

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

HOUSE BILL 2570

AN ACT

AMENDING SECTIONS 9-526, 11-374, 15-491, 35-454, 48-685, 48-707, 48-806, 48-1037, 48-1409 AND 48-4543, ARIZONA REVISED STATUTES; RELATING TO BOND ELECTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 9-526, Arizona Revised Statutes, is amended to
3 read:

4 9-526. Form of ballot

5 At the election the ballot shall ~~contain the phrases "for the bonds"~~
6 ~~and "against the bonds."~~ ~~To the right of and opposite each phrase shall be~~
7 ~~placed a square approximately the size of squares placed opposite the names~~
8 ~~of candidates on ballots. The voter shall indicate his vote "for the bonds"~~
9 ~~or "against the bonds" by inserting the mark "X" in the square opposite such~~
10 ~~phrase~~ APPEAR IN THE FORM AND CONTAIN THE STATEMENT PRESCRIBED BY SECTION
11 35-454, SUBSECTION C. No other question, word or figure need be printed on
12 the ballot. The ballot need not be any particular size, nor need sample
13 ballots be printed, posted or distributed. A number of ballots, exceeding by
14 not less than ten ~~per cent~~ PERCENT the number of registered voters whose
15 names appear on the precinct register of the precinct, town or city for which
16 printed, shall be printed and furnished each polling place.

17 Sec. 2. Section 11-374, Arizona Revised Statutes, is amended to read:

18 11-374. Ballots

19 At the election the ballot shall ~~contain the words "for the bonds" and~~
20 ~~"against the bonds" and to the right of and opposite each thereof shall be~~
21 ~~placed a square approximately the size of the squares placed opposite the~~
22 ~~names of candidates on ballots. The voter shall indicate his vote "for the~~
23 ~~bonds" or "against the bonds" by inserting the mark "X" in the square~~
24 ~~opposite such words~~ APPEAR IN THE FORM AND CONTAIN THE STATEMENT PRESCRIBED
25 BY SECTION 35-454, SUBSECTION C. No other question, word or figure need be
26 printed on any ballot. The ballot shall not be of any particular size, and
27 sample ballots may or may not be printed, posted or distributed. A number of
28 ballots exceeding by not less than ten ~~per cent~~ PERCENT the number of
29 registered voters whose names appear on the precinct register prepared for
30 the precinct shall be printed for and furnished to each polling place.

31 Sec. 3. Section 15-491, Arizona Revised Statutes, is amended to read:

32 15-491. Elections on school property; exceptions

33 A. The governing board of a school district may, and on petition of
34 fifteen ~~per cent~~ PERCENT of the school electors as shown by the poll list at
35 the last preceding annual school election shall, call an election for the
36 following purposes:

37 1. To locate or change the location of school buildings.

38 2. To purchase or sell school sites or buildings or sell school sites
39 pursuant to section 15-342 or to build school buildings, but the
40 authorization by vote of the school district shall not necessarily specify
41 the site to be purchased.

42 3. To decide whether the bonds of the school district shall be issued
43 and sold for the purpose of raising money for purchasing or leasing school
44 lots, for building or renovating school buildings, for supplying school
45 buildings with furniture, equipment and technology, for improving school

1 grounds, for purchasing pupil transportation vehicles or for liquidating any
2 indebtedness already incurred for such purposes. Bonds issued for furniture,
3 equipment and technology, other than fixtures, shall mature no later than the
4 July 1 that follows the fifth year after the bonds were issued. A school
5 district shall not issue class B bonds until the school district has
6 obligated in contract the entire proceeds of any class A bonds issued by the
7 school district. The total amount of class A and class B bonds issued by a
8 school district shall not exceed the debt limitations prescribed in article
9 IX, sections 8 and 8.1, Constitution of Arizona.

10 4. To lease for ten or more years, as lessor or as lessee, school
11 buildings or grounds. Approval by a majority of the school district electors
12 voting authorizes the governing board to negotiate for and enter into a
13 lease. The ballot shall list the school buildings or grounds for which a
14 lease is sought. If the governing board does not enter into a lease of ten
15 or more years of the school buildings or grounds listed on the ballot within
16 ten years of the date of the election and the board continues to seek such a
17 lease, the governing board shall call a special election to reauthorize the
18 board to negotiate for and to enter into a lease of ten or more years.

19 5. To change the list of capital projects or the purposes authorized
20 by prior voter approval to issue bonds.

21 6. To extend from six to ten years the time period to issue class B
22 bonds authorized in 2009 or earlier. Elections pursuant to this paragraph
23 may not be held later than the sixth November after the election approving
24 the issuance of the bonds.

25 B. No petition shall be required for the holding of the first election
26 to be held in a joint common school district for any of the purposes
27 specified in subsection A of this section. The notice of election required
28 by section 15-492 shall be published in each of the counties that comprise
29 the joint common school district. The certification of election results
30 required by section 15-493 shall be made to the board of supervisors of the
31 jurisdictional county.

32 C. When the election is called to determine whether or not bonds of
33 the school district shall be issued and sold for the purposes enumerated in
34 the call for the election, the question shall be submitted to the vote of the
35 qualified electors of the school district as defined in section 15-401 and
36 subject to section 15-402.

