

**Joint Legislative Ad Hoc Committee
on
Fire Districts**

**2005
FINAL REPORT**

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DEC 23 2005
SPEAKER'S OFFICE

MEMBERS:

Senator Tim Bee, Cochair
Senator Jake Flake
Senator Marsha Arzberger
Kevin Adam
Mary Dalton
Jim Sebert
Tom Healy
Pat Jacobs
Craig Sullivan

Representative Ted Carpenter, Cochair
Representative Lucy Mason
Representative Manuel Alvarez
Glen Brown
Ben Ownes
John Fink
Jan Hauk
Jennifer Schuldt
Nicole Waldron

**JOINT LEGISLATIVE AD HOC COMMITTEE
ON
FIRE DISTRICTS**

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Kevin Adam	Glen Brown
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Jim Sebert	John Fink
Tom Healy	Jan Hauk
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MEMBERSHIP:

- Three members of the House of Representative, not more than two from the same political party, one designated as co-chair, appointed by the Speaker of the House of Representatives.
- Three members of the Senate, not more than two from the same political party, one designated as co-chair, appointed by the President of the Senate.
- One representative of the League of Arizona Cities and Towns, appointed by the President of the Senate.
- One representative of the Arizona Fire District Association, appointed by the President of the Senate.
- Three representatives of Urban Fire Districts, appointed by the President of the Senate.
- Two representatives of Urban Fire Districts, appointed by the Speaker of the House of Representatives.
- One representative of the Arizona Fire Districts Association, appointed by the Speaker of the House of Representatives.
- One board member of the Northwest Fire District, appointed by the Speaker of the House of Representatives.
- One representative of the Arizona Tax Research Association, appointed by the Speaker of the House of Representatives.
- One representative of the County Supervisors Association, appointed by the Speaker of the House of Representatives.
- One representative Arizona Association of Counties, appointed by the President of the Senate.

- One representative of the Professional Firefighters of Arizona, appointed by Speaker of the House of Representatives.

ESTABLISHMENT:

The Joint Legislative Ad Hoc Committee on Fire Districts was created by the President of the Senate and the Speaker of the House of Representatives.

COMMITTEE CHARGE:

The purpose of the Committee is to examine the following issues: (1) current statutes governing the authority and oversight of existing rural fire districts; (2) authority and oversight of large career fire districts; and (3) the statutes governing the creation of new fire districts.

TERMINATION:

December 31, 2005

PUBLIC MEETING:

The Committee met on December 5, 2005 for an overview of fire districts, a presentation of proposed statutory changes and consideration of recommendations.

REPORT:

The Committee is required to submit a report of its findings and recommendations for legislative action to the Governor, the President of the Senate and the Speaker of the House of Representatives by December 15, 2005.

COMMITTEE RECOMMENDATIONS:

The Committee recommended introduction of the bill amending A.R.S. Title 48, chapter 1, article 10 (Attachments A and B) with the commitment to further review the Transaction Privilege Tax (TPT) exemption together with one or two other items of which the committee members have concerns.

ATTACHMENTS:

- Attachment A – Draft Legislation regarding fire districts
- Attachment B – Summary of Proposed Statutory Changes- Arizona Urban Fire District Alliance
- Attachment C – Committee Minutes

ATTACHMENT A

State of Arizona
House of Representatives
47th Legislature
Second Regular Session
2006

___. B. XXXX

Introduced by _____

amending title 48, chapter 1, article 10, Arizona Revised Statutes 261, 262, 263, 264, 266, relating to special taxing district creation and annexation; amending chapter 5, article 1, Arizona Revised Statutes 802, 803, 805, 806, 807, 812, 814, 816, 820; and, adding section 48-822; relating to fire districts.

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

2 Section 1. Title 48, chapter 1, article 10, Arizona Revised Statutes is amended to
3 read:

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

5 A. A fire district, community park maintenance district, sanitary district or
6 hospital district for either a hospital or an urgent care center shall be created by the
7 following procedures:

8 1. Any ADULT ~~person~~ desiring to propose creation of a district shall prepare and
9 submit a district impact statement to the board of supervisors of the county in which the
10 district is to be located. If a proposed district is located in more than one county, the
11 impact statement shall be submitted to the board of supervisors of the county in which the
12 majority of the assessed valuation of the proposed district is located. The boards of
13 supervisors of any other counties in which a portion of the district is to be located shall
14 provide information and assistance to the responsible board of supervisors. If the person
15 desiring to create a district pursuant to this section is unable to complete the district
16 impact statement, the board of supervisors may assist in the completion of the impact
17 statement if requested to do so, provided the bond required in subsection C of this section
18 is in an amount sufficient to cover any additional cost to the county. The district impact
19 statement shall contain at least the following information:

20 (a) A legal description of the boundaries of the proposed district and a detailed,
21 accurate map of the area to be included in the district.

22 (b) An estimate of the assessed valuation within the proposed district.

23 (c) An estimate of the change in the property tax liability, as a result of the
24 proposed district, of a typical resident of the proposed district.

25 (d) A list and explanation of benefits that will result from the proposed district.

26 (e) A list and explanation of the injuries that will result from the proposed district.

1 (f) The names, addresses and occupations of the proposed members of the
2 district's organizing board of directors.

3 2. On receipt of the district impact statement, the board of supervisors shall set a
4 day, not fewer than thirty nor more than sixty days from that date, for a hearing on the
5 impact statement. The board of supervisors may, at any time prior to making a
6 determination pursuant to paragraph 4 of this subsection, require that the impact
7 statement be amended to include any information that the board of supervisors deems to
8 be relevant and necessary.

9 3. Upon receipt of the district impact statement, the clerk of the board of
10 supervisors shall mail, by first class mail, written notice of the statement, its purpose and
11 notice of the day, hour and place of the hearing on the proposed district to each owner of
12 taxable property ~~and each qualified elector~~ within the boundaries of the proposed district.
13 The clerk of the board of supervisors shall post the notice in at least three conspicuous
14 public places in the area of the proposed district and shall publish twice in a daily
15 newspaper of general circulation in the area of the proposed district, at least ten days
16 before the hearing, or, if no daily newspaper of general circulation exists in the area of
17 the proposed district, then at least twice at any time before the date of the hearing, a
18 notice setting forth the purpose of the impact statement, the description of the area of the
19 proposed district and the day, hour and place of the hearing.

20 4. At the hearing called pursuant to paragraph 2 of this subsection, the board of
21 supervisors shall hear those who appear for and against the proposed district and shall
22 determine whether the creation of the district will promote public health, comfort,
23 convenience, necessity or welfare. If the board of supervisors determines that the public
24 health, comfort, convenience, necessity or welfare will be promoted, it shall approve the
25 district impact statement and authorize the persons proposing the district to circulate
26 petitions as provided in this subsection. The order of the board of supervisors shall be
27 final, but if the request to circulate petitions is denied, a subsequent request for a similar
28 district may be refiled with the board of supervisors after six months from the date of
29 such denial.

30 5. Within fifteen days after receiving the approval of the board of supervisors as
31 prescribed by paragraph 4 of this subsection, the clerk of the board shall determine the
32 minimum number of signatures required for compliance with paragraph 7, subdivision
33 (b)(d) of this subsection. After making that determination, that number of signatures shall
34 remain fixed. ~~notwithstanding any subsequent changes in voter registration records.~~

35 6. After receiving the approval of the board of supervisors as provided in
36 paragraph 4 of this subsection, ~~ANY ADULT the person proposing the district~~ may
37 circulate and present petitions to the board of supervisors of the county in which the
38 district is located. All petitions circulated shall be returned to the board of supervisors
39 within one year from the date of the approval of the board of supervisors pursuant to
40 paragraph 4 of this subsection. Any petition that is returned more than one year from that
41 date is void.

42 7. The petitions presented pursuant to paragraph 6 of this subsection shall comply
43 with the provisions regarding petition form in section ~~48-265 and verification in section~~
44 48-266 and shall:

45 (a) At all times, contain a legal description of the boundaries of the proposed
46 district and a detailed, accurate map of the proposed district and the names, addresses and

1 occupations of the proposed members of the district's organizing board of directors. No
2 alteration of the proposed district shall be made after receiving the approval of the board
3 of supervisors as provided in paragraph 4 of this subsection.

4 (b) If a petition of property owners, be signed by more than one-half of the
5 property owners in the area of the proposed district AND BE SIGNED BY PERSONS
6 OWNING COLLECTIVELY MORE THAN ONE-HALF OF THE ASSESSED
7 VALUATION OF THE PROPERTY IN THE AREA OF THE PROPOSED DISTRICT.

8 ~~(c) If a petition of property owners, be signed by persons owning collectively
9 more than one-half of the assessed valuation of the property in the area of the proposed
10 district.~~

11 ~~(d) If a petition of qualified electors, be signed by more than one-half of the
12 qualified electors within the boundaries of the proposed district.~~

13 8. On receipt of the petitions, the board of supervisors shall set a day, not fewer
14 than ten nor more than thirty days from that date, for a hearing on the petition.

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

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

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

27 ~~1. Qualified electors shall be those persons qualified to vote pursuant to title 16.~~

28 ~~1.2. For the purposes of fulfilling the requirements of subsection A, paragraph 7,~~
29 ~~subdivisions (b) and (c) of this section, Property held in multiple ownership shall be~~
30 ~~treated as if it had only one property owner, so that the signature of only one of the~~
31 ~~owners of property held in multiple ownership is required on the formation petition.~~

32 ~~2. 3. The value of property shall be determined as follows:~~

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

35 (b) In the case of property valued by the department of revenue, the values shall
36 be those determined by the department in the manner provided by law, for municipal
37 assessment purposes. The county assessor and the department of revenue, respectively,
38 shall furnish to the board of supervisors, within twenty days after such a request, a
39 statement in writing showing the owner, the address of each owner and the appraisal or
40 assessment value of properties contained within the boundaries of the proposed district as
41 described in subsection A of this section.

42 C. The board of supervisors may require of the person desiring to propose
43 creation of a district pursuant to subsection A, paragraph 1 of this section a reasonable
44 bond to be filed with the board at the start of proceedings under this section. The bond
45 shall be in an amount sufficient to cover costs incurred by the county if the district is not
46 finally organized. County costs covered by the bond include any expense incurred from

1 completion of the district impact statement, mailing of the notice of hearing to district
2 property owners and electors, publication of the notice of hearing and other expenses
3 reasonably incurred as a result of any requirements of this section. ~~The requirements of~~
4 ~~this subsection do not apply to proposed districts having fewer than one hundred~~
5 ~~qualified electors.~~

6 D. If a district is created pursuant to this section, the cost of publication of the
7 notice of hearing, the mailing of notices to ~~electors and~~ property owners and all other
8 costs incurred by the county as a result of the provisions of this section shall be a charge
9 against the district.

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

14 F. Except as provided in section 48-2001, subsection A, the area of a district
15 created pursuant to this section shall be contiguous.

16 G. A district organized pursuant to this section shall have an organizing board of
17 directors to administer the affairs of the district until a duly constituted board of directors
18 is elected as provided in this title. The organizing board shall have all the powers, duties
19 and responsibilities of an elected board. The organizing board shall consist of the three
20 individuals named in the district impact statement and the petitions presented pursuant to
21 subsection A of this section. If a vacancy occurs on the organizing board, the remaining
22 board members shall fill the vacancy by appointing an interim member. Members of the
23 organizing board shall serve without compensation but may be reimbursed for actual
24 expenses incurred in performing their duties. The organizing board shall elect from its
25 members a chairman and a clerk.

26 H. For the purposes of this section:

27 1. Assessed valuation does not include the assessed valuation of property that is
28 owned by a county, THE STATE OR THE FEDERAL GOVERNMENT.

29 ~~2. Property owner does not include a county.~~

30
31 48-262. District boundary changes; procedures; notice; hearing; determinations;
32 petitions

33 A. A FIRE DISTRICT, COMMUNITY PARK MAINTENANCE DISTRICT OR
34 SANITARY DISTRICT MAY APPROPRIATE AND EXPEND SUCH FUNDS AS
35 NECESSARY OR REASONABLY REQUIRED TO ASSIST ONE OR MORE
36 INDIVIDUALS OR ENTITIES TO CHANGE THE DISTRICT'S BOUNDARIES
37 UNDER THIS SECTION.

38 B. ~~A.~~ Except as prescribed by subsection ~~JH~~ of this section, a fire district,
39 community park maintenance district or sanitary district shall change its boundaries by
40 the following procedures:

41 1. Any ~~person~~ ADULT desiring to propose any change to the boundaries of a
42 district shall prepare and submit a boundary change impact statement to the governing
43 body of the district. The boundary change impact statement shall contain at least the
44 following information:

45 (a) A legal description of the boundaries of the area to be included within the
46 proposed change and a detailed, accurate map of the area. The boundaries of the proposed

1 change shall not overlap with the boundaries of any other proposed new district of the
2 same type or any annexation by a district of the same type for which petitions are being
3 circulated on the date that the boundary change impact statement is filed with the
4 governing body.

5 (b) An estimate of the assessed valuation within the boundaries of the proposed
6 change.

7 (c) An estimate of the change in the tax rate of the district if the proposed change
8 is made.

9 (d) An estimate of the change in the property tax liability, as a result of the
10 proposed change, of a typical resident of a portion of the district, not in the area of the
11 proposed change, before and after the proposed change and of a typical resident of the
12 area of the proposed change.

13 (e) A list and explanation of benefits that will result from the proposed change to
14 the residents of the area and of the remainder of the district.

