

REFERENCE TITLE: fire districts; formation; county supervisors

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

## HB 2457

Introduced by  
Representatives Marshall: Gillette, Hendrix; Senators Gowan, Payne, Shope

### AN ACT

AMENDING SECTION 48-261, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-825; 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 48-261, Arizona Revised Statutes, is amended to  
3 read:

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

6 A. EXCEPT FOR A FIRE DISTRICT FORMED PURSUANT TO SECTION 48-825, a  
7 fire district, community park maintenance district, sanitary district or  
8 hospital district for either a hospital or an urgent care center shall be  
9 created by the following procedures:

10 1. Any adult person desiring to propose creation of a district  
11 shall provide a legal description of the area proposed for inclusion in  
12 the district to the county assessor of the county in which the district is  
13 to be located. The county assessor shall provide to the person proposing  
14 formation of the district a detailed list of all taxable properties in the  
15 area proposed for inclusion in the district. The person proposing  
16 formation of the district shall prepare and submit a district impact  
17 statement to the board of supervisors of the county in which the district  
18 is to be located. The county assessor's parcel map and the assessed  
19 valuation of the properties as prescribed by section 42-17052 and as shown  
20 in the county assessor's records at the time the district impact statement  
21 is submitted are deemed sufficient for any required maps and for  
22 determining the assessed valuations prescribed by this section. Except  
23 for a proposed community park maintenance district that is to be located  
24 in more than one county, if a proposed district is located in more than  
25 one county, the impact statement shall be submitted to the board of  
26 supervisors of the county in which the majority of the assessed valuation  
27 of the proposed district is located. The boards of supervisors of any  
28 other counties in which a portion of the district is to be located shall  
29 provide information and assistance to the responsible board of  
30 supervisors. For a community park maintenance district that is to be  
31 located in more than one county, the impact statement shall be submitted  
32 to the board of supervisors for each of the affected counties. If the  
33 person desiring to create a district pursuant to this section is unable to  
34 complete the district impact statement, the board of supervisors may  
35 assist in the completion of the impact statement if requested to do so,  
36 provided the bond required in subsection C of this section is in an amount  
37 sufficient to cover any additional cost to the county. The district  
38 impact statement shall contain at least the following information:

39 (a) A legal description of the boundaries of the proposed district  
40 and a map and a general description of the area to be included in the  
41 district sufficiently detailed to ~~permit~~ ALLOW a property owner to  
42 determine whether a particular property is within the proposed district.

43 (b) The detailed list of taxable properties provided by the  
44 assessor pursuant to this paragraph.

1 (c) An estimate of the assessed valuation within the proposed  
2 district.

3 (d) An estimate of the change in the property tax liability, as a  
4 result of the proposed district, of a typical resident of the proposed  
5 district.

6 (e) A list and explanation of benefits that will result from the  
7 proposed district.

8 (f) A list and explanation of the injuries that may result from the  
9 proposed district.

10 (g) The names, addresses and occupations of the proposed members of  
11 the district's organizing board of directors.

12 (h) A general description of the scope of services to be provided  
13 by the district during its first five years of operation. At a minimum  
14 this description shall include an estimate of anticipated capital  
15 expenditures, personnel growth and enhancements to service.

16 2. On receipt of the district impact statement, the board of  
17 supervisors shall set a day, at least thirty but not more than sixty days  
18 after that date, for a hearing on the impact statement. The board of  
19 supervisors, at any time before making a determination pursuant to  
20 paragraph 4 of this subsection, may require that the impact statement be  
21 amended to include any information that the board of supervisors deems to  
22 be relevant and necessary.

23 3. On receipt of the district impact statement, the clerk of the  
24 board of supervisors shall mail, by first class mail, notice of the day,  
25 hour and place of the hearing on the proposed district to each owner of  
26 taxable property within the boundaries of the proposed district. The  
27 written notice shall state the purpose of the hearing and shall state  
28 where a copy of the impact statement may be viewed or requested. The  
29 clerk of the board of supervisors shall post the notice in at least three  
30 conspicuous public places in the area of the proposed district and shall  
31 publish twice in a daily newspaper of general circulation in the area of  
32 the proposed district, at least ten days before the hearing, or, if no  
33 daily newspaper of general circulation exists in the area of the proposed  
34 district, at least twice at any time before the date of the hearing, a  
35 notice setting forth the purpose of the impact statement, the description  
36 of the area of the proposed district and the day, hour and place of the  
37 hearing.