37 D. The governing board shall order the election to be held in the
38 manner prescribed in title 35, chapter 3, article 3. If a petition for an
39 election has been filed with the governing board as provided in subsection A
40 of this section, the board shall act on the petition within sixty days by
41 ordering the election to be held as provided in this subsection. If a school
42 district bond election is scheduled for the same date a school district will
43 hold an override election, the governing body shall deliver a copy of the
44 notice of election and ballot to the county school superintendent who shall
45 include the notice of election and ballot with the information report and

1 ballot prepared for the override election. Mailing of the information
2 required for both the override and bond elections shall constitute compliance
3 with the notice provisions of this section.

4 E. The elections to be held pursuant to this section shall only be
5 held on dates prescribed by section 16-204, except that elections held
6 pursuant to this section to decide whether class B bonds shall be issued, or
7 any other obligation incurred that will require the assessment of secondary
8 property taxes, shall only be held on the first Tuesday after the first
9 Monday of November.

10 F. Subsection A, paragraph 2 of this section does not apply to the
11 sale of school property if the market value of the school property is less
12 than fifty thousand dollars.

13 G. Bond counsel fees, financial advisory fees, printing costs and
14 paying agent and registrar fees for bonds issued pursuant to an election
15 under this section shall be paid from either the amount authorized by the
16 qualified electors of the school district or current operating funds. Bond
17 election expenses shall be paid from current operating funds only.

18 H. For any election conducted to decide whether class B bonds will be
19 issued pursuant to this section:

20 1. Except as provided in paragraph 2 of this subsection, the ballot
21 shall include the following statement:

22 The capital improvements that are proposed to be funded
23 through this bond issuance are to exceed the state standards and
24 are in addition to monies provided by the state.

25 _____ school district is proposing to issue class B
26 general obligation bonds totaling \$_____ to fund capital
27 improvements over and above those funded by the state. Under
28 the students first capital funding system, _____ school
29 district is entitled to state monies for new construction and
30 renovation of school buildings in accordance with state law.

31 THE ISSUANCE OF THESE BONDS WILL RESULT IN A PROPERTY TAX
32 INCREASE TO PAY DEBT SERVICE ON THE BONDS. FOR A HOME VALUED AT
33 \$ (MEDIAN FULL CASH VALUE OF RESIDENTIAL PROPERTY IN THE
34 DISTRICT) , THESE BONDS WILL COST \$_____ ANNUALLY AND
35 \$_____ OVER THE TERM OF THE BONDS.

36 2. For a school district that is a joint technical education district,
37 the ballot shall include the following statement:

38 _____, a joint technical education district, is
39 proposing to issue class B general obligation bonds totaling
40 \$_____ to fund capital improvements at a campus owned or
41 operated and maintained by the joint technical education
42 district.

1 THE ISSUANCE OF THESE BONDS WILL RESULT IN A PROPERTY TAX
2 INCREASE TO PAY DEBT SERVICE ON THE BONDS. FOR A HOME VALUED AT
3 \$ (MEDIAN FULL CASH VALUE OF RESIDENTIAL PROPERTY IN THE
4 DISTRICT), THESE BONDS WILL COST \$_____ ANNUALLY AND
5 \$_____ OVER THE TERM OF THE BONDS.

6 3. The ballot shall contain the words "bond approval, yes" and "bond
7 approval, no", and the voter shall signify the voter's desired choice.

8 4. The ballot shall also contain the phrase "the issuance of these
9 bonds will result in an annual levy of property taxes sufficient to pay the
10 debt on the bonds".

11 5. At least eighty-five days before the election, the school district
12 shall submit proposed ballot language to the director of the Arizona
13 legislative council. The director of the Arizona legislative council shall
14 review the proposed ballot language to determine whether the proposed ballot
15 language complies with this section. If the director of the Arizona
16 legislative council determines that the proposed ballot language does not
17 comply with this section, the director, within ten calendar days of the
18 receipt of the proposed ballot language, shall notify the school district of
19 the director's objections and the school district shall resubmit revised
20 ballot language to the director for approval.

21 6. No later than thirty-five days before a class B bond election
22 conducted pursuant to this section, the school district shall mail a
23 publicity pamphlet to each household that contains a qualified elector in the
24 school district. The publicity pamphlet shall contain, at a minimum, the
25 following information:

26 (a) An executive summary of the school district's most recent capital
27 plan submitted to the school facilities board.

28 (b) A complete list of each proposed capital improvement that will be
29 funded with the proceeds of the bonds and a description of the proposed cost
30 of each improvement, including a separate aggregation of capital improvements
31 for administrative purposes as defined by the school facilities board.

32 (c) The tax rate associated with each of the proposed capital
33 improvements and the estimated cost of each capital improvement for the owner
34 of a single family home that is valued at one hundred thousand dollars.

35 I. For any election conducted to decide whether impact aid revenue
36 bonds shall be issued pursuant to this section:

37 1. The ballot shall include the following statement:

38 The capital improvements that are proposed to be funded
39 through this bond issuance are to exceed the state standards and
40 are in addition to monies provided by the state.