15 (f) A list and explanation of the injuries that will result from the proposed change
16 to residents of the area and of the remainder of the district.

17 2. On receipt of the boundary change impact statement, the governing body shall
18 set a day, not fewer than twenty or more than thirty days from that date, for a hearing on
19 the boundary change impact statement. The board of supervisors may at any time prior to
20 making a determination pursuant to paragraph 5 of this subsection require that the impact
21 statement be amended to include any information that the board of supervisors deems to
22 be relevant and necessary.

23 3. Upon receipt of the boundary change impact statement, the clerk of the
24 governing body shall mail, by first class mail, written notice of the statement, its purpose
25 and notice of the day, hour and place of the hearing on the proposed change to each
26 owner of taxable property ~~and each qualified elector~~ within the boundaries of the
27 proposed change. The clerk of the governing body shall post the notice in at least three
28 conspicuous public places in the area of the proposed change and also publish twice in a
29 daily newspaper of general circulation in the area of the proposed change, at least ten
30 days before the hearing, or if no daily newspaper of general circulation exists in the area
31 of the proposed change, then at least twice at any time before the date of the hearing, a
32 notice setting forth the purpose of the impact statement, the description of the boundaries
33 of the proposed change and the day, hour and place of the hearing.

34 4. Upon receipt of the boundary change impact statement the clerk shall also mail
35 notice, as provided in paragraph 3 of this subsection, to the chairman of the board of
36 supervisors of the county in which the district is located. The chairman of the board of
37 supervisors shall order a review of the proposed change and may submit written
38 comments to the governing body of the district within ten days of receipt of the notice.

39 5. At the hearing called pursuant to paragraph 2 of this subsection, the governing
40 body shall consider the comments of the board of supervisors, hear those who appear for
41 and against the proposed change and determine whether the proposed change will
42 promote the public health, comfort, convenience, necessity or welfare. If the governing
43 body determines that the public health, comfort, convenience, necessity or welfare will be
44 promoted, it shall approve the impact statement and authorize the persons proposing the
45 change to circulate petitions as provided in this subsection. The order of the governing
46 body shall be final, but if the request to circulate petitions is denied, a subsequent request

1 for a similar change may be refiled with the governing body after six months from the
2 date of such denial.

3 ~~6. A person aggrieved by a decision of the governing body under this section may~~
4 ~~appeal to the board of supervisors of the county in which the district, or a majority of the~~
5 ~~district, is located, and a person aggrieved by a decision of the board of supervisors may~~
6 ~~appeal to the superior court in the county in the manner prescribed by title 12, chapter 7,~~
7 ~~article 6 and by posting a bond equal to the probable costs conditioned that the appellant~~
8 ~~will prosecute his appeal and will pay all costs that accrue in the court if a judgment is~~
9 ~~rendered affirming the decision of the board of supervisors. The court shall require the~~
10 ~~district governing body to pay all costs that accrue in the court, including reasonable~~
11 ~~attorney fees, and the bond shall be returned to the appellant, if a judgment is rendered in~~
12 ~~favor of the appellant.~~

13 6. THE GOVERNING BODY SHALL NOT APPROVE A PROPOSED
14 ANNEXATION IF THE PROPERTY TO BE ANNEXED IS NOT CONTIGUOUS
15 WITH THE DISTRICT'S EXISTING BOUNDARY. FOR PURPOSES OF
16 DETERMINING WHETHER OR NOT THE PROPOSED ADDITION TO BE
17 INCORPORATED INTO THE DISTRICT IS CONTIGUOUS, THE ADDITION IS
18 DEEMED CONTIGUOUS NOTWITHSTANDING THAT LAND OWNED BY OR
19 UNDER THE JURISDICTION OF THE GOVERNMENT OF THE UNITED STATES,
20 THIS STATE OR ANY POLITICAL SUBDIVISION, OTHER THAN AN
21 INCORPORATED CITY OR TOWN, INTERVENES BETWEEN THE PROPOSED
22 ADDITION AND THE CURRENT DISTRICT BOUNDARY.

23 7. THE GOVERNING BODY SHALL NOT APPROVE A PROPOSED
24 ANNEXATION IF IT SURROUNDS ANY UNINCORPORATED TERRITORY,
25 WHICH IS NOT ALSO INCLUDED IN THE DISTRICT.

26 ~~8. 7.~~ After receiving the approval of the governing body as provided in paragraph
27 5 of this subsection and provided no appeal filed pursuant to paragraph 146 of this
28 subsection remains unresolved, ANY ADULT ~~the person proposing the change~~ may
29 circulate and present petitions to the governing body of the district.

30 ~~9. 8.~~ Within fifteen days after receiving the approval of the governing body as
31 prescribed by paragraph 5 of this subsection ~~and after any appeal filed pursuant to~~
32 ~~paragraph 6 of this subsection has been resolved,~~ the clerk of the board shall determine
33 the minimum number of signatures required to comply with paragraph 109, subdivision
34 (b)~~(d)~~ of this subsection. After making that determination, that number of signatures shall
35 remain fixed, notwithstanding any subsequent changes IN OWNERSHIP OF
36 PROPERTY WITHIN THE BOUNDARIES OF THE PROPOSED CHANGE. ~~in the~~
37 ~~voter registration records.~~

38 ~~10. 9.~~ The petitions presented pursuant to paragraph 87 of this subsection shall
39 comply with the provisions regarding petition form in section 48-265 ~~and verification in~~
40 ~~section 48-266~~ and shall:

41 (a) At all times, contain a legal description of the boundaries of the area to be
42 included within the proposed change and a detailed, accurate map of the area included
43 within the proposed change. No alteration of the described area shall be made after
44 receiving the approval of the governing body as provided in paragraph 5 of this
45 subsection.

1 (b) If a petition of property owners, be signed by more than one-half of the
2 property owners within the boundaries of the proposed change AND BE SIGNED BY
3 PERSONS OWNING COLLECTIVELY MORE THAN ONE-HALF OF THE
4 ASSESSED VALUATION OF THE PROPERTY WITHIN THE BOUNDARIES OF
5 THE PROPOSED CHANGE.

6 ~~(c) If a petition of property owners, be signed by persons owning collectively
7 more than one-half of the assessed valuation of the property within the boundaries of the
8 proposed change.~~

9 ~~(d) If a petition of qualified electors, be signed by more than one-half of the
10 qualified electors within the boundaries of the proposed change.~~

11 11. ~~10.~~ On receipt of the petitions, the governing body shall set a day, not fewer
12 than ten nor more than thirty days from that date, for a hearing on the request.

13 12. ~~11.~~ Prior to the hearing called pursuant to paragraph 11~~10~~ of this subsection,
14 the board of supervisors shall determine the validity of the petitions presented pursuant to
15 subsection ~~CB~~ of this section.

16 13. ~~12.~~ At the hearing called pursuant to paragraph 11~~10~~ of this subsection, the
17 governing body shall, if the petitions are valid, order the change to the boundaries. The
18 governing body shall enter its order setting forth its determination in the minutes of the
19 meeting, not later than ten days from the day of the hearing, and a copy of the order shall
20 be sent to the officer in charge of elections and a copy shall be recorded in the county
21 recorder's office. The order of the governing body shall be final, and the proposed change
22 shall be made to the district boundaries thirty days after the governing body votes. ~~An
23 appeal of the order to change the boundaries to the board of supervisors pursuant to
24 paragraph 6 of this subsection must be filed with the board of supervisors during such
25 thirty day period.~~

26 14. THE ATTORNEY GENERAL, THE COUNTY ATTORNEY, OR ANY
27 OTHER INTERESTED PARTY MAY UPON FILING A VERIFIED COMPLAINT
28 WITH THE SUPERIOR COURT MOVE TO QUESTION THE VALIDITY OF THE
29 ANNEXATION FOR FAILURE TO COMPLY WITH THE PROVISIONS OF THIS
30 STATUTE. THE COMPLAINT SHALL SET FORTH THE MANNER IN WHICH IT
31 IS ALLEGED THE ANNEXATION WAS NOT IN COMPLIANCE WITH THE
32 PROVISION OF THIS SECTION AND SHALL BE FILED WITHIN THIRTY DAYS
33 AFTER ADOPTION OF A RESOLUTION ANNEXING THE TERRITORY BY THE
34 GOVERNING BODY OF THE DISTRICT AND NOT OTHERWISE. THE BURDEN
35 OF PROOF SHALL BE UPON THE COMPLAINANT TO PROVE THE MATERIAL
36 ALLEGATIONS OF THE VERIFIED COMPLAINT. NO ACTION SHALL BE
37 BROUGHT TO QUESTION THE VALIDITY OF AN ANNEXATION RESOLUTION
38 UNLESS BROUGHT WITHIN THE TIME AND FOR THE REASONS PROVIDED IN
39 THIS SUBSECTION. ALL HEARINGS PROVIDED BY THIS SECTION AND ALL
40 APPEALS THEREFROM SHALL BE PREFERRED AND HEARD AND
41 DETERMINED IN PREFERENCE TO ALL OTHER CIVIL MATTERS, EXCEPT
42 ELECTION ACTIONS. IN THE EVENT THAT MORE THAN ONE COMPLAINT
43 QUESTIONING THE VALIDITY OF AN ANNEXATION RESOLUTION IS FILED,
44 ALL SUCH COMPLAINTS SHALL BE CONSOLIDATED FOR THE HEARING.

45 C. ~~B.~~ For the purpose of determining the validity of the petitions presented
46 pursuant to subsection ~~BA~~, paragraph 87 of this section:

1 1. ~~Qualified electors shall be those persons qualified to vote pursuant to title 16.~~

2 2. ~~For the purposes of fulfilling the requirements of subsection A, paragraph 9,~~
3 ~~subdivisions (b) and (c) of this section,~~ Property held in multiple ownership shall be
4 treated as if it had only one property owner, so that the signature of only one of the
5 owners of property held in multiple ownership is required on the boundary change
6 petition.

7 3. The value of property shall be determined as follows:

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

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

17 4. All petitions circulated shall be returned to the governing body of the district
18 within one year from the date of the approval given by the governing body pursuant to
19 subsection BA, paragraph 5 of this section. Any petition returned more than one year
20 from that date is void. If an appeal is filed pursuant to subsection BA, paragraph 146 of
21 this section, this time period for gathering signatures is tolled beginning on the date an
22 action is filed in superior court and continuing until the expiration of the time period for
23 any further appeal.

24 D. FOR PURPOSES OF DETERMINING WHETHER OR NOT THE
25 PROPOSED ADDITION TO BE INCORPORATED INTO THE DISTRICT IS
26 CONTIGUOUS, THE ADDITION IS DEEMED CONTIGUOUS
27 NOTWITHSTANDING THAT LAND OWNED BY OR UNDER THE JURISDICTION
28 OF THE GOVERNMENT OF THE UNITED STATES, THIS STATE OR ANY
29 POLITICAL SUBDIVISION, OTHER THAN AN INCORPORATED CITY OR
30 TOWN, INTERVENES BETWEEN THE PROPOSED ADDITION AND THE
31 CURRENT DISTRICT BOUNDARY. THE PROPOSED ADDITION WILL NOT
32 RESULT IN A DISTRICT THAT COMPLETELY SURROUNDS A TERRITORY
33 THAT IS AN UNINCORPORATED AREA OF THE COUNTY, WHICH IS ALSO
34 NOT INCLUDED IN THE DISTRICT.

35 E. ~~€.~~ If the change in the boundaries proposed pursuant to subsection BA of this
36 section would result in a withdrawal of territory from an existing district, the petitions
37 shall be approved by the governing body only if the proposed withdrawal would not
38 result in a noncontiguous portion of the district that is less than one square mile in size. ~~If~~
39 ~~the changes proposed would result in an increase in the territory of the district, the~~
40 ~~petitions shall be approved by the governing body only if the proposed additions would~~
41 ~~be contiguous to the existing district as prescribed by section 9-471, subsection H and if~~
42 ~~the increase in territory does not result in a district that completely surrounds a territory~~
43 ~~that is in an unincorporated area of the county and that is not included in the district. For~~
44 ~~purposes of determining whether the addition proposed to be incorporated into the district~~
45 ~~is contiguous, the addition is deemed contiguous notwithstanding that land owned by or~~
46 ~~under the jurisdiction of the government of the United States, this state or any political~~

1 subdivision, other than an incorporated city, intervenes between the proposed addition
2 and the district boundary. Any whole parcel may be added to the district notwithstanding
3 the provisions of section 9-471 regarding minimum size limitations.

4 F. ~~D~~. If the impact statement described in subsection BA of this section relates to
5 the withdrawal of property from a district, in addition to the other requirements of
6 subsection BA of this section, the governing body shall also determine:

7 1. If the district has any existing outstanding bonds or other evidences of
8 indebtedness.

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

11 G. ~~E~~. If the conditions of subsection F~~D~~ of this section are met:

12 1. The property withdrawn from the district shall remain subject to taxes, special
13 assessments or fees levied or collected to meet the contracts and covenants of the bonds.
14 The board of supervisors shall provide for the levy and collection of such taxes, special
15 assessments or fees.

16 2. The governing body shall:

17 (a) Annually determine the amount of special property taxes, special assessments
18 or fees that must be levied and collected from property withdrawn from the district and
19 the mechanism by which such amount is to be collected.

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

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

25 H. ~~F~~. If the statement described in subsection BA, paragraph 1 of this section
26 requests the annexation of property located within an incorporated city or town, in
27 addition to the other requirements of subsection BA of this section, the governing body
28 shall approve the district boundary change impact statement and authorize the circulation
29 of petitions only if the governing body of the city or town has by ordinance or resolution
30 endorsed such annexation and such annexation is authorized pursuant to this title.

