

Senate Engrossed

assessor's valuations; special districts; petitions

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

CHAPTER 61

SENATE BILL 1120

AN ACT

AMENDING SECTION 48-261, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 1, ARTICLE 10, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-261.01; AMENDING SECTIONS 48-262 AND 48-266, ARIZONA REVISED STATUTES; RELATING TO SPECIAL TAXING 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. A fire district, community park maintenance district, sanitary
7 district or hospital district for either a hospital or an urgent care
8 center shall be created by the following procedures:

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

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

42 (b) The detailed list of taxable **REAL AND PERSONAL** properties
43 provided by the assessor pursuant to this paragraph.

44 (c) An estimate of the **TOTAL** assessed valuation within the proposed
45 district.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the property as illustrated in the map required pursuant to this
2 subdivision.

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

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

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

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

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

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

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

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

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

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

3 2. The value of REAL OR PERSONAL property shall be determined as
4 follows:

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

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

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

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

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

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

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

42 G. A district organized pursuant to this section shall have an
43 organizing board of directors to administer the affairs of the district
44 until a duly constituted board of directors is elected as provided in this
45 title. The organizing board shall have all the powers, duties and

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

9 H. For the purposes of this section, assessed valuation does not
10 include property exempt pursuant to title 42, chapter 11, article 3 AND IS
11 DETERMINED AS PRESCRIBED BY SECTION 48-261.01.

12 Sec. 2. Title 48, chapter 1, article 10, Arizona Revised Statutes,
13 is amended by adding section 48-261.01, to read:

14 48-261.01. Assessed valuations; department of revenue; county
15 assessor

16 FOR THE PURPOSES OF THIS ARTICLE, THE FOLLOWING APPLY:

17 1. FOR PROPERTY THAT IS ASSESSED BY THE DEPARTMENT OF REVENUE, THE
18 ASSESSED VALUE IS THE FULL CASH VALUE AS OTHERWISE PROVIDED BY LAW.

19 2. FOR PROPERTY THAT IS ASSESSED BY THE COUNTY ASSESSOR, THE
20 ASSESSED VALUE IS THE LIMITED PROPERTY VALUE UNLESS OTHERWISE PROVIDED BY
21 LAW FOR THAT PROPERTY.

22 Sec. 3. Section 48-262, Arizona Revised Statutes, is amended to
23 read:

24 48-262. District boundary changes; procedures; notice;
25 hearing; determinations; petitions

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

29 1. Any adult person desiring to propose any change to the
30 boundaries of a district shall provide a legal description of the area
31 proposed for inclusion in the district to the county assessor of the
32 county in which the district is to be located. The county assessor shall
33 provide to the person proposing any change to the boundaries of the
34 district a detailed list of all taxable REAL AND PERSONAL properties in
35 the area proposed for inclusion in the district. The person proposing any
36 change to the boundaries of the district shall prepare and submit a
37 boundary change impact statement to the governing body of the district.
38 The county assessor's parcel map and the assessed valuation of the
39 properties as prescribed by section 42-17052 and as shown in the county
40 assessor's records at the time the boundary change impact statement is
41 submitted are deemed sufficient for any required maps and for determining
42 the assessed valuations prescribed by this section. The boundary change
43 impact statement shall contain at least the following information:

44 (a) A legal description of the boundaries of the area to be
45 included within the proposed change and a map and general description of

1 the area sufficiently detailed to allow a REAL OR PERSONAL property owner
2 to determine whether a particular property is within the proposed
3 district. The boundaries of the proposed change shall not overlap with
4 the boundaries of any other proposed new district of the same type or any
5 annexation by a district of the same type for which petitions have been
6 authorized for circulation as determined on the date that the boundary
7 change impact statement is filed with the governing body.

8 (b) The detailed list of taxable REAL AND PERSONAL properties
9 provided by the assessor pursuant to this paragraph.

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

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

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

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

22 (g) A list and explanation of the injuries that may result from the
23 proposed change to residents of the area and of the remainder of the
24 district.

25 2. On receipt of the boundary change impact statement, the
26 governing body shall set a day, at least twenty but not more than thirty
27 days after that date, for a hearing on the boundary change impact
28 statement. The board of supervisors may at any time before making a
29 determination pursuant to paragraph 5 of this subsection require that the
30 impact statement be amended to include any information that the board of
31 supervisors deems to be relevant and necessary.