41 _____ school district is proposing to issue impact
42 aid revenue bonds totaling \$_____ to fund capital
43 improvements over and above those funded by the state. Under
44 the students first capital funding system, _____ school

1 district is entitled to state monies for new construction and
2 renovation of school buildings in accordance with state law.

3 THE ISSUANCE OF THESE BONDS WILL RESULT IN A PROPERTY TAX
4 INCREASE TO PAY DEBT SERVICE ON THE BONDS. FOR A HOME VALUED AT
5 \$ (MEDIAN FULL CASH VALUE OF RESIDENTIAL PROPERTY IN THE
6 DISTRICT), THESE BONDS WILL COST \$_____ ANNUALLY AND
7 \$_____ OVER THE TERM OF THE BONDS.

8 2. The ballot shall contain the words "bond approval, yes" and "bond
9 approval, no", and the voter shall signify the voter's desired choice.

10 3. At least eighty-five days before the election, the school district
11 shall submit proposed ballot language to the director of the legislative
12 council. The director of the legislative council shall review the proposed
13 ballot language to determine whether the proposed ballot language complies
14 with this section. If the director of the legislative council determines
15 that the proposed ballot language does not comply with this section, the
16 director, within ten calendar days of the receipt of the proposed ballot
17 language, shall notify the school district of the director's objections and
18 the school district shall resubmit revised ballot language to the director
19 for approval.

20 4. No later than thirty-five days before an impact aid revenue bond
21 election conducted pursuant to this section, the school district shall mail a
22 publicity pamphlet to each household that contains a qualified elector in the
23 school district. The publicity pamphlet shall contain, at a minimum, the
24 following information:

25 (a) The date of the election.

26 (b) The voter's polling place and the times it is open.

27 (c) An executive summary of the school district's most recent capital
28 plan submitted to the school facilities board.

29 (d) A complete list of each proposed capital improvement that will be
30 funded with the proceeds of the bonds and a description of the proposed cost
31 of each improvement, including a separate aggregation of capital improvements
32 for administrative purposes as defined by the school facilities board.

33 (e) A statement that impact aid revenue bonds will be fully funded by
34 aid that the school district receives from the federal government and do not
35 require a levy of taxes in the district.

36 (f) A statement that if the bonds are approved, the first priority for
37 the impact aid will be to pay the debt service for the bonds and that other
38 uses of the monies are prohibited until the debt service obligation is met.

39 (g) A statement that if the impact aid revenue bonds are approved, the
40 school district shall not issue or sell class B bonds while the district has
41 existing indebtedness from impact aid revenue bonds, except for bonds issued
42 to refund any bonds issued by the board.

43 J. If the voters approve the issuance of school district class B bonds
44 or impact aid revenue bonds, the school district shall not use the bond
45 proceeds for any purposes other than the proposed capital improvements listed

1 in the publicity pamphlet, except that up to ten ~~per cent~~ PERCENT of the bond
2 proceeds may be used for general capital expenses, including cost overruns of
3 proposed capital improvements. The proposed capital improvements may be
4 changed by a subsequent election as provided by this section.

5 K. Each school district that issues bonds under this section is
6 required to hold a public meeting each year between September 1 and October
7 31, until the bond proceeds are spent, at which an update of the progress of
8 capital improvements financed through bonding is discussed and at which the
9 public is permitted an opportunity to comment. At a minimum, the update
10 shall include a comparison of the current status and the original projections
11 on the construction of capital improvements, the costs of capital
12 improvements and the costs of capital improvements in progress or completed
13 since the prior meeting and the future capital bonding plans of the school
14 district. The school district shall include in the public meeting a
15 discussion of the school district's use of state capital aid and
16 voter-approved capital overrides in funding capital improvements, if any.

17 L. If an election is held to change the purpose or list of capital
18 projects authorized by prior voter approval to issue bonds pursuant to
19 subsection A, paragraph 5 of this section, the following requirements apply:

20 1. The election may be held only on the first Tuesday after the first
21 Monday in November.

22 2. No later than thirty-five days before the election, the school
23 district shall mail a publicity pamphlet to each household in the school
24 district that contains a qualified elector. The publicity pamphlet shall
25 contain, at a minimum, the following information:

26 (a) The date of the election.

27 (b) The voter's polling place and the times it is open.

28 (c) A statement as to why the election was called.

29 (d) A complete list of each proposed capital improvement that is in
30 addition to the initial capital improvements presented in the publicity
31 pamphlet when the bonds were approved and the proposed cost of each
32 improvement, including a separate aggregation of capital improvements for
33 administrative purposes as defined by the school facilities board.

34 (e) A complete list of each capital improvement that was presented in
35 the publicity pamphlet when the bonds were initially approved and that is
36 proposed to be eliminated or to have its cost reduced, and the proposed cost
37 of each improvement, including a separate aggregation of capital improvements
38 for administrative purposes as defined by the school facilities board.

39 (f) Arguments for and against the proposed change, if submitted, as
40 provided by section 15-481, subsection B, paragraph 9.