31 I. ~~G~~. Except as provided in subsection E~~C~~ of this section and section 48-2002, no
32 change in the boundaries of a district pursuant to this section shall result in a district
33 which contains area that is not contiguous.

34 J. ~~H~~. Notwithstanding subsection BA of this section, any property owner
35 INCLUDING A COUNTY, A STATE OR THE FEDERAL GOVERNMENT whose
36 land is within a county that contains a sanitary district or fire district and whose land is
37 CONTIGUOUS adjacent to the boundaries of the sanitary district or fire district may
38 request in writing that the governing body of the district amend the district boundaries to
39 include that property owner's land. A request made pursuant to this subsection shall be
40 made before the county board of supervisors orders the creation of a proposed new
41 district of the same type or the district governing body orders the annexation by a district
42 of the same type in which the property owner's land is proposed for inclusion and for
43 which petitions are being circulated. If the governing body determines that the inclusion
44 of that property will benefit the district and the property owner, the boundary change may
45 be made by order of the governing body and is final on the recording of the governing
46 body's order that includes a legal description of the property that is added to the district.

1 If the governing body does not order the boundary change, the land shall be included in
2 the boundaries of the proposed new district of the same type or annexation by a district of
3 the same type in which the property owner's land is proposed for inclusion and for which
4 petitions are being circulated. A petition and impact statement are not required for an
5 amendment to a sanitary district's or fire district's boundaries made pursuant to this
6 subsection.

7 K. ~~F~~. A fire district shall not annex or otherwise add territory that is already
8 included in another existing fire district, unless deannexed pursuant to subsections E, F
9 and G ~~C, D and E~~ of this section.

10 L. ~~J~~. For the purposes of this section:

11 1. Assessed valuation does not include the assessed valuation of property that is
12 owned by a county, THE STATE OR THE FEDERAL GOVERNMENT.

13 ~~2. Property owner does not include a county.~~

14 M. NOTWITHSTANDING SUBSECTION B IN THIS SECTION, WHEN AN
15 INCORPORATED CITY OR TOWN HAS PREVIOUSLY ADOPTED A
16 RESOLUTION DESIGNATING A FIRE DISTRICT AS THE FIRE SERVICE
17 AGENCY FOR THE CITY OR TOWN, THE JURISDICTIONAL BOUNDARIES OF
18 THE FIRE DISTRICT SHALL, WITHOUT FURTHER NOTICE OR ELECTION, BE
19 CHANGED TO INCLUDE ANY PROPERTY ANNEXED INTO THE CITY OR
20 TOWN. ANY SUCH FIRE DISTRICT BOUNDARY CHANGE SHALL BE
21 EFFECTIVE AS OF THE EFFECTIVE DATE OF THE ANNEXATION BY THE
22 INCORPORATED CITY OR TOWN. HOWEVER, IF AN INCORPORATED CITY
23 OR TOWN, WHICH HAS DESIGNATED A FIRE DISTRICT AS THE FIRE
24 SERVICE AGENCY FOR THE CITY OR TOWN, ANNEXES PROPERTY ALREADY
25 PART OF ANOTHER FIRE DISTRICT, THE ANNEXED PROPERTY SHALL
26 REMAIN PART OF THE FIRE DISTRICT IN WHICH IT WAS LOCATED PRIOR TO
27 THE ANNEXATION.

28 48-263. Special taxing district impact statement; district creation; district
29 boundary change; bond requirement

30 A. Notwithstanding any other special taxing district organization or boundary
31 change requirements, a special taxing district impact statement is required for each
32 antioxious weed district, pest control district, recreation center district, special road
33 district, pest abatement district and irrigation water delivery district, as follows:

34 1. In the case of a special taxing district formation proposal and before the
35 circulation of organization petitions otherwise required, the special taxing district impact
36 statement and hearing requirements pursuant to section 48-261, subsection A, paragraphs
37 1 through 5 and subsections C, D and E shall first be complied with.

38 2. In the case of a proposed special taxing district boundary change to an existing
39 district and before the circulation of any boundary change petitions otherwise required,
40 the boundary change impact statement and hearing requirements pursuant
41 to section 48-262, subsection BA, paragraphs 1 through 5 and subsections F~~D~~ and H~~F~~
42 shall first be complied with.

43 B. The board of supervisors may require the person desiring to propose creation
44 of a special taxing district in subsection A of this section to post a reasonable bond to be
45 filed with the board, in accordance with section 48-261, subsection C.

1 CREATE A (INSERT DESCRIPTION OF DISTRICT) AS DESCRIBED IN THE
2 ATTACHED EXHIBIT(S). I HAVE PERSONALLY SIGNED THIS PETITION WITH
3 MY FIRST AND LAST NAMES. I HAVE NOT SIGNED ANY OTHER PETITION
4 FOR THE SAME MEASURE. I AM A PROPERTY OWNER OF THE STATE OF
5 ARIZONA, COUNTY OF _____."

6
7 NOTICE: THIS IS ONLY A DESCRIPTION OF THE DISTRICT SOUGHT TO BE
8 CREATED BY THE SPONSOR OF THE MEASURE. IT MAY NOT INCLUDE
9 EVERY PROVISION CONTAINED IN THE MEASURE. BEFORE SIGNING, MAKE
10 SURE THE EXHIBITS ARE ATTACHED. YOU HAVE THE RIGHT TO READ OR
11 EXAMINE THE DISTRICT IMPACT STATEMENT BEFORE SIGNING.

12
13 "WARNING

14 IT IS A CLASS 1 MISDEMEANOR FOR ANY PERSON TO KNOWINGLY SIGN A
15 DISTRICT CREATION PETITION WITH A NAME OTHER THAN HIS OWN,
16 EXCEPT IN A CIRCUMSTANCE WHERE HE SIGNS FOR A PERSON, IN THE
17 PRESENCE OF AND AT THE SPECIFIC REQUEST OF SUCH PERSON, WHO IS
18 INCAPABLE OF SIGNING HIS OWN NAME BECAUSE OF PHYSICAL
19 INFIRMITY, OR TO KNOWINGLY SIGN HIS NAME MORE THAN ONCE FOR
20 THE SAME MEASURE, OR TO KNOWINGLY SIGN SUCH PETITION WHEN HE
21 IS NOT A QUALIFIED ELECTOR."

22
23 SIGNATURE NAME ACTUAL ARIZONA CITY OR DATE
24 (FIRST AND ADDRESS POST OFFICE TOWN
25 LAST NAME (STREET & ADDRESS (IF ANY)
26 PRINTED) NO. AND IF & ZIP
27 NO STREET CODE
28 ADDRESS,
29 DESCRIBE
30 RESIDENCE
31 LOCATION)

32
33 (FIFTEEN LINES FOR SIGNATURES WHICH SHALL BE NUMBERED)

34
35 THE VALIDITY OF SIGNATURES ON THIS SHEET MUST BE SWORN TO BY
36 THE CIRCULATOR BEFORE A NOTARY PUBLIC ON THE FORM APPEARING
37 ON THE BACK OF THE SHEET.

38 B. A PETITION OF PROPERTY OWNERS THAT IS SUBMITTED TO
39 COMPLY WITH SECTION 48-262, SUBSECTION B, PARAGRAPH 10 SHALL
40 CONTAIN A HEADING THAT CLEARLY IDENTIFIES THE TYPE OF PETITION

1 CIRCULATED AND A STATEMENT THAT CLEARLY DESCRIBES THE TYPE OF
2 ACTION BEING PROPOSED. THE PETITION SHALL BE IN A FORM
3 SUBSTANTIALLY SIMILAR TO THE FOLLOWING:

4 SPECIAL TAXING DISTRICT ANNEXATION PETITION
5

6 TO THE GOVERNING BODY OF THE (INSERT NAME) FIRE DISTRICT:
7 "WE THE UNDERSIGNED, QUALIFIED PROPERTY OWNERS OF (INSERT
8 NAME OF COUNTY), STATE OF ARIZONA AND OWNING PROPERTY WITHIN
9 THE BOUNDARIES AS ILLUSTRATED AND DEFINED ON THE ATTACHED
10 EXHIBIT(S), LEGAL DESCRIPTION AND MAP OF THE PROPOSED
11 BOUNDARIES, PETITION SAID DISTRICT TO ANNEX THE TERRITORY AS
12 DESCRIBED IN THE ATTACHED EXHIBIT(S). THE AREA PETITIONING FOR
13 ANNEXATION, IF APPROVED BY THE GOVERNING BODY OF THE DISTRICT,
14 SHALL BECOME PART OF THE ANNEXING DISTRICT AND SUBJECT TO ALL
15 RELEVANT PROVISIONS OF THE ARIZONA REVISED STATUTES. I HAVE
16 PERSONALLY SIGNED THIS PETITION WITH MY FIRST AND LAST NAMES. I
17 HAVE NOT SIGNED ANY OTHER PETITION FOR THE SAME MEASURE. I AM A
18 PROPERTY OWNER OF THE STATE OF ARIZONA, COUNTY OF
19 _____."

20
21 NOTICE: THIS IS ONLY A DESCRIPTION OF THE TERRITORY SOUGHT TO BE
22 ANNEXED BY THE SPONSOR OF THE MEASURE. IT MAY NOT INCLUDE
23 EVERY PROVISION CONTAINED IN THE MEASURE. BEFORE SIGNING, MAKE
24 SURE THE EXHIBITS ARE ATTACHED. YOU HAVE THE RIGHT TO READ OR
25 EXAMINE THE BOUNDARY CHANGE IMPACT STATEMENT BEFORE
26 SIGNING.

27
28 "WARNING

29 IT IS A CLASS 1 MISDEMEANOR FOR ANY PERSON TO KNOWINGLY SIGN A
30 DISTRICT CREATION PETITION WITH A NAME OTHER THAN HIS OWN,
31 EXCEPT IN A CIRCUMSTANCE WHERE HE SIGNS FOR A PERSON, IN THE
32 PRESENCE OF AND AT THE SPECIFIC REQUEST OF SUCH PERSON, WHO IS
33 INCAPABLE OF SIGNING HIS OWN NAME BECAUSE OF PHYSICAL
34 INFIRMITY, OR TO KNOWINGLY SIGN HIS NAME MORE THAN ONCE FOR
35 THE SAME MEASURE, OR TO KNOWINGLY SIGN SUCH PETITION WHEN HE
36 IS NOT A QUALIFIED ELECTOR."

37
38 SIGNATURE NAME ACTUAL ARIZONA CITY OR DATE
39 (FIRST AND ADDRESS POST OFFICE TOWN

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
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21
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23
24
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39

LAST NAME (STREET & ADDRESS (IF ANY)
PRINTED) NO. AND IF & ZIP
NO STREET CODE
ADDRESS,
DESCRIBE
RESIDENCE
LOCATION)

(FIFTEEN LINES FOR SIGNATURES WHICH SHALL BE NUMBERED)

THE VALIDITY OF SIGNATURES ON THIS SHEET MUST BE SWORN TO BY
THE CIRCULATOR BEFORE A NOTARY PUBLIC ON THE FORM APPEARING
ON THE BACK OF THE SHEET.

C. EACH PETITION SHEET SHALL HAVE PRINTED IN CAPITAL
LETTERS IN NO 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".

D. A CIRCULATOR OF PETITIONS SHALL STATE WHETHER HE IS A
PAID CIRCULATOR OR VOLUNTEER BY CHECKING THE APPROPRIATE LINE
ON THE PETITION FORM BEFORE CIRCULATING THE PETITION FOR
SIGNATURES

E. SIGNATURES OBTAINED ON PETITIONS IN VIOLATION OF
SUBSECTION C 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.

F. EVERY QUALIFIED PROPERTY OWNER SIGNING A PETITION SHALL
DO SO IN THE PRESENCE OF THE PERSON WHO IS CIRCULATING THE
PETITION AND WHO IS TO EXECUTE THE AFFIDAVIT OF VERIFICATION. AT
THE TIME OF SIGNING, THE PROPERTY OWNER SHALL SIGN HIS FIRST AND
LAST NAMES IN THE SPACES PROVIDED AND THE ELECTOR SO SIGNING OR
THE PERSON CIRCULATING THE PETITION SHALL PRINT HIS FIRST AND
LAST NAMES AND WRITE, IN THE APPROPRIATE SPACES FOLLOWING THE
SIGNATURE, THE SIGNER'S RESIDENCE ADDRESS, GIVING STREET AND
NUMBER, AND IF HE HAS NO STREET ADDRESS, A DESCRIPTION OF HIS
RESIDENCE LOCATION. THE PROPERTY OWNER SO SIGNING OR THE
PERSON CIRCULATING THE PETITION SHALL WRITE, IN THE APPROPRIATE

1 SPACES FOLLOWING THE ELECTOR'S ADDRESS, THE DATE ON WHICH THE
2 ELECTOR SIGNED THE PETITION.

3 G. THE TITLE AND TEXT OF PETITIONS SHALL BE IN AT LEAST EIGHT
4 POINT TYPE

5 H. THE PERSON BEFORE WHOM THE SIGNATURES AND ADDRESSES
6 WERE WRITTEN ON THE SIGNATURE SHEET SHALL, ON THE AFFIDAVIT
7 FORM PURSUANT TO THIS SECTION, SUBSCRIBE AND SWEAR BEFORE A
8 NOTARY PUBLIC THAT EACH OF THE NAMES ON THE SHEET WAS SIGNED
9 AND THE NAME AND ADDRESS WERE PRINTED IN THE PRESENCE OF THE
10 ELECTOR AND THE CIRCULATOR ON THE DATE INDICATED, AND THAT IN
11 HIS BELIEF EACH SIGNER WAS A PROPERTY OWNER ELIGIBLE TO SIGN THE
12 PETITION AND THAT AT ALL TIMES DURING CIRCULATION OF THE
13 SIGNATURE SHEET COPIES OF ANY REQUIRED EXHIBITSS WERE
14 ATTACHED . ALL SIGNATURES OF PETITIONERS ON A SIGNATURE SHEET
15 SHALL BE THOSE OF QUALIFIED PROPERTY OWNERS. SIGNATURE AND
16 HANDWRITING COMPARISONS MAY BE MADE.

