20 term and the other member serves a two year term. Thereafter, the term of
21 office for these two new members is four years.

22 7. The governing body by resolution shall declare the name of the
23 newly consolidated fire district.

24 8. If a proposed consolidated district would include property located
25 in an incorporated city or town, in addition to the other requirements of
26 this section, the governing body of the district shall approve the creation
27 of the consolidated district only if the governing body of the city or town
28 endorses the creation by ordinance or resolution.

29 9. Before considering any resolution of consolidation pursuant to this
30 section, a governing body shall obtain written consent to the consolidation
31 from any single taxpayer residing within each of the affected districts who
32 owns thirty per cent or more of the net assessed valuation of the total net
33 assessed valuation of the district.

34 D. A noncontiguous county island fire district formed pursuant to
35 section 48-851 shall not consolidate with a fire district formed pursuant to
36 section 48-261.

37 E. If the requirements of subsection C, paragraph 9 of this section
38 are met and each of the governing body votes required by this section are
39 unanimous, the following apply:

40 1. The governing bodies of each district may choose to consolidate by
41 unanimous resolution without an election and subsections A and B of this
42 section do not apply.

1 2. The governing bodies of each district may choose to hold an
2 election on the question of consolidation and subsections A and B of this
3 section apply.

4 F. IF THE CONSOLIDATION IS APPROVED PURSUANT TO SUBSECTION A OR E OF
5 THIS SECTION, THE ADOPTED FIRE CODE OF THE DISTRICT INTO WHICH THE
6 CONSOLIDATION WAS REQUESTED SHALL APPLY TO THE ENTIRETY OF THE NEWLY
7 CONSOLIDATED DISTRICT.

8 Sec. 3. Joint legislative study committee on rural area fire
9 district funding and taxation; membership; duties;
10 report; delayed repeal

11 A. The joint legislative study committee on rural area fire district
12 funding and taxation is established consisting of the following members:

13 1. Three members of the senate who are appointed by the president of
14 the senate, not more than two of whom are members of the same political
15 party.

16 2. Three members of the house of representatives who are appointed by
17 the speaker of the house of representatives, not more than two of whom are
18 members of the same political party.

19 3. A person who is elected to a fire district board within a county
20 with a population of five hundred thousand persons or more and who is
21 appointed by the president of the senate.

22 4. A person who is elected to a fire district board within a county
23 with a population of less than five hundred thousand persons and who is
24 appointed by the speaker of the house of representatives.

25 5. A representative of a city or town whose fire and emergency medical
26 services are provided by a fire district and who is appointed by the
27 president of the senate.

28 6. A representative of an association of counties in this state that
29 represents the county boards of supervisors and who is appointed by the
30 speaker of the house of representatives.

31 7. A representative of an association of fire districts in this state
32 that represents elected fire district board members and who is appointed by
33 the president of the senate.

34 8. A representative of a firefighter organization in this state and
35 who is appointed by the speaker of the house of representatives.

36 9. A representative of a taxpayer organization in this state and who
37 is appointed by the president of the senate.

38 B. The members of the study committee shall select a chairperson of
39 the study committee from among its membership.

40 C. The study committee shall consider the level of fire safety
41 services provided to rural areas by fire districts and fire departments,
42 review taxation levels in various counties, both countywide and in the
43 unincorporated areas of those counties and review the frequency of mergers
44 and consolidations of fire districts in rural areas.

1 D. The study committee shall submit a report of the study committee's
2 findings and any recommendations on or before December 15, 2015 to the
3 president of the senate, the speaker of the house of representatives and the
4 governor and provide a copy of this report to the secretary of state.

5 E. This section is repealed from and after December 31, 2015.

6 Sec. 4. Retroactivity

7 Section 48-820, Arizona Revised Statutes, as amended by this act
8 applies retroactively from and after January 1, 2014.