41 3. The ballot shall contain the words "change capital improvements,
42 yes" and "change capital improvements, no", and the voter shall signify the
43 voter's desired choice.

1 4. If the election is to add a purpose that was not on the initial
2 ballot, the ballot shall list the purpose that is proposed to be added.

3 M. If an election is held to extend the time to issue bonds pursuant
4 to subsection A, paragraph 6 of this section, the following requirements
5 apply:

6 1. The election may be held only on the first Tuesday after the first
7 Monday in November.

8 2. No later than thirty-five days before the election, the school
9 district shall mail a publicity pamphlet to each household in the school
10 district that contains a qualified elector. The publicity pamphlet shall
11 contain, at a minimum, the following information:

12 (a) The date of the election.

13 (b) The voter's polling place and the times it is open.

14 (c) A statement as to why the election was called.

15 (d) Arguments for and against the proposed change, if submitted, as
16 provided in section 15-481, subsection B, paragraph 9.

17 3. The ballot shall contain the words "extend time to issue bonds,
18 yes" and "extend time to issue bonds, no", and the voter shall signify the
19 voter's desired choice.

20 Sec. 4. Section 35-454, Arizona Revised Statutes, is amended to read:

21 35-454. Informational pamphlet for bond election; review;
22 ballot; election; return; canvass of votes;
23 certificate of election

24 A. The governing body or board of the political subdivision shall:

25 1. Not less than thirty-five days before the bond election, mail a
26 copy of an informational pamphlet to every household within the political
27 subdivision that contains a registered voter. The pamphlet shall contain
28 information on the:

29 (a) Amount of the bond authorization.

30 (b) Maximum interest rate of the bonds.

31 (c) Estimated debt retirement schedule for the current amount of bonds
32 outstanding, showing both principal and interest payments, the current net
33 assessed valuation as reported by the department of revenue and the current
34 adopted and estimated tax rates. For the purposes of this paragraph, "net
35 assessed valuation" may include the values used to determine voluntary
36 contributions collected pursuant to title 9, chapter 4, article 3 and title
37 48, chapter 1, article 8.

38 (d) Estimated debt retirement schedule for the proposed bond
39 authorization, showing both the estimated principal and interest payments and
40 the estimated average annual tax rate for the proposed bond authorization.
41 In preparing this information and the information prescribed by subdivision
42 (c) of this paragraph, the projected total annual increase in net assessed
43 valuation for any future year shall not exceed:

1 (i) For the first five years of the estimated debt retirement
2 schedule, the average of the annual percentage growth for the previous ten
3 years in the net assessed valuation of the political subdivision.

4 (ii) For the remaining years of the estimated debt retirement
5 schedule, twenty percent of the average of the annual percentage growth for
6 the previous ten years in the net assessed valuation of the political
7 subdivision.

8 (e) Source of repayment.

9 (f) Estimated issuance costs.

10 (g) Estimated tax impact of debt service for the bonds on an
11 owner-occupied residence classified as class three pursuant to section
12 42-12003, on commercial property classified as class one pursuant to section
13 42-12001, paragraph 12 and on agricultural or other vacant property
14 classified as class two pursuant to section 42-12002, assuming the net
15 assessed valuation of the property increases annually at the lesser of five
16 percent or fifty percent of the projected total annual increase in net
17 assessed valuation as determined pursuant to subdivision (d) of this
18 paragraph over the term of the bonds using the same average annual tax rate
19 as under subdivision (d) of this paragraph, as follows:

20 The tax impact over the term of the bonds on an
21 owner-occupied residence valued by the county assessor at
22 \$250,000 is estimated to be \$___ per year for __ years, or \$___
23 total cost.

24 The tax impact over the term of the bonds on commercial
25 property valued by the county assessor at \$1,000,000 is
26 estimated to be \$___ per year for __ years, or \$_____ total
27 cost.

28 The tax impact over the term of the bonds on agricultural
29 or other vacant property valued by the county assessor at
30 \$100,000 is estimated to be \$___ per year for __ years, or
31 \$_____ total cost.

32 (h) In bold-faced type, estimated total cost of the proposed bond
33 authorization, including principal and interest.

34 (i) Current outstanding general obligation debt and constitutional
35 debt limitation.

36 (j) Projects and expenditures for which the bonds are to be issued.
37 The purpose statement shall only present factual information in a neutral
38 manner. Advocacy for the expenditures is strictly limited to the arguments
39 submitted pursuant to subdivision (n) of this paragraph.

40 (k) Purpose for which the bonds are to be issued and, if applicable,
41 in bold-faced type, that the amount of the proposed bond authorization
42 combined with the current outstanding debt exceeds the political
43 subdivision's constitutional debt limit.

44 (l) Polling location for the addressee.

45 (m) Hours during the day when the polls will be open.

1 (n) Arguments for and against the authorization of one or more of the
2 bond propositions.

3 2. Set a deadline to submit arguments for and against the
4 authorization of one or more of the bond propositions at a public meeting and
5 publish the deadline in a newspaper of general circulation in the
6 jurisdiction of the political subdivision.