17 I. THE AFFIDAVIT SHALL BE IN THE FOLLOWING FORM PRINTED ON
18 THE REVERSE SIDE OF EACH SIGNATURE SHEET:

19 AFFIDAVIT OF CIRCULATOR

20 STATE OF ARIZONA)

21) SS.:

22 COUNTY OF _____)

23 (WHERE NOTARIZED)

24 I, (PRINT NAME), A PERSON WHO IS QUALIFIED TO REGISTER TO VOTE IN
25 THE COUNTY OF _____, IN THE STATE OF ARIZONA AT ALL TIMES
26 DURING MY CIRCULATION OF THIS PETITION SHEET, AND UNDER THE
27 PENALTY OF A CLASS 1 MISDEMEANOR, DEPOSE AND SAY THAT EACH
28 INDIVIDUAL SIGNED THIS SHEET OF THE FOREGOING PETITION IN MY
29 PRESENCE ON THE DATE INDICATED, AND I BELIEVE THAT EACH SIGNER'S
30 NAME AND RESIDENCE ADDRESS OR POST OFFICE ADDRESS ARE
31 CORRECTLY STATED AND THAT EACH SIGNER IS A QUALIFIED PROPERTY
32 OWNER OF THE STATE OF ARIZONA (OR IN THE CASE OF A CITY, TOWN OR

1 COUNTY MEASURE, OF THE CITY, TOWN OR COUNTY AFFECTED BY THE
2 MEASURE PROPOSED TO BE INITIATED OR REFERRED TO THE PEOPLE) AND
3 THAT AT ALL TIMES DURING CIRCULATION OF THIS SIGNATURE SHEET A
4 COPY OF THE REQUIRED EXHIBITS WAS ATTACHED TO THE SIGNATURE
5 SHEET.

6 (SIGNATURE OF AFFIANT) _____

7 (RESIDENCE ADDRESS, STREET

8 AND NUMBER OF AFFIANT, OR

9 IF NO STREET ADDRESS, A

10 DESCRIPTION OF RESIDENCE

11 LOCATION)

12 _____

13 SUBSCRIBED AND SWORN TO BEFORE ME ON _____.

14 (DATE)

15 _____

16 NOTARY PUBLIC

17 _____, ARIZONA.

18 MY COMMISSION EXPIRES ON _____.

19 (DATE)

20 J. THE EIGHT POINT TYPE REQUIRED BY SUBSECTION B SHALL NOT
21 APPLY TO MAPS, CHARTS OR OTHER GRAPHICS.

22 K. THE BOARD OF SUPERVISORS OR OTHER GOVERNING BODY OF A
23 POLITICAL SUBDIVISION THAT RECEIVES A PETITION PURSUANT TO THIS
24 SECTION SHALL SUBMIT A COPY OF THE SIGNATURE SHEETS TO THE
25 COUNTY ASSESSOR FOR VERIFICATION. THE COUNTY ASSESSOR SHALL:

26 1. VERIFY THAT THE PETITION CONTAINS THE NAMES OF MORE
27 THAN ONE-HALF OF THE PROPERTY OWNERS IN THE AREA OF THE
28 PROPOSED DISTRICT.

29 2. DETERMINE THE TOTAL ASSESSED VALUATION OF THE PROPERTY
30 OWNED BY THE PERSONS WHOSE NAMES ARE SIGNED ON THE PETITION.

31 L. THE COUNTY ASSESSOR SHALL REPORT THE RESULTS OF THE
32 VERIFICATION TO THE BOARD OF SUPERVISORS OR OTHER GOVERNING
33 BODY WITHIN TEN DAYS AFTER RECEIVING THE COPY OF THE SIGNATURE
34 SHEETS, NOT INCLUDING SATURDAYS, SUNDAYS AND OTHER LEGAL
35 HOLIDAYS.

36

1 Section 2. Title 48, chapter 5, article 1, Arizona Revised Statutes is amended to
2 read:

3 48-802. Election procedures

4 A. All elections held pursuant to this article shall conform to the requirements of
5 this section.

6 B. Except as otherwise provided in this article, the manner of conducting and
7 voting at an election, contesting an election, keeping poll lists, canvassing votes and
8 certifying returns shall be the same, as nearly as practicable, as in elections for county
9 officers. If the fire district is administered by a board, after consultation with the officer
10 in charge of elections, a fire district may divide itself into precincts. To the extent
11 practicable, the precincts shall be equal or as nearly equal in population and shall
12 conform to the boundaries of precincts adopted by the board of supervisors of the county.
13 The fire district shall thereafter conduct its elections using those precincts.

14 C. No person may vote at the election other than a qualified elector of this state
15 THAT ~~who~~ has registered to vote at least twenty-nine days before the election AS at a
16 RESIDENT ~~residence~~ within the district boundaries ~~or proposed district boundaries~~
17 ~~created by the merger of fire districts~~. A person offering to vote at a fire district election
18 for which no fire district register has been supplied shall sign an affidavit stating his
19 address and the fire district in which he resides and swearing he is qualified to vote and
20 has not voted at the fire district election being held. A person offering to vote at a fire
21 district election for which a fire district register has been supplied shall proceed as
22 required for voting at any election at which precinct registers are used.

23 D. In elections for an elected chief and secretary-treasurer or district board
24 members:

25 1. The person or persons within the district or precinct, as applicable, receiving
26 the highest number of votes shall be declared elected.

27 2. Candidates must be, and during incumbency must remain, qualified electors of
28 the fire district ~~or in an election to merge fire districts, the proposed fire district~~. In a fire
29 district that is divided into precincts as prescribed by subsection B of this section,
30 candidates shall be qualified electors of the precinct in which they are candidates and
31 during incumbency must remain qualified electors of that precinct.

32 3. Elections, other than special elections to fill a vacancy or elections to ~~merge or~~
33 dissolve fire districts, shall be held on the first Tuesday after the first Monday in
34 November of the first even numbered year following the year the district is declared
35 organized by the board of supervisors and, in the case of a fire district administered by a
36 district board, every two years thereafter on the first Tuesday after the first Monday in
37 November. Elections shall be held every four years thereafter in districts administered by
38 an elected chief.

1 4. Except for an election to reorganize a fire district, nominating petitions shall be
2 filed with the board of supervisors as prescribed by title 16, chapter 3. If only one person
3 files or no person files a nominating petition for an election to fill a position on the
4 district board or the position of elected fire chief or elected secretary-treasurer for which
5 the term of office is to expire, the board of supervisors may cancel the election for that
6 position and appoint the person who filed the nominating petition to fill the position. If no
7 person files a nominating petition for an election to fill a district office, the board of
8 supervisors may cancel the election for those offices and those offices are deemed vacant
9 and shall be filled as otherwise provided by law. A person who is appointed pursuant to
10 this paragraph is fully vested with the powers and duties of the office as if elected to that
11 office.

12 5. The names of all nominated persons for office within the district or precinct, as
13 applicable, shall appear on the ballot without partisan designation.

14 E. In an election to reorganize or dissolve a fire district, notice of the appropriate
15 order of the board of supervisors or governing body of the district shall be given as
16 prescribed by title 16. An order to hold an election shall be issued not more than thirty
17 days from the receipt of petitions pursuant to section 48-815.

18 ~~F. In an election to merge fire districts, notice of the appropriate order of the~~
19 ~~board of supervisors shall be given as prescribed by title 16. In addition, notice of the~~
20 ~~election with an accurate map of the territory proposed to be merged shall be sent by first~~
21 ~~class mail to each owner of property that would be subject to taxation by the merged~~
22 ~~district at least sixty days before the election. An order to hold an election shall be issued~~
23 ~~not more than thirty days after the receipt of petitions to merge fire districts pursuant to~~
24 ~~section 48-820.~~

25
26 48-803. District administered by a district board

27 A. In a district which the board of supervisors estimates has a population of fewer
28 than four thousand inhabitants, the district board may consist of three or five members. In
29 a district which the board of supervisors estimates has a population of four thousand or
30 more inhabitants, the district board shall consist of five members. This estimate is
31 conclusive and shall be based on available census information, school attendance
32 statistics, election or voter registration statistics, estimates provided by state agencies or
33 the county assessor, or other information as deemed appropriate by the board of
34 supervisors. If the board of supervisors determines, at any time prior to one hundred
35 twenty days before the next regular scheduled election for members of a district board,
36 that the population of a fire district administered by a district board consisting of three
37 members exceeds four thousand inhabitants, estimated as provided in this section, the
38 board of supervisors shall order an increase in the number of members of the district
39 board. IF THE BOARD OF SUPERVISORS DETERMINES, AT ANY TIME PRIOR
40 TO ONE HUNDRED EIGHTY DAYS BEFORE THE NEXT REGULAR
41 SCHEDULED ELECTION FOR MEMBERS OF A DISTRICT BOARD, THAT THE
42 POPULATION OF A FIRE DISTRICT ADMINISTERED BY A DISTRICT BOARD
43 CONSISTING OF FIVE MEMBERS EXCEEDS FIFTY THOUSAND INHABITANTS,

1 ESTIMATED AS PROVIDED IN THIS SECTION, THE BOARD OF SUPERVISORS
2 SHALL INFORM THE DISTRICT BOARD THAT IT MAY EXPAND TO SEVEN
3 MEMBERS. ANY EXPANSION TO SEVEN MEMBERS SHALL OCCUR BY
4 MAJORITY VOTE OF THE DISTRICT BOARD. The increase is effective for the
5 election of THE ADDITIONAL ~~two additional~~ members at the next regular election of
6 members of the district board.

7 B. If a vacancy occurs on the district board other than from expiration of a term,
8 the remaining board members shall fill the vacancy by appointment of an interim
9 member. If the entire board resigns or for any reason cannot fulfill its duties, the board of
10 supervisors shall appoint an administrator to administer the district with the same duties
11 and obligations of the elected board. If the board of supervisors fails to appoint an
12 administrator within thirty days, a special election shall be held to fill the vacancies on
13 the fire district board.

14 C. Members of the district board shall serve without compensation, but may be
15 reimbursed for actual expenses incurred in performing duties required by law.

16 D. The board shall appoint or hire a fire chief.

17 E. The board shall elect from its members a chairman and a clerk.

18 F. Of the members first elected to boards, the two people receiving the first and
19 second highest number of votes shall be elected to four-year terms, and the person
20 receiving the third highest number of votes shall be elected to a two-year term. Of the
21 members first elected to boards consisting of five members, the three people receiving the
22 first, second and third highest number of votes shall be elected to four-year terms, and the
23 two people receiving the fourth and fifth highest number of votes shall be elected to two-
24 year terms. Thereafter, the term of office of each board member shall be four years from
25 the first day of the month next following such member's election. OF THE MEMBERS
26 ELECTED AS ADDITIONS TO A FIVE MEMBER BOARD, THE PERSON WITH
27 THE HIGHEST NUMBER VOTES SHALL BE ELECTED TO A FOUR-YEAR TERM
28 AND THE PERSON WITH THE SECOND HIGHEST NUMBER OF VOTES SHALL
29 BE ELECTED TO A TWO-YEAR TERM. IF A DISTRICT RESOLVES TO
30 INCREASE THE GOVERNING BOARD TO SEVEN MEMBERS PURSUANT TO
31 SUBSECTION (A), THE GOVERNING BOARD MAY APPOINT AN ADDITIONAL
32 TWO MEMBERS TO SERVE UNTIL THE NEXT GENERAL ELECTION AT
33 WHICH TIME BASED ON TOTAL VOTES, THE NEWLY ELECTED MEMBER
34 WITH THE HIGHEST NUMBER OF VOTES WILL SERVE A FOUR YEAR TERM
35 AND THE OTHER MEMBER WILL SERVE A TWO-YEAR TERM. THEREAFTER,
36 THESE TWO NEW MEMBERS WILL THEN SERVE ON THE REGULAR FOUR-
37 YEAR CYCLE AS THE PREVIOUS FIVE MEMBERS.

38
39 48-805. Fire district; powers and duties

40 A. A fire district, through its board or elected chief and secretary-treasurer, shall:

41 1. Hold public meetings at least once each calendar month.

42 2. Prepare an annual budget containing detailed estimated expenditures for each
43 fiscal year which shall clearly show salaries payable to employees of the district,
44 including the elected or appointed chief. The budget shall be posted in three public places
45 and published in a newspaper of general circulation in the district thirty days prior to a
46 public hearing at a meeting called by the board or elected chief to adopt the budget.

1 Copies of the budget shall also be available to members of the public upon written
2 request to the district. Following the public hearing, the district board or elected chief and
3 secretary-treasurer shall adopt a budget.

4 3. Determine the compensation payable to district personnel.

5 4. Require probationary employees in a paid sworn firefighter position, a reserve
6 firefighter position or a volunteer firefighter position to submit a full set of fingerprints to
7 the fire district. The fire district shall submit the fingerprints to the department of public
8 safety for the purpose of obtaining a state and federal criminal records check pursuant to
9 section 41-1750 and Public Law 92-544. The department of public safety may exchange
10 this fingerprint data with the federal bureau of investigation.