32 3. On receipt of the boundary change impact statement, the clerk of
33 the governing body shall mail, by first class mail, written notice of the
34 statement, its purpose and notice of the day, hour and place of the
35 hearing on the proposed change to each owner of taxable REAL OR PERSONAL
36 property within the boundaries of the proposed change. The notice shall
37 state the purpose of the hearing and shall describe where a copy of the
38 boundary change impact statement may be obtained and reviewed. The clerk
39 of the governing body shall post the notice in at least three conspicuous
40 public places in the area of the proposed change and also publish twice in
41 a daily newspaper of general circulation in the area of the proposed
42 change, at least ten days before the hearing, or if no daily newspaper of
43 general circulation exists in the area of the proposed change, at least
44 twice at any time before the date of the hearing, a notice setting forth

1 the purpose of the impact statement, the description of the boundaries of
2 the proposed change and the day, hour and place of the hearing.

3 4. On receipt of the boundary change impact statement, the clerk
4 shall also mail notice, as provided in paragraph 3 of this subsection, to
5 the chairman of the board of supervisors of the county or counties in
6 which the proposed new property in the district is located. The chairman
7 of the board of supervisors of the county that contains the majority of
8 the **TOTAL** assessed valuation of the present and proposed district property
9 shall order a review of the proposed change and may submit written
10 comments to the governing body of the district within ten days after
11 receipt of the notice.

12 5. At the hearing called pursuant to paragraph 2 of this
13 subsection, the governing body shall consider the comments of the board of
14 supervisors, hear those who appear for and against the proposed change and
15 determine whether the proposed change will promote the public health,
16 comfort, convenience, necessity or welfare. If the governing body
17 determines that the public health, comfort, convenience, necessity or
18 welfare will be promoted, it shall approve the impact statement and
19 authorize the circulation of petitions as provided in this subsection.
20 The order of the governing body shall be final, but if the request to
21 circulate petitions is denied, a subsequent request for a similar change
22 may be refiled with the governing body six months after the date of the
23 denial. The county board of supervisors shall authorize the circulation
24 of petitions for only one boundary change of a district of the same type
25 in which any property owner's land is proposed for inclusion. A new
26 petition circulation shall not be authorized until the one-year period to
27 submit signatures set by subsection B, paragraph 3 of this section of the
28 original petition circulation has expired or has otherwise been
29 extinguished.

30 6. The governing body shall not approve a proposed annexation if
31 the property to be annexed is not contiguous with the district's existing
32 boundary. For the purposes of determining whether ~~or not~~ the proposed
33 addition is contiguous, the addition is deemed contiguous if land that is
34 owned by or under the jurisdiction of the United States government, this
35 state or any political subdivision of this state, other than an
36 incorporated city or town, intervenes between the proposed addition and
37 the current district boundary. The requirement for a proposed annexation
38 to be contiguous with the district's existing boundary does not apply to
39 fire districts formed pursuant to section 48-851.

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

43 8. After receiving the approval of the governing body as provided
44 in paragraph 5 of this subsection and if no appeal filed pursuant to

1 paragraph 14 of this subsection remains unresolved, any adult person may
2 circulate and present petitions to the governing body of the district.

3 9. Within fifteen days after receiving the approval of the
4 governing body as prescribed by paragraph 5 of this subsection, the clerk
5 of the board shall determine the minimum number of signatures and the
6 TOTAL assessed valuation required to comply with paragraph 10, subdivision
7 (b) of this subsection. After making that determination, the number of
8 signatures shall remain fixed and the assessed valuation of the taxable
9 REAL OR PERSONAL properties within the boundaries of the proposed change
10 shall remain fixed as prescribed in this subsection for the purposes of
11 determining compliance, notwithstanding any subsequent changes in
12 ownership of the property within the boundaries of the proposed change.

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

16 (a) At all times, contain a map and general description of the
17 boundaries of the area to be included within the proposed change
18 sufficiently detailed to allow a REAL OR PERSONAL property owner to
19 determine whether a particular property is included within the proposed
20 change. An alteration of the described area shall not be made after
21 receiving the approval of the governing body as provided in paragraph 5 of
22 this subsection. The items required to be contained with the petition
23 under this subdivision shall be printed on the back of the petition form
24 required pursuant to section 48-266 unless the size of the items precludes
25 compliance with this requirement. An error in the legal description of
26 the proposed change shall not invalidate the petitions if considered as a
27 whole the information provided is sufficient to identify the property as
28 illustrated in the map required pursuant to this subdivision.