7 3. Submit a copy of the informational pamphlet to the department of
8 revenue within thirty days after the bond election. The department of
9 revenue shall maintain copies of the pamphlets.

10 B. The failure of any one or more electors to receive the
11 informational pamphlet shall not be grounds to invalidate the election. The
12 election shall conform with the general election laws of ~~the~~ THIS state. The
13 return of the election held in a county shall be made to the board of
14 supervisors and, in any other case, to the governing body or board of the
15 municipal corporation or district within twelve days after the election.

16 C. For any proposed general obligation bond authorization ~~where~~ FOR
17 WHICH the principal and interest will be paid by a levy of property taxes: ~~—~~
18 ~~the ballot shall contain the phrase "the issuance of these bonds will result~~
19 ~~in a property tax increase sufficient to pay the annual debt service on~~
20 ~~bonds".~~

21 1. Any written information provided by the political subdivision
22 pertaining to the bond election shall include financial information showing
23 the estimated average tax rate for the proposed bond authorization. ~~If the~~
24 ~~bonds are to be repaid with secondary property taxes,~~

25 2. The ballot shall contain the words "bond approval, yes" and "bond
26 approval, no", and the voter shall signify the voter's desired choice.

27 3. The ballot shall also contain the following statement:

28 A "yes" vote ~~shall~~ WILL authorize the (NAME OF COUNTY
29 CITY, TOWN OR DISTRICT) governing body to issue and sell
30 \$_____ of (NAME OF COUNTY, CITY, TOWN OR DISTRICT) bonds ~~of~~
31 ~~the district~~ to be repaid with secondary property taxes. ~~THE~~
32 ~~ISSUANCE OF THESE BONDS WILL RESULT IN A PROPERTY TAX INCREASE~~
33 ~~TO PAY DEBT SERVICE ON THE BONDS. FOR A HOME VALUED AT~~
34 ~~\$(MEDIAN FULL CASH VALUE OF RESIDENTIAL PROPERTY IN THE~~
35 ~~COUNTY, CITY, TOWN OR DISTRICT), THE INCREASED TAX WILL COST~~
36 ~~\$(_____ ANNUALLY AND \$(_____ OVER THE TERM OF THE BONDS.~~

37 A "no" vote ~~shall not authorize the _____ governing body~~
38 ~~WILL DENY THE GOVERNING BODY THE AUTHORITY~~ to issue and sell
39 such bonds of the (NAME OF COUNTY, CITY, TOWN OR district).

40 D. If the governing body intends to use revenues other than property
41 taxes to pay the debt on proposed general obligation bonds, the ballot shall
42 contain the phrase "the issuance of these bonds will result in a property tax
43 increase sufficient to pay the annual debt service on bonds, unless the
44 governing body provides for payment from other sources".

1 E. The board of supervisors, governing body or governing board shall
2 hold a special meeting within twenty days after the election to canvass the
3 votes cast and certify the result. The certificate of the result shall be
4 prima facie evidence of full performance of all conditions and requirements
5 precedent to holding the election.

6 F. The governing board or body shall file and record in the office of
7 the county recorder a certificate disclosing the purpose of the election, the
8 total number of votes cast and the total number of votes for and against
9 creating the indebtedness, and stating whether or not the indebtedness is
10 ordered. Upon filing and recording the certificate, the governing board or
11 body shall carry out the purpose of the election.

12 G. Variations between the estimates required by subsection A of this
13 section and the actual debt retirement schedules, issuance costs, annual and
14 total costs and tax rates shall not invalidate either the election or the
15 bonds.

16 H. THE REQUIREMENTS OF THIS SECTION DO NOT APPLY TO ANY SPECIAL TAXING
17 DISTRICT THAT MEASURES ITS TAX LEVY OR ASSESSMENT BY ACREAGE OR BY ANY OTHER
18 MEASUREMENT THAT DOES NOT USE THE ASSESSED VALUATION OF PROPERTY.

19 Sec. 5. Section 48-685, Arizona Revised Statutes, is amended to read:

20 48-685. Ballots

21 At the election the ballot shall ~~contain the words "for the bonds" and~~
22 ~~"against the bonds" and to the right of and opposite each thereof shall be~~
23 ~~placed a square approximately the size of the squares placed opposite the~~
24 ~~names of candidates on ballots. The voter shall indicate his vote "for the~~
25 ~~bonds" or "against the bonds" by inserting a mark as defined in section~~
26 ~~16-400 in the square opposite such words~~ APPEAR IN THE FORM AND CONTAIN THE
27 STATEMENT PRESCRIBED BY SECTION 35-454, SUBSECTION C. No other question,
28 word or figure need be printed on any ballot. The ballot shall not be of any
29 particular size, and sample ballots may or may not be printed, posted or
30 distributed. A number of ballots exceeding by not less than two ~~per cent~~
31 PERCENT the number of registered voters whose names appear on the precinct
32 register prepared for the precinct, town or city shall be printed for and
33 furnished to each polling place.