11 5. PROVIDE SUCH SERVICES NECESSARY FOR FIRE PROTECTION IN A
12 MANNER DETERMINED APPROPRIATE BY THE GOVERNING BOARD.

13 B. A fire district, through its board or elected fire chief and secretary-treasurer,
14 may:

15 1. Employ any personnel and provide services deemed necessary for fire
16 protection, for preservation of life and for carrying out its other powers and duties,
17 including providing ambulance transportation services when authorized to do so pursuant
18 to title 36, chapter 21.1, article 2, but a member of a district board shall not be an
19 employee of the district.

20 2. REQUIRE ALL EMPLOYEES TO SUBMIT A FULL SET OF
21 FINGERPRINTS CONSISTENT WITH SUBSECTION A PARGARPH 4 .

22 3. ~~2.~~ Construct, purchase, lease, lease-purchase or otherwise acquire the following
23 or any interest therein and, in connection with such construction or other acquisition,
24 purchase, lease, lease-purchase or grant a lien on any or all of its present or future
25 property including:

26 (a) Apparatus, water and rescue equipment including ambulances and equipment
27 related to any of the foregoing.

28 (b) Land, and buildings, with equipment and furnishings to house equipment and
29 personnel necessary OR APPROPRIATE TO CARRY OUT ITS PURPOSE. ~~for fire~~
30 ~~protection and preservation of life.~~

31 4. ~~3.~~ Finance the acquisition of property as provided in this section and costs
32 incurred in connection with the issuance of bonds and request the issuance of bonds
33 by the board of supervisors of the county in which the fire district is located as provided
34 in section 48-806. Bonds shall not be issued without the consent of a majority of the
35 electors of the district voting at an election held for that purpose. For the purposes of an
36 election held under this paragraph, all persons who are eligible to vote in fire district
37 elections under section 48-802 and who are owners of real property in the district are
38 eligible to vote.

39 5. 4. ENFORCE THE FIRE CODE ADOPTED BY THE DISTRICT, IF ANY,
40 AND assist the state fire marshal in the enforcement of fire protection standards of this
41 state within the fire district including enforcement of a nationally recognized fire code
42 when expressly authorized by the state fire marshal.

43 6. ~~5.~~ After the approval of the qualified electors of the fire district voting at a
44 regular district election or at a special election called for such purpose by the board of
45 supervisors or at any election held in the county which encompasses the fire district,
46 adopt the _____ fire code, which is a nationally recognized fire code approved by

1 the state fire marshal. The words appearing upon the ballots shall be "Should
2 _____ fire district adopt the _____ fire code, which is a nationally
3 recognized fire code approved by the state fire marshal--yes", "Should
4 _____ fire district adopt the _____ fire code, which is a
5 nationally recognized fire code approved by the state fire marshal--no". Such code shall
6 be enforced by the county attorney in the same manner as any other law or ordinance of
7 the county. Any inspection or enforcement costs are the responsibility of the fire district
8 involved. The district shall keep on file such code which shall be open to public
9 inspection for a period of thirty days prior to any election for the purpose of adopting a
10 fire code. COPIES OF THE ORDER OF ELECTION SHALL BE POSTED IN THREE
11 PUBLIC PLACES WITHIN THE DISTRICT NOT LESS THAN TWENTY DAYS
12 PRIOR TO THE DATE OF THE ELECTION, AND IF A NEWSPAPER IS
13 PUBLISHED WITHIN THE COUNTY HAVING A GENERAL CIRCULATION
14 WITHIN THE DISTRICT, THE ORDER SHALL BE PUBLISHED IN THE
15 NEWSPAPER NOT LESS THAN ONCE A WEEK DURING EACH OF THE THREE
16 CALENDAR WEEKS PRECEEDING THE CALENDAR WEEK OF THE ELECTION.

17 7. ~~6.~~ Amend or revise the adopted fire code, INCLUDING REPLACEMENT OF
18 THE ADOPTED FIRE CODE WITH AN ALTERNATIVE NATIONALLY
19 RECOGNIZED FIRE CODE, with the approval of the state fire marshal and after a
20 hearing held pursuant to posted and published notice as prescribed by subsection A,
21 paragraph 2 of this section. The district shall keep three copies of the adopted code,
22 amendments and revisions on file for public inspection.

23 8. ~~7.~~ Enter into an agreement procuring the services of an organized private fire
24 protection company or a fire department of a neighboring city, town, district or settlement
25 without impairing the FIRE DISTRICT'S powers. ~~granted to it.~~

26 9. ~~8.~~ Contract with a city or town for fire protection services for all or part of the
27 city or town area until the city or town elects to provide regular fire department services
28 to the area.

29 10. ~~9.~~ Retain a certified public accountant to perform an annual audit of district
30 books.

31 11. ~~10.~~ Retain private legal counsel.

32 12. ~~11.~~ Accept gifts, contributions, bequests and grants and comply with any
33 requirements of such gifts, contributions, bequests and grants not inconsistent with this
34 article.

35 ~~12. Enter into contracts and execute any agreements or instruments and do any
36 other act necessary or appropriate to carry out its purposes.~~

37 13. Appropriate and expend annually such monies as are necessary for the
38 purpose of fire districts belonging to and paying dues in the Arizona fire district
39 association AND OTHER PROFESSIONAL AFFILIATIONS OR ENTITIES.

40 14. Adopt resolutions establishing fee schedules, BOTH WITHIN AND
41 OUTSIDE OF THE JURISDICTIONAL BOUNDARIES OF THE DISTRICT, for
42 providing fire protection services and services for the preservation of life, including
43 emergency fire and emergency medical services, plan reviews, standby charges, fire
44 cause determination, users' fees, facilities benefit assessments or any other fee schedule
45 that may be required.

1 15. ADOPT RESOLUTIONS FOR A SCHEDULE FOR FINANCIAL
2 REIMBURSEMENT TO TAXPAYERS FOR INSTALLATION OF CERTAIN FIRE
3 PROTECTION SYSTEMS SUCH AS SPRINKLERS AND MONITORED ALARMS.

4 16. THE GOVERNING BOARD OF A FIRE DISTRICT WITH THE
5 APPROVAL OF TWO OUT OF THREE OF A THREE MEMBER BOARD, FOUR
6 OUT OF FIVE OF A FIVE MEMBER BOARD OR FIVE OUT OF SEVEN OF A
7 SEVEN MEMBER BOARD MAY CHANGE ITS NAME AND UPON SO DOING
8 SHALL GIVE WRITTEN NOTICE TO THE BOARD OF SUPERVISORS OF SUCH
9 CHANGE. ~~After the approval of the qualified electors of the fire district voting at a~~
10 ~~regular district election or at a special election called for such purpose by the board of~~
11 ~~supervisors or at any election held in the county which encompasses the fire district,~~
12 ~~change its name.~~

13 17.46. ENTER INTO CONTRACTS, CHARGE FEES FOR SERVICES IN A
14 MANNER AND IN SUCH AMOUNT AS ESTABLISHED BY THE GOVERNING
15 BODY OF THE FIRE DISTRICT, AND EXECUTE ANY AGREEMENTS OR
16 INSTRUMENTS AND DO ANY OTHER ACT NECESSARY OR APPROPRIATE TO
17 CARRY OUT ITS PURPOSES.

18 C. The chairman and clerk of the district board or their respective designees or the
19 elected chief and secretary-treasurer, as applicable, shall draw warrants on the county
20 treasurer for money required to operate the district in accordance with the
21 budget and, as so drawn, the warrants shall be sufficient to authorize the county treasurer
22 to pay from the fire district fund.

23 D. The district shall not incur any debt or liability in excess of taxes levied and to
24 be collected and the money actually available and unencumbered at the time in the fund,
25 except as provided in subsection B, paragraph 32 of this section and in sections 48-806
26 and 48-807.

27 E. The county attorney may advise and represent the district when in the county
28 attorney's judgment such advice and representation are appropriate and not in conflict
29 with the county attorney's duties under section 11-532. If the county attorney is unable to
30 advise and represent the district due to a conflict of interest, the district may retain private
31 legal counsel or may request the attorney general to represent it, or both.

32
33 48-806. Bond election; issuance and sale of bonds

34 A. On the request of the district board or the elected chief and secretary-treasurer,
35 the board of supervisors shall order an election by the qualified electors of the district to
36 be held not less than thirty nor more than sixty days from the date of the order to
37 determine whether bonds shall be issued on behalf of the district. The order shall specify
38 the maximum principal amount of bonds to be issued, the maximum number of years
39 bonds of any issue or series may run from their date not exceeding thirty years, the
40 purpose for which the bonds are to be issued, the maximum rate of interest which the
41 bonds are to bear, the date and hours of the election and the location of the polling places.
42 Copies of the order shall be posted in three public places within the district not less than
43 twenty days prior to the date of the election, and if a newspaper is published within the
44 county having a general circulation within the district, the order shall be published in the
45 newspaper not less than once a week during each of the three calendar weeks preceding
46 the calendar week of the election.

1 B. At the election the ballot shall contain the phrases "for the bonds" and "against
2 the bonds". To the right of and opposite each phrase shall be placed a square
3 approximately the size of squares placed opposite the names of candidates on ballots. The
4 voter shall indicate a vote "for the bonds" or "against the bonds" by inserting the mark
5 "x" in the square opposite such phrase. No other question, word or figure need be printed
6 on the ballot. The ballot need not be any particular size, nor need sample ballots be
7 printed, posted or distributed, HOWEVER BALLOTS SHALL MEET CURRENT
8 VOTING STANDARDS INCLUDING PROVISIONS FOR ELECTRONIC VOTING IF
9 NECESSARY.

10 C. If a majority of the qualified electors of the district voting at the election
11 approves the issuance of bonds, the board of supervisors shall, upon the request of the
12 district board, or the elected chief and secretary-treasurer, as appropriate, issue bonds in
13 an aggregate principal amount not exceeding the lesser of SIX ~~five~~ per cent of the value
14 of the taxable property in the district as shown on the last property tax assessment roll
15 before issuing the bonds or the maximum amount specified in the election order.

16 D. Bonds may be in such denominations, may be in registered or bearer form
17 either as to principal or interest, or both, may mature at such times not exceeding the
18 maximum maturity specified in the election order and may be subject to redemption prior
19 to maturity, all as specified in the request submitted to the board of supervisors by the
20 district board or elected chief and secretary-treasurer, as appropriate, as provided in
21 subsection C.

22 E. Bonds shall be executed by the manual or facsimile signatures of the chairman
23 of the board of supervisors and the chairman of the district board or elected chief of the
24 district, as appropriate, provided that one such signature is manually affixed. Coupons
25 attached to the bonds shall bear the facsimile signature of the chairman of the board of
26 supervisors.

27 F. Notice of sale of the bonds shall be published by the board of supervisors in a
28 newspaper of general circulation in the county once a week for four successive weeks
29 before the sale of the bonds. The notice of sale shall specify the date and hour for receipt
30 of sealed bids, and the board of supervisors shall award the bonds to the highest and most
31 responsible bidder at not less than par plus accrued interest. The proceeds of sale on the
32 bonds shall be deposited in an account of the fire district fund to be known as the capital
33 fund to be applied for the purpose for which the bonds were issued.

34 G. After the bonds are issued, the board of supervisors shall enter on its minutes a
35 record of the bonds sold and shall annually levy and cause to be collected a tax, at the
36 same time and in the same manner as other taxes are levied and collected upon all taxable
37 property in the district, sufficient to pay principal of and interest on the bonds as they
38 become due and payable. Monies derived from the levy of the tax when collected shall be
39 deposited in the debt service fund and shall be applied only to payment of the principal of
40 and interest on the bonds. On payment of the outstanding bonded indebtedness of the
41 district, any monies remaining in the debt service fund shall be used to reduce the
42 district's property tax levy in the next fiscal year.

43
44 48-812. Disposition of fire district, assets and relief and pension fund assets upon
45 annexation by or inclusion within a city or town.

1 A. When any area having a fire district established under this article is entirely
2 annexed to a city or town or entirely included within a newly organized city or town, the
3 fire district of the area annexed and all its assets, INCLUDING PERSONNEL, and
4 liabilities of whatever description shall be merged and become a part of the fire
5 department of the annexing city or town upon the date the city or town elects to provide
6 fire protection services to such area.

7 B. All assets and liabilities of whatever description and all books and records
8 belonging to a FIREFIGHTER'S fireman's relief and pension fund of an area annexed or
9 newly organized shall be transferred to and shall become the property of the
10 FIREFIGHTER'S fireman's relief and pension fund of the annexing or newly organized
11 city or town upon the date the city or town elects to provide fire protection services to
12 such area.

13 C. Any FIREFIGHTER fireman, employed on a full-time basis by a fire district
14 who THEN becomes employed as a FIREFIGHTER fireman by an annexing or newly
15 organized city or town within sixty days from and after the date the city or town elects to
16 provide fire protection services to such area, shall become a member of the annexing or
17 newly organized city or town's FIREFIGHTER'S firemen's relief and pension fund, and
18 SAID FIREFIGHTER shall be granted service credit by the annexing or newly organized
19 city or town in the same manner and in all respects as if the service had been rendered as
20 a FIREFIGHTER fireman in the employment of the annexing or newly organized city or
21 town, provided that the funds contributed by the FIREFIGHTER fireman to the fire
22 district's FIREFIGHTER'S fireman's relief and pension fund are transferred to the
23 annexing or newly organized city or town's FIREFIGHTER'S fireman's relief and
24 pension fund, or if not so transferred, provided that the FIREFIGHTER fireman pay to
25 the annexing or newly organized city or town's FIREFIGHTER'S fireman's relief and
26 pension fund the amount withdrawn, including the interest received at time of
27 withdrawal.