29 (b) Be signed by owners of more than one-half of the taxable
30 property units within the boundaries of the proposed change and be signed
31 by persons owning collectively more than one-half of the assessed
32 valuation of the REAL AND PERSONAL property within the boundaries of the
33 proposed change. The assessed valuations of the properties as prescribed
34 by section 42-17052 and as shown in the county assessor's records at the
35 time the boundary change impact statement is submitted are deemed
36 sufficient for determining the assessed valuations prescribed by this
37 section. Property exempt pursuant to title 42, chapter 11, article 3
38 shall not be considered in determining the total assessed valuation of the
39 proposed change nor shall owners of property not subject to taxation be
40 eligible to sign petitions.

41 11. On receipt of the petitions, including any supplemental
42 signatures and the report of the county assessor, the governing body shall
43 set a day, at least ten but not more than thirty days after that date, for
44 a hearing on the request.

1 12. Before the hearing called pursuant to paragraph 11 of this
2 subsection, the board of supervisors shall determine the validity of the
3 petitions presented pursuant to subsection B of this section.

4 13. At the hearing called pursuant to paragraph 11 of this
5 subsection, the governing body, if the petitions are valid, shall order
6 the change to the boundaries. The governing body shall enter its order
7 setting forth its determination in the minutes of the meeting, at least
8 ten days after the day of the hearing, and a copy of the order shall be
9 sent to the officer in charge of elections and a copy shall be recorded in
10 the county recorder's office. The order of the governing body shall be
11 final, and the proposed change shall be made to the district boundaries
12 thirty days after the governing body votes.

13 14. On filing a verified complaint with the superior court, the
14 attorney general, the county attorney or any other interested party may
15 question the validity of the annexation for failure to comply with this
16 section. The complaint shall include a description of the alleged
17 noncompliance and shall be filed within thirty days after the governing
18 body of the district adopts a resolution that annexes the territory of the
19 district. The burden of proof is on the plaintiff to prove the material
20 allegations of the verified complaint. An action shall not be brought to
21 question the validity of an annexation resolution unless it is filed
22 within the time and for the reasons prescribed in this subsection. All
23 hearings that are held pursuant to this paragraph and all appeals of any
24 orders shall be preferred and shall be heard and determined in preference
25 to all other civil matters, except election actions. If more than one
26 complaint questioning the validity of an annexation resolution is filed,
27 all complaints shall be consolidated for the hearing.

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

30 1. REAL OR PERSONAL property held in multiple ownership shall be
31 treated as if it had only one property owner, and the signature of only
32 one of the owners of property held in multiple ownership is required on
33 the boundary change petition. The number of persons owning property
34 inside the boundaries of the proposed boundary change shall be determined
35 as follows:

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

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

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

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

1 2. The value of REAL OR PERSONAL property shall be determined as
2 follows:

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

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

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

22 C. For the purposes of determining whether ~~or not~~ the proposed
23 addition is contiguous, the addition is deemed contiguous if land that is
24 owned by or under the jurisdiction of the United States government, this
25 state or any political subdivision of this state, other than an
26 incorporated city or town, intervenes between the proposed addition and
27 the current district boundary. Property shall not be approved for
28 annexation if the area proposed to be annexed surrounds any unincorporated
29 territory and that unincorporated territory is not also included in the
30 district unless that unincorporated territory is in a noncontiguous county
31 island fire district.

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

37 E. If the impact statement described in subsection A of this
38 section relates to the withdrawal of property from a district, in addition
39 to the other requirements of subsection A of this section, the governing
40 body shall also determine:

41 1. If the district has any existing outstanding bonds or other
42 evidences of indebtedness.

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

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

2 1. The property withdrawn from the district shall remain subject to
3 taxes, special assessments or fees levied or collected to meet the
4 contracts and covenants of the bonds. The board of supervisors shall
5 provide for the levy and collection of taxes, special assessments or fees.