34 Sec. 6. Section 48-707, Arizona Revised Statutes, is amended to read:

35 48-707. Notice and conduct of elections; waiver

36 A. Any election under this article shall be a nonpartisan election
37 called by posting notices in three public places within the boundaries of the
38 district not less than twenty days before the election. Notice shall also be
39 published in a newspaper of general circulation in the municipality or county
40 or if there is no newspaper so circulated in the municipality in a newspaper
41 of general circulation in the county in which the municipality is located
42 once a week for two consecutive weeks before the election. The notice shall
43 state:

1 1. The place of holding the election.
2 2. The hours during the day, not less than six, in which the polls
3 will be open.
4 3. If it is a formation election, the boundaries of the proposed
5 district.
6 4. If it is a bond election, the amount of bonds to be authorized for
7 the district, the maximum rate of interest to be borne on the bonds, the
8 maximum term of the bonds, not exceeding twenty-five years, and the purposes
9 for which the monies raised will be used.
10 5. If it is an ad valorem tax levy election pursuant to section
11 48-723, the maximum tax rate per one hundred dollars of assessed valuation to
12 be imposed, the purposes for which the monies raised will be used and the
13 existing maximum tax rate, if any.
14 6. That a general plan is on file with the clerk.
15 B. The district board or the governing body, as applicable, shall
16 determine the date of the election and the polling places for the election
17 and may consolidate county precincts. For other than a formation election
18 pursuant to section 48-705, subsection B, and an election held pursuant to
19 subsection G of this section, precinct registers shall be used. The county
20 recorder shall submit precinct registers on the request of the clerk, and if
21 the district includes land lying partly in and partly out of any county
22 election precinct, the precinct registers may contain the names of all
23 registered voters in the precinct and the election boards at those precincts
24 shall require that a prospective elector execute an affidavit stating that
25 the elector is also a qualified elector of the district. For formation
26 elections and elections held pursuant to subsection G of this section, a
27 prospective elector shall execute an affidavit stating that the elector is
28 the owner of land in the proposed district and is a qualified elector of this
29 state or otherwise qualified to vote pursuant to section 48-3043 and stating
30 the area of land in acres owned by the elector. Election board members may
31 administer oaths or take all affirmations for these purposes. A community
32 facilities district election held pursuant to this article is not subject to
33 title 16, chapter 2, article 3.
34 C. Except as otherwise provided by this article, the election shall
35 comply with the general election laws of this state, except that the words to
36 appear on the ballots shall be for a formation election "district, yes" and
37 "district, no", ~~for a bond election "bonds, yes" and "bonds, no", for a tax~~
38 ~~election if no tax is in place "tax, yes" and "tax, no"~~ and for a tax
39 election to change an existing maximum or eliminate an existing tax "tax
40 change, yes" and "tax change, no". **FOR A BOND ELECTION, THE BALLOT SHALL**
41 **APPEAR IN THE FORM AND CONTAIN THE STATEMENT PRESCRIBED BY SECTION 35-454,**
42 **SUBSECTION C.** The returns of election shall be made to the governing body
43 or, if after formation, to the district board.

1 D. Within fourteen days after an election, the governing body, or if
2 after formation, the district board, shall meet and canvass the returns, and
3 if a majority of the votes cast at the election is in favor of formation,
4 issuing the bonds, imposing the tax or changing the tax, the governing body
5 or the district board, as appropriate, shall enter that fact on its minutes.
6 The canvass may be continued from time to time. Failure of a majority to
7 vote in favor of the matter submitted does not prejudice the submission of
8 the same or similar matters at a later election.

9 E. If a person listed on the assessment roll is no longer the owner of
10 land in the district and the name of the successor owner becomes known and is
11 verified by recorded deed or other similar evidence of transfer of ownership,
12 the successor owner is deemed to be the owner for the purposes of this
13 article.

14 F. Notwithstanding any other provision of this article, if a petition
15 for formation is signed by owners of all of the land in the district
16 described in the petition and is approved by the municipality or county, the
17 municipality or county may waive any or all requirements of posting,
18 publication, mailing, notice, hearing and landowner election. On receipt of
19 such a petition, and after approval by an election of resident electors, if
20 any, the municipality or county shall declare the district formed without
21 being required to comply with the provisions of this article for posting,
22 publication, mailing, notice, hearing or landowner election.

23 G. Notwithstanding any other provision of this article, if no person
24 has registered to vote within the district within fifty days immediately
25 preceding any scheduled election date, any election required to be held
26 pursuant to this article shall be held with the vote by the owners of land
27 within the district who are qualified electors of this state and other
28 landowners according to section 48-3043. Each owner has the number of votes
29 or portion of votes equal to the number of acres or portion of acres rounded
30 upward to the nearest one-fifth of an acre owned in the district by that
31 person.

32 H. For a district that is proposed to be formed by a county, a
33 district may be formed only if a petition for formation is signed by the
34 owners of all of the land in the district that is described in the petition
35 and if it is approved by the county. If the district is proposed to be
36 formed in a county island, as defined in section 11-251.12, in existence on
37 ~~the effective date of this amendment to this section~~ SEPTEMBER 21, 2006, the
38 petition must be signed by the owners of all of the land in the district that
39 is described in the petition and the district must be approved by the county
40 and by the municipality or all municipalities that form the county island.
41 If the petition is signed by the owners of all of the land in the district,
42 the county may waive any or all requirements of posting, publication,
43 mailing, notice, hearing and landowner election. On receipt of such a
44 petition, and after approval by an election of one hundred ~~per cent~~ PERCENT
45 of the resident electors, if any, the county shall declare the district

1 formed without being required to comply with the provisions of this article
2 for posting.