28 D. All pensions being paid on the effective date of annexation or organization
29 from funds of the FIREFIGHTER'S fireman's relief and pension fund of an area annexed
30 by a city or town or newly organized city or town shall continue to be paid in accordance
31 with the provisions of section 9-967 by the FIREFIGHTER'S fireman's relief and
32 pension fund of the annexing or newly organized city or town.
33

34 48-814. Property located outside of fire district territory; reimbursement to fire
35 district for cost of fire AND EMERGENCY MEDICAL services

36 A FIRE DISTRICT MAY PROVIDE OR ASSIST IN PROVIDING EMERGENCY
37 FIRE OR EMERGENCY MEDICAL SERVICES OUTSIDE OF ITS OWN DISTRICT
38 BOUNDARIES IF THOSE SERVICES ARE OTHERWISE UNAVAILABLE AND
39 ARE PROVIDED AT THE REQUEST OF ANY LAW ENFORCEMENT AGENCY,
40 FIRE DISTRICT, FIRE DEPARTMENT OR PRIVATE PERSON, AND MAY
41 RECEIVE REIMBURSEMENT FOR THE COSTS OF PROVIDING THE
42 EMERGENCY SERVICES. THE PERSON RECEIVING THE SERVICES, OR ON
43 WHOSE BEHALF THE SERVICES ARE PROVIDED, IS LIABLE TO THE FIRE
44 DISTRICT FOR THE COSTS, AND THESE COSTS CONSTITUTE A DEBT OF
45 THAT PERSON AND MAY BE COLLECTED BY THE FIRE DISTRICT. IN THIS
46 SECTION, THE COSTS OF PROVIDING EMERGENCY FIRE OR MEDICAL

1 SERVICES ARE THOSE COSTS SET FORTH IN RESOLUTIONS ADOPTED BY
2 THE FIRE DISTRICT ESTABLISHING FEE SCHEDULES FOR EMERGENCY
3 RESPONSE, STANDBY CHARGES, FEES FOR FIRE CAUSE DETERMINATION
4 OR ANY OTHER FEES THAT MAY BE REQUIRED OR APPROPRIATE TO
5 PROVIDE EMERGENCY FIRE AND MEDICAL SERVICES OUTSIDE OF ITS
6 BOUNDARIES.

7 ~~An owner of land in an unincorporated area which is located outside the territory of a fire~~
8 ~~district shall reimburse a fire district which provides service to extinguish a fire on the~~
9 ~~owner's property for a reasonable charge by the district for the cost of such service if the~~
10 ~~fire presented a fire hazard to any adjacent property of value within the limits of the~~
11 ~~territory of the fire district or if such service is provided on request of either the property~~
12 ~~owner or a law enforcement authority.~~

13
14 48-816. Election to reorganize district

15 A. The board of supervisors shall make an order calling an election to decide
16 whether to reorganize a fire district administered by an elected chief as a district
17 administered by a district board, pursuant to section 48-803, or to reorganize a fire district
18 administered by a district board as a district administered by an elected chief, pursuant to
19 section 48-804, when a petition containing signatures of twenty-five per cent of the
20 qualified electors residing within the district and praying that the district be reorganized
21 is filed with the board except the board of supervisors shall not make an order calling for
22 a reorganization election more frequently than once every two years. THE ELECTION
23 MAY BE HELD ON ANY OF THE ELECTION DATES PROVIDED FOR IN
24 SECTION 16-204. NOTICE OF THE ELECTION SHALL BE GIVEN IN THE
25 MANNER PROVIDED FOR IN SECTION 48-806 FOR BOND ELECTIONS.

26 B. The words appearing on the ballot shall be "reorganize as a fire district
27 administered by (insert elected chief or district board, as specified)--yes", "reorganize as
28 fire district administered by (insert elected chief or district board, as specified)--no". The
29 ballots shall also allow each elector to indicate the elector's choice for elected chief and
30 secretary-treasurer or board members, as appropriate, in the event of reorganization.

31 C. Within fourteen days after the election, the board of supervisors shall meet and
32 canvass the returns and if it is determined that a majority of the votes cast at the election
33 was in favor of reorganizing the fire district, the board shall enter that fact on its minutes,
34 declare the district duly reorganized and announce the names of those elected to the
35 district board or as chief and secretary-treasurer.

36 D. The board of supervisors shall make an order calling an election to decide
37 whether to reorganize a fire district that has a board consisting of three members as a fire
38 district that has a board consisting of five members when a petition containing the
39 signatures of twenty-five per cent of the qualified electors residing within the district and
40 praying that the district be reorganized is filed with the board except the board of
41 supervisors shall not make an order calling for a reorganization election to expand the
42 number of directors on the district board more frequently than once every two years.

43 E. The words appearing on the ballot shall be "reorganize as a fire district
44 administered by a five member board--yes", "reorganize as a fire district administered by
45 a five member board--no". The ballots shall also allow each elector to indicate the
46 elector's choices for two additional board members in the event of reorganization.

1 F. Within fourteen days after the election, the board of supervisors shall meet and canvass
2 the returns, and if it is determined that a majority of the votes cast at the election was in
3 favor of reorganizing the fire district as a district with a five member board, the board
4 shall enter that fact on its minutes, declare the district duly reorganized and announce the
5 names of those elected to the district board.

6
7 48-820. Hearing and election to merge fire districts MERGER OF FIRE
8 DISTRICTS

9 A. ~~The board of supervisors shall make an order calling for a hearing before an
10 election to decide whether to merge fire districts when a petition containing signatures of
11 at least twenty-five per cent of the qualified electors residing within each of the affected
12 districts and proposing the merger is filed with the board or when resolutions requesting
13 the merger have been passed by a two-thirds vote of each of the fire district governing
14 bodies that will be affected by the proposed merger and are filed with the board. The
15 board shall verify the petitions and hold the hearing on the merger in the same manner as
16 provided for in section 48-261 relating to district creation. The board of supervisors shall
17 not make an order calling for an election to merge fire districts more frequently than once
18 every two years. The order shall not be entered until the petitioners have deposited with
19 the board sufficient money, not exceeding four hundred dollars, to defray the expenses of
20 the election, which shall be paid out on the order of the board. If the fire districts are
21 merged, the depositors of the money shall be reimbursed from the fire district fund.
22 Whether or not the districts are merged, the fire districts shall reimburse the counties for
23 the expenses of the election. If the proposed district is located in more than one county,
24 the petition shall be submitted to the board of supervisors of the county in which the
25 majority of the assessed valuation of the proposed district is located. The boards of
26 supervisors of any other counties in which the affected districts are located shall provide
27 information and assistance to the responsible board of supervisors. The petition or
28 resolution shall contain the name and a description of the boundaries of the proposed
29 district and a detailed, accurate map of the area to be included in the district and shall
30 specify that the proposed district will be administered by a district board. No new
31 territory may be included as a result of the merger.~~ TWO OR MORE FIRE DISTRICTS
32 MAY MERGE WHEN THE GOVERNING BODY OF EACH AFFECTED FIRE
33 DISTRICT, BY A THREE-QUARTERS VOTE OF THE MEMBERS OF EACH
34 GOVERNING BODY, ADOPTS A RESOLUTION DECLARING THAT A MERGER
35 BE CONSIDERED AND A PUBLIC HEARING HELD TO DETERMINE IF A
36 MERGER WOULD BE IN THE BEST INTERESTS OF THE DISTRICT AND
37 PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR
38 WELFARE. AS TO EACH DISTRICT ADOPTING SUCH RESOLUTION, THE
39 GOVERNING BODY SHALL MAIL, BY FIRST CLASS MAIL, WRITTEN NOTICE
40 OF THE RESOLUTION, ITS PURPOSE AND NOTICE OF
41 THE DAY, HOUR, AND PLACE OF A HEARING ON THE PROPOSED MERGER
42 TO EACH OWNER OF TAXABLE PROPERTY WITHIN THE BOUNDARIES OF
43 THE DISTRICT. THE NOTICE SHALL CONTAIN THE NAME AND
44 DESCRIPTION OF THE BOUNDARIES OF EACH DISTRICT PROPOSED TO BE
45 MERGED, AND A DETAILED, ACCURATE MAP OF THE AREA TO BE
46 INCLUDED WITHIN A MERGER. NO NEW TERRITORY MAY BE INCLUDED AS

1 A RESULT OF THE MERGER. THE CLERK OF THE GOVERNING BODY SHALL
2 POST NOTICE IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES WITHIN
3 THE DISTRICT, AND SHALL ALSO PUBLISH TWICE IN A DAILY NEWSPAPER
4 OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE DISTRICT IS
5 LOCATED, AT LEAST TEN DAYS BEFORE THE PUBLIC HEARING. THE
6 CLERK OF EACH GOVERNING BODY AFFECTED BY THE PROPOSED MERGER
7 SHALL ALSO MAIL NOTICE AND A COPY OF THE RESOLUTION IN SUPPORT
8 OF THE MERGER TO THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF
9 THE COUNTY OR COUNTIES IN WHICH THE AFFECTED DISTRICTS ARE
10 LOCATED. THE CHAIRMAN OF THE BOARD OF SUPERVISORS SHALL
11 ORDER REVIEW OF THE PROPOSED MERGER AND SHALL SUBMIT WRITTEN
12 COMMENTS TO THE GOVERNING BODY OF EACH FIRE DISTRICT LOCATED
13 WITHIN THAT COUNTY WITHIN TEN DAYS OF RECEIPT OF SAID NOTICE. AT
14 THE HEARING THE GOVERNING BODY OF THE DISTRICT SHALL CONSIDER
15 THE COMMENTS OF THE BOARD OF SUPERVISORS, HEAR THOSE WHO
16 APPEAR FOR OR AGAINST THE PROPOSED MERGER, AND SHALL
17 DETERMINE WHETHER THE PROPOSED MERGER WILL PROMOTE PUBLIC
18 HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF, AFTER
19 THE PUBLIC HEARING, EACH OF THE GOVERNING BODIES OF THE
20 DISTRICTS AFFECTED BY THE PROPOSED MERGER, ADOPT A RESOLUTION,
21 BY A THREE-QUARTERS VOTE, THAT THE MERGER WILL PROMOTE PUBLIC
22 HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE, THEN THE
23 MERGER SHALL BE DEEMED APPROVED.

24 B. ~~The words appearing on the ballot shall be "(insert fire districts' names) merge~~
25 ~~as a fire district—yes" and "(insert fire districts' names) merge as fire district—no."~~ IF
26 THE RESOLUTION FOR MERGER WAS APPROVED BY EACH DISTRICT
27 AFFECTED BY THE MERGER, AFTER PUBLIC HEARING, THE GOVERNING
28 BODY OF THE AFFECTED DISTRICT WITH THE LARGEST POPULATION
29 ACCORDING TO THE MOST RECENT UNITED STATES DECENNIAL CENSUS
30 SHALL, WITHIN THIRTY DAYS, CALL A JOINT MEETING OF THE
31 GOVERNING BODIES OF ALL OF THE AFFECTED DISTRICTS. AT THE JOINT
32 MEETING, A MAJORITY OF THE MEMBERS OF THE GOVERNING BODY OF
33 EACH AFFECTED DISTRICT CONSTITUTES A QUORUM FOR THE PURPOSE OF
34 TRANSACTING BUSINESS. THE MEMBERS OF THE GOVERNING BODY
35 SHALL APPOINT A TOTAL OF FIVE PERSONS FROM THOSE CURRENTLY
36 SERVING ON THE GOVERNING BODIES WHO SHALL COMPLETE THEIR
37 REGULAR TERMS OF OFFICE, EXCEPT THAT NO MORE THAN THREE OF THE
38 PERSONS APPOINTED MAY SERVE TERMS THAT END IN THE SAME YEAR.
39 NO MORE THAN THREE MEMBERS SHALL BE APPOINTED FROM THE SAME
40 FIRE DISTRICT BOARD. THE APPOINTED
41 GOVERNING BODY SHALL IMMEDIATELY MEET AND ORGANIZE ITSELF
42 AND ELECT FROM ITS MEMBERS A CHAIRMAN AND A CLERK. THE
43 APPOINTED BOARD BY RESOLUTION SHALL DECLARE THE DISTRICTS
44 MERGED AND EACH AFFECTED DISTRICT JOINED. THE GOVERNING
45 BOARD BY RESOLUTION SHALL DECLARE THE NAME OF THE NEWLY
46 MERGED FIRE DISTRICT. THE RESOLUTION AND THE NAMES OF THE NEW

1 BOARD MEMBERS FOR THE NEWLY ORGANIZED DISTRICT SHALL BE SENT
2 TO THE BOARD OF SUPERVISORS, AND THE MERGER SHALL BE DEEMED
3 COMPLETED THIRTY DAYS AFTER THE ADOPTION OF THE RESOLUTION.