6 2. The governing body shall:

7 (a) Annually determine the amount of special property taxes,
8 special assessments or fees that must be levied and collected from
9 property withdrawn from the district and the mechanism by which that
10 amount is to be collected.

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

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

16 G. If the statement described in subsection A, paragraph 1 of this
17 section requests the annexation of property located within an incorporated
18 city or town, in addition to the other requirements of subsection A of
19 this section, the governing body shall approve the district boundary
20 change impact statement and authorize the circulation of petitions only if
21 the governing body of the city or town has by ordinance or resolution
22 endorsed the annexation and the annexation is authorized pursuant to this
23 title.

24 H. Except as provided in subsection D of this section and section
25 48-2002, a change in the boundaries of a district pursuant to this section
26 shall not result in a district that contains area that is not contiguous.

27 I. Notwithstanding subsection A of this section, any property
28 owner, including a county, this state or the United States government,
29 whose land is within a county that contains a sanitary district or fire
30 district and whose land is contiguous to the boundaries of the sanitary
31 district or fire district may request in writing that the governing body
32 of the district amend the district boundaries to include that property
33 owner's land. If the property is located in an incorporated city or town,
34 in addition to the other requirements prescribed in this subsection, the
35 governing body of the fire district or sanitary district may approve the
36 boundary change only if the governing body of the affected city or town by
37 ordinance or resolution has approved the inclusion of the property in the
38 district. If the governing body determines that the inclusion of that
39 property will benefit the district and the property owner, the boundary
40 change may be made by order of the governing body and is final on the
41 recording of the governing body's order that includes a legal description
42 of the property that is added to the district. A petition and impact
43 statement are not required for an amendment to a sanitary district's or
44 fire district's boundaries made pursuant to this subsection.

1 J. Until August 1, 2014, in a county with a population greater than
2 two million persons, notwithstanding subsection I of this section, any
3 property owner, including the United States, this state or a county, whose
4 land is within two thousand six hundred forty feet of an adjacent sanitary
5 district or fire district, not contiguous to the boundaries of the
6 sanitary district or fire district and within an unincorporated area or
7 county island may request in writing that the governing body of the
8 district amend the district boundaries to include that property owner's
9 land.

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

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

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

35 N. Notwithstanding subsection I of this section, from August 2,
36 2012 until July 1, 2015, in counties with a population of more than two
37 million five hundred thousand persons, any property owner, including the
38 United States, this state or a county, whose land is within two thousand
39 six hundred forty feet of an adjacent sanitary district or fire district
40 and is not contiguous to the boundaries of the sanitary district or fire
41 district may request in writing that the governing body of the district
42 amend the district boundaries to include that property owner's land. If
43 the property is located in an incorporated city or town, in addition to
44 the other requirements prescribed in this subsection, the governing body
45 of the sanitary district or fire district may approve the boundary change

1 only if the governing body of the affected city or town, by ordinance or
2 resolution, has approved the inclusion of the property in the district.
3 If the governing body determines that the inclusion of that property will
4 benefit the district and the property owner, the boundary change may be
5 made by order of the governing body and is final on the recording of the
6 governing body's order that includes a general description of the
7 property, including the assessor's parcel number, that is added to the
8 district. A petition and impact statement are not required for an
9 amendment to a sanitary district's or fire district's boundaries made
10 pursuant to this subsection.

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

13 Sec. 4. Section 48-266, Arizona Revised Statutes, is amended to
14 read:

15 48-266. Petitions of property owners; form; verification

16 A. The secretary of state shall promulgate sample petition forms,
17 with instructions for completing the form, that comply with the
18 requirements of this section. Petitions that conform to the sample form
19 will be deemed to have complied with subsections B, C and D of this
20 section. Petitions that do not conform to the sample petition are void
21 and shall not be counted in determining the legal sufficiency of the
22 petition.

23 B. A petition of property owners that is submitted to comply with
24 section 48-261, subsection A, paragraph 7 shall contain a heading that
25 clearly identifies the type of petition **BEING** circulated and a statement
26 that clearly describes the type of action being proposed. The petition
27 shall be in a form that is substantially similar to the following:

28 Special taxing district creation petition

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

30 We the undersigned, property owners of (insert name of
31 county), state of Arizona and owning property within the
32 boundaries as illustrated and defined on the attached
33 exhibit(s), legal description and map of the proposed
34 boundaries, petition the county board of supervisors to create
35 a (insert description of district) as described in the
36 attached exhibit(s). I have personally signed this petition
37 with my first and last names. I have not signed any other
38 petition for the same measure. I am a property owner of the
39 state of Arizona, county of _____.