38 4. At the hearing called pursuant to paragraph 2 of this  
39 subsection, the board of supervisors shall hear those who appear for and  
40 against the proposed district and shall determine whether the creation of  
41 the district will promote public health, comfort, convenience, necessity  
42 or welfare. If the board of supervisors determines that the public  
43 health, comfort, convenience, necessity or welfare will be promoted, it  
44 shall approve the district impact statement and authorize the circulation  
45 of petitions as provided in this subsection. For a community park

1 maintenance district that is required to obtain the approval of more than  
2 one county's board of supervisors, the petitions may only be circulated  
3 after approval of the board of supervisors from each affected county. The  
4 order of the board of supervisors shall be final, but if the request to  
5 circulate petitions is denied, a subsequent request for a similar district  
6 may be refiled with the board of supervisors ~~after~~ six months ~~from~~ AFTER  
7 the date of the denial. The county board of supervisors shall authorize  
8 the circulation of petitions of only one proposed new district of the same  
9 type in which any property owner's land is proposed for inclusion. A new  
10 petition circulation shall not be authorized until the one-year period to  
11 submit signatures prescribed by paragraph 6 of this subsection of the  
12 original petition circulation has expired or has otherwise been  
13 extinguished.

14 5. Within fifteen days after receiving the approval of the board of  
15 supervisors as prescribed by paragraph 4 of this subsection, the clerk of  
16 the board shall determine the minimum number of signatures and assessed  
17 valuation required for compliance with paragraph 7 of this subsection.  
18 After making that determination, the number of signatures shall remain  
19 fixed and the assessed valuation of the taxable properties within the  
20 boundaries of the proposed district shall remain fixed as prescribed in  
21 this subsection for the purposes of determining compliance with the  
22 property valuation requirement prescribed in paragraph 7 of this  
23 subsection.

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

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

35 (a) At all times, contain a map and general description of the  
36 boundaries of the proposed district sufficiently detailed to ~~permit~~ ALLOW  
37 a property owner to determine whether a particular property is within the  
38 proposed district and the names, addresses and occupations of the proposed  
39 members of the district's organizing board of directors. An alteration of  
40 the proposed district shall not be made after receiving the approval of  
41 the board of supervisors as provided in paragraph 4 of this subsection.  
42 The items required to be contained with the petition under this  
43 subdivision shall be printed on the back of the petition form required  
44 pursuant to section 48-266 unless the size of the items precludes  
45 compliance with this requirement. An error in the legal description of

1 the proposed district shall not invalidate the petitions if considered as  
2 a whole the information provided is sufficient to identify the property as  
3 illustrated in the map required pursuant to this subdivision.

4 (b) Be signed by owners of more than one-half of the taxable  
5 property units in the area of the proposed district and be signed by  
6 persons owning collectively more than one-half of the assessed valuation  
7 of the property in the area of the proposed district. Property exempt  
8 pursuant to title 42, chapter 11, article 3 shall not be considered in  
9 determining the total assessed valuation of the proposed district nor  
10 shall owners of property not subject to taxation be eligible to sign  
11 petitions.

12 8. On receipt of the petitions, including any supplemental  
13 signatures, and the report of the county assessor, the board of  
14 supervisors shall set a day for a hearing on the petition.

15 9. Before the hearing called pursuant to paragraph 8 of this  
16 subsection, the board of supervisors shall determine the validity of the  
17 petitions presented.

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

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

34 1. Property held in multiple ownership shall be treated as if it  
35 had only one property owner, and the signature of only one of the owners  
36 of property held in multiple ownership is required on the formation  
37 petition. The number of persons owning property inside the boundaries of  
38 the proposed district shall be determined as follows:

39 (a) In the case of property assessed by the county assessor, the  
40 number of persons owning property shall be as shown on the most recent  
41 assessment of property.

42 (b) In the case of property valued by the department of revenue,  
43 the number of persons owning property shall be as shown on the most recent  
44 valuation of property.

1 (c) If an undivided parcel of property is owned by multiple owners,  
2 those owners are deemed to be one owner for the purposes of this section.

3 (d) If a person owns multiple parcels of property, that owner is  
4 deemed to be a single owner for the purposes of this section.

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

6 (a) In the case of property assessed by the county assessor, values  
7 shall be the same as those shown on the day the district impact statement  
8 is submitted.

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

17 3. Petition signatures representing real property on which taxes  
18 and assessments are not current at the time of petition review are  
19 invalid.

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

30 D. If a district is created pursuant to this section, the cost of  
31 publication of the notice of hearing, the cost of the mailing of notices  
32 to property owners, the cost of the bond and all other costs incurred by  
33 the county as a result of this section shall be a charge against the  
34 district.