4 ~~C. Within fourteen days after the election, the board of supervisors shall meet and~~
5 ~~canvass the returns, and if it is determined that a majority of the votes cast at the election~~
6 ~~in each of the affected districts is in favor of merging the fire districts, the board shall~~
7 ~~enter that fact on its minutes.~~

8 ~~D. If the proposal for merger is approved as provided by subsection C of this~~
9 ~~section, the governing body of the affected district with the largest population according~~
10 ~~to the most recent United States decennial census shall call a joint meeting of the~~
11 ~~governing bodies of the affected districts.~~

12 ~~E. At the joint meeting, a majority of the members of the governing body of each~~
13 ~~affected district constitutes a quorum for the transaction of business. The members of the~~
14 ~~governing bodies shall appoint a total of five persons from those currently serving on the~~
15 ~~governing bodies who shall complete their regular terms of office, except that no more~~
16 ~~than three of the persons appointed may serve terms that end in the same year. The~~
17 ~~appointed board shall immediately meet and organize itself and elect from its members a~~
18 ~~chairman and a clerk. No more than three members shall be appointed from the same fire~~
19 ~~district board. The appointed board by resolution shall declare the districts merged and~~
20 ~~each affected district joined. The resolution and the names of the newly organized board~~
21 ~~members shall be sent to the board of supervisors within thirty days of organization.~~
22 ~~From the date of the adoption of the resolution of merger by the appointed board, the~~
23 ~~merger is complete.~~

24
25 Section 3. Title 48, chapter 5, article 1, Arizona Revised Statutes is amended by
26 adding section 48-822, to read:

27 48-822. CONSOLIDATION OF FIRE DISTRICTS

28 A. A FIRE DISTRICT MAY CONSOLIDATE WITH ONE OR MORE OTHER
29 FIRE DISTRICTS FORMED PURSUANT TO SECTION 48-261 AS FOLLOWS:

30 1. A RESOLUTION REQUESTING THE CONSOLIDATION OF ONE FIRE
31 DISTRICT IS PASSED BY A MAJORITY VOTE OF THE GOVERNING BODY
32 REQUESTING CONSOLIDATION INTO ANOTHER FIRE DISTRICT. THE
33 REQUESTING DISTRICT SHALL MAIL, BY FIRST CLASS MAIL, THE NOTICE
34 OF REQUEST TO CONSOLIDATE DISTRICTS TO THE FIRE DISTRICT IN
35 WHICH THE CONSOLIDATION IS REQUESTED.

36 2. UPON RECEIPT OF THE RESOLUTION REQUESTING
37 CONSOLIDATION, AND UPON APPROVAL BY MAJORITY VOTE OF THE
38 GOVERNING BODY RECEIVING THE REQUEST, THE FIRE DISTRICTS, BY
39 MUTUAL AGREEMENT,
40 SHALL PREPARE A CONSOLIDATION IMPACT STATEMENT WHICH
41 INCLUDES THE FOLLOWING:

42 a. A LEGAL DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED
43 CONSOLIDATED DISTRICT AND A DETAILED, ACCURATE MAP OF THE
44 AREA TO BE INCLUDED WITHIN THE CONSOLIDATED DISTRICT. NO NEW

1 TERRITORY MAY BE INCLUDED AS A RESULT OF A DISTRICT
2 CONSOLIDATION.

3 b. AN ESTIMATE OF THE ASSESSED VALUATION WITHIN THE
4 PROPOSED CONSOLIDATED DISTRICT.

5 c. AN ESTIMATE OF THE CHANGE IN THE PROPERTY TAX LIABILITY
6 OF A TYPICAL RESIDENT OF THE PROPOSED CONSOLIDATED DISTRICT AS
7 A RESULT OF THE PROPOSED CONSOLIDATED DISTRICT.

8 d. A LIST AND EXPLANATION OF BENEFITS THAT WILL RESULT
9 FROM THE PROPOSED CONSOLIDATED DISTRICT.

10 e. A LIST AND EXPLANATION OF THE INJURIES THAT WILL RESULT
11 FROM THE PROPOSED CONSOLIDATED DISTRICT.

12 3. UPON COMPLETION OF THE CONSOLIDATION IMPACT
13 STATEMENT, THE GOVERNING BODY OF EACH FIRE DISTRICT SHALL SET A
14 DAY, NOT FEWER THAN SIXTY NOR MORE THAN NINETY DAYS FROM
15 THAT DATE, FOR A HEARING ON THE IMPACT STATEMENT. THE DISTRICT
16 GOVERNING BODIES MAY, AT ANY TIME PRIOR TO MAKING A
17 DETERMINATION PURSUANT TO PARAGRAPH 4 OF THIS SUBSECTION,
18 REQUIRE THAT THE IMPACT STATEMENT BE AMENDED TO INCLUDE ANY
19 INFORMATION THAT THE BOARD DEEMS TO BE RELEVANT AND
20 NECESSARY.

21 4. UPON SETTING THE DATE FOR HEARING ON THE CONSOLIDATED
22 DISTRICT IMPACT STATEMENT, THE CLERK OF EACH GOVERNING BODY
23 SHALL MAIL, BY FIRST CLASS MAIL, WRITTEN NOTICE OF THE
24 STATEMENT,
25 ITS PURPOSE AND NOTICE OF THE DAY, HOUR AND PLACE OF THE
26 HEARING ON THE PROPOSED CONSOLIDATED DISTRICT TO EACH OWNER
27 OF TAXABLE PROPERTY WITHIN THE BOUNDARIES OF THE RESPECTIVE
28 FIRE DISTRICTS. THE CLERK OF EACH GOVERNING BODY SHALL POST THE
29 NOTICE IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES WITHIN THE
30 RESPECTIVE DISTRICT AND SHALL PUBLISH TWICE IN A DAILY
31 NEWSPAPER OF GENERAL CIRCULATION IN THE AREA OF THE PROPOSED
32 CONSOLIDATED DISTRICT, AT LEAST TEN DAYS BEFORE THE HEARING.

33 5. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 3 OF THIS
34 SUBSECTION, THE GOVERNING BODY SHALL HEAR THOSE WHO APPEAR
35 FOR AND AGAINST THE PROPOSED CONSOLIDATED DISTRICT AND SHALL
36 DETERMINE WHETHER THE CREATION OF THE DISTRICT WILL PROMOTE
37 PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF
38 THE GOVERNING BODY OF EACH DISTRICT DETERMINES THAT THE PUBLIC
39 HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE WILL BE
40 PROMOTED, IT SHALL APPROVE THE CONSOLIDATED DISTRICT IMPACT
41 STATEMENT.

42 6. WITHIN FIFTEEN DAYS AFTER THE APPROVAL OF THE BOARD AS
43 PRESCRIBED BY PARAGRAPH 5 OF THIS SUBSECTION, THE CLERK OF THE

1 BOARD OF THE DISTRICT REQUESTING CONSOLIDATION SHALL MAIL, BY
2 FIRST CLASS MAIL, NOTICE OF SAID APPROVAL TO THE FIRE DISTRICT IN
3 WHICH THE CONSOLIDATION IS REQUESTED.

4 7. AFTER RECEIVING THE APPROVAL OF THE REQUESTING
5 GOVERNING BODY TO CONSOLIDATE DISTRICTS AS PROVIDED IN
6 PARAGRAPH 6 OF THIS SUBSECTION, THE GOVERNING BODY OF THE
7 DISTRICT INTO WHICH CONSOLIDATION WAS REQUESTED SHALL SET A
8 DAY, NOT FEWER THAN THIRTY NOR MORE THAN SIXTY DAYS FROM THAT
9 DATE, FOR A HEARING ON THE CONSOLIDATION OF THE DISTRICTS.

10 8. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 7 OF THIS
11 SUBSECTION, THE GOVERNING BODY SHALL DETERMINE IF THE
12 CREATION OF THE CONSOLIDATED DISTRICT WILL PROMOTE PUBLIC
13 HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF THE
14 GOVERNING BODY OF THE DISTRICT DETERMINES THAT THE PUBLIC
15 HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE WILL BE
16 PROMOTED, IT SHALL BY RESOLUTION DECLARE THE DISTRICTS
17 CONSOLIDATED AND EACH AFFECTED DISTRICT JOINED.

18 9. THE GOVERNING BODY SHALL ENTER ITS ORDER SETTING FORTH
19 ITS DETERMINATION IN THE MINUTES OF THE MEETING, NOT LATER THAN
20 TEN DAYS FROM THE DAY OF THE HEARING AND A COPY OF THE ORDER
21 SHALL BE FILED IN THE COUNTY RECORDER'S OFFICE.

22 10. THE ORDER OF THE GOVERNING BODY SHALL BE FINAL, AND
23 THE PROPOSED CONSOLIDATED DISTRICT SHALL BE CREATED TEN DAYS
24 AFTER THE GOVERNING BODY VOTES TO CREATE THE CONSOLIDATED
25 DISTRICT.

26 11. THOSE PERSONS CURRENTLY SERVING AS THE GOVERNING
27 BODY OF THE DISTRICT INTO WHICH CONSOLIDATION WAS REQUESTED
28 SHALL SERVE AS THE GOVERNING BODY OF THE NEWLY CONSOLIDATED
29 DISTRICT AND COMPLETE THEIR REGULAR TERMS OF OFFICE. THE NEWLY
30 CONSOLIDATED DISTRICT GOVERNING BODY SHALL CONSIST OF NO LESS
31 THAN FIVE MEMBERS.

32 12. IF THE CONSOLIDATION RESULTS IN A NEW DISTRICT
33 POPULATION THAT IS GREATER THAN 50,000 BASED ON THE MOST RECENT
34 CENSUS, THE NEW GOVERNING BOARD MAY APPOINT AN ADDITIONAL
35 TWO MEMBERS TO SERVE UNTIL THE NEXT GENERAL ELECTION AT
36 WHICH TIME BASED ON TOTAL VOTES, THE NEWLY ELECTED MEMBER
37 WITH THE HIGHEST NUMBER OF VOTES WILL SERVE A FOUR YEAR TERM
38 AND THE OTHER MEMBER WILL SERVE A TWO-YEAR TERM. THEREAFTER,
39 THESE TWO NEW MEMBERS WILL THEN SERVE ON THE REGULAR FOUR-
40 YEAR CYCLE AS THE PREVIOUS FIVE MEMBERS.

41 13. THE GOVERNING BODY BY RESOLUTION SHALL DECLARE THE
42 NAME OF THE NEWLY CONSOLIDATED FIRE DISTRICT.

1 14. THE GOVERNING BODY OF A NEWLY CONSOLIDATED FIRE
2 DISTRICT, WHOSE COMBINED POPULATION ACCORDING TO THE MOST
3 RECENT UNITED STATES DECENNIAL CENSUS WILL EXCEED 50,000
4 PERSONS, MAY BY RESOLUTION DECLARE THE NAME OF THE NEWLY
5 CONSOLIDATED FIRE DISTRICT TO INCLUDE WITHIN THE NAME THE TITLE
6 OF FIRE AUTHORITY.

7 15. A DECISION OF THE GOVERNING BODY UNDER THIS SUBSECTION
8 IS SUBJECT TO JUDICIAL REVIEW UNDER TITLE 12, CHAPTER 7, ARTICLE 6.

9 16. IF A PROPOSED CONSOLIDATED DISTRICT WOULD INCLUDE
10 PROPERTY LOCATED WITHIN AN INCORPORATED CITY OR TOWN, IN
11 ADDITION TO THE OTHER REQUIREMENTS OF THIS SECTION, THE
12 GOVERNING BODY SHALL APPROVE THE CREATION OF THE
13 CONSOLIDATED DISTRICT ONLY IF THE GOVERNING BODY OF THE CITY
14 OR TOWN HAS BY ORDINANCE OR RESOLUTION ENDORSED SUCH
15 CREATION.
16

ATTACHMENT B

Arizona Urban Fire District Alliance

Fire Districts - Title 48 Project

The Title 48 Project is a legislative proposal initiated by the members of the Arizona Urban Fire District Alliance (AUFDA) to update Arizona law pertaining to fire districts.

AUFDA, in conjunction with representatives of the Arizona Fire District Association (AFDA) have authored the proposed legislative package. The intent of the Title 48 Project is to produce a comprehensive set of fire district law, which will effectively deal with fire and emergency medical service (EMS) delivery issues in Arizona's growing sub-urban and rural environments.

The Title 48 Project has two primary objectives:

1. Improve overall fire district efficiency, effectiveness and service delivery ability by updating current statutes.
2. Enhance fire district governance and administrative capabilities to facilitate better public policy, thereby improving life safety and property protection services.

There are 154 fire districts in the State of Arizona. Fire districts range in size from large urban fire districts protecting metro-area communities to small rural agencies. Fire districts provide fire and EMS to 16 of the State's municipalities as-well-as providing a majority of the State's rural-area ambulance services. Much of the current fire district law was enacted twenty-plus years ago and does not adequately address the dynamic and growth fueled environment in which the State's fire districts currently operate.

The Title 48 Project can be separated into three main component areas:

- Fire district formation and annexation (boundary change) issues.
- Fire district governance and election issues.
- Fire district powers and duties.

A summary explanation of the proposed Title 48 Project changes and their benefits are as follows:

ARS §48-261 District Creation

- Amendments coincide with practice of municipalities.
- Fire district creation is through the actions of affected property taxpayer –allows citizens paying the tax to establish the fire district – eliminates electors who are not property owners.

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ARS §48-262 District Boundary Change (annexation)

- Amendments coincide with practice of municipalities.
 - Fixes property tax roles during process to avoid “moving targets”.
 - Will clarify the expenditure of funds to administer the process.
-
- Eliminates the county board of supervisors from the appellate process.
Collaterally this:
 - Improves appellate process expediency.
 - Appellate process coincides with municipal practice (ARS§9-471 c)
 - Burden must be established by the petitioner.
 - Clarifies the definition of contiguous to coincide with Arizona Attorney General Opinion.
 - Facilitates efficient boundary change process in conjunction with city or town annexation for those districts that provide services to cities or towns.