40 Notice: this is only a description of the district
41 sought to be created by the sponsor of the measure. It may
42 not include every provision contained in the measure. Before
43 signing, make sure the exhibits are attached. You have the
44 right to read or examine the district impact statement before
45 signing.

1 Warning
 2 It is a class 1 misdemeanor for any person to knowingly
 3 do any of the following:
 4 1. Sign a district creation petition with a name other
 5 than the person's own name, except in a circumstance where the
 6 person signs for another person, in the presence of and at the
 7 specific request of that person, who is incapable of signing
 8 that person's own name because of physical infirmity.
 9 2. Sign the person's name more than once for the same
 10 measure.
 11 3. Sign a district creation petition if the person is
 12 not a property owner.

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

22 (Fifteen numbered lines for signatures)
 23 C. A petition of property owners that is submitted to comply with
 24 section 48-262, subsection A, paragraph 10 shall contain a heading that
 25 clearly identifies the type of petition BEING circulated and a statement
 26 that clearly describes the type of action being proposed. The petition
 27 shall be in a form substantially similar to the following:

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

43 Notice: this is only a description of the territory
 44 sought to be annexed by the sponsor of the measure. It may
 45 not include every provision contained in the measure. Before

signing, make sure the exhibits are attached. You have the right to read or examine the boundary change impact statement before signing.

Warning

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

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

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

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

Signature	Name	Actual	Arizona	City or	Date
	(first and	Address	Post Office	Town	
	last name	(street &	Address	(if any)	
	printed)	no. and if	& Zip		
		no street	Code		
		address,			
		describe			
		residence			
		location)			

(Fifteen numbered lines for signatures)

D. Each petition sheet shall have printed in capital letters in **NOT** less than twelve point bold-faced type in the upper right-hand corner of the face of the petition sheet the following:

"_____ paid circulator" "_____ volunteer"

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

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

G. At the time of signing, the **REAL OR PERSONAL** property owner shall sign the property owner's first and last names in the spaces provided and the property owner so signing for the person circulating the petition shall print the first and last names and write, in the appropriate spaces following the signature, the signer's residence address, giving street and number, and if the property owner has no street

1 address, a description of the residence location. The property owner so
2 signing or the person circulating the petition shall write, in the
3 appropriate spaces following the property owner's address, the date on
4 which the property owner signed the petition.

5 H. The title and text of petitions shall be in at least eight point
6 type.

7 I. The eight point type required by subsection H of this section
8 does not apply to maps, charts or other graphics.

9 J. The board of supervisors or other governing body of a political
10 subdivision that receives a petition pursuant to this section shall submit
11 a copy of the signature sheets to the county assessor for
12 verification. The county assessor shall:

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

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

17 K. The county assessor shall report the results of the verification
18 to the board of supervisors or other governing body within ten days after
19 receiving the copy of the signature sheets, not including Saturdays,
20 Sundays and other legal holidays.

21 L. If the report of the county assessor prepared pursuant to
22 subsection K of this section determines that the valid signatures
23 submitted are insufficient to meet the requirements of section 48-261,
24 subsection A, paragraph 7, subdivision (b) and the one-year period to
25 submit signatures pursuant to section 48-261, subsection A, paragraph 6
26 has not yet expired or to meet the requirements of section 48-262,
27 subsection A, paragraph 10, subdivision (b) and the one-year period to
28 submit signatures pursuant to section 48-262, subsection B, paragraph 3
29 has not yet expired, the person submitting the petitions may submit
30 additional petition signatures. The original petition signatures may be
31 submitted any time during the one-year period for submittal and the
32 additional submission must also be made within the same one-year period to
33 submit signatures set by section 48-261, subsection A, paragraph 6 or
34 section 48-262, subsection B, paragraph 3. If additional signatures are
35 submitted, they shall be submitted to the county assessor for verification
36 pursuant to subsections J and K of this section.

APPROVED BY THE GOVERNOR APRIL 18, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 21, 2025.