3 Sec. 7. Section 48-806, Arizona Revised Statutes, is amended to read:
4 48-806. Bond election; issuance and sale of bonds

5 A. Except for a district formed pursuant to section 48-851, the
6 district board or the elected chief and secretary-treasurer may order an
7 election by the qualified electors of the district to be held pursuant to
8 title 16, chapter 2, article 1 to determine whether bonds shall be issued on
9 behalf of the district. The order shall specify the maximum principal amount
10 of bonds to be issued, the maximum number of years bonds of any issue or
11 series may run from their date not exceeding thirty years, the purpose for
12 which the bonds are to be issued, the maximum rate of interest ~~which~~ THAT the
13 bonds are to bear, the date and hours of the election and the location of the
14 polling places. Copies of the order shall be posted in three public places
15 within the district not less than twenty days prior to the date of the
16 election, and if a newspaper is published within the county having a general
17 circulation within the district, the order shall be published in the
18 newspaper not less than once a week during each of the three calendar weeks
19 preceding the calendar week of the election.

20 B. A district board formed pursuant to section 48-851 shall not order
21 an election for or issue bonds under this section.

22 C. Instead of publishing the notice described in subsection A of this
23 section, the board of directors may mail a notice of election to each
24 household containing a qualified elector of the district. The notice shall
25 contain the same information described in subsection A of this section except
26 that the notice shall not contain the location of all the polling places for
27 that election. The notice shall contain the location of the polling place
28 for that household's qualified electors. The notice shall be mailed at least
29 thirty-five days before the election.

30 D. At the election the ballot shall ~~contain the phrases "for the~~
31 ~~bonds" and "against the bonds". There shall be placed a square or other~~
32 ~~designated marking space in the same manner as used for candidates on~~
33 ~~ballots. The voter shall indicate a vote "for the bonds" or "against the~~
34 ~~bonds"~~ APPEAR IN THE FORM AND CONTAIN THE STATEMENT PRESCRIBED BY SECTION
35 35-454, SUBSECTION C. No other question, word or figure need be printed on
36 the ballot. The ballot need not be any particular size, nor need sample
37 ballots be printed, posted or distributed but ballots shall comply with
38 standards otherwise provided by law, including requirements for electronic
39 voting, if applicable.

40 E. If a majority of the qualified electors of the district voting at
41 the election approves the issuance of bonds, the district board or the
42 elected chief and secretary-treasurer, as appropriate, may issue bonds in an
43 aggregate principal amount not exceeding the lesser of six ~~per cent~~ PERCENT
44 of the value of the taxable property in the district as shown on the last

1 property tax assessment roll before issuing the bonds or the maximum amount
2 specified in the election order.

3 F. Bonds may be in such denominations, may be in registered or bearer
4 form either as to principal or interest, or both, may mature at such times
5 not exceeding the maximum maturity specified in the election order and may be
6 subject to redemption prior to maturity, all as specified by the district
7 board or elected chief and secretary-treasurer, as appropriate, as provided
8 in subsection E of this section. The district may engage the services of a
9 depository to administer a book entry system for the bonds. The costs and
10 expenses of such depository and any registrar or paying agent for the bonds
11 shall be deemed to be interest expenses that may also be paid from the tax
12 levy made pursuant to subsection I of this section.

13 G. Bonds shall be executed by the manual or facsimile signatures of
14 the chairman and clerk of the district board or elected chief and
15 secretary-treasurer of the district. Coupons attached to the bonds shall
16 bear the facsimile signature of the chairman of the district board or the
17 elected chief of the district, as appropriate.

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

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

40 Sec. 8. Section 48-1037, Arizona Revised Statutes, is amended to read:
41 48-1037. Notice and conduct of elections; waiver

42 A. Any election under this article shall be called by posting notices
43 in three public places within the boundaries of the district not less than
44 twenty days before the election. Notice shall also be published in a

1 newspaper of general circulation in the county once a week for two
2 consecutive weeks before the election. The notice shall state:

3 1. The place of holding the election.

4 2. The hours during the day, not less than six, when the polls will be
5 open.

6 3. If it is a formation election, the boundaries of the proposed
7 district.

8 4. If it is a bond election, the amount of bonds to be authorized for
9 the district, the maximum rate of interest to be borne on the bonds, the
10 maximum term of the bonds, not exceeding thirty years, and the purposes for
11 which the monies raised will be used.

12 B. A bond election under this section must be held on the first
13 Tuesday following the first Monday in November as prescribed by section
14 16-204, subsection ~~B, paragraph 1, subdivision (d)~~ F.