ARS §48-263 District Impact Statement

- Proposed amendments coincide with practice of municipalities.
- Eliminates qualified elector requirement to coincide with ARS §48-262 changes – provides property taxpayer with decision authority to implement and pay property taxes.

ARS §48-265 Petitions / Verifications

- Eliminates qualified elector requirement to coincide with ARS §48-262 changes.

ARS §48-266 Property Owner Petitions

- Delineates petition format to be used thereby eliminating appeals based upon petition format.

ARS §48-803 District Boards

- Provides option to expand district boards to seven (7) members when population exceeds 50,000.

ARS §48-805 Powers and Duties

- Requires district to provide fire protection services.
- Addresses employee fingerprinting issues.
- Allows for alternate nationally recognized fire code adoption and enforcement.

Arizona Urban Fire District Alliance

- Allows establishment of fee schedules within district and outside of district boundaries.
 - Allows for incentives for installation of fixed fire protection equipment.
 - Allows district name change by 4/5 governing board vote, eliminating election requirement.
-

ARS §48-806 District General Obligation Bonds

- Addresses electronic voting standards.

ARS §48-812 Disposition of Assets

- Provides enhanced district employee protection when municipal annexation occurs.

ARS §48-814 Reimbursement for Costs

- Amendments coincide with municipal practices (Title §9-500.20)
- Addresses reimbursement for fire and EMS when providing services outside of fire district boundaries.

ARS §48-820 District Mergers

- Complete rewrite of fire district merger statute.
- Election requirement eliminated – based upon governing board votes of the affected districts and public notification and hearing process.
- Provides for expedient and efficient merger of fire districts, eliminates election costs, combine district administrative functions, take advantage of economies of scale in delivering fire and EMS services.

ARS §48-822 District Consolidation (New Statute)

- New legislation proposed to facilitate combining / consolidating of fire districts within adjacent areas.
- Allows a fire district to “consolidate” into another district with all territory and assets assumed by the other district and governing board.
- Requires approval of both governing boards to enter the process, requires property owner notice, public notice and public hearing process.
- Provides for expedient and efficient joining of fire districts, eliminates election costs, combine district administrative functions, take advantage of economies of scale in delivering fire and EMS services.

Arizona Urban Fire District Alliance

Transaction Privilege Tax (TPT) Proposal (New Statute)

- New legislation proposed to eliminate the TPT for fire apparatus purchases.
 - Applies to government and non-profit entities.
-
- Estimated fiscal impact of \$5M to \$7M loss in TPT revenues for State of Arizona.
 - Fire apparatus GVW to exceed 17,000 lbs. (example: F-550 truck or larger).

ATTACHMENT C

Senate Research

ARIZONA STATE LEGISLATURE
Forty-seventh Legislature – First Regular Session

**JOINT LEGISLATIVE AD HOC COMMITTEE
ON FIRE DISTRICTS**

Minutes of Meeting
Monday, December 5, 2005
Senate Hearing Room 109 -- 1:00 p.m.

Cochair Senator Tim Bee called the meeting to order at 1:07 p.m. and attendance was noted by the secretary.

Members Present

Senator Marsha Arzberger
Senator Jake Flake
Kevin Adam
Glen Brown
Mary Dalton
John Fink
Jan Hauk
Senator Tim Bee, Cochair

Representative Manuel Alvarez
Tom Healy
Pat Jacobs
Ben Owens
Jennifer Schuldt
Craig Sullivan
Nicole Stickler
Representative Ted Carpenter, Cochair

Members Absent

Representative Lucy Mason

Jim Sebert

Speakers Present

Nadine Sapien, Government Committee Analyst
Chief Jan Hauk, President, Arizona Fire District Association
Chief John Flynn, Apache Fire District

Cochair Bee thanked everyone for coming and asked the members of the Committee to introduce themselves.

John Fink, Fire Chief with Golder Ranch Fire District on the north side of Tucson
Craig Sullivan, County Supervisors Association
Jan Hauk, Chief, Buckeye Valley Fire District and President of the AZ Fire District Association
Pat Jacobs with the Northwest Fire District in Pima County
Jennifer Schuldt with Arizona Tax Research Association
Kevin Adam with the League of Arizona Cities and Towns
Glen Brown, Fire Chief with the Mayer Fire District in Yavapai County
Mary Dalton with Central Yavapai Fire District

Ben Owens, Chief of Show Low Fire District, Navajo County
Representative Manny Alvarez representing District 25
Nicole Stickler with the Arizona Association of Counties
Tom Healy, Daisy Mountain Fire District, Fire Chief and Vice-President, Fire District
Association
Marsha Arzberger, Senator , District 25
Tim Bee, Senator, District 30

Overview of Committee Charge

Nadine Sapien, Senate Government Committee Analyst, reported that the purpose of this Committee is to examine current statutes governing the authority and oversight of the existing rural fire districts, the authority and oversight of large career fire districts and statutes governing the creation of new fire districts. The Committee is required to submit a report on its findings and recommendations for legislative action to the Governor, the President of the Senate and the Speaker of the House by December 15th.

Presentations

Jan Hauk, President of the Arizona Fire Districts Association, explained that fire districts are for those areas where there is not any municipal, city or town fire protection, though usually there is a county sheriff or a county police type of protection. A long time ago, this lack of fire protection was solved by forming political subdivisions know as fire districts. These were usually formed out in the rural areas of the State where there was no other fire protection available. She reported that the Buckeye Valley Fire District was formed in 1949. Ms. Hauk expressed the belief that the fire district is a very efficient form of local government wherein the citizens of the area decide that they want fire protection and what price they are willing to pay for it in the form of a tax levy. The citizens are the local elected officials and have the authority to run the fire district. This is all done based on Title 48, ARS. She said she likes to define the fire district as a single focus, a single service, with a single tax.

Ms. Hauk referred to the maps that were handed out (Attachment 1) and a tri-fold (Attachment 2) and remarked that these show the fire districts covering a vast majority of the State of Arizona. If it were not for these fire districts there would be no fire protection and no EMS in these areas for residents and the many tourists traveling through fire districts throughout the State of Arizona.

She pointed out that on the tri-fold that was handed out are statistics as of December of 2004, showing the number of fire districts that are members of AFDA; and it gives you a visual as to the square miles covered, the number of citizens served and the number of responses, fire and medical, together with a financial report and shows the number of personnel, full time and volunteer.

Ms. Hauk observed that with the rampant growth there has been in Arizona not only in the metropolitan areas but in areas that now are becoming metropolitan, it can be seen that the laws need to address not only small rural volunteer fire districts, but also medium fire districts with part paid and part volunteer personnel; and those considered the large urban suburban fire districts. She said the laws need to be efficient, have good oversight and regulation and actually

contain business realities that will help the district provide the best service possible with the tax dollar. She mentioned that the handout "Fire Districts – Title 48 Project" (Attachment 3) is a document of consensus showing all the fire districts and their proposals.

Chief John Flynn, Apache Fire District, referring to Attachment 3), reported that the Title 48 Project basically has two primary objectives: 1) to improve the overall fire district's efficiency, effectiveness and service delivery ability by updating current statutes; and 2) to enhance fire districts governance capabilities to better facilitate public policy thereby improving life safety and property protection services. The Title 48 Project is basically broken into three main component areas: 1) fire district formation annexation, which is a majority of the proposed bill amendments; 2) fire district governance and election issues and 3) fire district powers and duties.

Senator Flake asked what the County Supervisor Association thinks about being eliminated from the appeals process. Mr. Flynn reported that in their initial contact with the County Supervisors Association they did not seem to have a problem. Mr. Sullivan advised that the County Superiors Association has looked at the provision and that no specific alarms have been raised; but that the whole proposal still remains on review.

Mr. Flynn reported that all the various stakeholders were initially addressed with the preliminary information and did not have any issues with it; now that it is going forward there may be some issue after they have had a chance to study it further.

Senator Arzberger asked where appeals would go if the Association of County Supervisors is eliminated in the process of appeals; Mr. Flynn answered that it would go to the Superior Court and that this procedure coincides with municipal practice.

Mr. Flynn read each of the proposals as set out in "Fire Districts – Title 48 Project." (Attachment 3), elaborating and answering questions. The proposed sections to be amended are as follows: 48-261, 48-263; 48-265; 48-266; 48-803; 48-805; 48-806; 48-812; 48-814; 48-820; 48-822 and the proposed new statute, Transaction Privilege Tax (TPT).

Representative Carpenter asked that with the elimination of the election cost who would bear the cost of notifying the property owners and that type of thing? Mr. Flynn answered that the Fire District assumes the cost.

Mr. Adam asked, in regard to the TPT exemption, if it would carry over to local transaction privilege tax as well. Mr. Flynn answered that it would. Mr. Adam continued to say that historically in fire districts and municipalities, as an area urbanizes and population increases, there is nervous tension as cities change their borders. Fire districts need to expand and he commended the districts for putting legislation together; particularly on the election side and on the operation side which are very compatible with the needs at the municipal level. He further stated that the one area dealing with the TPT, is where if mandated statewide in every city and town, that the League of Cities and Towns would take issue with that sort of uniform mandate being passed down to them.

Mr. Flynn stated that this was understandable; he added that he thinks the city of Phoenix on the local level would bear the brunt of any lost Transaction Privilege Tax (TPT) from the municipal standpoint because all the large apparatus dealerships where TPT is paid are located in the city.

Mr. Adams concurred; he said that the League would want clearly at a minimum to consult Phoenix as to their position so they have the opportunity to make any adjustments through the municipal tax code commission prior to that occurring.

Cochair Carpenter asked what would happen if a fire district did not want to be consolidated into another fire district. What if it were a takeover type situation? Is there a right of refusal? Mr. Flynn replied that it would not be allowed. It would require agreement from both districts. Cochair Carpenter further asked what would happen if there were some unseen expenses or problems, how would that party back out of it? At what point could they back out? Mr. Flynn responded that there is a fairly extensive notice and hearing process. During that process one or the other district would investigate and could withdraw at any time.

Cochair Carpenter also inquired about transparency of encumbrances in fire districts, eg., a district that has overvalued property. When is the point of no return? Mr. Flynn responded that it would be post public hearing and the vote of the boards. Every district over 1/2 million is audited and these audits are public. Cochair Carpenter asked who provides the audits, Mr. Flynn responded that a CPA firm is paid to do it.

With no further speakers Cochair Bee suggested that there were several options besides the report that must be completed by December 15th. He said they could entertain a motion to forward the recommendation to the body in the form of a bill; that it could be done with all the provisions or if there are provisions that need to be discussed they need not be included in the motion or the committee can spend more time to study it and come back for another committee meeting before December 15.

Senator Arzberger said it seemed more discussion was needed on TPT. and asked if it would be possible to recommend most of the provisions with a promise to further study the section on TPT. Cochair Bee agreed that TPT is one point of disagreement and her suggestion could be done.

Ms. Schuldt mentioned one issue she has is the election process of the merging districts and said that she would like some time to study that more and report back to the Committee.

Ms. Stickler reported that the Arizona Recorders would be interested in the election provisions as well and the formatting of the ballot and the language. She said another meeting would not be necessary and she would be comfortable in moving the recommendation forward with the Committee's understanding of the concerns she mentioned.

Senator Flake said he would like to know how comfortable the Arizona Association of Counties (AACo), the County Supervisors Association (CSA) and the League of Arizona Cities and Towns are with these provisions. Senator Flake said he did not see any strong red flags, but he would defer any concerns he has to these three organizations as they are the ones who have to

work most closely together. He then asked if these organizations had any need of further discussion or were ready to vote.

Mr. Adams said that he thinks overall what is being proposed is very compatible with municipal needs and concerns and except for the TPT exemption they are comfortable in pursuing the rest of the legislation.

Mr. Sullivan reported that they have reviewed the language, have submitted it to all the counties and have received some initial comments. He said in an association you always want to be sure that everyone agrees and therefore he would like to have a final vote on their position though he does not see any red flags. They are meeting in the next week and a half and can then finalize their position. Mr. Sullivan does not think it is necessary to meet again on this; however the League is not ready today to put a stamp on it simply because they have not gotten to the final step in their process of putting a vote in the affirmative.

Ms. Strickler with the Arizona Association of Counties said they are somewhat between the League and the County Superiors Association on this particular package. Our members' concern is mostly making sure that it is in step with the Helping America Vote Act as well as some of the other provisions that are being proposed by the Recorders and the Secretary of State. With regard to a recommendation today, she would be comfortable in moving the package forward with the understanding that if her County Recorders at some point have a question or suggestion in the language as a technical change, they would reserve the right to bring it forward at that time.

Senator Flake said he believes he is getting a sense that the committee would be willing to move ahead with the recommendation perhaps excluding the portion regarding the TPT exemption. Senator Arzberger said she thought he would like to see it left out. The comment in the motion indicates this provision needs further study. Senator Bee reminded everyone that certainly this is not the final draft of legislation coming out of this Committee; that it is more of a recommendation to the body and is a foundation of the legislation to be introduced.

Cochair Carpenter moved that the Committee recommend to the Legislature the proposed introduction of the bill amending Title 48, chapter 1, article 10, Arizona Revised Statutes (Attachments 3 and 4) with the commitment to further review the Transaction Privilege Tax (TPT) exemption together with one or two other items about which committee members have concerns. The motion carried by a voice vote.

Without objection, the meeting adjourned at 2:45 p.m.



Pat Hudock, Committee Secretary
December 18, 2005

(Original minutes, attachments and tape are on file in the Office of the Chief Clerk.)