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

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

43 G. A district organized pursuant to this section shall have an  
44 organizing board of directors to administer the affairs of the district  
45 until a duly constituted board of directors is elected as provided in this

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

10 H. For the purposes of this section assessed valuation does not  
11 include property exempt pursuant to title 42, chapter 11, article 3.

12 Sec. 2. Title 48, chapter 5, article 1, Arizona Revised Statutes,  
13 is amended by adding section 48-825, to read:

14 48-825. Alternate formation process for fire district; board  
15 of supervisors; election; board of directors

16 A. UNTIL DECEMBER 31, 2027, IN A COUNTY WITH A POPULATION OF LESS  
17 THAN FIVE HUNDRED THOUSAND PERSONS, A FIRE DISTRICT MAY BE FORMED AS  
18 FOLLOWS:

19 1. ON WRITTEN REQUEST TO THE BOARD OF SUPERVISORS FOR FORMATION OF  
20 A FIRE DISTRICT WITH FIVE THOUSAND OR FEWER PERSONS AND SUBMISSION OF A  
21 MAP DELINEATING THE PROPOSED BOUNDARIES OF THE DISTRICT, THE BOARD OF  
22 SUPERVISORS MAY HOLD A HEARING ON THE MATTER AT A MEETING OF THE BOARD OF  
23 SUPERVISORS.

24 2. THE BOARD OF SUPERVISORS MAY CONSIDER THE MATTER, INCLUDING BY  
25 TAKING TESTIMONY FROM THE PUBLIC, AND MAY REVISE THE PROPOSED BOUNDARIES  
26 FOR THE DISTRICT. THE BOARD OF SUPERVISORS SHALL REVISE THE PROPOSED  
27 BOUNDARIES FOR THE DISTRICT AS NECESSARY TO ENSURE THAT NO ONE PROPERTY IN  
28 THE PROPOSED BOUNDARIES OF THE DISTRICT WILL BE REQUIRED TO CONTRIBUTE  
29 MORE THAN TWO AND ONE-HALF PERCENT OF THE TOTAL FUNDING OF THE PROPOSED  
30 DISTRICT.

31 3. ON A DETERMINATION BY THE BOARD OF SUPERVISORS TO PROCEED WITH  
32 POSSIBLE FORMATION OF THE FIRE DISTRICT, THE BOARD OF SUPERVISORS SHALL  
33 SUBMIT THE MATTER TO A VOTE OF THE QUALIFIED ELECTORS IN THE PROPOSED  
34 BOUNDARIES OF THE DISTRICT. THE ELECTION SHALL BE HELD ON ONE OF THE FOUR  
35 DATES PRESCRIBED BY SECTION 16-204.

36 4. THE ELECTION SHALL COMPLY WITH THE GENERAL ELECTION LAWS OF THIS  
37 STATE. AT THE ELECTION ON THE FORMATION OF THE FIRE DISTRICT, THE WORDS  
38 TO APPEAR ON THE BALLOTS SHALL BE "FIRE DISTRICT, YES" AND "FIRE DISTRICT,  
39 NO". THE RETURNS OF THE ELECTION SHALL BE MADE TO THE BOARD OF  
40 SUPERVISORS.

41 B. IF APPROVED AT THE FORMATION ELECTION BY SIXTY-FIVE PERCENT OF  
42 THE VOTES CAST THEREON, THE BOARD OF SUPERVISORS SHALL DECLARE THE FIRE  
43 DISTRICT FORMED AND SHALL NAME THREE PERSONS WHO ARE RESIDENTS OF THE FIRE  
44 DISTRICT TO SERVE ON THE FIRE DISTRICT ORGANIZING BOARD OF DIRECTORS UNTIL  
45 FIRE DISTRICT BOARD MEMBERS ARE ELECTED AS OTHERWISE PROVIDED BY LAW AT

1 THE NEXT GENERAL ELECTION IMMEDIATELY FOLLOWING FORMATION OF THE FIRE  
2 DISTRICT.

3 C. AFTER DECLARING THE FIRE DISTRICT FORMED, THE BOARD OF  
4 SUPERVISORS SHALL TRANSMIT TO THE COUNTY ASSESSOR A CERTIFIED COPY OF THE  
5 DESCRIPTION OF THE BOUNDARIES OF THE FIRE DISTRICT.

6 D. A FIRE DISTRICT FORMED PURSUANT TO THIS SECTION HAS ALL OF THE  
7 POWERS AND DUTIES OF A FIRE DISTRICT PRESCRIBED BY THIS ARTICLE.

8 E. FROM AND AFTER DECEMBER 31, 2027, A FIRE DISTRICT MAY NOT BE  
9 FORMED PURSUANT TO THIS SECTION.