bond elections; date; voter turnout

State of Arizona House of Representatives Fifty-sixth Legislature Second Regular Session 2024

## **HOUSE BILL 2719**

AN ACT

AMENDING SECTIONS 9-524, 15-1465, 16-204, 35-452, 35-453 AND 35-455, ARIZONA REVISED STATUTES; RELATING TO PUBLIC FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- i -

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

Section 1. Section 9-524, Arizona Revised Statutes, is amended to read:

#### 9-524. <u>Election order and call; publication; posting</u>

- A. The governing body shall order and call an election  $\frac{\text{upon}}{\text{upon}}$  ON the question of the issuance of bonds. The order and call shall state in substance:
  - 1. The maximum amount of bonds to be issued.
  - 2. The purpose for which the bonds are to be issued.
  - 3. The maximum rate of interest which the bonds are to bear.
- 4. A brief concise statement, which need not include any detail other than the mere statement of the fact, showing that the bonds will be payable solely from revenues unless the bonds are to be tax secured bonds in which case the order and call shall state in substance that the bonds shall be payable from revenues and shall additionally be payable from taxes levied upon ON all taxable property in the municipality.
- 5. The date on which the election is to be held as prescribed by section 16-204, subsection B, paragraph 1, subdivision (d).
  - 6. The places where votes may be cast.
  - 7. The hours between which polling places will be open.
- B. The order and call of election shall be published in full at least once, not less than fifteen nor more than thirty days prior to BEFORE the date of the election, in a newspaper published in the county and of general circulation in the municipality. If there is no such newspaper, the order and call shall be printed in full and posted in five conspicuous places in the municipality not less than fifteen nor more than thirty days prior to BEFORE the date of the election.
- C. If the bonds are to be tax secured bonds, the order and call of election shall state, in addition to the requirements of subsection A of this section, the matters required by title 35, chapter 3, article 3 and shall be posted and published as required by that article rather than as provided in subsection B of this section.
- Sec. 2. Section 15-1465, Arizona Revised Statutes, is amended to read:

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15-1465. Election; issuance and sale of bonds for capital outlay; disposition of proceeds; proration of expenditures by counties
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A. A district may conduct an election to determine whether or not bonds shall be issued and sold for the purpose of paying its share of the expenditures incurred for capital outlay. The election shall be originated and conducted, the bonds issued, sold and redeemed and a tax levy imposed for payment of interest on such bonds and redemption of bonds in accordance with title 35, chapter 3, article 3 and the limitations imposed on school districts by article IX, section 8, Constitution of Arizona, insofar as those provisions are applicable. The election shall be held on the first Tuesday following the first Monday in November as

- 1 -

prescribed by section 16-204, subsection B, paragraph 1, subdivision (d). Bond counsel fees, financial advisory fees, printing costs and paying agent and registrar fees shall be paid from either the amount authorized by the qualified electors of the community college district or current operating funds. Bond election expenses shall be paid from current operating funds only.

- B. The proceeds of all bonds sold as provided in subsection A of this section shall be used only for capital outlay, including the purchase of land, the purchase, erection, remodeling or completion of buildings and the purchase of equipment and facilities for educational or auxiliary purposes of the community college district.
- C. Where a district contains more than one county, subsections A and B of this section shall be applicable separately to each of the counties as to its portion of the expenditures to be paid for capital outlay in setting up the physical plant of the district even though the proposed plant is to be established, wholly or partly, in one county of the district.
- D. The portion of the expenditures for capital outlay to be prorated by each county of a district shall be determined in the ratio that the assessed valuation of each county within the district bears to the total assessed valuation of all counties within the district.
- Sec. 3. Section 16-204, Arizona Revised Statutes, is amended to read:

# 16-204. <u>Declaration of statewide concern: consolidated election dates; definition</u>

- A. The legislature finds and determines that for the purposes of increasing voter participation and for decreasing the costs to the taxpayers it is a matter of statewide concern that all elections in this state be conducted on a limited number of days and, therefore, the legislature finds and declares that the holding of all elections on certain specific consolidated days is a matter of statewide concern. This section preempts all local laws, ordinances and charter provisions to the contrary.
- B. For elections held before 2014 and notwithstanding any other law or any charter or ordinance of any county, city or town to the contrary, an election held for or on behalf of a county, city or town, a school district, a community college district or special districts organized pursuant to title 48, chapters 5, 6, 8, 10, 13 through 16 and 33 may only be held on the following dates:
- 1. Except for regular elections for candidates in a city or town with a population of one hundred seventy-five thousand or more persons, all elections, including recall elections and special elections to fill vacancies, shall be held on:
  - (a) The second Tuesday in March.
  - (b) The third Tuesday in May.

- 2 -

- (c) The tenth Tuesday before the first Tuesday after the first Monday in November.
- (d) The first Tuesday after the first Monday in November. Notwithstanding any other law, an election must be held on this date for the approval of an obligation or other authorization requiring or authorizing the assessment of secondary property taxes by a county, city, town, school district, community college district or special taxing district, except as provided by title 48.
- 2. For regular elections that are only for candidates in a city or town with a population of one hundred seventy-five thousand or more persons and not including recall elections and special elections to fill vacancies in those cities or towns, elections shall be held on:
- (a) The tenth Tuesday before the first Tuesday after the first Monday in November.
  - (b) The first Tuesday after the first Monday in November.
- C. For elections held before 2014, for any city or town, including a charter city, that holds its regularly scheduled candidate elections in even-numbered years pursuant to subsection B, paragraph 2 of this section, the term of office for a member of the city council or for the office of mayor begins on or after the second Tuesday in January in the year following the election.
- D. Subsections B and C of this section do not apply to an election regarding a county or city charter committee or county or city charter proposal that is conducted pursuant to article XIII, section 2 or 3 or article XII, section 5, Constitution of Arizona.
- E. Beginning with elections held in 2014 and later and notwithstanding any other law or any charter or ordinance to the contrary, a candidate election held for or on behalf of any political subdivision of this state other than a special election to fill a vacancy or a recall election may only be held on the following dates and only in even-numbered years:
- 1. Through 2019, the tenth Tuesday before the first Tuesday after the first Monday in November. Beginning in 2020 and later, The election shall be held on the first Tuesday in August. If the political subdivision holds a primary or first election and a general or runoff election is either required or optional for that political subdivision, the first election shall be held on this date, without regard to whether the political subdivision designates the election a primary election, a first election, a preliminary election or any other descriptive term.
- 2. The first Tuesday after the first Monday in November. If the political subdivision holds a general election or a runoff election, the second election held shall be held on this date. If the political subdivision holds only a single election and no preliminary or primary or other election is ever held for the purpose of reducing the number of candidates, or receiving a partisan nomination or designation or for any

- 3 -

other purpose for that political subdivision, the single election shall be held on this date.

- F. Beginning with elections held in 2014 and later that are not candidate elections, an election held for or on behalf of any political subdivision of this state, and including a special election to fill a vacancy or a recall election, may only be held on the following dates:
  - 1. The second Tuesday in March.
  - 2. The third Tuesday in May.
- 3. Through 2019, the tenth Tuesday before the first Tuesday after the first Monday in November. Beginning in 2020 and later, The election shall be held on the first Tuesday in August.
- 4. The first Tuesday after the first Monday in November. Notwithstanding any other law, an election must be held on this date AND ONLY IN EVEN-NUMBERED YEARS for the approval of an obligation or other authorization requiring or authorizing the assessment of secondary property taxes by a county, city, town, school district, community college district or special taxing district, except as provided by title 48. Notwithstanding any other law, an election must be held on the date specified in this paragraph and only in even-numbered years for the approval of or authorizing the assessment of transaction privilege taxes by a county, city or town.
- G. Notwithstanding any other law, for an election administered by a county recorder or other officer in charge of elections on behalf of a city, town or school district and that is an all mail ballot election for that city, town or school district, the county recorder or other officer in charge of elections may use a unified ballot format that combines all of the issues applicable to the voters in the city, town or school district requesting the all mail ballot election.
- H. For the purposes of this section, "political subdivision" means any governmental entity operating under the authority of this state and governed by an elected body, including a city, town, county, school district or community college district or any other district organized under state law but not including a special taxing district.
- Sec. 4. Section 35-452, Arizona Revised Statutes, is amended to read:

### 35-452. Election to authorize indebtedness; costs

A. The governing body or board of a political subdivision enumerated in section 35-451 may, and upon petition signed by fifteen per tent TWENTY-FIVE PERCENT of the qualified electors shall, order an election by such electors to determine whether such indebtedness shall be authorized. The election shall be held on the first Tuesday following the first Monday in November AND ONLY IN EVEN-NUMBERED YEARS as prescribed by section 16-204, subsection B, paragraph 1, subdivision (d).

- 4 -

- B. If a majority of the qualified electors voting at the election votes in favor of creating an indebtedness AND THE VOTER TURNOUT ON THAT ISSUE IS SIXTY PERCENT OR MORE OF THE ELECTORS WHO ARE ELIGIBLE TO VOTE ON THAT ISSUE, such political subdivision may become so indebted.
- C. Bond counsel fees, financial advisory fees, printing costs and paying agent and registrar fees shall be paid from either the amount authorized by the qualified electors of the political subdivision or current operating funds.
- $\ensuremath{\mathsf{D}}.$  Bond election expenses shall be paid from current operating funds only.
- Sec. 5. Section 35-453, Arizona Revised Statutes, is amended to read:

#### 35-453. Order for election

- A. The governing body or board of the political subdivision shall order the election to be held at the regular voting places within the limits of such subdivision on the first Tuesday following the first Monday in November AND ONLY IN EVEN-NUMBERED YEARS as prescribed by section 16-204, subsection B, paragraph 1, subdivision (d).
- B. If the election is to be held for creating an indebtedness by a county, the order shall be made by the board of supervisors of the county in which the election will be held.
- C. The order shall state the object of the election, and shall be prima facie evidence that all provisions necessary to give the order validity or qualify the governing body or board to make such order have been fully complied with.
- Sec. 6. Section 35-455, Arizona Revised Statutes, is amended to read:

### 35-455. <u>Issuance and sale of bonds</u>; call for election

- A. When the political subdivision designated in this article desires to issue bonds or other evidences of indebtedness, the governing body or board thereof, with the assent of a majority of the qualified electors therein voting at the election held as provided by section 35-454 AND A VOTER TURNOUT FOR THAT ISSUE OF SIXTY PERCENT OR MORE OF THE ELECTORS WHO ARE ELIGIBLE TO VOTE ON THAT ISSUE, may issue and sell bonds in the amount authorized at the election.
- B. The call for the election shall set forth the aggregate amount of the bonds, the maximum rate of interest to be paid thereon, the minimum and maximum number of years bonds of any issue or series may run from their date, the purposes for which the money derived from the sale of the bonds will be expended, the current outstanding general obligation debt and the constitutional debt limitation of the political subdivision.
- C. Bonds of any issue or series of bonds voted under this section may run for any number of years not exceeding the longest period permitted ALLOWED by the voted proposition.

- 5 -

D. The governing body or board may expend SPEND the monies received from the sale of the bonds only for the purposes stated in the ballot and for the necessary costs and expenses of the issuance and sale of the bonds. If an unexpended balance remains after satisfying the purposes of the bonds, the balance shall be used to retire the bonded indebtedness.

Sec. 7. Applicability; charter cities; date

- A. This act does not apply to a charter city.
- B. A bond election that would otherwise be scheduled for 2025 must be held not earlier than 2026.

- 6 -