15 C. The district board or the board of supervisors, as applicable,
16 shall determine the polling places for the election and may consolidate
17 county precincts. For other than a formation election, precinct registers
18 shall be used. The county recorder shall submit precinct registers on the
19 request of the clerk, and if the district includes land lying partly in and
20 partly out of any county election precinct, the precinct registers may
21 contain the names of all registered voters in the precinct and the election
22 boards at such precincts shall require that a prospective elector execute an
23 affidavit stating that he is also a qualified elector of the district. For
24 formation elections a prospective elector shall execute an affidavit stating
25 that he is the owner of land in the district, is a qualified elector of this
26 state and stating the area of land in acres owned by the elector. Election
27 board members may give oaths or take all affirmations for these purposes.

28 D. Except as otherwise provided by this article, the election shall
29 comply with the general election laws of this state, except that the words to
30 appear on the ballots shall be for a formation election "district, yes" and
31 "district, no" ~~or for a bond election "bonds, yes" and "bonds, no"~~. **FOR A**
32 **BOND ELECTION, THE BALLOT SHALL APPEAR IN THE FORM AND CONTAIN THE STATEMENT**
33 **PRESCRIBED BY SECTION 35-454, SUBSECTION C.** The returns of election shall be
34 made to the district board.

35 E. On the seventh day after the election or within seven days of the
36 election, the board of supervisors, or if after formation, the district
37 board, shall meet and canvass the returns, and if a majority of the votes
38 cast at the election is in favor of formation or issuing the bonds, the board
39 shall enter that fact on its minutes. The board may continue the canvass
40 from time to time.

41 F. Notwithstanding any other provision of this article, a petition for
42 formation signed by owners of all of the land in the district described and
43 approved by the board of supervisors waives any requirements of posting,
44 publication, mailing, notice, hearing and election. On receipt of such a
45 petition, the board of supervisors shall declare the district formed without

1 being required to comply with this article for posting, publication, mailing,
2 notice, hearing or election.

3 Sec. 9. Section 48-1409, Arizona Revised Statutes, is amended to read:
4 48-1409. Conduct of election

5 A. The election shall be held, except as otherwise provided by this
6 article, in conformity with the general election laws of the state, except
7 that:

8 1. The election shall be held on the first Tuesday following the first
9 Monday in November as prescribed by section 16-204, subsection ~~B, paragraph~~
10 ~~1, subdivision (d)~~ F.

11 ~~2. The words to appear on the ballots shall be "bonds, yes. (),~~
12 ~~"bonds, no. ()".~~

13 2. THE BALLOT SHALL APPEAR IN THE FORM AND CONTAIN THE STATEMENT
14 PRESCRIBED BY SECTION 35-454, SUBSECTION C.

15 3. The returns of election shall be made to the board of trustees of
16 the district.

17 B. On the seventh day after the election at 1:00 p.m., the board of
18 trustees shall meet and canvass the returns, and if a majority of the votes
19 cast at the election is in favor of issuing the bonds, ~~then~~ the board of
20 trustees shall make an entry of that fact ~~upon their~~ ON THE BOARD'S minutes,
21 and certify to the board of supervisors all proceedings had in the premises.

22 Sec. 10. Section 48-4543, Arizona Revised Statutes, is amended to
23 read:

24 48-4543. General obligation bond election; results

25 A. On determining the amount of money that is necessary to be raised
26 for any of the purposes set forth in section 48-4542 and that may be subject
27 to repayment under section 48-4503, subsection B, paragraph 1, the board
28 shall immediately call an election to submit to the electors of the district
29 the question of whether the bonds of the district shall be issued in the
30 amount so determined. The election must be held on the first Tuesday
31 following the first Monday in November as prescribed by section 16-204,
32 subsection ~~B, paragraph 1, subdivision (d)~~ F.

33 B. Notice of the election shall be posted in three public places in
34 each election precinct of the district for at least twenty days and by
35 publication in a newspaper published in the county in which the office of the
36 board of directors of the district is located once a week for at least two
37 consecutive weeks. The notice shall state the date of the election, the
38 amount of bonds proposed to be issued, the maximum rate of interest to be
39 borne on the bonds and the denominations.

40 C. The election shall be held and the results shall be determined and
41 declared in a manner as nearly as practicable as provided by section 48-4433
42 governing the election of board members. Informalities in conducting the
43 election do not invalidate the election if it has been otherwise fairly
44 conducted.

1 D. At the election the ballots shall ~~contain the words "bonds—yes"~~
2 ~~and "bonds—no"~~ APPEAR IN THE FORM AND CONTAIN THE STATEMENT PRESCRIBED BY
3 SECTION 35-454, SUBSECTION C. If a majority of the votes cast at the
4 election ~~is "bonds—yes"~~ APPROVE THE BONDS, the board of directors shall
5 cause the bonds to be issued. If a majority of the votes cast ~~is~~
6 ~~"bonds—no"~~ REJECT THE BONDS, the result of the election shall be declared
7 by the board of directors and entered on its record, and at any time
8 thereafter when a petition signed by one-fourth or more of the qualified
9 electors of the district is presented to the board of directors, the board
10 shall record such presentation in its minutes and shall again submit the
11 question to the electors of the district in the same manner and with similar
12 effect as at the previous election.