

# JLBC Fiscal Note

**BILL #** SB 1016

**SPONSOR:** Shamp

**PREPARED BY:** Ethan Scheider

**TITLE:** ~~employers; medical products; religious exemption~~  
S/E: municipal improvement districts; petitions

**STATUS:** As Amended by House RED

## Description

The strike-everything amendment to SB 1016 would require a municipality to receive a petition signed by the majority of property owners and the owners of 51% of the assessed property valuation in an improvement district before passing a resolution or ordinance authorizing an assessment to fund the district.

## Estimated Impact

Based on information provided by the Arizona League of Cities and Towns, we expect that the bill may marginally reduce municipal costs for developing proposals related to a special improvement district. However, we are unable to estimate these costs in advance.

## Analysis

Our estimate assumes the following:

- 1) The current process for establishing an improvement district requires that within 120 days after the adoption of a municipal resolution or ordinance for the establishment of a district is passed, the municipality submit to the city or town clerk a petition signed by the majority of property owners and persons collectively owning more than one-half of the total assessed property valuation in the area of the proposed district.
- 2) According to the Arizona League of Cities and Towns, requiring receipt of a petition prior to the passage of a resolution or ordinance could prevent cases where a municipality incurs engineering, legal and administrative costs for a proposal that cannot proceed on account of a lack of signatures in the petition process. To the extent that cities currently incur these costs for developing special improvement proposals that cannot be executed, the bill could decrease costs to municipalities.

4/8/26